

Downsizers beating families in bidding wars over Melbourne houses

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Contributor



House without kitchen sells for \$1.6 million

It's all about potential for this shell of a Fitzroy terrace next to the city. With a planning permit for a rooftop garden, the sky's the limit.

Downsizers are flexing their financial muscle and out-bidding young families for scarce double-fronted houses in Melbourne's city-fringe areas.

Young professional couples keen to stay living in near-city locations, but requiring a bigger house to accommodate their growing families, have lost out at dozens of auctions for Victorian and Edwardian double-fronted houses this year.





For some, a single-fronted cottage simply doesn't make the grade. Photo: Supplied

Earlier this month, Biggin & Scott auctioned a renovated but compact Victorian double-fronter at [52 Brighton Street, Richmond](#). It was quoted at \$1.3 million to \$1.4 million.

But under heavy competition the corner two- to three-bedroom property sold for \$1,506,000 to a downsizing couple.

The underbidder was a forlorn-looking couple in their late-20s, and at least one other young duo unsuccessfully bid for the property.



A larger double-fronter in a more prestigious spot at [79 Delbridge Street, Fitzroy North](#), was also snapped up by downsizers when it went to auction on May 14.

This freestanding property was quoted at \$2.75 million+ by Nelson Alexander. But at auction the four-bedroom Victorian rocketed \$500,000 above the vendor's reserve to sell for \$3.4 million — significantly too much for several white-collar family buyers who competed for the keys.

Since the 1970s, it's been a natural progression for young couples with children to trade-up from a single-fronted cottage to a double-fronter.



79 Delbridge Street, Fitzroy North, was snapped up by downsizers when it went to auction. Photo: Supplied

Purchasing a double-fronter has always involved a financial stretch. Historically, there's been robust competition for these properties with their coveted central hallways, because in many inner suburbs there is just one double-fronter for every 30 or 50 cottages. But while such trade-up relocations by families have traditionally been expensive, at least they've been achievable.

Not any more. Paul Osborne, of the Carlton North-based advisory company Secret Agent, said downsizers were the "biggest problem" facing families wanting to purchase larger houses in inner Melbourne.

"In a contest, the downsizers will generally beat family buyers because they have additional resources," he said.

"It is why you do not see many young families successfully bidding for double-fronted properties on one level. But if the bedroom accommodation is upstairs, or it is a two-storey terrace, or a double-fronted

house which has some tricky stairs, you generally find that the sale will go the other way because those properties don't interest the downsizers as much."

Members of the boomer generation are moving closer to the city to be near restaurant and lifestyle hubs. In the east, it might be relocating from a big house in Balwyn or Templestowe to a compact, low-maintenance period home in Hawthorn, near Glenferrie Road. Or a 50-something couple will uproot and sell in Beaumaris in order to buy a smaller place near the University of Melbourne, where they were educated and have fond memories.

For some, a single-fronted cottage simply doesn't make the grade.

Paul Nugent, of Wakelin Property Advisory, believes there is a stigma associated with single-fronted houses for certain owner-occupiers.

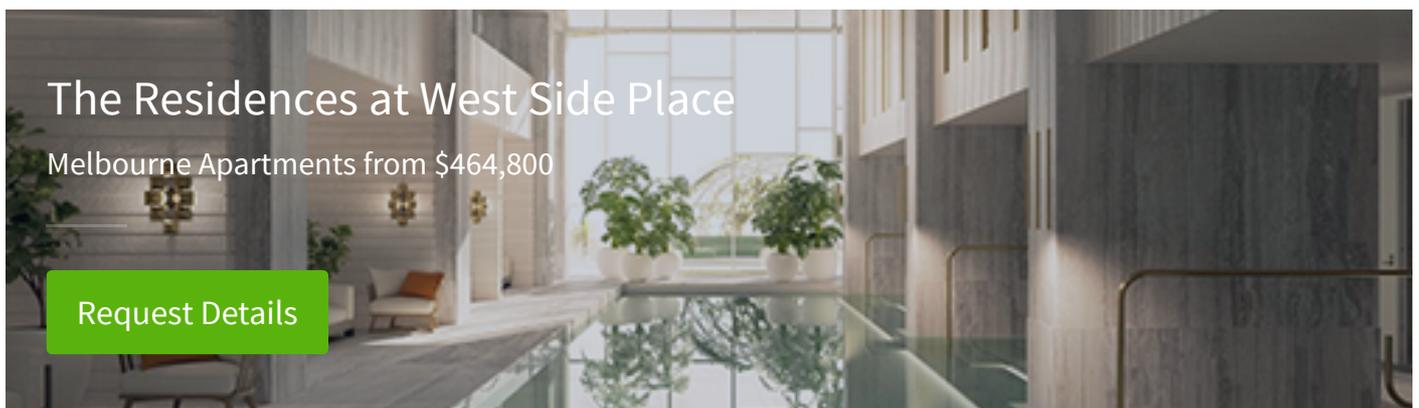
"A lot of people aged close to 70 still remember single-fronted houses as places where poor people lived," he said.

Mr Nugent said single-fronted houses hadn't caught on with downsizers.

It was only in such suburbs East Melbourne and Armadale where these properties were well accepted by older buyers, he noted, adding that a cottage needed to be a rare offering to appeal.

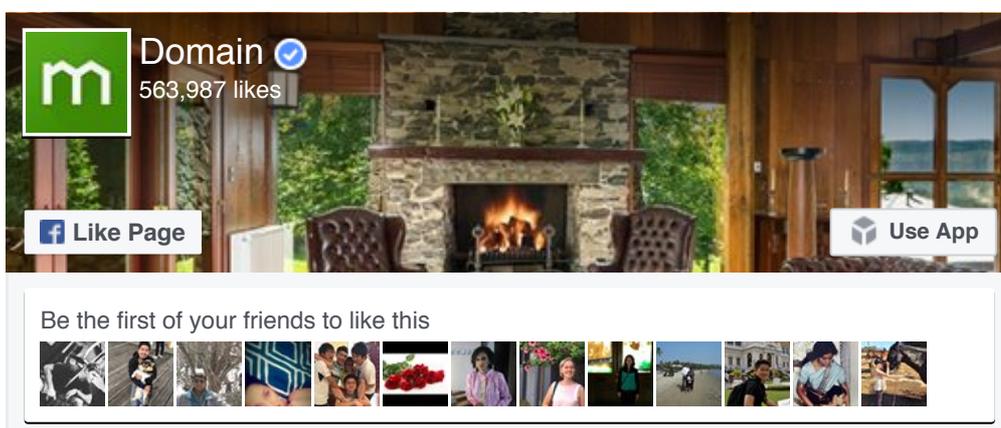
Mr Nugent points out that off-street car parking is a must-have requirement for many downsizers.

Good car accommodation is more easily achieved with the larger block sizes of double-fronted houses than it is with the standard single-fronted house.



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