

## NEWSLETTER 1 - 2018

### HOW HOT IS THE MARKET GOING TO BE IN 2018?



Traditionally, Melbourne's real estate market reflects the rise and decline of the Sydney market, however Melbourne's property is continuing to increase while Sydney has begun to decline. In the last quarter of 2017, Melbourne's median house price rose by 3.2 per cent, up 11.3 per cent over the year, to \$903,859. We believe that the Melbourne market increase is continuing due to the consumer confidence with the new quoting regulations, the State Government incentives in helping first home buyers afford their first home, and our steady population growth, especially in the outer suburbs and regional areas.

Despite being one of Melbourne's most affluent suburbs, Toorak continues to see extraordinary price growth with 13.81 per cent increase over the last 12 months, while Caulfield, home to the Caulfield Racecourse, Monash University, the glorious Caulfield Park and a vibrant café community far outperformed expectations with a price growth of 16.1 per cent.

At Rodney Morley, we found many buyers who were looking for property in 2017 were unsatisfied with the level of quality properties available. This is a reminder to vendors to make sure that the presentation is paramount when it comes to getting buyer interest in their property, culminating in obtaining the best result for their property. While there is talk about interest rate movement, we don't see it being a big impact on the Caulfield and Toorak markets as buyers are continuing to outnumber sellers. This shortage of property will keep sale prices rising, probably not to the same degree it has risen in the past 12 months, but enough to create competition in the marketplace.



*1 Heymount Place, Toorak*



*1 Hart St, Caulfield North*



*27 Turnbull Ave, Toorak*

## FACT OR FICTION:



Be wary of agencies who have cleverly trained agents with scripts and dialogues declaring that they are the only agency who have:

- A database
- Local knowledge
- First class service

Our advice is to ask:

- Their experience
- Do Directors conduct open for inspections?
- How long are the open for inspections?

At Rodney Morley, we offer you the opportunity to have the person who listed your property attend each and every open for inspection at your property, and not only once or twice a week, but three times – on Saturday, Sunday and Wednesday for 45 minutes (not 30 minutes), to cater for the differing cultural needs in the area and to maximize the accessibility of your home to different buyers.

At Rodney Morley, we have over 10,000 buyers on our database. If you'd like to be on our database, feel free to give us a call, tell us what your property needs are, your urgency to buy and we will endeavour to find the right property for you.



18 Crimea St, Caulfield North



5-7 Henry St, Brighton East



450 Dandenong Rd, Caulfield North



14 Emma St, Caulfield South



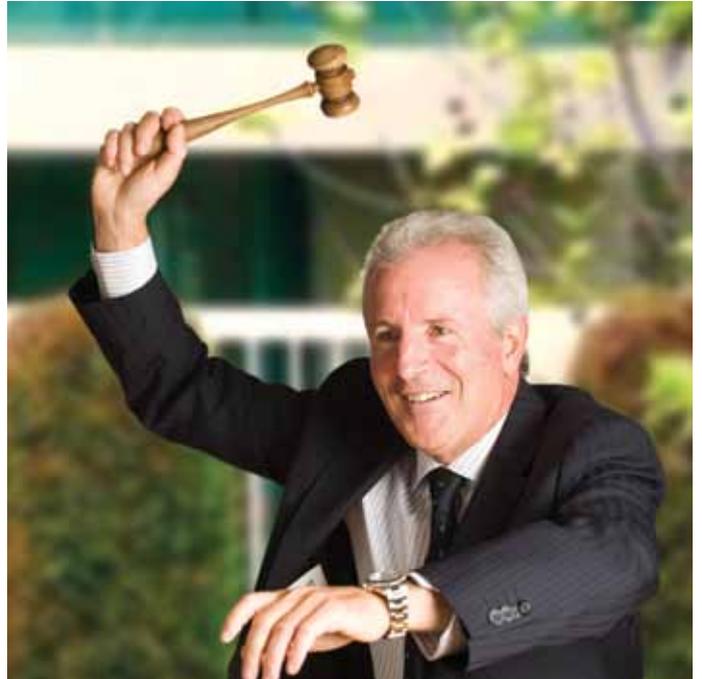
396 Glen Eira Rd, Caulfield

## SPOTLIGHT ON ROCHELLE BUTT



One of the few female directors in Melbourne real estate, Rochelle offers flexibility that most agents don't. At Rodney Morley, we tailor make every campaign to suit the needs of our vendors. We take on our vendors' worries and turn them into joys. A recent experience Rochelle wanted to reflect on was when she went to a listing appointment on the Tuesday night and the vendors were anxious about selling their home, as they were about to go overseas on Saturday. Rochelle promised that she would have the home styled, photos taken, copy written, floorplan drawn and all on the internet by Friday for a Saturday inspection. She delivered everything she promised in a 48-72 hour window, because her team of professionals can be contacted at a moment's notice and Rochelle's eye for quality presentation and knowledge of the marketplace makes her one of the best in the business.

## SPOTLIGHT ON RODNEY MORLEY



Rodney Morley is the doyen of Melbourne real estate. Ever-present in the industry for over 40 years, Rodney is equally associated with both the Caulfield and Toorak offices as he believes both markets complement each other. Toorak clients are constantly looking for family properties for their children, an investment or to downsize into Caulfield to be close to their families, and well-cashed up investors looking around the Cities of Stonnington and Glen Eira for well-placed investments close to transport, universities and schools to maximize their investment dollar. Caulfield buyers see Toorak, Armadale and South Yarra as suburbs to get their children started in a mid-century apartment that will make a solid return. Rodney services all areas of Melbourne and is recognized as one of the few directors who actually opens your home for inspection, getting to know your property throughout the campaign before conducting your auction.



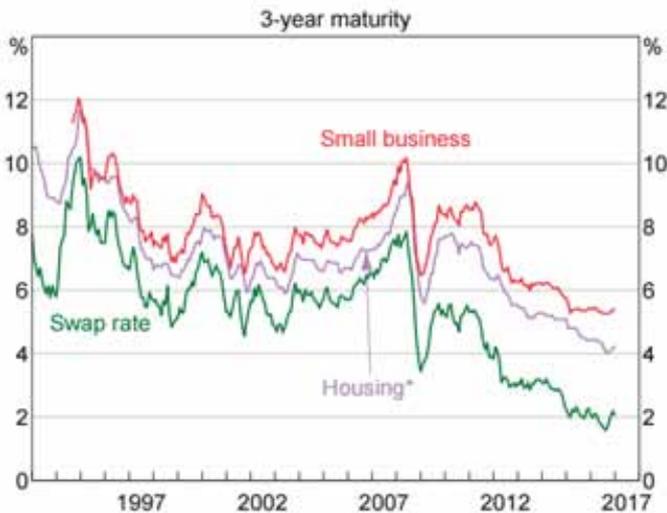
## DON'T PANIC

With banks clamping down on interest-only loans and charging investors higher interest rates than owner-occupiers, investors are doing what they can to maximize their investment dollar in an uncertain market.

The Labor Government is proposing big changes in negative gearing and capital tax laws, but market experts believe that there is one simple reason why the government will never scrap negative gearing: votes. There are 100,000 new people entering the real estate market in Australia each year, and there are 2 million people who own one or more investment properties and any proposed changes to their tax concessions will be harmful to the next Federal Government election campaign. If Labor get elected, they will grandfather all existing properties arrangements, and the new legislation will only apply to new investment purchases.

A paper, based on economic modelling from Melbourne University suggests that 75 per cent of Australian households will benefit if the current negative gearing laws remain. Labor can't argue that changes in negative gearing or capital tax reforms will either have an impact on affordability or house prices, and it's agreed by both parties that any reduction in property prices would be small, making the proposed changes moot.

### Australian Fixed Interest Rates



Sources: Banks' websites; Bloomberg; Canstar Cannex; RBA



Gabor Hubay Renovated Apartments  
From \$880,000

70 Denbigh Rd, Armadale

## EMPLOYEE OF THE MONTH



James Ali-Akil is a rising star at Rodney Morley. James has a great working attitude, constantly striving to learn and go the extra mile. He has a lovely respect and kindness for tenants and landlords, and has the maturity of a Property Manager who has had several years' experience. On the Saturday before Cup Day, James showed a property upon which the prospective tenant wanted to show his wife, but she was only available on the Tuesday (Cup Day). James showed them the property on his day off, culminating with leasing the property for \$1000 per week. The new tenants commended James on his punctuality and his diligence on his day off. James has the full support of Maureen Maserow, the Property Management Director and as a smaller team, they offer 24/7 availability and have a high level of care, resolving issues before they become big emotional and financial concerns.