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AUCTION FEVER HITS THE STATE

A record number of properties have been sold at auction this year
- 10,270 compared with 5451 at this time last year, says the REIV.

a level playing field

A buyer's advocate can guide you through the auction minefield, writes
Susan Cowen

THEY are the Robin Hoods of real estate. They are the defenders of the underdog. They are the men and women who work for the buyer and stand up to estate agents as they strive to secure properties for the lowest possible price.

Buyers' advocates are an increasingly common feature at auctions these days, much to the chagrin of estate agents.

But the reason estate agents don't like buyers' advocates is that they create a more level playing field for the buyer.

No longer does the auctioneer call the shots.

Buyers' advocates are not afraid to call a spade a spade and point out a house's obvious defects.

Everyone at the same auction might be thinking the same thing, but few will have the courage to speak their thoughts, for fear of embarrassment or being talked down by the auctioneer.

That said, no matter what an advocate says or does, the property will still be sold to the highest bidder.

This week *Property* asked four of Melbourne's best-known buyers' ad-



Guidance: buyers' advocates (from left) Ian James, Sam Spernat and Jason Wier. Picture: BEN SWINNERTON

vocates what advice they would give buyers.

"Never let people know you are running out of money," JPP's Ian James says.

"Have a solid plan before the auction and know what you will do if the property opens with a high bid or passes in."

Real Estate Angel's Jason Wier

says it's important to identify your competition.

"I go up and introduce myself to the auctioneer and ask him where he'll be conducting the auction," Wier says.

"Then I stand where I can see what's going on in the crowd, because the crowd is my competition, not the auctioneer."

One of Melbourne's toughest-talking advocates, David Morrell, of Morrell and Koren, says it's important not to let the auctioneer take advantage of you.

"Control the auction; don't let the auctioneer control you," he says.

"Be vociferous and aggressive when needed and firm in your resolve."

Still unsure whether you're up to

the fight? Then getting an advocate to do it for you might be the way to go.

"Real estate agents sell properties day in and day out, and almost all vendors pay for their expert guidance," James says.

"Lots of people come to us after six months looking without success and in that time the market may have shifted a further \$30,000 to \$50,000 or more," Wier says.

Morrell says a good buyer's advocate can beat agents at their own game.

"You don't go to court without a lawyer and you shouldn't make your biggest ever purchase without an expert acting for you," he says.

REIV president John Grabyn agrees that homebuyers can benefit from having a professional acting for them, but warns buyers to choose their advocate wisely.

"In the same way you would interview a few estate agents before engaging one to sell your home, you should interview a few buyers' agents," Grabyn says.

"This enables you to compare their services, knowledge and fees and find the right buyer's agent for you."

Buyers' advocates fees vary widely so it is worth shopping around.

James says he sets his fees in advance at about 1.5 per cent of the client's budget.

Wier says his average fee is about \$700 and he offers a refund guarantee if the client is not satisfied.

Morrell says his fees are based upon success and range from 1-2 per cent of the purchase price.