

# 'Attractive to investors'

By LYNDA MCRAE

LEADING national property experts have declared Morwell as one of the best investment 'hot spots' in Australia.

Local fears that a low-carbon economy will impact negatively on the Latrobe Valley's property prices are not shared by at least six of the country's most renowned property economists and specialists.

This week Morwell was named as one of four key Victorian locations to make Smart Property Investment's 'Fast 50' list of nation-wide 'hot-spots' offering strong investment opportunities for "astute" investors.

Corio and Frankston also made the list - areas which share a similar economic status to Morwell.

Smart Property Investment magazine editor Phillip Tarrant defended the choices he said had been made by some of the country's leading experts in the field.

They included property economist Dr Andrew Wilson, television personality and property expert Margaret Lomas, property research specialist Louis Christopher and property columnist Terry Ryder, he said.

When asked if Smart Property

Investment research accounted for potential mass job losses in a region such as the Valley, Mr Tarrant told *The Express* the large range of location choices presented by experts had been filtered according to multiple "key metrics".

He said they included population growth, demand for housing, income levels, employment, vacancy rates, previous capital growth, infrastructure development, industry and current gross rental yields.

Mr Tarrant said the expert panel understood the Valley was seeking to reduce its reliance on brown coal but it believed the area had an "increasingly diverse economy", assisted by Latrobe City Council's efforts to attract "a diversified industry".

When asked whether capital growth could be guaranteed in a region where some of its key employers were under threat, Mr Tarrant acknowledged there was "always risk involved" but said capital growth was "no longer a given when it comes to investing in real estate".

"This is about people looking for a return on their investment," Mr Tarrant said.

He said if investors "plugged money" into Morwell now, when the median price for a house was \$160,000 and for a unit was \$137,000 - with a rental yield of six per cent - growth might be realised.

"People need to look beyond what is going on in their home towns," he said, adding Morwell's indicators were "attractive to investors".

"The market has changed," Mr Tarrant said.

"It no longer applies that in 10 years time a property will double in value, it is more of a patchwork economy and our data shows that (Morwell) will be one of those 'slow burners' over the next 10 years."

Improved rail and road links to Melbourne, and its close proximity to the city, meant Morwell had "really become part of greater Melbourne", presenting "affordable options for first home buyers and new investors," Mr Tarrant said.

"We're moving into a new era for property in Australia and investors will need to do their homework and buy strategically in order to secure the best returns," he said.