

As competition grows, waiting for the garden to bloom may not bring the best property price, writes **Aidan Devine**



Homeowners tempted to wait until spring to sell their properties could be in for a nasty surprise.

Auctioneers have reported a flood of properties is due to hit the market by early October.

The competition this glut could create may mean buyers will be less inclined to bid higher prices at auctions and vendors will get a lower sales price than they might have got in winter.

RP Data figures show that 2014 has been an unusually active year for auctions.

Sydney activity over the first eight months of the year has been up 30 per cent on the same time in 2013, a year of high auction volumes. Plenty more auctions are forecast to come.

"We already have a lot of bookings for the first and second weeks of September. Most years activity only starts picking up a few weeks later," said Rocky Bartolotto of Auction Services.

Mr Bartolotto added that

the traditional spring auction season normally hits a peak in October and November when vendors wanting to sell in time for Christmas go to auction. He suggests vendors consider listing earlier.

"People have this perception that spring is the best time to go to auction. They think their garden will look better and they'll get a higher price. That's not always true.

"By late spring there is usually a lot of sellers in the market, so vendors are often better off selling when there is less competition."

Vendors going to auction early could also benefit from a current winter lull in the number of properties listed for sale in NSW. New listings numbers fell 16.5 per cent between the end of May and June and fell a further 7.2 per cent over July, but buyer interest has held steady.

This partly explains the strong results vendors have been getting from winter auctions. Last week's auction clearance rate, which indicates the proportion of auctioned

properties being sold, was at 74.4 per cent. The week before that it was at 76.5 per cent.

Both are a far cry from the long-term Sydney average of roughly 65 per cent, suggesting that a shortage of listings worked in vendors' favour.

It's for this reason that Century 21 agent Ben Svenson urges clients not to be deterred for a spring auction. "It's pretty common to get a better result before the spring. We encourage our clients to consider all times of the year," Mr Svenson said.

Despite the seasonality in auction results, RP Data's Robert Larocca warns vendors to keep in mind that local conditions vary between markets.

"Every suburb is different. What's true of Bankstown might not apply in Bondi. It's better to look at what is for sale around you and work with your agent to get a result that works for your circumstances.

"Choosing the best time to sell or buy will always be difficult. Most people find they can't be too picky about it."