

THE MARKET OUTLOOK REMAINS UNCERTAIN, EVEN ON A COMPARATIVELY LEVEL PLAYING FIELD.

Same style but many outcomes

Patchy is a word that is often used to describe the current state of Melbourne's property market. Despite attempts at predictions, agents and analysts by and large agree it's difficult to draw definitive conclusions about where the market is heading.

While the city-wide clearance rate has stabilised in recent months, when viewed suburb by suburb or by price range, the market's performance has been far more volatile.

It's now not uncommon to see properties in once high-performing suburbs fail to sell under the hammer, or even for similar properties in the same street to get radically different outcomes.

In a bid to see the market in a different light, this week Market Wrap tracked the auctions of 12 similar properties — all single-fronted, single-level Victorian homes — located in different regions across the city. The idea was to see if "equalising" the stock would provide a different, potentially clearer picture.

Generally speaking, Victorian-era period homes are highly desirable by dint of their scarcity, classic architectural style and prime location along tram and train lines in Melbourne's inner and middle suburbs.

"Emotion adds a big injection of cash into the equation with period houses," said Catherine Cashmore of JPP Buyer Advocates. "It's not unusual to see a well-marketed house with period features and the necessary internal charm gain a 20 per cent price margin on modern properties offering similar space and internal facilities."

While some single-fronted Victorians can be small, offer no or limited parking, come with heritage-related protections or cost a fortune to update and maintain, most have a well-deserved reputation for strong and consistent long-term capital growth.

But, perhaps in a sign that Melbourne buyers are becoming more discerning even when it comes to quality property,

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13 McPHAIL STREET, ESSENDON, DID NOT SELL AT AUCTION YESTERDAY. PICTURE: CRAIG SILLITOE

yesterday's sales results were as varied as they come.

Overall, eight of the 12 Victorian houses that went on the block sold and, generally, sold well. They were all located in different suburbs such as Richmond, Hawthorn East, Kew, Albert Park, Ascot Vale, Port Melbourne, Seddon, Abbotsford, etc.

But there was no real consistency among the individual results — some renovated properties sold, but not all. A free-standing home wasn't guaranteed to attract a buyer over an attached or semi-detached terrace. Most of the properties located in popular suburbs sold, but some of them were passed in first.

In Richmond, two young couples pushed the sale price of an updated two-bedroom Victorian cottage at 9 Cotter Street to \$655,000. Hocking Stuart had declared it on the market at \$630,000.

A two-way competition also

developed over 12 Beckwith Street in Coburg, with Barry Plant selling the two-bedroom house for \$595,000 off a \$390,000 reserve.

In Hawthorn East, a freestanding, three-bedroom Victorian at 6 Albert Street, which had been fully renovated, sold through Marshall White for \$1.18 million, according to an observer.

Later negotiations saw 4 Ellesmere Street in Northcote sell for \$700,000 after the renovated, two-bedroom property was passed in by Hocking Stuart for \$660,000.

There was no sale at 52 Evans Street in Port Melbourne, which was passed in on a vendor bid at \$810,000. Bennisson Mackinnon said the freestanding, unrenovated three-bedroom house had received a later offer but was still available. It was quoted at \$790,000 to \$850,000.

Meanwhile, the Real Estate Institute of Victoria reported yesterday's clearance

rate was 68 per cent for the 669 properties that were up for sale.

In Prahran East, a buyer paid \$5126 per square metre for a vacant block at 84 Chatsworth Road. John H. Castran said the 277-square-metre allotment, which includes planning approval for a luxury residence, sold for \$1.42 million.

In another stunning result, an unrenovated one-bedroom unit at 3/8 Grandview Grove in Prahran sold for \$506,000, thanks to five bidders. Buyer's advocate Peter Rogozik said a similar unit in the development sold in September 2008 for \$335,000.

No buyers emerged from a crowd of about 50 people gathered at the auction of 4 Wanda Court in Aspendale, a four-bedroom renovated brick veneer house that passed in for \$570,000. Ray White Chelsea said the reserve was \$629,000.

There are 720 auctions scheduled next weekend.