



Super Saturday to be a test for sellers

Weekly Snapshot *Andrew Wilson*



Prospects for a sustained recovery in Sydney's housing market this year remain realistic, with solid indications of increased buyer activity and rising seller confidence.

Weekend auction clearance rates have continued to trend upwards during the past month as the autumn selling season began in earnest.

Last Saturday's clearance rate of 58.1 per cent was the highest for six weeks, with the average clearance rate this year now tracking above 55 per cent, notably higher than the average weekend auction clearance rate recorded at the end of 2011, which struggled to reach 50 per cent

Sellers are now entering the auction market in significant numbers, perhaps sensing increased competition for properties among buyers.

Next weekend – the weekend before Easter and the school holidays – will be a super Saturday for the Sydney auction market, with an impressive 732 properties listed for auction. This is the highest number offered for auction on a Saturday in Sydney since November 2010.

The latest Australian Bureau of Statistics data has revealed the number of owner-occupied home

loans approved for established properties in NSW rose strongly in January by 22.7 per cent compared with the same month last year.

Investors have also been active, with the value of investor loans for dwellings up by 8 per cent over the same period.

With the number of buyers and sellers increasing, next weekend will give the Sydney market its biggest test so far this year.

Dr Andrew Wilson is the senior economist for Fairfax-owned Australian Property Monitors.