

## Cover story

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# SCALING the HEIGHTS

*Long overshadowed by some glamorous neighbours, Dover Heights is staking a claim to being one of Sydney's more desirable suburbs – with prices to match*

Property valuer Paul Donovan has watched Dover Heights' dramatic uplift over the past two decades. "Dover Heights was historically a lower-value neighbour to the adjacent suburbs of Vaucluse, North Bondi and Rose Bay," Donovan, the head of Pontons Valuations says. "Development through the suburb was relatively modest – dominated by post-war single-level cottages. However in the past 20 years this has changed dramatically. Dover Heights is now typified by primarily new or contemporary multi-level homes, many providing sweeping views."

The latest Dover Heights listing that highlights the luxuriousness of new builds attracted 32 buyer groups to its first open for inspection last month. Ray White Double Bay agents Elliott Placks and Alan Fettes have the offering at 84a Liverpool St, listed with \$6 million price guidance for its scheduled August 25 auction. There were 1800 views in its first five days online at realestate.com.au.

The architecturally designed home with ocean views has been featured in *Vogue Living* and *Belle* magazine since its 2021 construction, and was shortlisted for an Australian Interior Design Award.

"This is a rare opportunity to own a family residence that is both thoughtful and exciting," Placks says.

"With the properties we have recently launched to market, we have had an overwhelming response of buyer inquiry, which demonstrates to us that there is still significant demand for property," Fettes adds. "One noticeable trend is that buyers are more inclined to go for renovated homes, presumably because of the unknown costs and timelines around construction. My prediction is that there will still be limited stock coming to market and there will still be strong buyer demand throughout the east, but for properties to transact I believe vendors will have to be more realistic with pricing."

Designed by architects Van Rooijen Meyer, and set in landscaping by Dangar Barin Smith, the Liverpool St home has interiors that are "modern with a European edge". There are Venetian plaster walls, marble accents and chevron timber floors, a cantilevered Esmeralda quartzite kitchen island, and designer light fittings by Christopher Boots and Gervasoni. The entrance features a striking curved marble staircase.

The interior designer Shona McElroy of SMAC Studio says she was given an open brief on the build as she worked on the project with the architects.

It was McElroy's third project with the vendor, the Krimotat family, who have forged a reputation building high-end duplex homes in the eastern suburbs. "Our projects are typically more restrained in design," she told *Vogue*. "So when it came time to work on his actual house, my client wanted something remarkable enough to appear in a design magazine, with a distinct European ethos and functionality to cater to his young brood."

Buyers agent Mark Goldman at Goldman Bros says he currently has "a good depth of buyers on our books, right through the price ranges".

"My gut feel is that prices have come off somewhere between 5 per cent and 10 per cent for the good properties, and 10 per cent to 15 per cent on compromised properties. In







Interior and exterior of 84a Liverpool St Dover Heights, listed for auction on August 25 with a price guide of \$6 million



saying that, stock is very tight at the moment, with good properties holding their value more than the compromised properties.

"I am finding the top end to be surprisingly strong. Dover Heights is very tightly held and there is not a lot of stock currently available on the market, which leads me to believe we won't see a big drop there. I do think that there will be a lot more stock coming on for spring/summer and this could play into the hands of the limited buyer pool."

Dover Heights has actually been outperforming other more prominent prestige eastern suburbs markets, with PropTrack's Cameron Kusher noting that it ranks as one of the most sought-after suburbs in Sydney's east.

It has a current median price of \$6.325 million, says Kusher, who is director of economic research at PropTrack.

Of the five neighbouring suburbs, Dover Heights has seen the strongest year-on-year price growth, he says, "and only North Bondi and Vaucluse have seen stronger growth over the past decade". PropTrack calculated 44 sales over the past year – well down on the 83 in neighbouring Vaucluse, 73 in North Bondi and 70 at Rose Bay.

The suburb first passed the \$1 million mark around 1991 with a sale on Wallangra Rd. Its first \$5 million sale came in 2006, with 115 subsequently sold in the premium price bracket. There have been 12 sales above \$10 million since 2017, led by Portland St, with recent sales also on Wentworth St and Loombar Rd.

The first came when the Channel 7 *Morning Show* co-host Larry Emdur and his wife Sylvie sold their cliff-top mansion to accountant Anthony Bell for a record-setting \$11.5 million, having paid \$6.8 million for the property in 2011.

Their deal topped the previous high of \$9.5 million, set in 2014 when tech investor Kevin Bermeister and wife Beverley bought another cliff-top home nearby.

Dover Heights' current record came in February, when \$14.25 million was paid for 39 Portland St, the six-bedroom home of Shack Homewares owner Lance Shofer and his wife Julie. It was sold to the Tsu family by Ray White Double Bay's Daniel Ungar, in conjunction with Richardson & Wrench's Andre Frack.

Conceived as the ultimate family entertainer, the home sits on an elevated 690sq m position, with a free-flowing living and dining area leading to an entertainer's terrace with Vergola, electric blinds and a built-in custom industrial barbecue.

Portland has secured seven sales above \$5 million and a further four above \$10 million.

Even busy Military Rd saw a double-digit sale when last spring a Perth buyer spent \$11.5 million on the home of recruiter Jason Johnson and his wife, Portia Thomson.

The property was bought during lockdown after a 20-minute FaceTime tour by Ryan Lee, the head of boutique investment company Meritus Capital.

Commanding its 645sq m hilltop setting, with views over Bondi and the eastern coastline down to the Maroubra headland, the two-storey cosmopolitan home had undergone a bespoke renovation by YSG Studio that was featured in *Vogue Living* and *Belle* magazine, and

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Left and top row: 39 Portland St, Dover Heights  
Middle row: 21 Rodney St, Dover Heights  
Bottom row: 5 Wallangra Rd, Dover Heights

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received numerous 2020 Australian Interior Design awards.

Donovan says it has been “interesting to observe that, for many years, the precinct east of Military Rd along the eastern clifftop was always seen as less desirable than the area on the opposite side. However this precinct now includes some of the most sought-after real estate in the suburb, with the clifftop homes being among the most valuable in Dover Heights.”

Fettes’ most recent prestige sale was on Rodney St’s dry side, when \$9.9 million was secured for the diamond dealers Zena and Tarick K’Dor. The House of K’Dor owners had demolished a fairly humble 1950s bungalow near the clifftop after paying \$3.6 million for it in 2020. The lavishly appointed five-bedroom, four-bathroom mansion with a pool was sold through Fettes and Ballard’s Ben Cassen ahead of its May auction, when it had a \$9 million guide.

Dover Heights prices are down by about 10 per cent on the 2021 peak, according to Steven Zoellner at Laing & Simmons, with older homes, or homes that need work, having come back more than this because of the rise in construction costs.

The suburb sits around 10 per cent to 15 per cent cheaper than Vaucluse, and 15 per cent to 20 per cent cheaper than Bellevue Hill, says Zoellner, whose most recent listing was a 2015 Blake St duplex semi that had \$3.5 million hopes.

“Dover Heights is typically a young residential families location for many residents with young or teenage children who have a choice of schools from Rose Bay Secondary College, Kambala and Reddem to Moriah, Scots and Cranbrook.”

Rodney McLoughlin, from TBAS Buyers Agents, notes that while the property boom has “well and truly subsided, A-grade properties with views and large land holdings are in limited supply, and while they might not be appreciating in value, the falls are minimal if any.

“We have been competing against more buyers for fewer listings, resulting in prices stabilising in the past few weeks. Dover Heights is sought after for its proximity to Bondi Beach and stunning views of the coastline, with others enjoying city and harbour views. But it has always been considered the poor cousin of Vaucluse, which has larger land holdings and better views of the city.” He adds that off-market opportunities have increased tenfold since the election, “with vendors wanting to dip their toes into the market”.

Chris Curtis, at Curtis Associates, Property Advisors and Buyers’ Agents, says Dover Heights “is doing well and, like Bellevue Hill and Vaucluse, has been and is likely in the future to be unaffected by rising interest rates. It’s had a healthy average turnover of almost three premium properties per month – often cash-rich locals looking for a perceived safe haven regardless of the season.”

Indeed a recent buyer has been billionaire Kei Chie Wong and his wife Ann Lim, who made their fortune as early investors in Andrew “Twiggy” Forrest’s Fortescue Metals. Their investment company, Harmony View, bought a 1970s house, available for the first time in close to 50 years, on Blake St for \$6.72 million in April last year, and then added a contemporary five-bedroom house with a pool costing \$8.3 million in February on Gilbert St.

Donovan acknowledges that Dover Heights lacks the key locational attributes of neighbouring suburbs that provide excellent amenity onto Sydney Harbour and beachside settings.

“For this reason, values in Dover Heights have typically been below that of its near neighbours, although during the current boom period values have risen to be reasonably consistent, particularly in regards to Rose Bay and Vaucluse, on a dollar per square metre basis.

“It is Ponton’s view over previous cycles that Dover Heights can match or outperform some of its neighbouring suburbs in rising markets, although in declining markets its lack of key locational attributes results in greater volatility and exposure to downward value pressure. We will be watching closely the performance of this market in coming months. However the most recent anecdotal evidence does not yet demonstrate any divergences from broader market movement.”

The next big listing, after repairs are undertaken, will be the Wallangra Rd home of missing fraudster Melissa Caddick. There’s been nothing official yet from Michael Pallier at Sydney Sotheby’s but it is expected there will be a guide of around \$10 million. The property was bought for \$6.2 million using money misappropriated from clients in 2014 in Caddick’s ponzi scheme.

