

abs confirm strong melbourne housing market



Torsten Kasper
Managing Director

The Chief Executive Officer of the Real Estate Institute of Victoria (REIV), Enzo Raimondo, has welcomed the release of the ABS June House Price Index, which confirms that the Melbourne residential property market continues to appreciate in value.

"The ABS index suggests a 5.5 per cent increase in house prices. This is stronger than the results reported by the REIV, which showed a 4.2 per cent increase over the previous 12 months. "The first interest rate increase in May

this year had little or no effect on the volume of transactions and house prices. However, the second rise in August had an affect on first home buyers and families struggling to pay their current mortgage payments.

"Young families and first home buyers are facing an affordability crisis as interest rates increase and appreciation in property prices continue to affect their ability to enter the home market. "It is time that both Federal and State Governments took appropriate and consistent measures to ensure families are able to obtain what we consider to be a fundamental necessity," Mr Raimondo said.



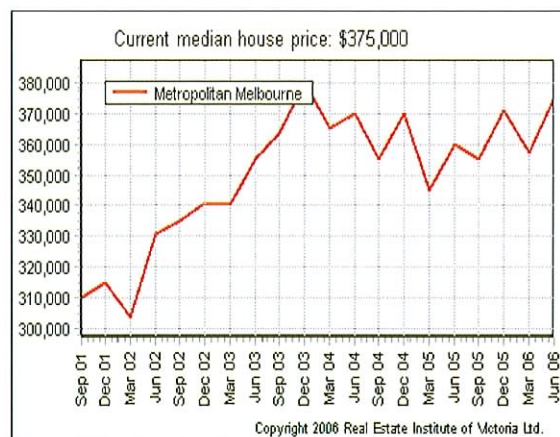
Spring buying season is on, buyers are cashed up and willing.

auction & sales results september 2006

Melbourne's auction market continues to perform with stock levels increasing as we head into the Spring Selling period. A total of \$185.39mil property sold via auction on the weekend September 9th and 10th.

Chisholm & Gamon Property had an impressive 100% success rate on that weekend, ranging from luxury homes to first home buyer apartments.

The industry clearance rate was 72 per cent, up slightly from 69 per cent 12 months ago. Chishom & Gamon Property has retained its history of Bayside's highest clearance rate.



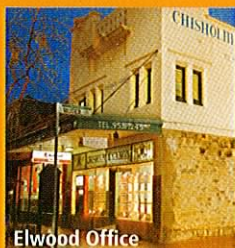
With property prices continuing to increase, it's time the state government looked seriously at reducing stamp duty for all Victorians.

Weekend of September 9/10, 2006:

Sold at Auction:	280
Sold before Auction:	77
Sold after Auction:	32
Passed in:	149
Passed in on vendor's bid:	95
Market clearance rate:	72%
Chisholm & Gamon Property	100%



Age Marketing Award Winner – Copywriting – Best Display & Best Line Ad 2005.



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Port Melbourne Office

melbourne landlords enjoy low vacancy rates

Recently released figures from the REIV show that Melbourne rental vacancies remain at their lowest since March 1998.

REIV CEO Enzo Raimondo said that for the second month the Melbourne wide vacancy rate was a low 1.7 per cent and Regional Victoria also remained steady with a vacancy rate of 2.4 per cent.

Mr Raimondo said "With a second rate rise this year I would expect the market to get even tighter as buyers of more affordable properties may defer property purchases and remain in rental accommodation.

"Within 4 km of the CBD there also appears to be a reduction in supply which may also cause a further tightening in the market. In March this year the vacancy rate within 4km was a low 2.3 per cent, now it's only 1 per cent.

"Our measure of untenanted properties and vacant new properties provides further confirmation of the lack of supply. In March this year 3.1 per cent of properties were untenanted or newly created vacant properties. Now this rate is a low 1.7 per cent.

"This shows that there is very little new supply coming onto the market in places like Docklands, Richmond or Carlton.

"Rental vacancies in the inner city are in high demand, this is good for owners



We have numerous qualified tenants ready to rent your property.

and investors and will make it harder for people looking for rental accommodation.

"There has been a small increase in the vacancy rate in the suburbs between 4 and 10 km from the CBD – suburbs such as Brunswick, Northcote, Newport, Essendon, Elwood and Elsternwick.

"While the low rate is not good news for renters I expect investors should receive better returns," Mr Raimondo concluded.

Our rental department is successfully

sourcing suitable tenants for our landlord's property and we have numerous interested tenants on our books wanting to rent property. For landlord or tenant enquiries or market information, please contact our offices on 9531 1245 or 9646 4444 and one of our property managers will assist you.

Vacancy rate June 2006 MELBOURNE

Inner	(0-4km)	1%
Inner	(4-10km)	2%
Middle	-	1.9%
Outer	-	1.8%

not-so-mobile melburnites

We're a parochial lot, we Melbourne citizens. The statistical evidence is that we have an extraordinarily strong attachment to home territory. Ultimately, this has a bearing on marketing the house or apartment you own.

It might come as a surprise to you that in the five years from 1997 to 2001, for example, a staggering 42 per cent of the city's residents moved from one residence to another.

A study by Victorian Department of Sustainability and Environment proved it.

And four in 10 of those who moved, moved to the same municipality, or one bordering it.

While the precise reasons for this reluctance to break out have never been officially determined, one must

surmise that sheer familiarity with an area and the proximity of old schools, work areas, one's children's schools, family and friends has everything to do with people's geographic choices.

In addition to these influences, geography itself appears to be a primary, not to say primal, factor.

Of late, rocketing property prices have applied pressure on mobile families — especially young ones — to force them out of their stamping grounds, to fringe suburbs.

More affluent younger groups are moving in the opposite direction — as close to the centre of the city (the CBD and Docklands, for example) as they can afford on their high double incomes.

The lesson for us, as real estate agents observing population trends and shifts, is to design a marketing campaign for

your property which focuses as far as is possible on a 10km radius around it.

More and more, we think it will pay to hitch-hike property promotion not on personal prejudices and old information, but on the subtle realities emerging in a complex metropolis.

**Sizzle
into Spring!**

**Call now for a current
sale or rental appraisal
of your property.**

9531 1245

9646 4444