

Property prices tumble

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MELBOURNE homes have lost \$200 in value every day for the past nine months.

House prices fell an average of almost 3 per cent — or \$16,000 — in the three months to September.

The value of property sold in Victoria in the past financial year plummeted almost 20 per cent — the biggest drop in a decade.

Melbourne's median house price is now \$551,000, down \$50,000 from its peak last December.

Experts blame global economic uncertainty, saying it could be next year be-

Dropping \$200 a day

fore spooked buyers return to the market.

But a Commonwealth Bank-RP Data report reveals that pockets of Melbourne have huge demand.

Real Estate Institute of Victoria September quarter figures show the property slump has belted house prices in many suburbs: Elwood, Malvern, Blairgowrie and Box Hill were the worst hit.

But several areas have defied the slowdown: Hawthorn East, Balwyn and

Eltham North were among those posting big gains.

Melbourne now has 28 suburbs with a median price of more than \$1 million.

Hawthorn East, Albert Park and Alphington each hit record peaks in the three months to September.

But 12 suburbs have fallen out of the \$1 million club in the past 18 months.

Outside Melbourne, house prices in Geelong rose 5.7 per cent, while they were flat in Ballarat and fell 2.6 per cent in Bendigo.

REIV spokesman Robert Larocca said global economic uncertainty was playing havoc with the market.

"Despite the fact that the Victorian and Australian economies are doing reasonably well, confidence levels are negatively impacted by what is going on overseas.

"I don't think we are going to see much of a change until next year," he said.

The CBA-RP Data report reveals parts of Melbourne's growth corridors are the best place to be selling a house.

The Home Buyer's Index names outer-northern Melbourne and Melton-Wyndham as "extreme sellers' markets".

BIGGEST LOSERS

Elwood*	-31.8%
Malvern*	-28.1%
Blairgowrie*	-27.1%
Box Hill*	-27.1%
North Warrandyte*	-25.4%
Cairnlea*	-24.7%
Lower Plenty*	-21.7%

BIGGEST WINNERS

Hawthorn East*	37.7%
Balwyn	24.2%
Eltham North*	20.9%
South Yarra	20.6%
Portsea*	18.6%
Hughesdale*	17.7%
Pascoe Vale South*	16.3%

* Fewer than 30 sales for the quarter

Source: REIV

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