

THE KEY

Market report

Yesterday: Flicker returns to market

Tony Rindfleisch
KEY EDITOR

NEWs of a possible fall in interest rates put a flicker of life into Victoria's auction market yesterday.

The clearance rate of 66 per cent was a rise from last week's results, which came perilously close to being the worst of the past three years.

Estate agents said the market was fickle and purchasers had been slow to read the signposts pointing to a buyers' market in recent months.

Industry observers said buyers appeared to be betting that prices would drop further and they would get a better deal by being cautious or waiting.

REIV chief executive Enzo Raimondo said buyers had reacted positively to speculation that interest rates would drop.

Jellis Craig director Scott Patterson said cashed-up buyers were presented with very good buying, especially in areas where there were many similar properties for sale.

Western suburbs agent Matthew Young, of Jas H. Stephens, said buyers were hesitant even though they could buy good value properties.

"Buyers have a great opportunity on their hands," Mr Young said.

"They do not realise how good it is."

Barry Plant's James Hatzimoisis said buyers were being selective and slow to act at auction, but most properties were selling in the days after auction.

Mr Patterson said a rare, old corner store used as a house needing major renovation at 1 Groom St, Clifton Hill, sold for \$656,000 under competition from eight bidders who smashed the reserve of \$475,000.

Tim Fletcher, of Fletchers, said that in a move typical of many auctions, where buyers sit on their hands, a 1970s house at 29 Northcote Ave, Balwyn, was passed in on a vendor bid of \$1,125,000.

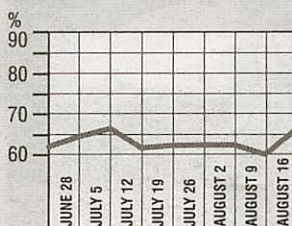
He said six potential buyers later showed their interest and a lounge room auction between two of them saw the property sell for \$1,211,000.

Agent Philippe Batters, of

KEY FIGURES

Private sales	518
Auctions this week	450
Sold	206
Sold before	79
Sold after	10
Passed in	155
On vendor's bid	112
Auctions last week	395
Auctions last year	587

CLEARANCE RATES	%
Overall yesterday	66
Overall last week	60
Houses yesterday	66
Houses last week	57
Flats/apts yesterday	66
Flats/apts last week	66



Williams Batters, said a three-bedroom townhouse at 14 Balmoral Place, South Yarra, went on the market at \$880,000 and sold \$201,000 later at \$1,081,000.

A four-bedroom house at 4 Gundry Grove, Watsonia North, sold for \$600,000, Joe Torzillo, of Ray White in Bundoora, said.

He said five bidders pushed the price beyond the reserve of \$550,000.

William Lyall, of Carter Real Estate, said a 1950s three-bedroom house at 25 Ford St, Ringwood, on 830sq m sold for \$501,000, which was believed to be a record price per square metre.

Advocate Frank Valentic, of Advantage Property Consulting, said a two-bedroom Victorian house at 64 Blessington St, St Kilda, sold under competition from seven bidders.

He said the strong market interest helped the property eclipse its reserve of \$850,000, to sell for \$981,000.