

AUCTION

GUIDE TO SELLING YOUR HOME



NEED A QUICK SALE?
Read about your options for a quick, guaranteed sale.
See page 9



WELCOME

For many homeowners the task of selling a property occurs just once or twice in a lifetime. That's certainly not enough practice to become an expert in the subject. And with a growing range of sale options to choose from, the decision of *how* to sell can be just as stressful as the sale itself.

Choosing the right method of sale is important! It can make the difference between selling quickly for the best price, or enduring months of frustration ending in no sale at all.

If you're new to the idea of selling a property at auction, this guide will help you make an informed decision about the suitability of a traditional public auction sale for your own circumstances and property type.



Is my property suitable for an auction sale?

An auction sale is best suited for properties in need of modernisation or with potential. In fact, houses requiring refurbishment often sell for considerably more at auction compared to a private treaty (estate agent) sale. That's mainly because buyers do *not* have the opportunity to reduce their offer at auction, unlike estate agency sales where buyers are allowed to reduce offers for *any* reason.



Or if your home is in good condition, auction's ideal if you require a quick sale. Also consider **modern auction** as it's better suited to properties in good condition - see page 9.

What price will my home sell for at auction?

Whilst there's no *upper* limit to sale prices at auction, fortunately there is a *lower* limit – and that's known as the reserve price.

The **reserve price** is a guarantee – your home will not be allowed to sell for any less than the agreed reserve price.



AuctionLINK
PROPERTY AUCTION SALE SPECIALISTS

The reserve price is suggested by the auctioneer and is typically set in the region of 15% below market value. You will need to agree to the auctioneer's reserve price before booking into auction. It's important to make sure the reserve price is high enough to cover your outstanding mortgage and other costs associated with your move.

AUCTION SALE PRICE – RECENT EXAMPLE

70 Hereward Rd. London SW17 7EY

Reserve price: £400,000

Estimated sale price: £500,000

Final sale price: £641,000

Transparent and competitive bidding is **unique to auction** and in this case helped the owner achieve a sale price of **£141,000** above expectations.



The reserve price should not be confused with the guide price. The auction *guide* price is the amount a property is advertised for. It's typically set 10% below the reserve price to stimulate interest in the property and encourage bidding, that helps to ensure a successful sale.

Free Home Valuation
0800 862 0206

How much does it cost to sell at auction?

Selling a property at auction costs about the same as you would expect to pay a traditional high street estate agent, with commission typically in the region of 2% + VAT of the final sale price. That's only payable when your property successfully sells (no sale, no fee).

TIP: You can pass your costs to the buyer which effectively means you sell for free.

- ▶ Contact us for more information about passing your costs to the buyer, for a low cost (or no cost) sale.

Some auctioneers also charge an upfront "catalogue fee" of a few hundred pounds. But everything's negotiable and the auctioneer might be happy to accept payment of the catalogue fee after the auction sale, only payable when your property successfully sells.



0800 862 0206

www.auction-link.co.uk

When will I receive money from the sale?

The timescale for selling at auction is 6 to 8 weeks, that's from the time of booking into auction until completion - that's when you receive funds from the sale.

What risks are involved with an auction sale?

The only unfortunate outcome would be selling for the reserve price, if you were expecting to sell for more.

When bidding reaches or exceeds the reserve price on auction day, contracts are legally exchanged when the hammer strikes. Unlike a private treaty (estate agent) sale where everything is "subject to contract", at auction the sale is legally binding - **sold means sold**. The buyer can't back out of the transaction and neither can the seller.

What happens if my property doesn't sell?

Most properties do successfully sell at auction, but if bidding doesn't reach the reserve price on auction day the auctioneer will contact everyone who has registered an interest and try to secure a sale after the auction, or you can enter your property into a subsequent auction.

Can I sell a tenanted property at auction?

Yes, auction isn't just for vacant properties. Tenanted flats and houses often achieve very good sale prices at auction, there's no shortage of investors looking for properties that are generating an income from day one.

At what stage am I committed?

You can request an auction reserve price and get all the information you need to make an informed decision for free and without obligation. You're only committed to proceed with an auction sale once you have signed and returned the auctioneers terms and conditions.

Do I need to instruct a solicitor?

Yes, you will need the help of a solicitor when selling your home at auction. Most solicitors will be able to help with an auction sale and we can recommend a suitable auction solicitor if required.

How can I find out more about auction?

For further information about selling your property at auction please call us on **0800 862 0206**. We'll be happy to answer your questions and provide you with a free and no-obligation auction appraisal. You can also find more useful guides about selling at auction on our website:

www.auction-link.co.uk



AuctionLINK
PROPERTY AUCTION SALE SPECIALISTS

► MODERN AUCTION

The modern method of auction is just like a very efficient version of an estate agency sale. Marketing and viewings are carried out by a local estate agent and the rest of the sale is auction based. For a period of a month (or more) multiple buyers compete for your property, the winning bidder pays a 5% deposit or legally exchanges contracts. Unlike an estate agency sale, there is no opportunity for the buyer to reduce their offer or withdraw from the sale.

Modern auction sales are becoming popular in the UK. Reserve prices are usually higher compared to traditional auction and the modern method of auction is suitable for any property, whether in good or poor condition.

Please call **0800 862 0206** for more information, or visit: **www.modern-auction.co.uk**

Alternative Options

► DIRECT SALE

Looking for a quick and hassle-free sale?

We can arrange to purchase your home direct, with no fees. A direct sale is ideally suited to homeowners needing the assurance of a **guaranteed** and quick sale.

Call **0800 862 0206** for a free & no-obligation offer estimate.

ABOUT US

Auction Link offers a range of benefits to property owners considering selling their home at auction. Our customers **save thousands of pounds** on auction costs and benefit from expert guidance to help achieve a successful auction sale at the best possible price. And all for no extra cost.



Free auction appraisal

Tell us about your property and we'll provide a free & no-obligation auction sale price estimate.



Search the market

We talk to auctioneers on your behalf and provide you with a summary of the best options.



Save on auction costs

Benefit from the favourable terms and cost savings we're able to negotiate with auctioneers.



Achieving more at auction

Preparation is key to a successful auction sale. We'll show you how to get the most from auction.



Honest advice

Auction isn't for everyone. If your property or circumstances aren't suited, we'll let you know.

► REVIEWS

We are pleased to have helped hundreds of homeowners sell their property and have received just as many positive reviews. Here are just a few.

Graham - *London*

The service I received far exceeded my expectations. Excellent and impartial advice about everything I asked for and more.



Michael - *Cardiff*

Very helpful in providing information about auction, this was done with alacrity and I am most grateful for the time taken in helping me.



Judy - *Norwich*

Gave me really valuable information which helped me to understand more about the auction process. Followed up with a courtesy call. Great customer service I think.



Linda - *Birmingham*

I had a lot of questions about possibly putting our property to auction. Mark answered everything in a very helpful and friendly way.



Read more reviews online at www.auction-link.co.uk



Free Home Valuation

Calls are free from mobiles and landlines

0800 862 0206

Online valuation: www.auction-link.co.uk

.....



AuctionLINK

PROPERTY AUCTION SALE SPECIALISTS



**The Property
Ombudsman**

Head office: 332 Linen Hall, 162-168 Regent Street, London W1B 5TD

Auction Link is a trading name of LDN Properties Limited. Company number: 04636129