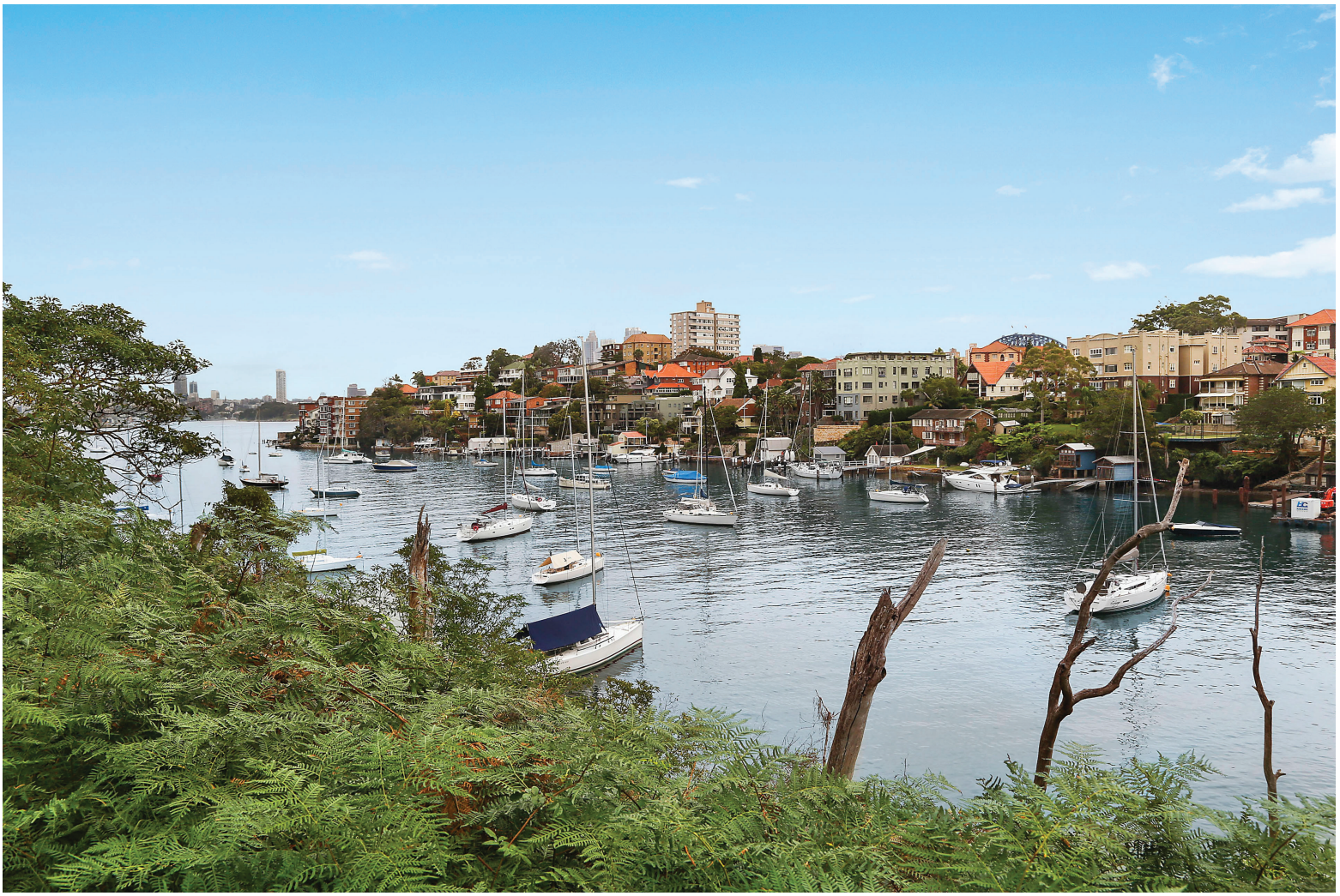
March Quarter 2016 Market Report

Cremorne | 2090



McGrath

IMPORTANT INFORMATION

UPDATED INFORMATION

Information may be subject to change from time to time and updated information can be obtained at any time by contacting Ashton Rowe at info@ashtonrowe.com.au.

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Date compiled 13 July 2015.

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It is particularly important that you consider the risk factors that could affect the financial performance of the property. You should carefully consider these factors in light of your particular needs, objectives and financial circumstances (including financial and taxation issues) and seek professional advice from your own professional advisors.

MARKET OVERVIEW

ASHTON ROWE IS ONE OF AUSTRALIA'S LEADING PROPERTY RESEARCH AND INVESTMENT FIRMS, SPECIALISING IN RESIDENTIAL PROPERTY.

GUIDE:
Read these snippets to interpret the report.

STEP 1: Choose your property market (houses or units).

STEP 2: The top table shows how many properties are changing hands.

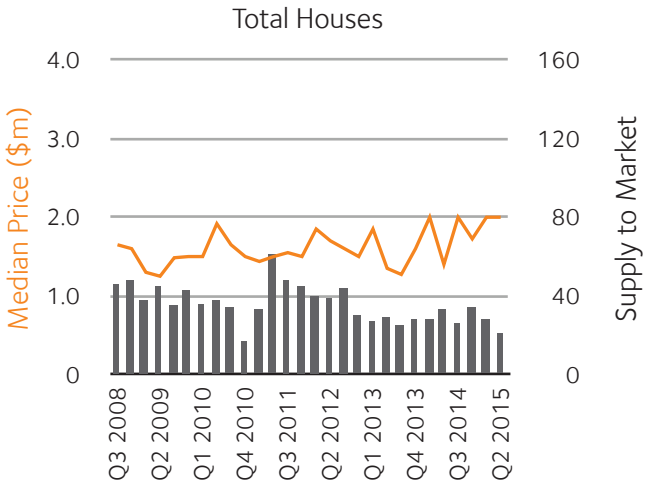
STEP 3: The graph shows the median listing price trends and property on the market historically (supply).

STEP 4: The table next to the graph shows the price groups of properties actually sold in the last quarter.

STEP 5: The bottom table next to the graph shows what the current supply trend is for the market. Less supply when demand is good typically places upward pressure on prices.

TOTAL MARKET	HOUSES	UNITS
PROPERTIES IN SUBURB	1,615	3,197
JUNE QUARTER SALES*	16	44
TURNOVER	0.99%	1.38%

Source:: Australian Bureau of Statistics, Census 2011 and local council dwelling approvals
* 5% margin for error in this figure due to market information being with held.

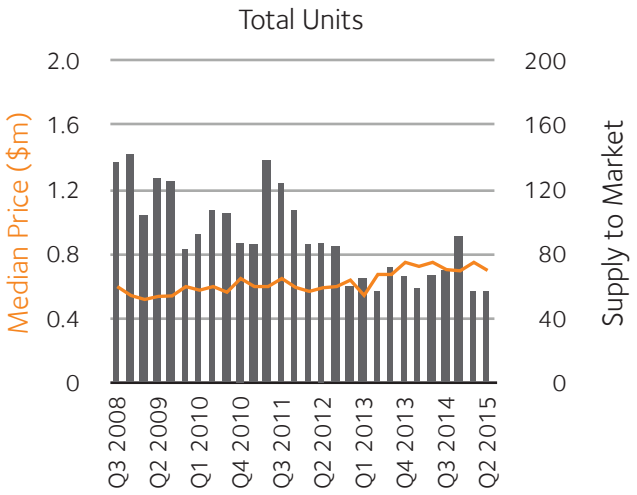


Source: Ashton Rowe Investments, RP Data and Price Finder

QUARTILE	SOLD PRICES
UPPER	$1,650,000
MEDIAN	$1,625,000
LOWER	$1,550,000

SNR = Statistically Not Reliable

Supply to market decreased 25% taking it 41% below the 7 year average.



Source: Ashton Rowe Investments, RP Data and Price Finder

QUARTILE	SOLD PRICES
UPPER	$1,101,250
MEDIAN	$895,000
LOWER	$653,750

SNR = Statistically Not Reliable

Supply to market stayed the same taking it 37% below the 7 year average.

LEARNING:
Turnover is the number of quarterly sales divided by total properties in that market.

Median price is the middle price of all properties after they have been arranged from smallest to highest. It best represents trends and buying patterns NOT capital growth.

Quartiles divide recent sales into four equal groups. 25% of sales are more than the upper quartile. 50% of sales are more than the median and 75% are more than the lower quartile. Finally, 50% of sales are between the upper and lower quartiles. Properties that are priced above the upper quartile are typically more volatile than those priced close to the median.

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MARKET HEALTH

AUCTIONS	HOUSES	UNITS
	JUNE QUARTER	JUNE QUARTER
CLEARANCE RATE	73%	79%
DAYS ON MARKET	50	31
% OF SUPPLY	71%	54%

Source: Ashton Rowe Investments, RP Data and Home price guide
SNR - Statistically Not Reliable

LEARNING:
Auction Clearance Rate is the percentage of houses sold under the hammer or prior to auction. This figure excludes property passed in at auction.

% of Supply is the percentage of property on the market being sold using the auction method and lets you know the relevance of the auction clearance rate. During a period of high demand the number of auctions typically increase.

HOUSES: HIGHEST SALES PRICES IN QUARTER*

ADDRESS	BEDS	BATH	PRICE
33 BENELONG RD, CREMORNE	3	2	$1,800,000
98 YOUNG ST, CREMORNE	3	1	$1,650,000
67 BENELONG RD, CREMORNE	3	2	$1,625,000
59 SUTHERLAND ST, CREMORNE	3	1	$1,550,000
24 PARRAWEEN ST, CREMORNE	2	1	$1,360,000

Source: Ashton Rowe Investments, RP Data and Home price guide
* Excludes undisclosed sales, Quarter to June 2015

UNITS: HIGHEST SALES PRICES IN QUARTER*

ADDRESS	BEDS	BATH	PRICE
1/43 TOBRUK AV, CREMORNE	3	2	$2,950,000
2/241 BEN BOYD RD, CREMORNE	3	2	$1,575,000
2/56 YOUNG ST, CREMORNE	4	2	$1,500,000
8/17 CLAUDE AV, CREMORNE	3	2	$1,480,000
4/2 HAMPDEN AV, CREMORNE	3	2	$1,372,288

Source: Ashton Rowe Investments, RP Data and Home price guide
* Excludes undisclosed sales, Quarter to June 2015

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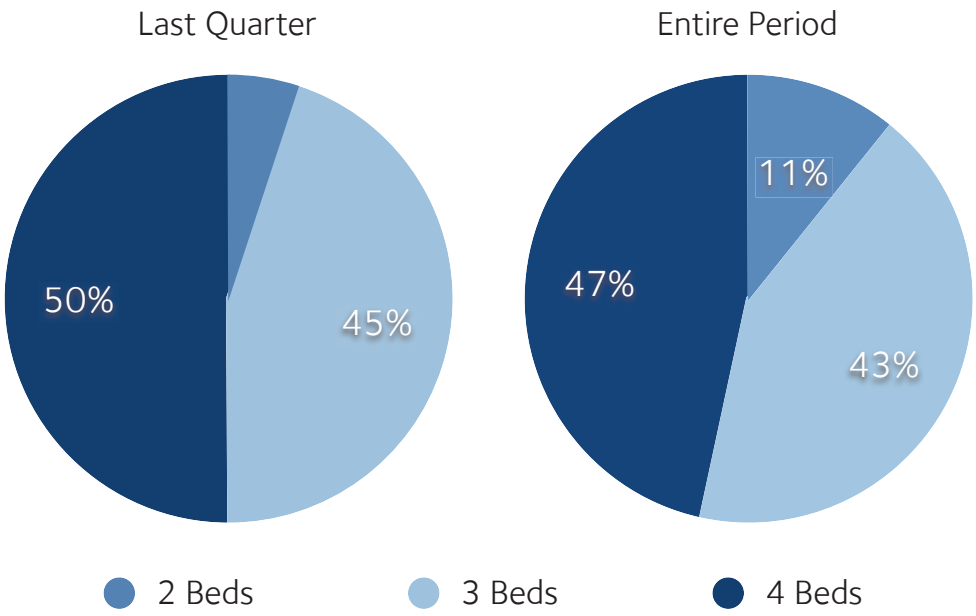
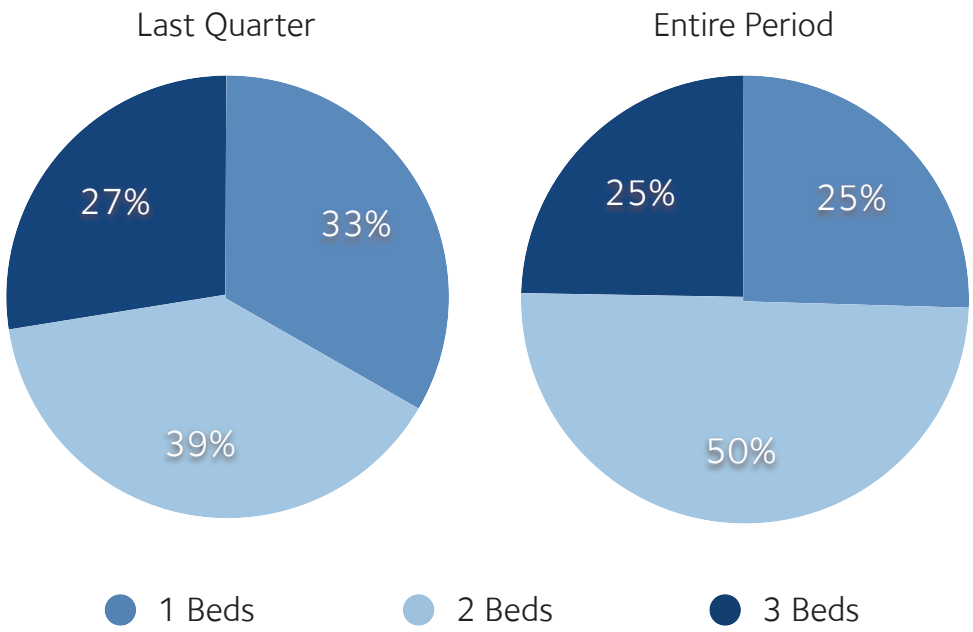
MARKET COMPOSITION

WHICH TYPE OF HOUSES ARE SELLING



Source: Ashton Rowe Investments, RP Data and Price Finder
Note: Segments under 5% are not labelled. Entire Period includes the last 7 years to the current quarter.

WHICH TYPE OF UNITS ARE SELLING



Source: Ashton Rowe Investments, RP Data and Price Finder
Note: Segments under 5% are not labelled. Entire Period includes the last 7 years to the current quarter.

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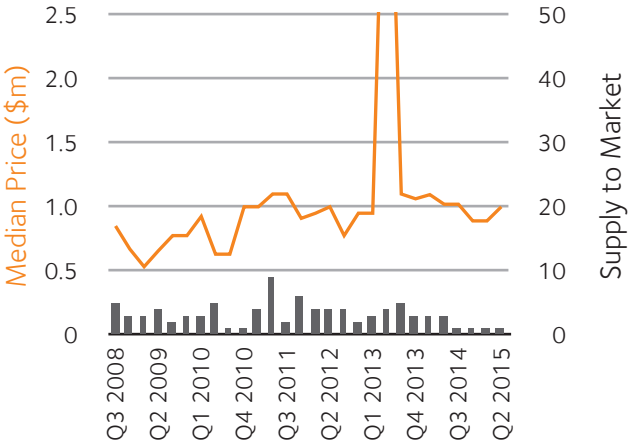
BUYING PATTERNS

NOTE:
Properties in the house market are divided into segments based on the number of bedrooms.

To interpret this page correctly please view instructions in the 'Market Overview' section.

TIP:
When buying to renovate, aim to purchase in the lowest quartile when supply to market is above the long term average.

2 Bedroom House Segment



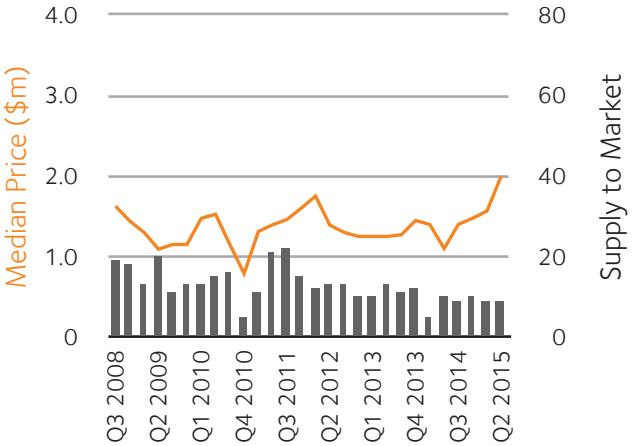
Source: Ashton Rowe Investments, RP Data and Price Finder

QUARTILE	SOLD PRICES
UPPER	SNR
MEDIAN	SNR
LOWER	SNR

SNR = Statistically Not Reliable

Supply to market stayed the same taking it 69% below the 7 year average.

3 Bedroom House Segment



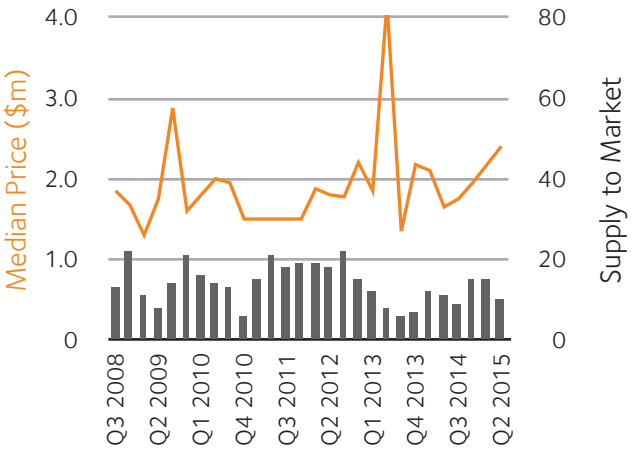
Source: Ashton Rowe Investments, RP Data and Price Finder

QUARTILE	SOLD PRICES
UPPER	$1,687,500
MEDIAN	$1,637,500
LOWER	$1,606,250

SNR = Statistically Not Reliable

Supply to market stayed the same taking it 30% below the 7 year average.

4 Bedroom House Segment



Source: Ashton Rowe Investments, RP Data and Price Finder

QUARTILE	SOLD PRICES
UPPER	SNR
MEDIAN	SNR
LOWER	SNR

SNR = Statistically Not Reliable

Supply to market decreased 33% taking it 28% below the 7 year average.

LEARNING:
Statistically Not Reliable is usually a result of not enough sales occurring to produce meaningful analysis.

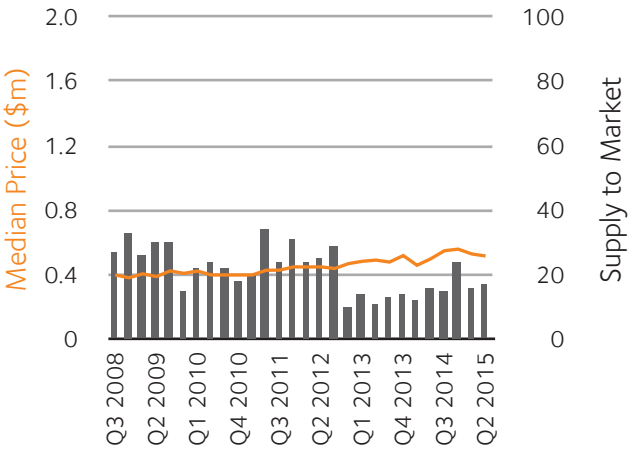
BUYING PATTERNS

NOTE:
Properties in the house market are divided into segments based on the number of bedrooms.

To interpret this page correctly please view instructions in the 'Market Overview' section.

TIP:
When buying to renovate, aim to purchase in the lowest quartile when supply to market is above the long term average.

1 Bedroom Unit Segment



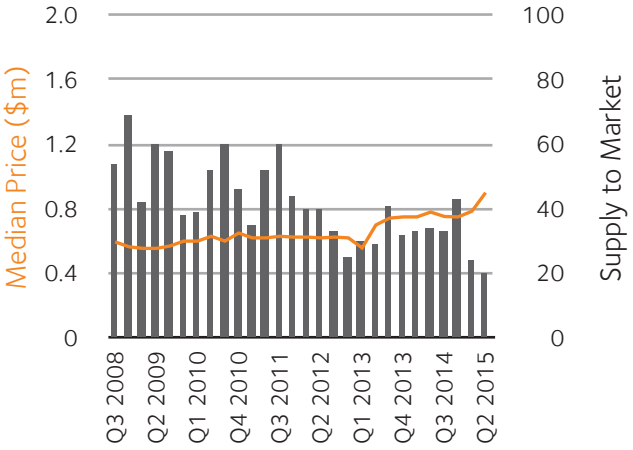
Source: Ashton Rowe Investments, RP Data and Price Finder

QUARTILE	SOLD PRICES
UPPER	$635,000
MEDIAN	$607,500
LOWER	$555,000

SNR = Statistically Not Reliable

Supply to market increased 6% taking it 20% below the 7 year average.

2 Bedroom Unit Segment



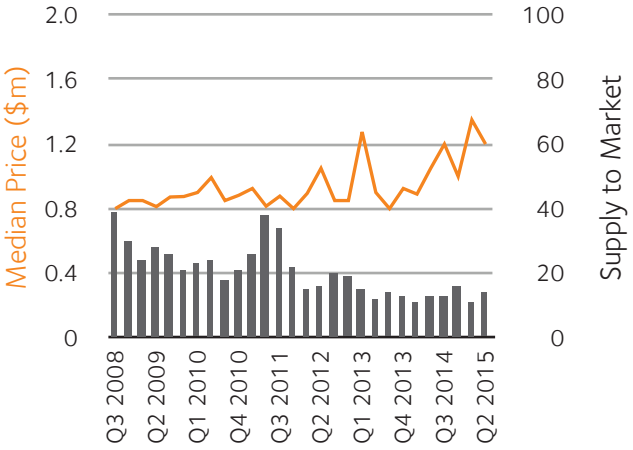
Source: Ashton Rowe Investments, RP Data and Price Finder

QUARTILE	SOLD PRICES
UPPER	$987,500
MEDIAN	$900,000
LOWER	$847,500

SNR = Statistically Not Reliable

Supply to market decreased 17% taking it 52% below the 7 year average.

3 Bedroom Unit Segment



Source: Ashton Rowe Investments, RP Data and Price Finder

QUARTILE	SOLD PRICES
UPPER	$1,503,750
MEDIAN	$1,369,644
LOWER	$1,263,250

SNR = Statistically Not Reliable

Supply to market increased 27% taking it 32% below the 7 year average.

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CAPITAL GROWTH

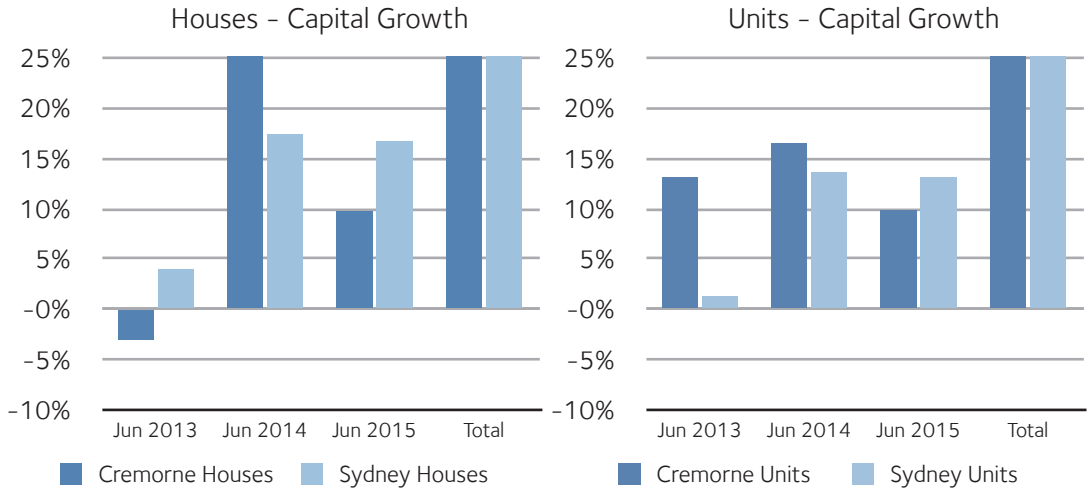
STEP 1:
Choose your property market.

STEP 2:
View the top table to see the medium to long term capital growth of the suburb.

STEP 3:
View the graph to see how the suburb has performed against the wider Sydney region.

SUBURB GROWTH	HOUSES	UNITS
10 YEAR AVERAGE*	5.8%	5.5%
3 YEAR AVERAGE*	10.5%	13.1%
12 MONTHS**	9.7%	9.8%

Source: Ashton Rowe Investments and Residex - Suburb Report June 2015
*Annualised capital growth **Capital growth over the last 12 months



Source: Ashton Rowe Investments and Residex Suburb Report June 2015
*Rolling 12 month periods to quarter end

The Cremorne residential market has underperformed the Sydney metropolitan market by an average of 2.0% each year over the last three years for houses and outperformed by 4.0% per year for units over the same period.

Capital Growth Calculation: In short, the calculation methodology takes "sale pairs" for every property that has at least two sales recorded. These individual property growth rates are then combined into a complete growth rate for the chosen suburb. The development of this methodology won an international actuarial award in 1992. More recently, a paper issued by the Reserve Bank of Australia (Australian House Prices: A Comparison of Hedonic and Repeat-sales Measures, James Hansen, 2006) confirmed this methodology to be superior to those based on simple movements in median price.
For more visit www.ashtonrowe.com.au

Source: Ashton Rowe Investments and Residex

LEARNING:
Previously, the only way to measure a suburb's capital growth was to compare the median sale price of properties sold in one period with the median sale price of properties sold in the next period. This however is plagued with problems. To explain, if in one quarter there were many property sales at the lower end of the market and in the next quarter, there were more sales at the high end, this would show a large increase in median price, but would not reflect actual capital growth. Therefore, median price best represents buying patterns.

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Our team from top left: Piers van Hamburg, Nigel Mukhi, Derek Farmer, Annika Bongiorno, Donovan Murphy, Michael Rava, Trevor Richardson, Aaron Bongiorno, Adrian Rae, Alex Myers, Heather McCartney, Jon Snead, Nicholas Boot, Peter Shiplee, Gareth Richards, Michael Coombs, Claudia Portale, Adrian Bridges, Adam Ross, Jacqui Rowland-Smith, Anthony Godson, John Welch, Priscilla Schonell and Scott Thornton.