

Selling your property at auction...

If you're new to the idea of selling at auction, you'll find this guide to be a useful introduction.

Auction fees

The fees payable at auction are about the same as estate agents; around 2% of the sale price, and that's only paid if the property successfully sells. Most auction company's also charge a "catalogue fee" of about £300 and will usually be happy to postpone payment until after the auction, also only payable if the property sells.

Pricing

It's usual to set a minimum price (known as the reserve price) of about 80% to 85% of market value. The attractive price stimulates buyer interest. It may seem a bit counter-intuitive but it does work - the more prospective buyers there are bidding for a property, the higher the final sale price will reach.

However, the reserve price does represent a risk; if only one person bids for your property you could end up selling for the reserve price, which would not be an ideal outcome. There are ways to eliminate this risk, as experienced auction sellers (e.g. banks) know very well. Choosing an auction company suited to your property type & location is an important start. Also monitoring the level of interest in the property (number of legal packs downloaded, viewings, registered bidders and offers before the auction) is also important. As a safeguard a good auctioneer will alert a seller to a low level of interest and if need be the property can be withdrawn from auction. See [more tips here](#).

Timescales

The total lead time for selling at auction is around 8 weeks. That's from the time the property is booked into auction until the time the sale completes - when you receive funds and hand over the keys.

Property types

Any property can be sold at auction but some property types are more suitable than others. In fact some properties achieve higher sale prices at auction compared to selling through an estate agent, for example properties with potential for improvement or development always generate a high level of demand and benefit from the competitive bidding environment that auction offers.

The process

Contrary to popular belief, selling at auction is very easy. Entering a property into auction just requires instructing an auctioneer and responding to simple enquiries. [Read more](#).

Choosing an auctioneer

It's no coincidence that highly profit-driven companies such as mortgage lenders and banks dispose of their property assets through auction - to achieve full market value. When choosing a suitable auctioneer it's a good idea to see if such organisations regularly sell with the auctioneer, if they do, you know they can be relied on. For more tips on choosing an auctioneer please visit our website or feel free call us for more information.