

Changing house prices

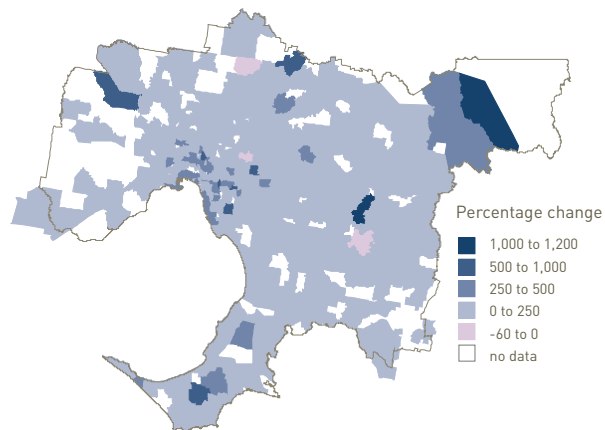
Changing median house prices

In the 14 years between 1990-2004, real median house prices rose most in Melbourne's bayside and inner northern suburbs, while real median prices declined in some outer northern and eastern suburbs. Median prices for units rose at a much lower rate. Units make up a small proportion of dwellings in many suburbs, so annual median prices for units may be based on few sales.

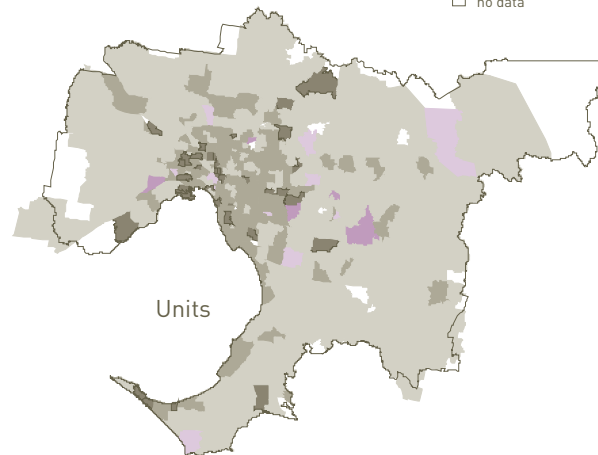
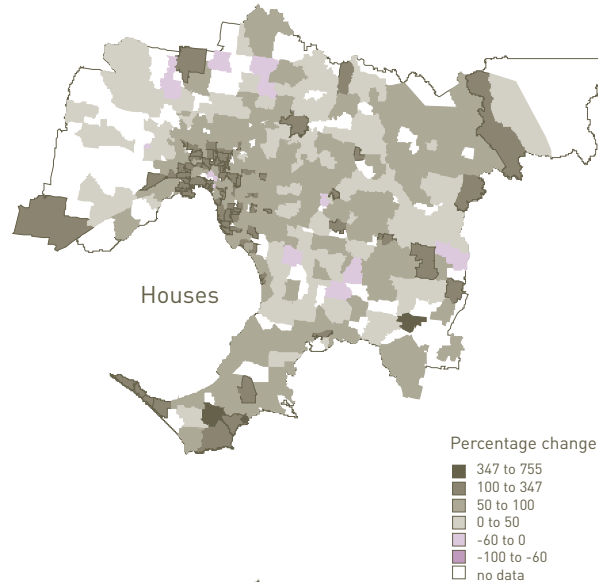
The largest rises in house prices were in inner areas undergoing gentrification, and some outer areas experiencing urbanisation.

Data for house price changes before 1990 is unavailable for many areas, but the available data back to 1974 (see Map 1) indicates the pattern of real house prices rising most in the inner suburbs was becoming evident before 1990, but was much less pronounced.

1 Percentage change in suburbs' median house price, (CPI adjusted), 1974 -2004



2 Percentage change in suburbs' median house and unit prices (CPI adjusted), 1990-2004



Diverging from the Melbourne price median

House prices well above the Melbourne median are now concentrated in fewer areas than in 1974, when they were spread throughout the eastern suburbs.

3 Difference between suburb median house price and Melbourne median, 1974 and 2004

