

Mordialloc-Chelsea houses in short supply

LOCAL NEWS 11 JAN 10 @ 07:00AM BY WES HOSKING



Mordialloc-Chelsea houses in short supply

A SHORTAGE of homes for sale is expected to fuel Kingston house prices by up to 10 per cent this year.

[Malcolms Real Estate](#) chief executive Frank Hellier said stock turnover was about half of levels between 2005-07, prompting furious competition among buyers.

"I have never seen a shortage as bad as this in my 40 years of real estate," Mr Hellier said.

"The supply is probably at an all-time low."

Mentone, Mordialloc, Highett, Parkdale and Cheltenham are most in demand.

The scarcity of quality houses recently saw a two-bedroom house in Cheltenham fetch \$166,000 more than expected while a Parkdale two-unit block priced in the high \$500,000s sold for \$657,000.

In Aspendale six interested parties pushed the price of a four-bedroom house \$60,000 beyond expectations.

[Phillips Nicholson First National](#) managing director Con Nicolis said listings at the Mordialloc agency were at a 12-year low with potential interest rate rises and uncertainty holding sellers back.

"I think it will be like this for at least the next quarter," Mr Nicolis said.

"They are playing the wait and see game."

[But JPP Buyer Advocates](#) director Ian James said the shortage was purely physical because insufficient houses were being built to cope with 1500 people moving to Melbourne each week.

"There are bucket-loads of people who want to buy and that is not going to stop," Mr James said.

"There is a real shortage and it is not going away."

He said Aspendale, Edithvale, Bonbeach and Chelsea offered some of Melbourne's best long-term growth prospects and buyers should not let the shortage hold them back.

"I think in 10 years they will be easily at the prices Brighton and Sandringham are right now," Mr James said.

REIV spokesman Robert Larocca said Melbourne's median house price increased about 20 per cent last year.

<http://www.wherelive.com.au>



All times AEST