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Bayside Melbourne Tops Profit Rankings in Home Resales

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Despite Melbourne recording one of the highest rates of loss-making home sales in early 2025, one local government area (LGA) stood out for property profitability.

According to the March 2025 *Pain & Gain Report* by Cotality (formerly CoreLogic), 11.3% of all Melbourne property resales resulted in a loss. However, the City of Bayside recorded the highest median profit, with sellers gaining an average of \$608,000 per sale, well above the next most profitable LGA, Nillumbik Shire, at \$528,500.

Manningham followed closely with a \$520,000 median profit.

Cotality's head of Australian research, Eliza Owen, said Bayside's success stemmed from the area's long-term desirability and limited housing supply.

"Because it contains blue-chip areas of the Melbourne market, over time, because of their desirability and scarcity of housing, it has accrued a lot of value," she said.

Bayside includes well-known suburbs such as Brighton, Sandringham, and Hampton, known for coastal living, established amenities, and consistent demand. The median holding period for profit-making sales in Bayside was 13.4 years, the longest across all Melbourne LGAs. The typical market average is around nine years.

"Because it is inherently a blue-chip market, it reliably returns very decent profit, particularly for house owners who have been in the area for a long time," Owen added.

House resales in Bayside significantly outperformed unit resales. While 99% of house resales made a profit, only 83% of unit sales achieved the same.

Buyers advocate Matt Cleverdon from Morrell and Koren noted that the COVID-19 pandemic may have contributed to the area's continued appeal.

"People began re-evaluating lifestyle choices. Bayside, with its beaches and open space, really came into its own," he said. Suburbs like Beaumaris, Black Rock, and Sandringham also experienced rising popularity during that period.

Halli Moore, director of Buxton in Brighton, said local factors such as village shopping strips, reliable train transport, and minimal traffic congestion were major drawcards. Schools, both public and private, were also a key selling point.

Nick Johnstone, of Nick Johnstone Real Estate, added that once people moved to the area, they tended to stay. "From Brighton to Beaumaris, people upgrade or downsize within the area. They rarely leave."

This reduced market turnover has contributed to Bayside's strong resale performance.

Still, 10.4% of Bayside home sales resulted in a loss. Owen explained that short-term ownership is often more vulnerable to market dips, especially given that house values

remain 8% below their 2022 peak.

“Anyone who bought at the top and sold soon after is more likely to have incurred a loss,” she said. Units and high-density housing types also carried higher risks.