

## Frankly Speaking ...

Frank Hellier, CEO of Malcolms Real Estate, comments on today's property market.



### Steady Prices & Improved Affordability

It pays to look between the lines of media reports and consult a property expert in your area about your individual situation. Data recently released by the REIV showed a steady December 2011 quarter, despite much talk to the contrary. Metropolitan Melbourne's median house price actually increased by 1.9% from \$540k to \$550k.

The performance of the unit and apartment market mirrored that of houses, with the median price increasing by 1.1% to \$455,000. The property market in regional Victoria also experienced growth, with prices increasing by 0.8% to \$312,500.

It also pays to look between the lines of statistics. A median house price can sometimes be misleading due to the way it's calculated. For instance, while the last quarter showed growth of 1.9%, prices softened in some areas, while other suburbs in the catchment area enjoyed strong growth of almost 15% in some instances!

Generally more affordable prices, however, rate reductions and expectations of more cuts have stimulated the market in some areas. Buyer inquiry has increased since late 2011, with many keen to secure property at currently attractive prices. Good quality homes, particularly those priced to meet the market, are selling, some quite strongly.

First home buyers and investors are well positioned to benefit from improved affordability. Many experts are suggesting buying sooner rather than later, given prices are expected to grow later in the year. Anyone wishing to discuss their current situation and desired outcomes, whether buying, selling or indeed investing, is welcome to contact me directly. **Frank Hellier, CEO Malcolms Real Estate**

## What's On? Local Diary Update

**9 to 12 Feb**

**ISPS Handa Women's Australian Open**  
Royal Melbourne Golf Club  
Black Rock  
(03) 9626 5050  
golfaustralia.org.au

**17 Feb**

**Outdoor Cinema  
10 Things I Hate About You**  
Victory Park  
The Strand, Chelsea 9pm  
(03) 581 4729  
kingston.vic.gov.au

**18 Feb**

**B Fit 4 Shaw Fun Walk  
Frankston to Port  
Melbourne 7am – 7pm**  
0418 394 746  
bfit4shaw.com.au

**18 Feb**

**Bayside Farmers' Market**  
Trey Bit Reserve, Jetty Rd  
Sandringham 8am - 1pm  
(03) 9598 3531  
bayside.vic.gov.au

**3 Mar**

**Kingston Farmers' Market**  
Sir William Fry Reserve  
Highett 8am - 12.30pm  
9581 4735  
kingston.vic.gov.au

**3 Mar** Labour Day Holiday

## Mordialloc By The Bay Food, Music & Wine Festival



Preparations for the highly-anticipated Mordialloc by the Bay Food, Music & Wine Festival are in full swing. The family-friendly festival was a big hit last year, attracting tens of thousands of people. It's on at the Peter Scullin Reserve on the Mordialloc foreshore on March 17<sup>th</sup> and 18<sup>th</sup>. Along with a great variety of fabulous food stalls and cooking demonstrations, the fun community event brings jazz, blues, Latin, swing and more to our beautiful Bayside shores. The line-up, always featuring some very big names, is just about to be released, so keep your eye on the website. There'll also be free dance lessons, carnival rides, children's activities, and more – and entry is just via a \$2 gold coin donation! See the Events Calendar at [www.kingston.vic.gov.au](http://www.kingston.vic.gov.au) or call 9581 4754.

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507 Main Street, MORDIALLOC 9580 7377

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## Invest in the Best Asset Class

With the uncertainty surrounding the European economic situation and instability in the share market, property currently continues to stand out as the best investment. But what about over the long term? Property still makes a better investment.

Residential property has again outperformed all other investments during the past 10 years, before and after tax, according to the annual Russell Investments and Australian Securities Exchange Long-Term Investing Report. Property yielded an annual return of 10.1%, compared with 8.4% for Australian shares. Bonds fared next best, returning 5.8% per cent, while international shares went backwards by an average of 4% per annum.

Property consistently proves to be the best asset class, with bricks and mortar stacking up to be first past the post when it comes to the highest investment returns. Good yields combine with high rental housing demand, increasing population, excellent buying opportunities in today's market, and reduced interest rates. There are some very attractive loans packages currently on offer.

Add too the fact that property can generate very strong capital growth, especially as property prices double on average every seven years. Investors are now perfectly positioned to secure a solid investment that brings both short and long-term returns.

In a cyclical market, lows follow highs and highs follow lows. Thinking about it for too long might have you looking back in hindsight at what might have been.

**Frank Hellier, CEO Malcolms Real Estate**

## Malcolms' Extensive Real Estate Network Spans:

Aspendale  
Aspendale Gardens  
Beaumaris  
Bentleigh  
Bentleigh East  
Black Rock  
Brighton East  
Chelsea  
Cheltenham  
Dingley  
Edithvale  
Hampton  
Hampton East  
Heatherton  
Highett  
McKinnon  
Mentone  
Moorabbin  
Mordialloc  
Oakleigh South  
Ormond  
Parkdale  
Patterson Lakes  
Sandringham

## Win Tickets to Picnic at Hanging Rock



For your chance to win 1 of 2 double passes, valued at \$50 each, see our What's On Pages at:

[www.malcolms.net.au/newsandtips/whats-on.html](http://www.malcolms.net.au/newsandtips/whats-on.html)

## About Malcolms Real Estate

The Real Estate Institute of Victoria (REIV) has expressed appreciation to Frank for his services and involvement over many years. He is past President and Director of the REIV and was highly committed to his services on the board for over 10 years. He is a Fellow of the REIA, a past member of the Estate Agent's Council, an advisory body to the Minister of Consumer Affairs, and is currently Chairman of the REIV's Best Practice Committee.

**Malcolms Launches New, State-of-the-Art Website!** Make your property transaction easier and stress-free; register for email updates on properties of interest and access important, timely information for maximising success.



Your move...

[www.malcolms.net.au](http://www.malcolms.net.au)

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For further information contact Malcolms Real Estate CEO, Frank Hellier on 0418 556 145