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Melbourne Auction Clearance Rate Hits 73 Per Cent

August 1, 2025

— Categories: Real Estate



Melbourne's property market is showing renewed strength as auction clearance rates climb and home prices continue to rise, according to fresh PropTrack data.

In the final month of winter, about 73 per cent of Melbourne homes put to auction recorded successful sales, a 15-point rise since November 2024. It marks one of the highest clearance rates in years for Victoria.

PropTrack also reported that Melbourne has now recorded seven consecutive months of price growth, with the median home price rising by \$24,000 over the past year.

Economists suggest the upward trend could continue, especially as all four of Australia's major banks predict a 0.25 per cent interest rate cut at the Reserve Bank's upcoming meeting on August 12. A lower cash rate is expected to improve buyer confidence and borrowing capacity.

PropTrack senior economist Anne Flaherty said interest rate cuts typically stimulate activity in the housing market.

"When rates drop, repayments become more manageable and demand picks up," she said. "Recent surveys also show that three-quarters of people expect home prices to be higher in a year."

Auctioneers across Melbourne are offering strategic advice to both sellers and buyers ahead of a busy auction weekend, with 748 homes scheduled to go under the hammer across Victoria.

Paul Tzamalīs, a three-time winner of the Real Estate Institute of Victoria's Senior Auctioneer of the Year Award, advises sellers to remain flexible on post-auction settlement terms to attract more bidders. He also urges homeowners to trust their agent's timing recommendations to maximise competitive interest.

For buyers, Tzamalīs recommends making strong early bids and engaging auctioneers beforehand to improve chances in post-auction negotiations if a property is passed in.

Andy Reid, director at Apollo Auctions Victoria and 2020 REIV auctioneering champion, encourages bold bidding.

"Sometimes one strong bid can beat out several smaller ones," he said. "It's also important to mentally prepare for different auction scenarios and, if needed, get help from a buyer's advocate."

Several unique properties will go to auction this week, including a five-bedroom house in Highett, formerly a police station, now listed at \$1.2m–\$1.3m. The backyard retains an original jail cell repurposed as storage.

In Mulgrave, a three-level home at 60 Waverley Park Drive overlooks the iconic Waverley Park grandstand and is attracting interest from young families. Also listed is a circa-1965 family home in Fawkner with a \$740,000–\$790,000 range, drawing first-home buyers and interstate investors alike.

As auction volumes rise and confidence grows, Melbourne’s housing market appears to be heading into spring on a solid footing.