

barbersRURAL Guide to selling at Auction

Advantages of Selling at Auction:

- **Certainty:** properties are not sold 'subject to contract' in the usual way when selling by private treaty. The successful bidder is legally obliged to complete the sale once the gavel falls.
- **Good marketing exposure:** we will advertise your property in the local press for between 4 and 6 weeks, depending on the property. Where appropriate we will advertise in the national and trade press.
- **Good sale price:** with a set guide price, your property should be able to achieve the best possible market price. Prior to the auction, and after discussions with the auctioneer, you can set a reserve price, under which your property will not be sold. The reserve price is private information between you and the auctioneer.
- **Speed:** the sale is relatively quick and completion usually takes place 28 working days after the auction.

Before the Auction:

- If you want to sell your property at auction, you should first ask our advice about whether the property is suitable for auction and what we recommend as a guide price.
- We will send you our terms and conditions and ask you to make sure that you understand them. We will ask you to sign an agency agreement confirming our terms and conditions under which we will act for you.
- We follow statutory regulations including the Estate Agency Act 1979 and the RICS (Royal Institution of Chartered Surveyors) Rules of Conduct, copies of which we can make available to you.
- You will need to instruct a solicitor who will prepare a legal pack, which includes the contract, title documentation, plans and local searches. The pack must be available to prospective purchasers at least 10 days

prior to the auction and on the night. It is preferable if your solicitor is present at the auction to act on your behalf.

- The day before the auction we will agree a reserve price for the property with you, under which we will not sell. In order to do this we will take into consideration the amount of interest there has been in the property following the marketing campaign.

At the Auction:

- At the auction each lot is offered and the bids taken to the highest level possible. Bids are usually taken from people at the auction, or their representatives, but prospective buyers can also pre-arrange to bid by telephone or can lodge a bid with the auctioneer prior to the auction.
- If an acceptable bid is received and there are no other bidders, the bid is formally sealed at the fall of the auctioneer's gavel.
- The fall of the gavel represents a legally binding exchange of contracts. The successful bidder is required to immediately sign a contract and provide a deposit which will usually be 10% of the sale price. They must also provide proof of identity and address in accordance with money laundering regulations. The balance of the monies becomes due on the stipulated completion date, usually 28 days later.

What happens if the property doesn't sell?

- If the lot doesn't reach the agreed reserve price the auctioneer will say that the property has not sold and the gavel does not fall.
- In the event that the property doesn't sell at auction there may be an opportunity to negotiate a sale with one of the under bidders at the auction. This will be arranged by the auctioneer.

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