

Bargain suburbs exist in Melbourne but experts warn they are selling fast

- by: *Rebecca Di Nuzzo*
- From: [Herald Sun](#)
- August 15, 2014



New Real Estate Institute of Victoria figures show the median price of two-bedroom houses in Pakenham, Werribee and Dandenong North are all under \$300,000. *Source: Supplied*

HOMEBUYERS on tight budgets can still find a house for less than \$300,000 in Melbourne but their options are rapidly shrinking, experts warn.

New Real Estate Institute of Victoria figures show the median price of two-bedroom houses in Pakenham, Werribee and Dandenong North are all under \$300,000.

The same budget will get you a three-bedroom house in Melton South, Melton and Frankston North.

But REIV spokesman Paul Bird said time was running out for budget buyers to get a foot in the metropolitan market.

“People looking for a home under \$300,000 will find it harder in the next six to nine months,” Mr Bird said.

Melton South was the most affordable suburb, with a median three-bedroom house price of \$219,000 in the June quarter. It was followed by Melton, where three-bedroom houses had a median price of \$238,750.

Two bedroom-houses in Pakenham would also appeal to those on tight budgets, with a median price of \$250,000, while three-bedroom houses in Frankston North were up for grabs for a median price of \$255,000.

Mr Bird said housing at this price would likely disappear within the next two years.

“These sort of locations will only stay under \$300,000 for a certain amount of time,” he said.

Rounding off the list of the most affordable were two-bedroom houses in Werribee and Dandenong North, with median prices of \$267,500 and \$295,000 respectively.

Mr Bird said continued record low interest rates would encourage more people into the market, with demand for entry level properties pushing up prices.

“Generally if there is a strong push for a type of housing in an area, then that does tend to push the pricing upwards,” he said.

Mr Bird said buyers looking for affordable properties would increasingly have to look further afield, with regional areas offering more value for money.

The figures showed three-bedroom houses in Numurkah had a median price of \$158,000 in the June quarter, while the three-bedroom median house price in Moe was \$162,000 and \$125,000 for two-bedroom houses.

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