

# WHAT DOES \$1 MILLION BUY YOU?

From a smaller pad with ocean views to a mansion in the 'burbs, API takes a look around the country to find out where you'll get the most bang for your million bucks.

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This property in Bulimba, Brisbane, sold for exactly \$1 million

One million dollars is a lot of money, but thanks to the property boom in Sydney and Melbourne, the number of million-plus suburbs “exploded” this year.

RP Data research analyst Cameron Kusher says homes in the million-dollar property club hit new heights in 2014.

In fact, there are now 417 suburbs around the country that have a median value of \$1 million. That’s an increase of around 33 per cent in just 12 months, with the number of suburbs with a median price tag of \$1 million just 312 back in 2013. What a difference a year makes! It’s no surprise many of the newcomers are in Sydney, but what about the rest of the country? Exactly what does \$1 million buy you these days? Let’s take a look.

## ■ INSANE SYDNEY PRICES

It’s fair to say that Sydney prices, and buyers for that matter, seem to have gone slightly insane over the past year, willing to spend hundreds of thousands of dollars over the reserve in some cases. A \$1 million property used to mean a mansion with fantastic views. These days, it’s a modest pad in the city ring. The median house price of Sydney now sits at \$750,000 while the median unit price is \$575,000, according to RP Data.

“One million dollars doesn’t buy you much in Sydney anymore,” Herron Todd White valuer Kim Quick says.

“There’s a big sense now, ‘if I don’t get in now, I might not get there next week.’”

It sounds a bit depressing, but the good news is that you can still live near some of Sydney’s best beaches, such as Bondi, Manly and Balmoral, if you have \$1 million max to spend. Just don’t expect a house. For this sort of price range, a two-bedroom apartment with no ocean views, but probably a balcony and a car space, is as good as it gets.

Quick says anything near the beach would be “fairly modest”. You might find a property with ocean views, or ‘glimpses’, as agents like to say, but it would probably need a renovation.

“If you’re looking for more comfort, you’ll get something further away,” she says. “The higher the scale of fit-out, the less likely you’ll be close to anything.”

In the outer suburbs, \$1 million will obviously go much further. You’d be able to purchase a two-bedroom attached semi in an inner-west suburb such as Leichhardt or even a freestanding

house on or very close to a main road or train station.

“Dulwich Hill and suburbs near Leichhardt have benefitted from the inner-west light rail,” Quick says.

“You would find two-bedroom accommodation, probably a semi or a townhouse (for \$1 million). There isn’t a lot of freestanding product in that area.”

She says anything on the North Shore with a \$1 million price tag would be land value only. Even properties in greater western Sydney such as Castle Hill, Kellyville and The Ponds are now coming with \$1 million price tags.

“A suburban house with a nice backyard, one that’s nicely renovated in Castle Hill, is pushing \$1 million,” Quick says. “That’s 35 kilometres from the CBD.”

Bigger blocks can also be found south of Sydney, in the St George and Sutherland Shire area. You might be able to find a dump, in need of a lot of work but on a larger block of around 500 square metres, in one of St George’s main hubs, Hurstville.

Alternatively, you could find a house for less than \$1 million heading towards Cronulla, although it would be an older-style pad.

Allam Real Estate agent Camille Allam says convenience is now a “very big thing” when it comes to ‘the Shire’.

“Being able to get in and out and close to Captain Cook Drive has started to become huge,” he says. “North Caringbah used to be the cheaper sister of South Caringbah, but now it’s all about convenience and lifestyle.”

He says that \$1 million properties in Sutherland Shire can actually have huge profit margins thanks to zoning changes, which now allow properties on 600 square metres to be subdivided.

“That has brought Shire prices up in

terms of any property on more than 600 square metres,” he says.

“Mums and dads are now trying to do developments, plus a huge amount of buyers are now downsizing.”

## ■ MORE REALISTIC MELBOURNE

Victoria has 56 suburbs with a median house price of \$1 million or more, and one unit suburb with the same median. But prices are definitely more realistic, at least compared to Sydney.

The house median is \$160,000 less than Sydney’s, sitting at \$590,000. The unit median is also cheaper at \$460,000.

This means you can still get into the blue-chip suburbs of inner Melbourne, just don’t expect to live on a large block.

The blue-chip suburb of Richmond offers two and three-bedroom properties for around \$1 million. Likewise, trendy Toorak offers similar property. But with a median house price of \$2,622,000, an apartment or small semi is realistically what someone with \$1 million to spend would be looking at.

To the city’s inner-west you could snap up a three-bedroom renovated period property in the suburb of Yarraville, according to Cate Bakos of Cate Bakos Property.

“It’s just seven kilometres from the CBD and serviced by great transport,” Bakos says. “It’s five stops to the city by train in the tightly-held primary school zone.”

South of Melbourne in the blue-chip area of Brighton, Biggen and Scott agent Trudy Biggen admits “you can’t buy much in Brighton for \$1 million now”.

She recently sold a knockdown property on a 467-square-metre block for exactly \$1 million. It rents for just \$450 per week, but the new owners are planning to lease the property until they get permits to build a new home.



This property in Caringbah, Sydney, sold for exactly \$1 million