

Property

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Rate rise yet to have impact

Jason Clout

Residential markets entered autumn with solid results over the weekend, as the major capital city markets held up well despite the interest rate rise announced last week.

The top end of the market, generally unaffected by small interest rate moves such as last week's 0.25 percentage point increase, remained healthy, with a number of prestige properties sold.

Even in the lower and middle markets, which can be hurt by rate rises, there was buyer activity.

The Sydney market, with an auction clearance rate of 47.8 per

cent, was weaker than the previous weekend, but nevertheless 77 properties sold under the hammer and another 25 before auction, Australian Property Monitors said.

McGrath Estate Agents recorded the top sale. A three-bedroom house at 14 Wonderland Avenue in beachside Tamarama, in the eastern suburbs, sold for \$2,355,000.

Melbourne's auction clearance rate was stronger than Sydney's.

APM said the clearance rate was 57.9 per cent, with 109 properties sold under the hammer and 38 beforehand.

A director of independent property commentator Wakelin Property

Advisory, Paul Nugent, said the Melbourne market had been brisk.

"There was good competition at auctions, with spirited bidding."

Established areas continued to thrive in Melbourne, he said.

The top sale in Melbourne was a four-bedroom house in the inner north-east suburb of Kew for \$2,230,000 through agents Jellis Craig & Company Balwyn.

Nor did the much-anticipated rate rise hurt first-home buyer markets such as Nunawading in the east and Bundoora to the north of the city, with federal and state first-home buyer grants still available.

But Mr Nugent cautioned that the

flow-on from the rate rise might not have hit the market yet.

"It takes three or four weeks for a rise to filter through. People don't just change their plans overnight."

The managing director at buyers agency Property Searchers in Brisbane, Scott McGeever, said the Brisbane market was patchy.

"But this rate rise could actually get a few more people to list. They were waiting for the first rise but may want to sell before another one occurs."

Adelaide had the highest clearance rate of the major cities, at 61.8 per cent, with 13 properties sold at auction and eight beforehand.