

# Upmarket Sydney's hot, Melbourne's not

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[Lisa Allen](#)

Property & Tourism Reporter  
Sydney



Sydney CBD view from 19/55 Wolseley Rd, Point Piper. *Source:* Supplied

**SIX weeks into 2014, Sydney's luxury penthouse market is already firing, but Melbourne is yet to report a single apartment sale over \$3 million.**

“The Sydney market is strong - there's been exceptional results this side of 2014,” says Steven Chen, director of Projects for agency McGrath in Sydney.

McGrath has sold four luxury apartments this year in the Pacific Bondi Beach development in the eastern suburbs, ranging from \$4.25m to \$8.1m.

Most buyers, according to Chen, are empty-nesters looking to downsize from the nearby dowager suburbs of Vaucluse and Point Piper to trendier Bondi Beach.

Chen says older buyers in particular are attracted to Bondi because of its “vibrancy and youthfulness”.

“A lot of them like the fact that when the family comes to visit, they can go to parks and beaches in the area,” he says.

These buyers favour off-the-plan purchasing because it gives them time to organise the sale

of their current home, Chen says. “They don’t have to buy, settle and sell in a short period.”

Due for completion late next year, Pacific Bondi Beach, which is being developed by Allen Linz and Eduard Litver, is also attracting Asian interest. Five apartments remain on the market ranging from \$4.5m to \$13.9m in the complex at 108 Campbell Parade.

Chen reckons off-the-plan apartment sales will dominate Sydney’s luxury residential market this year, but he also foreshadows strong sales of existing luxury apartments.

John Cunningham, who is the honorary consul to Barbados, is hoping to tap into the hot apartment market, offering his luxury penthouse in Sydney’s Point Piper with expectations of about \$4.5m.

The 19/55 Wolseley Road, Point Piper, whole-floor penthouse is being marketed by Sotheby’s International Realty.

“It was an investment property - I owned it for 3 1/2 years and I think now is a good time to sell,” says Cunningham. “I no longer need it.”

Cunningham paid \$4.275m for the three-bedroom and two-bathroom penthouse overlooking the Opera House and Sydney Harbour Bridge in 2010, thinking it was a good deal at the time. The vendor was a deceased estate.

Since then, Cunningham has forked out about \$200,000 on a new lift in the 40-year-old apartment tower, which is about to undergo a renovation of its public areas.

The first open inspection of the apartment attracted 10 parties, including a couple of potential Chinese buyers. The property is to be auctioned through Michael Pallier and James McCowan of Sotheby’s International Realty on March 4.

Meanwhile in Melbourne, Gerald Delany, chairman of residential agency Kay & Burton, said there had not been a lot of activity in the luxury apartment sector so far this year.

“Until the end of last year we had very good activity, with a number of very good sales ranging from \$12,000 to \$18,000 a square metre for off-the-plan and resale apartments,” Delany said. “Some apartments were fetching prices as high as \$8m last year.”

As in Sydney, Melbourne’s high-end apartment buyers are generally people in their late 50s coming out of larger houses. “They want to live in key locations - buying an apartment is for a lifestyle change,” he says.