

Some signs of stabilisation in frenzied market

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HUNGER for Melbourne property remains insatiable, as buyers continued to snap up real estate at the weekend despite a boost in stock levels.

The clearance rate dropped slightly, to 81 per cent, from a reported 812 auctions - about 300 more than last week.

Advantage Property Consulting's Frank Valentic said a two-bedroom Carnegie property may have set the record for an apartment in the suburb, after more than 10 bidders pushed the selling price to \$627,000. He said the property sold above expectation, as another one in the block had sold six months ago for \$450,000.

The price paid for land in McKinnon also broke new ground, after the sale of 53 Rose Street for \$645,000, or \$2135 a square metre. Frank Ruffo of Hodges Real Estate said the land value was equivalent to prices in the middle Brighton area.

Six bidders turned out at 172 Centre Road in Bentleigh, which had a reserve of \$650,000, pushing the selling price to \$850,000.

Mr Ruffo said a house four doors down from the property sold in December 2007 for \$680,000.

The standout result for JPP Buyer Advocates' Catherine Cashmore was 1/23 Belmont Avenue in Glen Iris, which was quoted in the low \$500,000s, went on the market at \$525,000 and, with two bidders, eventually sold for \$680,000.

"A vendor joked to me that she had earned more in equity from her house than she had in her yearly wage packet," Ms Cashmore said.

The market also saw some strong results on the higher end of the market, with the most expensive auction this weekend at 32 Grandview Grove in Prahran, which went under for \$4.41 million.

However, of the 136 million-dollar properties that were up for auction, 30 per cent didn't sell, including a \$6 million house passed in at 5 Hopetoun Road, Toorak, and 7 Kensington Road in South Yarra also passing in at \$4 million.

Alastair Craig of Jellis Craig said a "piece of Hawthorn history" was up for sale at 15 Grattan Street, which went on the market at \$2.3 million before selling for \$2.49 million.

He said both the purchaser and underbidder turned up on the day without having seen the property.

Buyer advocate Peter Rogozik said that the pent-up demand had finally reached a peak, and selling prices seemed to be stabilising and becoming more predictable.

The tendency to hold auctions in the outer suburbs, such as Blackburn and Doncaster, was also increasing, according to Noel Jones group chairman Adrian Jones.

"It's only probably three or four years ago that you would never hold auctions in these outer suburbs."

There is good news for buyers, with about 2000 properties to be auctioned in the following weeks.

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