

THE KEY

MARKET REPORT

Yesterday's auctions: Ending on a high

KATE ADAMSON

THE Christmas sales didn't stop big crowds from flocking to auctions across Melbourne yesterday.

Real Estate Institute of Victoria chief executive Enzo Raimondo said the year ended on the same high as it began.

"The 2006 residential property market has ended with the same strength that it started, providing better returns for vendors than in 2005, with more properties on offer for buyers," he said.

Eastern suburbs properties had a huge finish to the year, with most fetching well over the reserve price, Tim Fletcher of Fletchers said.

"But a lot of people who missed out were really frustrated because there is so little to look at in the eastern suburbs," Mr Fletcher said.

In Kew East, three bidders battled for a 1920s house on 810 sq m, forcing the price up to \$865,000, topping the expected \$750,000.

Alastair Craig of Jellis Craig said the new owners plan to build a new house at 41 Strathalbyn St.

"It's getting harder to find a block of land under \$800,000 in the Kew-Hawthorn area," he said.

A double-fronted timber four-bedroom Victorian home at 37 Rathmines St, East Hawthorn, sold for \$1.45 million.

Bids opened at \$1.25 million, with three bidders driving the sale price up.

"It was a lovely renovated house that someone could live in right away," Mr Craig said.

The company sold 17 out of 19 properties offered yesterday, he said.

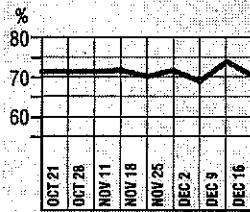
Inner-west specialist Craig Stephens from Jas H. Stephens had one of his best days, selling 10 out of 10 properties.

About 250 people attended the auction of a deceased estate at 8 Ryan St, Footscray. It went for \$285,000, well up on the expected \$190,000.

"People see the value in the area," Mr Stephens said.

KEY FIGURES

Private sales	549
Auctions this week	635
Sold	277
Sold before	122
Sold after	48
Passed in	188
On vendor's bid	118
Auctions last week	768
Auctions last year	536
CLEARANCE RATES %	
Overall yesterday	70
Overall last week	74
Houses yesterday	75
Houses last week	75
Flats/apts yesterday	63
Flats/apts last week	73



"It was a very strong finish to the year, with first-home buyers bidding up a storm."

Buyers advocate Frank Valentic from Advantage Property Consulting said there were some good buys yesterday.

He said the property at 15 Lyell St, South Melbourne, was a winner for an investor.

The four-bedroom, two-bathroom double-storey property sold for \$681,000. It was last sold in June 2003 for \$635,000.

"We were surprised we got it so cheap," Mr Valentic said.

A two-bedroom-plus-study Richmond house sold for \$450,000. The property at 20 Dover St was bought by a Perth investor.

"Melbourne is seen as a good buy because property is so over-heated in Perth," he said.

He said more investors were entering the market, which had gone up 2.5 per cent in the past 12 months.