

THE KEY

MARKET REPORT

Yesterday: Boost for auctions

SHANNON DEERY

DESPITE fears for the market this weekend, real estate agents report stronger auction results than in recent weeks.

The clearance rate of 65 per cent was within the range that has dominated 2008 figures, but was a slight improvement on last week.

REIV boss Enzo Raimondo said yesterday: "Demand at today's auctions improved, leading to a higher clearance rate than last weekend.

"The clearance rate increased to 65 per cent from a total of 455 auctions held today, with 160 being passed in and 94 being passed in on a vendor's bid."

James Hatzimoisis, of the Barry Plant Group, said 21 out of 35 houses auctioned in Melbourne yesterday sold.

"The pendulum has swung towards buyers, but well-presented and positioned homes are still selling," he said.

"The second-tier properties are struggling, with buyers being very picky.

"The market has come back by about 10 per cent and vendors must be realistic or they are not going to sell."

He said 18 Santos Court, Keilor Downs, sold before auction and above reserve after three offers.

The late-1980s brick veneer, with three bedrooms and a double garage sold for \$396,000.

John Bongiorno, of Marshall White, said slow activity had been boosted by a volatile share market.

"The market is certainly down, but we had good bidding on every property today," he said.

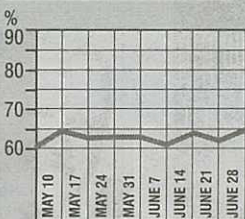
Tim Fletcher, of Fletchers Real Estate, said: "The residential market is doing extraordinarily well.

"It's a tough old world out there and I think the market is holding up better than any other."

Hocking Stuart group director Steve Tickell said 36 out of 55 houses sold at auction yesterday, indicating a clear-

KEY FIGURES

Private sales	591
Auctions this week	455
Sold	216
Sold before	69
Sold after	10
Passed in	160
On vendor's bid	94
Auctions last week	543
Auctions last year	575
CLEARANCE RATES %	
Overall yesterday	65
Overall last week	62
Houses yesterday	62
Houses last week	63
Flats/apts yesterday	69
Flats/apts last week	60



ance rate of more than 65 per cent.

He said inflated oil prices and high population growth stifled interest in the city, while vendors in outer Melbourne suffered.

"It is pretty hard in pockets around outer Melbourne, but as we move closer to the city things are looking better," he said.

He said 2-4 Moss Place, North Melbourne, sold at auction for \$1,375,000, with five bidders.

Catherine Cashmore, of JPP Buyer advocates, said the market had come to a standstill.

"I wouldn't advise anybody to sell their home at the moment," she said.

"At the upper end of the scale, especially, there has been less buyer activity."

She said 27 Binnie St, Brighton East, failed to attract a bid and was passed in with a vendor bid of \$970,000.

"It should have sold. It is a beautiful Californian bungalow on a huge block ... and we expected between \$1.2 million and \$1.3 million," she said.