

Display Options

+

Related Dow Jones Intelligent Indexing™

 Listen to Article |  Share

# FINANCIAL REVIEW

SE News  
HD Chinese visas drive top-end home sales  
  
AU Nick Lenaghan  
BY Nick Lenaghan  
WC 585 words  
PD 2 May 2016  
SN The Australian Financial Review  
SC AFNR  
ED First  
PG 3  
LA English  
CY Copyright 2016. Fairfax Media Management Pty Limited.

LP A Chinese buyer on a significant investor visa snapped up the most expensive home sold in Melbourne over the weekend, a Balwyn home on a large block that sold for \$6.36 million.

The bumper Balwyn deal, and the runaway success of an apartment sale on Sydney's lower north shore, were among the brighter spots as a broader mood of restraint prevails in the residential markets and clearance rates down on last year.

TD A three-bedroom apartment at 4/31 Crows Nest Road in Sydney's Waverton sold for \$1.355 million over the weekend, more than 40 per cent above what its owners paid only a year ago.

It was bought for \$950,000 in April last year and had not been renovated since. It went for \$145,000 above reserve, with a father buying it for his son.

"Apart from high-quality property presentation and preparation, this result also reflects the shortage of three-bedroom properties for sale on the lower north shore, particularly in Waverton and Wollstonecraft," said selling Tom Scarpignato, of Belle Property Neutral Bay.

Further out in Sydney, Dahua Group Australia capped off a busy month at its \$1 billion New Breeze housing estate at Bardia, in the south-west.

All 85 land lots released in April for the projects first stage sold, for a total of \$36.4 million.

Sales ranged from \$330,000 for a 250-square metre lot up to \$588,000 for 589 square metres.

There were 803 auctions in Sydney over the week, up from 643 in the previous last week, on [CoreLogic RP Data](#) figures.

The clearance rate fell to 74 per cent, down from 77.4 per cent the previous week.

One year ago, as the Sydney market took off, the clearance rate hit 87.3 per cent.

In Melbourne, it was a big weekend, with 74 per cent of the 1272 properties on auction sold. Chinese investors are still a force in the market, especially in Melbourne's leafy east, in suburbs such as Balwyn and Camberwell. Selling agent Peter Vigano, of Jellis Craig, and his colleagues sold the Balwyn home, set on 1767 square metres with no heritage restriction, for \$6.36 million.

Initial expectations for 16 Barnsbury Street rose from between \$5 million to \$5.5 million as the campaign wore on. By auction day, the reserve was \$5.7 million and two Chinese bidders slugged it out above \$6 million.

The successful buyer was a businessman on a significant investor visa and an eye on nearby schools for his children, including Camberwell Grammar.

"We're finding a lot of top-end properties are being driven on that visa.

"The high net-worth individuals are coming from China are setting up their business interests here and looking for large properties to reside in," Mr Vigano said.

Clearance rates have slowed since last year, in Sydney especially, as lenders tighten credit for property investors, under direction from the bank regulator.

Loans to offshore buyers are also being squeezed or stopped altogether.

"It was always going to be really hard to keep that type of momentum going and perhaps it's just as well it didn't," said property analyst Louis Christopher, of SQM Research.

Elsewhere in Melbourne, developer Jeff Xu's Golden Age was busy on the second stage of its Sky One residential project in Box Hill, selling more than \$80 million worth of apartments on Saturday alone.

NS grelis : Real Estate Listings | gcat : Political/General News | greest : Real Estate/Property | ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nrngn : Routine General News  
  
RE austr : Australia | china : China | melb : Melbourne | sydney : Sydney | victor : Victoria (Australia) | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | bric : BRICS Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia | nswals : New South Wales

PUB Fairfax Media Management Pty Limited

AN Document AFNR000020160502ec520000o

UI Ver:99.1.0 Mod:22:40 ID:FWEB5

