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TCRC *Property Update*

So far 2007 has proved to be a very successful year with some major players in the market now using our services. The Coles Group Ltd, Macquarie Goodman and Colliers Corporate Services have been added to our expanding client list.

Condition reports are really making some headway in the commercial industry with clients wishing to replace the old "gentleman's handshake" deal with some hard evidence.

Kylie Charlton
Licensed Estate Agent

Is Our Industry Going Green?



Compton & Green estate agents in Williamstown and Maribyrnong have recently teamed up with City West Water to make their properties under management environmentally friendly.

Compton & Green make a "Goes Green™" report and attach it to every residential property report they complete which outlines to their Owners and Tenants what environmentally friendly features the home does and does not have. Compton & Green also assist their Owners in obtaining quotes for major works such as water tanks and offer fixed price costs, such as replacing a shower head.

Director of Compton & Green and Founder of the initiative "Goes Green™", Adrian Butera says "Simply put, this will save tens of thousands of litres of water, minimise land fill and save electricity. We see this as a marketing tool for future tenants who will be attracted to Goes Green™ properties, saving them money and the environment. There is also a massive cost saving to the tenant under the 'user pays' system."

He says "The aim is for our industry to have a significant and positive impact on our environment."

For more information, visit www.goesgreen.com.au

Vacancy levels in Melbourne office market remain steady

The vacancy levels in Melbourne's office market have remained steady in the six months to January 2007 despite another strong period of excess supply over withdrawal, according to the Property Council's Office Market Report launched today.

Vacancy for the Melbourne CBD office market increased marginally by 0.5 percentage points from 7.5 percent to 8.0 percent in a period where 27,434 sq m of space was added to the market while withdrawals were 13,816 sq m. Total stock in the Melbourne CBD market is now 3,600,939 sq m, the largest ever recorded.

With the exception of Premium Grade, all other Grades (A, B, C and D) posted slight increases in their vacancy rates over the period, but this is not a major concern given the record total net absorption experienced in the Melbourne CBD over the last 12 months, particularly the 173,121 sq m posted in the previous period (July 2006).

The Victorian Executive Director of the Property Council, Jennifer Cunich, said the strong results are reflective of the state of the economy and the growth in the business sector.

"The Melbourne business community is fairing quite well and the results are encouraging as we have experienced high net absorption levels in the last 12 months," Ms Cunich said.

Over the six months to January 2007, vacancy in Southbank dropped by 2.6 percentage points to 5.6 percent, its lowest level in four years and the lowest of the Melbourne markets surveyed. A total of 15,433 sq m was absorbed over the period, which is almost five times the 10-year average for this market.

All but C Grade office in Southbank posted vacancy decreases over the period. A Grade was the top performer with its vacancy dropping 4.6 percentage points to 2.4 percent. B and D Grade office were at 9.1 and 14.6 percent vacancy respectively, while C Grade vacancy increased 3.0 percentage points to 9.1 percent.

Total vacancy in St Kilda Rd increased by 1.0 percentage point to 10.4 percent over the six months to January 2007. With no supply or withdrawals of space over the period, this vacancy increase was solely attributed to lack of demand. Net absorption for the period was -7,949 sq m.

It was the upper grades of space which posted vacancy increases over the period in St Kilda Rd. C Grade stock experienced positive demand with a 1.7 percentage point fall in vacancy to 9.7 percent. D Grade stock dropped from 7.4 percent to 6.6 percent. It must be noted that this market is small and susceptible to vacancy fluctuations.

Source: Property Council of Australia

Young Agents and Young Lawyers Function

The REIV's Young Agents Group is holding a function at "The Beach" on 29 March 2007 with invitations being made to the Young Lawyers Group. It's sure to be a very entertaining night and a great networking opportunity.