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Calmer market still shows some rough spots

WITH the feverish bidding of a few months ago cooling, the market seems to be stabilising at a more sustainable level.



Stock levels are still well above last year, but the clearance rate appears to be steady, having remained in the mid to high 60 per cent range for the past few weeks.

Falling below the February high of 87 per cent, it shows signs the market could be easing into what agents say is a more typical and healthy state.

The 560 auctions reported this past week generated a clearance of 67 per cent.

In comparison, this time last year there was an 86 per cent clearance from 382 auctions.

Buyers' advocate David Morrell said the market was getting "weirder and weirder" and although there were fewer bidders at the top end recently, there were still some big results.

He said it was rare to have three bidders for a warehouse, such as the one at 59-63 Seacombe Street, Fitzroy North, which ended up selling for \$ 2 million, above a quoted price range of \$1.7 million to \$1.85 million.

"You can try to read the tea leaves but it's just really property specific."

An 837square-metre block at 20 Bluff Street, Hawthorn East, went for \$1.86 million, above its \$ 1.55 million to \$ 1.65 million quote.

Of the eight properties over \$ 2 million that were auctioned at the weekend, only two were sold.

Catherine Cashmore, of JPP Buyer Advocates, also said the market was "somewhat fickle", with some properties selling for aboveaverage prices, while others were going at the bottom of their market range.

What made certain properties more appealing, she said, was either being one-of-a-kind currently for sale in that suburb, or having unique features, such as a larger-than-usual courtyard or extra car space.

"If, however, there are two or three other, similar, properties for sale at the same time, it's very probable

that the buyer competition will be reduced," she said.

Quoted between \$ 450,000 and \$ 500,000, 2/ 31 Shepparson Street, Carnegie, had two bidders and ended up selling within the range for \$495,000.

On the other hand, 1/12 Avoca Avenue in Elwood attracted plenty of competition and had five bidders in the mix. With an opening vendor bid of \$525,000, it was on the market at \$ 600,000, and sold for \$ 647,000 — above its quote of \$550,000 to \$610,000.

Noel Jones group chairman Adrian Jones reported a solid result at a Box Hill property that has been sold three times in the past 18 years.

When it was sold in 1992, 7 Bishop Street went for \$185,000; 10 years later it was sold for \$450,000.

On Saturday, the six-room property, which was estimated between \$ 850,000 and \$ 900,000, had two bidders and went under the hammer for \$932,000.

- Market steadies, with fewer bidders at the top end.
- Buyers' advocates describe market as "weird" and "fickle".



- Unique properties are selling at higher than expected prices.

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