

Pockets of strength in city's property market

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Property Editor

HOME units on the lower North Shore, houses in the eastern suburbs and units in the inner west are the best-selling properties in Sydney's improving residential real estate market.

Agents sold 71 per cent of their 116 lower North Shore unit listings auctioned in the past six months. In that time, prices rose by 9 per cent to a \$505,000 median.

House prices in the east have also risen by 9 per cent, to a \$990,000 median, and agents have likewise secured a 71 per cent auction success rate.

Inner-west units recorded a 70 per cent clearance rate, although the \$391,000 median price was down 2 per cent from the start of the year, Australian Property Monitors said.

Estate agents have secured a 58 per cent clearance rate so far this year, well up from the 49 per cent recorded in the equivalent period last year. The median Sydney house price has jumped from \$485,000 to \$499,000.

Agents secured a 62 per cent clearance rate on unit listings, well up on 51 per cent in the equivalent period last year. The median unit price in Sydney has risen from \$383,000 to \$385,000.

The strength in the market has helped some sales far exceed their pre-auction estimates.

An unrenovated two-bedroom unit in Neutral Bay fetched \$1.56 million last month, after being marketed with a \$1.2 million-plus estimate.

The vendor had placed a \$1.275 million reserve price on the unit, after being advised that \$1.2 million to \$1.3 million was a likely selling price on the agent's auction agreement.

The estimate was based on the agent's written assessment of comparable sales, including the same art deco Kurraba Point block's last sale, a unit directly

below for \$1.206 million in September last year. It had previously traded in 2003 for \$1.21 million.

The Minister for Fair Trading, Linda Burney, has said she did not believe auction estimate underquoting was widespread but has asked her department to investigate.

"My feeling is that most real estate agents are acting properly," she said. "There may be a few that aren't and the investigation will sort out those few that aren't."

Agents in NSW are obliged to tell owners and purchasers the same price estimate.



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LINDA BURNEY
Minister for Fair Trading

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