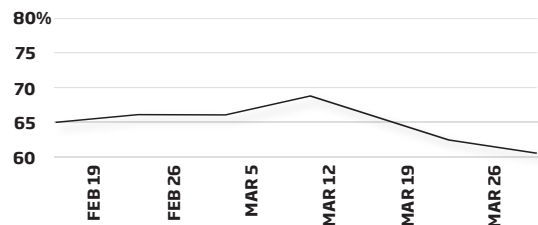


THIS WEEK'S MARKET



777
Auctions this week

Sold	400
Sold before	68
Sold after	6

618
Private sales

On vendor's bid	197
Auctions last week	918
Auctions last year	1012

61%
Clearance rate

Overall yesterday	61%
Overall last week	67%
Houses yesterday	62%

303
Passed in

Houses last week	67%
Flats/apts yesterday	59%
Flats/apts last week	69%

Experts learn valuable lessons from their mistakes

The house rules

TALE OF ONE HOUSE



42 MARGATE AVE, FRANKSTON

Three-bedroom cottage on 840sq m

Sold last week	\$330,000
August 1996	\$70,000
August 1994	\$63,000
September 1989	\$88,000
November 1975	31,000

Source: Colliers International Research



A peek at luxury

FANCY a peek inside some of the most stylish properties in Melbourne's leafy eastern suburbs? Open Houses day will today throw open the doors to some unique properties in Hawthorn, Camberwell, Studley Park and Kew, including this property (above) in Kooyongkoot Rd, Hawthorn. Tickets to see all the houses cost \$35 and include a shuttle bus and afternoon tea. The houses are open from noon to 4.30pm. Funds raised will go to St Joseph's School, Hawthorn. For information, visit www.openhouses.org.au



JOHN DAGGE
PROPERTY EDITOR

Even the experts can make mistakes. This week *The Key* spoke with four professionals who live and breathe property.

We asked them to fess up to their biggest property mistakes and, more importantly, what they learned from them.

LEAVE EMOTIONS OUT OF IT

Melissa Opie (below), Buyer Advocate and author of *Property Rich*.

I bought a house in Sunbury for \$102,000 in 1992 and very happily sold it in 1995 for \$105,000. By then I had learned that buying inner-city properties was a far better investment for both capital growth and rental return.



My first purchase was based on emotion and feeling comfortable because the property was close to my home. This meant I could drive by it whenever I wanted to check that it was still standing and the neighbours were looking after the garden.

This is a silly approach to



Local: Catherine Cashmore's English sensibilities did not fit the Melbourne market.

investment properties but one that many people use. Before you buy shares in BHP, do you visit the company's mines?

Lessons learned: leave your emotions out of it. When investing in property, be prepared emotionally, intellectually and financially.

READ THE FINE PRINT

Paul Do (above right), Private investor and author of *I Buy Houses: The Property Investor's Handbook*.

I was young and inexperienced when I bought my first property and a financial



planner suggested I build a project home. For introducing me to the builder, the planner was paid \$2000, which was included in the building price. The project's capital growth and rental yield assumptions checked out, so I decided to proceed.

While waiting for settlement, however, I discovered the financial planner had overcharged me \$12,000 for the property. I asked the

sales manager to explain the discrepancy. She couldn't and offered to write out another building contract.

I learned a valuable lesson that day: read and research every contract.

KNOW YOUR MARKET

Catherine Cashmore, JPP Buyer Advocate.

When I arrived in Australia I had little experience of the real estate market and looked at it through foreign eyes.

Buying a compact townhouse on the Nepean High-

way was an error I won't easily forget.

It's harder to avoid the rush of passing traffic in England, so purchasing property located on busy roads isn't the deal-breaker it often is here.

The fact that it had been on the market for a good number of weeks didn't concern me. The UK market works much slower, so alarm bells weren't ringing.

But the house had little capital growth and finding a tenant to live next to 80km/h traffic wasn't easy.

A few years on and I understand position and location top the list, as should a good deal of forward thinking about the type of buyer a property is likely to attract when it's time to rent or sell.

DON'T SKIMP ON BUILDING INSPECTIONS

Robert Larocca (below), Communications Manager at the Real Estate Institute of Victoria.

I learned the hard way to pay close attention to maintenance matters.

When we bought our first home in 2000, we did the right thing and hired a building inspector.

We asked him to check the

stumps, but he told us he could not do this properly because of poor sub-floor access. We let it pass, which we came to later regret when we found an inspector able to work out what was happening under our home, which needed to be restumped.

The lesson: don't skimp on inspections and repairs. Be critical of work done. Ask questions and trust your judgment.



Taylor-made home in grand company

CORONA, a 118-year-old Kew residence designed by one of Australia's leading period architects, is on the market.

The five-bedroom, five-bathroom house was designed by **Lloyd Tayler**, whose list of buildings includes the Australian Club in William St, St Mary's Anglican Cathedral in North Melbourne, the Bank of Australia in Adelaide and the South Australian Houses of Parliament.

The property, at 1 Molesworth St, sits among grand company — next door is the two-storey Victorian mansion Mandalay, while another Tayler residence occupies No. 5.

The Corona property sits amid 2550sq m of gardens landscaped by **Andrew Nash**, with tennis court, pavilion and solar-heated swimming pool and spa.

Corona is being sold by private sale by Jellis Craig's **Peter Dixon**.



Ornate: Corona's solar-heated swimming pool and spa.

Designed for versatility

MELBOURNE building designer **Bronwyn Rudolph** is selling the two-storey Elwood home she designed and built from the ground up.

Mrs Rudolph designed the four-bedroom, two-bathroom home as a versatile family home.

"I had a very difficult client — my husband," she said. "One of the things we wanted was to be able to close areas off in the house."

The property, at 10 Pozieres Ave, will be auctioned on April 9 and is expected to



fetch around \$1.76 million. Century 21 Wilson Pride director **Graeme Wilson** is acting as agent.