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Heavy going

**ANOTHER ROUGH DAY FOR VENDORS
AS THE MARKET STUMBLES. PAGE 4**

HOT PROPERTIES

TOTAL AUCTIONS
Auctions **778**
Clearance rate **61%**
Sold at auction **387**
Sold before **81**
Sold after **7**
Auctions with
no results **139**
Auction volume
\$353.2m

HOUSES
For auction **521**
Clearance rate **58%**
Total value **\$240.17m**
Median price **\$677,500**

APARTMENTS
For auction **235**
Clearance rate **67%**
Total value **\$94.14m**
Median price **\$533,500**

Private sales **564**
Private sales volume
\$290.13m

**HIGHEST PRICE
HOUSE**
3 Gilbert Parade,
Camberwell **\$2,031,000**

APARTMENT
90 Canterbury Place,
Middle Park **\$1,590,000**

**LOWEST PRICE
HOUSE**
4 Arunga Avenue,
Norlane **\$165,100**

APARTMENT
9/119 Anderson Road,
Sunshine **\$190,000**

RESULTS AS DISCLOSED TO THE REW

INSIDE



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MARKET WRAP
CHRIS VEDELAGO



Rates up, interest is down

RATE HIKES AND A LARGE OFFERING DAMPEN AUCTION RESULTS.

MELBOURNE'S auction market has stumbled again in the face of swelling stock levels and rising mortgage costs, posting a clearance rate of just 61 per cent yesterday. If that wasn't bad enough, it turns out the surprise drop in last weekend's clearance rate is worse than originally estimated.

The Real Estate Institute of Victoria downgraded the figure by two percentage points to 59 per cent after tracking down the results of about 80 unreported auctions.

This now means the sales level fell 7 percentage points in a single week, one of the worst performances for the market since RIV records began in 2003.

With yesterday's sales figure based on 778 auctions — and with the results of another 139 still to be reported — the clearance rate is likely to be revised down again.

Blame for the decline is being attributed to shock at the increases in the interest rate being passed on to consumers by the big four banks. Mortgage lending rates are now 7.67 to 7.85 per cent.

Whether the recent withdrawal of buyers from the market will only be temporary remains to be seen as it usually takes a month or more for the full effect of a rate rise to be felt at the coalface. A surge in the number of properties coming on the market is also likely to be responsible for the decline in the sales level.

About 1000 auctions are taking place each weekend for the next three weeks, which is set to spread buyers even more thinly on the ground.

CALL MARKET WRAP
With year auction results, tips and comments on 6667 2647 between 3pm and 6pm on Saturday



PICTURE: PAT SZALIA

many vendors to have to lower their price expectations.

Yesterday, Hocking Stuart reported a clearance rate of 56 per cent for the 102 properties auctioned across the agency's network. "Only one of those 57 that sold ended up selling for more than 10 per cent above the quote range, which probably gives you an indication of what the market is like," said Nigel O'Neil, chief executive of Hocking Stuart. "If vendors are holding out for better prices, I think they will be waiting a while."

In South Yarra, a two-bedroom apartment at 8/80 Cromwell Road opened and passed in on a vendor bid of \$270,000. Advantage Property Consulting said the reserve is \$640,000.

At the pricier end of the market, Buyer Solutions reported that 37 Fairfield Avenue in Camberwell and 2 Dorrington

Avenue in Glen Iris both passed in without attracting any genuine bids. Fairfield Avenue's reserve is \$1,795,000, while Dorrington Avenue's is \$2,475,000.

But it wasn't all bad news out there. In Prahran, four bidders pushed the sale price of the double-storey contemporary townhouse at 16 Chatsworth Road to \$1,375,000 after the three-bedroom property opened on a vendor bid of \$1,355,000. Marshall White reportedly quoted it at \$1.1 to \$1.2 million.

Four bidders also competed for 31 Leslie Street in St Kilda East, a two-bedroom brick house that sold under the hammer for \$820,500 through Martin Road Estate. It was quoted at \$720,000 to \$790,000.

The 1920s Californian bungalow at

118 Marlborough Road in Heathmont sold for \$477,000 after being declared on the market by Carter Real Estate at \$450,000. An investor fought off two first home buyers to take the renovated two-bedroom house. It was quoted in the early to mid-\$400,000 range.

In an interesting contrast with the overall market, the 13 units that were released yesterday at Australasia's Lume Apartments in Carlton sold out in less than two hours. One-bedroom units started at \$345,000 and two-bedrooms ranged from \$585,000 to \$615,000.

Analysys Residex report that Melbourne experienced a stronger than expected level of price growth in October. House values rose 1.3 per cent to a new high of \$609,500 over the month. That value increased by 0.3 per cent to \$450,500, chief executive John Edwards said.



41 Grey Street, East Melbourne
Sold \$1.2 million
GAMER REAL ESTATE
ASKING PRICE \$1-\$1.2 million

East Melbourne is easily one of the city's most lightly held areas and only a handful of houses come up for sale at any one time.

Not surprisingly, this 1950 cottage attracted a crowd of more than 60 people who were willing to stand in the rain for what proved to be a lengthy auction.

Auctioneer Paul Caine opened the two-bedroom "gingerbread house" on a vendor bid of \$1 million and then slowly drew a series of \$10,000 rises out of two very wary bidders, each waiting until the property was on its third call before making another offer.

At \$1.07 million, Mr Caine took the first of two breaks to consult with the executors of the estate. When the auction resumed, the first bidder dropped out and a new party jumped in, taking the price up to \$1.15 million.

After another chest-thumping, Mr Caine put the property on the market at \$1.15 million. One last spurt of bidding saw the hammer fall at \$1.2 million.
CHRIS VEDELAGO

SOUTH YARRA



3/20 Surrey Road
Sold \$392,500
AGENT PROCLAIM STRAT
ASKING PRICE \$360,000-\$390,000

"It's raining, you've got to be here for some reason" cooed auctioneer Peter Perrington, trying to spark opening movement from 40 people huddled under umbrellas. Eventually, a genuine bid of \$350,000 was made and, slowly, another two bidders began competing for this ground floor, one-bedroom "company share" apartment. The pair remained sluggish with small bids of \$1000. A fourth contender entered at \$372,500, before buying the property for \$392,500. It was declared on the market at \$380,000.
JOYCE D'ARCY

ABBOTSFORD



95 Charles Street
PASSED IN \$707,500
AGENT BRIMAN & BOTT
ASKING PRICE \$650,000-\$700,000

Auctioneer Russell Cambridge spruked the many benefits of this renovated two-bedroom terrace, which is located on a leafy street with a quaint old style milk bar across the road and Victoria Street at its end. The property was offered with a "fantastic tenant" in place for investors who were interested, or with vacant possession should a buyer want to live there. Starting at \$640,000, the price went to \$707,500 but, with the reserve set in the high \$700,000 range, the property passed in.
JOYCE D'ARCY

SEDDON



6 Arran Street
SOLD \$538,000
AGENT JAHN STEPHENS
ASKING PRICE \$470,000-\$530,000

Twenty people gathered to watch the auction of this renovated two-bedroom 100-year-old Edwardian house in Seddon. A bid of \$150,000 was only enough for the letterbox, according to the auctioneer who responded with a vendor bid of \$480,000. This elicited a bid of \$490,000 from a new bidder which was met by another vendor bid of \$500,000. Two would-be buyers responded with bids in rises of \$1000 to \$4000, but a woman and her excited, umbrella-wielding bidding partner secured the house for \$538,000. The property was declared on the market at \$535,000.
JOYCE D'ARCY

BRUNSWICK



84 Evans Street
SOLD \$667,500
AGENT NELSON ALEXANDER
ASKING PRICE \$650,000-\$680,000

This free-standing, two-bedroom Victorian with large gardens and off-street parking had 25 keen would-be buyers waiting for the auction to start, but once it did, the competition was between two parties only. A vendor bid of \$600,000 was followed by a genuine bid of \$600,000. Not wanting to miss out on a second property that morning, a keen would-be buyer leapt in with a solid bid of \$640,000. This didn't deter the initial bidder who made four more bids to secure the property at \$667,500. It was on the market at \$655,000.
JOYCE D'ARCY

SECRET AGENT

South Yarra right for Price PROMINENT radio broadcaster Steve Price (below) and his partner, Wendy Black, are understood to have bought a luxurious historic terrace in South Yarra's most exclusive pocket, near the Royal Botanic Gardens.

The program director and breakfast presenter at new Melbourne talkback radio station MTR is believed to have paid more than \$2.5 million for the double-storey four-bedroom terrace in The Right.

The home is walking distance to the MCG, where Price's AFL team, the Tigers, play. It is also near the Swan Street, Richmond, studio from where MTR broadcasts.



Maybe Be Diva's home for sale THOROUGHBRID owner and tuna farmer Tony Santic is offloading a 1725-hectare lifestyle property in Geelong.

Roxby South, the estate where three-time Melbourne Cup-winning racehorse Maybe Be Diva is retired and has bred, is expected to sell for about \$8 million.

The estate includes several buildings, 13 dams, 14 large grazing paddocks, water storage, tanks capable of holding 2 million litres, and about 20 kilometres of post and rail fencing.

Roxby South is for sale via an expression-of-interest campaign being managed by Kay & Burton's Gowan Stubbings, who declined to comment when contacted by Domain.

MARC HILLISKO