



shortage and a frenzy that is not happening in Kwinana but is happening in most other parts. Once that frenzy gets to a point where the undersupply is chronic, Kwinana is actually brilliantly situated in the city. It's about a 15-minute commute on a fabulous freeway. It is coastal as well. There's a really lovely beach, so long as you don't look to your right and see the big oil refinery sitting there. So Kwinana, I think, is going to be a really great one.

There are also a couple of suburbs around the inner parts of Adelaide: Edwardstown is one good example. No one's actually thinking or talking about it at the moment. I still think Adelaide is great and a lot of people have said to me, "Are you disappointed Adelaide didn't perform the way you wanted it to?" Well, no, because we only really started thinking about Adelaide about three or four years ago, and it's always with a good seven-year view before it starts to really ramp up.

I think it's a really great time to look at Melbourne now. Everyone is saying Melbourne is no good, but I think Melbourne is fabulous because it's no good.

I believe the Mornington Peninsula is the next place to go. The reason is the population geographical centre of Melbourne is Narre Warren. Narre Warren is where Fountain Gate Plaza is from *Kath and Kim* – that describes the area quite nicely. We've already seen Pakenham develop really well, but if we go down south, we've got Frankston as the gateway to the Mornington Peninsula. Frankston has plenty of get-up-and-go in it, though it's still a little way off.

Then as we start to move south, there are the immediate suburbs south of Frankston. But it's not yet time to go all the way down to Rye and Rosebud and those areas. They're still a long way off I think.

You've got to buy an area, not a property. Property selection is the very last thing you do. People get very attracted to a property and then they start to overlay parameters that they think apply to that property.

You've got to buy the type of property for the demographic. Properties in the Logan Shire area in Queensland have been lasting a day on the market, with 10 offers. They're sky rocketing and selling for ridiculous prices. But that actually does make sense if you have a look at the fundamentals of Logan. Talk to the mayor to find out what's happening there. Foreign investment is huge in the Logan area. You've got a lot of families coming in. We started talking about Logan seven years ago before any of that happened. Everyone was saying "Are you joking?" I have two properties there that everyone thought I was a lunatic for buying. Already they've doubled in value. I haven't sold them yet, but they're so in demand that I get letters every day from agents wanting the units to sell because they're in such short supply.

SIMON PRESSLEY

Making money is all about supply and demand. If you over supply, you take away the competition or you won't get the price flow that you want. Often seeing cranes in the sky or excavators on the ground is the misconception the amateur property investor falls for. They say "Oh, what's happening out here?" Well, what's happening is they're building way too much. North Lakes in Queensland is a classic example.

BEN KINGSLEY

A lot of people get lost in the macro factors and forget about the micro factors. Just to give you an example, there are 2,138 listed companies on the Australian Securities Exchange (ASX). That's the average number of properties that come online every week in the Australian property market. And we're constructing about 100,000 new dwellings. As advisers, we've got one of the toughest jobs in the land because we're advising on basically about 1.9 million dwellings in 15,000 suburbs. Whereas for shares, they've got teams of advisers all focusing on 2,100 stocks.

Over the past 35 years, the rising tide has lifted all ships, but that's not going to be the case for the next decade or two. The science has got to come down to identifying the areas based on the shortages and based on the value