

Sales reveal a tale of two Sydneys

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The downturn is over north of the bridge but hanging on in the east

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LACHLAN and Sarah Murdoch's \$23 million purchase of a house in Bellevue Hill has brought the focus back on to Sydney's eastern suburbs and its ability to always produce record prices regardless of economic conditions.

But for those who are looking to spend a little less, say in the \$2m to \$3m bracket, one buyers' agent has an interesting take on the eastern suburbs and lower north shore prestige markets.

Chris Curtis, managing director Curtis Associates, says it's a tale of two cities, with the lower north shore suburb of Mosman recording at least 21 sales above \$2m in the six weeks to the start of this month.

That's more than triple the number of sales in the same price bracket as its eastern suburbs counterpart, Woollahra.

While not everyone will agree with the comparison to Woollahra, Curtis believes it's a bellwether of the eastern suburbs and historically one of its most resilient markets.

Curtis says the difference in sales volumes is possibly because Mosman has a higher concentration of leveraged and aspirant wealthy types than Woollahra, and so Mosman was one of the first suburbs to feel the brunt of the now almost forgotten global financial crisis.

"If the last six weeks of sales are any indication, Mosman is becoming the first suburb to reboot after the general malaise at the top end of the residential market," he says.

Curtis says the reason is simple: prices have moved down in

Mosman, but they are still showing signs of resistance across the Sydney Harbour Bridge in the eastern suburbs.

Buyers have been enticed back to Mosman by a sense that, with improvement in nearly all key economic indicators and despite recent interest rate rises, the market has bottomed.

And vendors, who had indefinitely postponed their selling plans during the global financial crisis, have become more realistic and have met buyers on prices.

Curtis says the trend began in Mosman in the \$1m to \$2m bracket, but has spread to the \$2m to \$3m range, where 15 of the 21 sales he cites were recorded.

But above \$3m, activity in Mosman and other parts of the lower north shore tapers off, with vendors unwilling to accept the new market conditions.

Buyers in the \$4m to \$5m and above bracket are still relatively scarce on both sides of the bridge, with the appreciating dollar putting off overseas buyers.

The rebooting of the market in the eastern suburbs has yet to occur in the \$2m-plus bracket and that top-end activity is still relatively subdued, Curtis says.

His newsletter lists six sales in Woollahra for between \$2.4m and \$2.9m.

There have been more higher priced sales in other eastern suburbs, including a Wolseley Road, Point Piper, property for \$13.2m, two in Vaucluse at \$4.66m and \$5.65m, one in Bronte Road, Bronte, for \$5.3m, one in Bellevue Hill for \$3.65m and one in Randwick for \$2.755m.

However, it still doesn't match the volumes in Mosman, where Curtis says it's harder to find a good property.

There the gap between vendor's and buyer's price expectations is narrowing.

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