

hodges. 100% Property

100% IS WHERE WE START

Sandringham Spring 2009

Welcome to Hodges 100% Property. In this edition we turn the clock back 50 years to look at the average wage and prices in 1959, trace the history of Australia's iconic red wine - Grange - and explain the principles of slow cooking and how it can make life a little easier at meal time. There's a second article in the series about property investment - the duties and responsibilities of a professional property manager - and our regular features including Quirky Facts and a guide to what's on in Melbourne during spring. Julian Augustini - Director

Encouraging signs emerge

While it would be imprudent to suggest the world's economic malaise is at an end and there is no more turbulence ahead, some encouraging signs have emerged in recent weeks. The Australian sharemarket has gained ground, unemployment remains relatively low and house sales have been healthy across Melbourne. Reserve Bank governor Glenn Stevens said recently that the downturn in Australia may not prove to be one of the more serious ones in the post-war era and that signs were emerging of consumer and business confidence returning. Weekly auction clearance rates, which are considered a barometer of the property market, have consistently remained above 80 per cent over the last few months, reflecting the increase in consumer confidence.

Hodges opens in St Kilda

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Spring market poised to take off

The property market in Sandringham, Hampton, Black Rock and Highett has rebounded over the last two or three months after a lack-lustre start to the year. At the beginning of 2009 the media was dominated by talk of recession and the global economic downturn which appeared to create uncertainty and apprehension throughout the community. But when more positive news began to filter through, real estate activity picked up to the point where it's now on an even keel and about normal for the time of year. "Auctions are keenly contested and there's plenty of interest in private sales which sends a clear message that people are more than willing to buy property at the present time," Hodges director Julian Augustini said. A number of factors are driving the market

recovery, not the least of which is the availability of relatively low cost funds from banks and financial institutions. Melbourne's population growth resulting from the steady inflow of sponsored migrants is also contributing significantly to the demand for accommodation at a time when building approvals are lower than normal. As a result of recent amendments to the Foreign Investment Review Board guidelines, more overseas buyers are now in a position to purchase residential property in Australia and it is evident that the bayside suburbs are high on the shopping list of many of these people. "All in all, the outlook is positive and it is likely that the next few months will produce a market that equals the strong performance recorded in spring 2007."

The story behind a world-class wine

The brainchild of long-time Penfolds winemaker, the late Max Schubert, Grange - or Grange Hermitage as it was known until the 1989 vintage - is undoubtedly one of the finest and most famous red wines in the world. First produced in 1951 during an era when fortified rather than table wines were popular in Australia, it is named after Grange Cottage which was built in 1845 at Penfolds Magill Estate in Adelaide's foothills. Max Schubert based Grange on the renowned reds of Bordeaux following a visit to the famous wine-producing region in 1950, but instead of Cabernet Sauvignon matured in French barrels he opted for Shiraz and new American oak barrels which established a wine-making process that is used extensively in Australia five decades on. In 1956 the early vintages of Grange were presented to a group consisting of Penfolds board members and executives together with a number of wine industry luminaries but the wine failed to impress and Schubert was instructed to cease production. A man of conviction, Schubert was convinced he was on the right track and disregarded the instruction,



manufacturing Grange in secret using old barrels so no one would know the wine was still in production. When the early Grange vintage matured the quality of the wine was recognised and the Penfolds board gave the go-ahead for production to re-commence, not knowing it had been produced continuously! Today, Grange is matured in new 300-litre American oak barrels for between 18 and 20 months, and usually comes onto the market two years out as a five-year-old wine.



Spring into action

There's plenty of action in Melbourne during spring, the weather's warmer, the days are longer and the sun shines, so there's no excuse for not getting out and about. Here are some of the major events on in Melbourne over the coming weeks

Events and exhibitions

- Royal Melbourne Show
17 September - 27 September
- AFL Grand Final
Saturday 27 September
- Melbourne Fringe Festival
23 September - 11 October
- Spring Racing Carnival
1 October - 19 November

- Melbourne International Arts Festival
9 October - 24 October
- St George Melbourne Marathon and Half Marathon
Sunday 11 October
- Around the Bay in a Day
Incorporates 50km, 80km, 100km, 210 km and 250 km bike rides
Sunday 18 October
- Melbourne Cup Carnival
31 October - 7 November
- Equitana Asia Pacific
18 November - 21 November

To obtain more information about these events and venue details we suggest you log onto Google



The good old days?

Change has a tendency to creep up on us and it's not until direct comparisons are made that the differences between eras become evident. At first glance some prices from 1959 seem unbelievably low by today's standards but not so when the income differential is taken into consideration. Electrical appliances were enormously expensive 50 years ago, a Stromberg Carlson "Giant" 21-inch black and white TV cost a whopping \$550 while a washing machine was around \$200, air-conditioner \$220 and fridges were from \$150 upwards - at a time when the average wage was less than \$2,000 per annum! A new Holden - the FC model - would have set the proud owner back \$2,300 but that wouldn't have mattered if they had won first prize in the weekly Tattersall's Consultation which was \$20,000. Homes in the bayside suburbs ranged from \$7,000 to as much as \$40,000 in Brighton while a four-litre can of gloss paint to give

the house a facelift was \$7. Television transmission did not commence until late in the afternoon and finished with the Epilogue before 11 pm. Melbourne had several commercial and ABC radio stations but they too - with the exception of 3XY which operated 24 hours - closed by no later than midnight. Petrol was seven cents a litre and a trip to the supermarket would have revealed milk was 11 cents a litre, potatoes 10 cents a kilogram, bread 14 cents and rump steak \$1.00 a kilogram.

If you fancied an ice cream on a hot day you'd have to have found five cents and a pot of beer was seven cents but you needed to make sure you got to the pub early because closing time was 6 pm, and they didn't open on Sundays. Good old days, we think not!



Slow and easy does it

The principle of slow cooking is certainly not a modern-day development, dating back to the time man discovered fire and cooked tough slabs of meat or wild root plants in a slow burning fire pit for several hours. New generation slow cookers, which are electrical appliances that cook at very low temperatures over a number of hours, not only enable cheaper cuts of meat to be transformed into tasty, wholesome meals, but also are a boon to people for whom time is at a premium. Meals can be placed in the cooker in the morning before leaving for work and will be piping hot and ready when the family returns at night. Today there are many brands and models of slow cookers on the market ranging in price from about \$60 for basic units through to almost \$400 for top-of-the-range appliances that perform a variety of tasks. The slow cooking process - 75C to 140C - takes at least twice as long as conventional high

heat methods and meat should be fully thawed beforehand for safety reasons. Cookers should be between half and two-thirds full: if the level is too high the food won't be cooked properly, too low and it cooks too quickly. As vegetables cook more slowly than meat, which retains heat better, they should be placed in the bottom or positioned around the side of the slow cooker and dairy products - cream, milk and yogurt - added only during the last 15 minutes of cooking as they can break down if put in earlier.



The temptation to take the lid off and check progress should be resisted as this can add significantly to the cooking time!

Slow-cooked beef stroganoff

An oldie but a goodie which is simple to throw together and ideally suited to slow cooking.

- 500 grams shin beef or blade steak
- 150 grams button mushrooms sliced
- can of cream of mushroom soup
- 1 medium onion finely diced
- 60 mls white wine
- 15 mls Worcestershire sauce
- half cup sour cream

Combine meat, soup, mushrooms, Worcestershire sauce and wine, cook on low for 8 to 10 hours and stir in sour cream 15 minutes before serving. Ideal served with ribbon noodles or on a bed of rice.

Management is the key to property investment

There are two basic objectives for property investment: to generate market-related rental revenue and produce capital gain over the longer term. The quality of the management of a property has a significant bearing on both. Investors need good tenants who will maintain the property to the required standard and pay their rent on time. Hodges' property managers conduct stringent checks on tenancy applicants through national tenancy databases that only registered real estate agents can access. Screening includes verifying prospective tenants' employment and income details as well as checking the validity of personal, business and previous rental references provided. A detailed condition report is prepared at the beginning of a tenancy, then regular inspections are carried out to monitor the way the property is being cared for and to check for maintenance required. If anything requires attention, the owner is advised and, should they wish, the necessary repairs can be arranged on their behalf. Regular maintenance not only keeps the property in good condition and boosts the chances of attracting

the best tenant, but also reduces the likelihood of major remedial expenditure being required down the track. Also, a well maintained property is much more likely to appreciate at a greater rate than one that is in poor condition. Regular rent reviews are conducted to ensure each property managed by Hodges is generating the optimum level of revenue for its type and location. When a tenant vacates, it is critical to minimise the length of time the property is vacant and Hodges' specialists have the experience, marketing expertise and resources at their disposal to attract the maximum number of prospective tenants. A thorough understanding of the complex Residential Tenancies Act - the legislation governing the rights and responsibilities of landlords and tenants - is an integral part of property management. Hodges' property managers understand all facets of the Act and can provide timely and professional advice to their owners and tenants on a wide range of issues. Managing residential property involves much more than just making sure the rent is paid on time, although this is one aspect of the management process that is monitored closely at Hodges.



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Our other offices

Beaumaris	Bentleigh	Brighton	Commercial	Frankston	Mentone	South Yarra	St Kilda
12 East Concourse	361 Centre Road	251 Bay Street	251 Bay Street	1/500 Nepean Hwy	44 Florence Street	1/657 Chapel Street	G02A 22 St Kilda
Beaumaris 3193	Bentleigh 3204	Brighton 3186	Brighton 3186	Frankston 3199	Mentone 3194	South Yarra 3141	Road, St Kilda
T 9589 6077	T 9557 7891	T 9596 6066	T 9591 6588	T 8781 4500	T 9584 6500	T 9827 7494	T 9510 0855

Quirky facts

- US astronauts Neil Armstrong, Edwin "Buzz" Aldrin and Michael Collins were required to complete customs declarations upon their return from their historic moon flight
- the lifespan of a DVD is 100 years
- construction workers' hard hats were invented in 1933 during the building of the Hoover Dam in the US
- dolphins are reputedly the most intelligent animal in the world
- Air Force One is the air traffic control call sign for the US president's plane, not the name of the aircraft itself
- pork is the most widely consumed meat in the world
- lemons have a higher sugar content than strawberries
- Australian wines are sold in more than 100 countries
- the car radio was invented in 1929
- the average person drinks almost 60,000 litres of water during a lifetime

SANDRINGHAM

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SANDRINGHAM TEAM

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