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Search for a dream home will cost you

HOUSE hunters who spend months looking for the perfect home might end up missing out altogether.



The median price of Melbourne houses has risen from \$405,000 in the March quarter of last year to \$559,000 today — that's \$2567 a week.

The rate of the rise was even faster in the three months to June 30, according to figures from the Real Estate Institute of Victoria.

There are very few buyers who would have the savings power to match this rise.

Buyer advocate Ian James, of JPP Buyer Advocates, says buyers are often better off settling for second-best and trading up later.

"The average home buyer cannot save and keep up with the property growth rates," he said. "We tell all our investors, 'If you wait for the perfect property that you can afford, you have probably lost six months' growth'.

"Our first home buyers are starting to work this out as well, and buying affordable homes to get into the market and then hopefully be able to trade up in three or four years.

"This is the best way I know how to end up with your dream home."

Real estate agents say buyers are increasingly looking farther out to find a place they can afford. They are also shifting their focus to apartments, which are not only often better located than houses, but also more affordable.

Many apartment developments are selling out faster than expected as local buyers compete with overseas investors and students for dwindling stock.

Buyers who take too long to buy are often forced to pay more than they had expected or settle for a lesser property.

"We have been looking on and off for more than two years now and prices on the properties we have been looking at have gone up more than \$50,000 in that time," one house hunter said.

"It's my husband's fault. He always has a reason why a place is not perfect and we should not buy it.

"If we had bought a place even a year ago we would have been able to fix it up. Now we can't even afford to buy."

Despite the constantly rising median price, Melbourne has an abundance of affordable land in the growth corridors of Casey-Cardinia, Hume, Melton-Caroline Springs, Whittlesea and Wyndham.

These areas are serviced by freeways, which makes the commute to the city an easier drive, giving locals

the best of both worlds — open space within reach of town.

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