

Selling your property at Auction

Selling your property has never been easier with our Modern and Traditional methods of auction.



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Benefits of Auction

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“Private Treaty can take over 100 days to complete”



COMPLETE FASTER

On average, Private Treaty can take over 100 days to complete whereas auction provides fixed exchange and completion dates of between 28 and 56 days. This means you can plan your move more easily.



OPTIMISED EXPOSURE

An attractive starting bid increases interest and encourages competitive bidding between prospective buyers, which can help to drive up the final selling price of your property.



NO SALE, NO FEE

Nothing to pay if your property doesn't sell. **You only pay an Auction Pack fee of between £395 and £445 inc. VAT depending on your circumstances, but only when your property sells.** (See Auction Pack Fee section on pg. 7 for more details.)



ADDITIONAL SECURITY

With auction, buyers pay a non-refundable Reservation Fee or deposit to secure the property so all parties can move forward with confidence.

A Reservation Agreement is also signed by the buyer, committing them to complete the purchase. This means the risk of fall-through with auction is less than 5%, unlike Private Treaty which has an average fall-through rate of 30%.

“auction provides exchange and completion dates of between 28 and 56 days”

Our flexible auction routes

We offer multiple selling options to suit your needs.

Modern Method of Auction (MMoA)

This is our most popular auction method as it combines elements of Private Treaty and auction. It provides the speed, transparency and security of a Traditional auction but exchange and completion take place within 56 days of the auction ending. This extended timescale allows more interest as it enables mortgage and first-time buyers to participate. You may have also heard this method referred to as “Conditional” method of auction.

MMoA at a glance

- This method offers quick, but more flexible timescales of 56 days to complete.
- The more flexible timescales allow interest from first-time and mortgage buyers as well as investors.
- You have security as the buyer commits to purchase through paying a non-refundable Reservation Fee and signing a Reservation Agreement.

Traditional Method of Auction

Exchange of contracts takes place as soon as the auction ends. The buyer is required to pay a 10% deposit at the point of exchange and must complete within 28 days. This is the most secure and fastest method of sale; however, it can limit interest to cash and investment buyers. You may have also heard this method referred to as “Unconditional” method of auction.

Traditional Auction at a glance

- Usually more suited to vacant properties, or those not suitable for mortgage lending.
- This method gives complete security as exchange takes place at the end of the auction.
- Fixed timescales of 28 days to complete.





Help and guidance

All our auction methods provide speed and security. Our Auction Specialist can help talk you through which method best suits your needs and property type.

With each auction method a non-refundable Reservation Fee of 4.2% of the final agreed purchase price (subject to a minimum of £6,000 inc. VAT) is payable.

The buyer typically pays a Reservation Fee which is paid in addition to the purchase price at the point that the sale is agreed.

Referral arrangements

Your Estate Agent and the Auctioneer may recommend services of third-party suppliers to you and may receive payment for the recommendation. Whilst these services are recommended to be of benefit to you, you are under no obligation to use any of these services and you should always consider your options fully before services are accepted.

Where any such arrangement exists, you will be made aware of the arrangement and advised of any payment that will be received prior to services being taken.

This secures the property exclusively to them but also ensures they are committed to purchasing your property and means you don't pay anything.

As the Vendor, you can choose to pay the fees, which are taken upon completion. In this case the buyer pays a deposit which forms part of the purchase price, but still ensures they are committed to the sale.

The Process

You've decided to sell your property at auction and chosen the method that suits your needs and property best – let's get started!

1. PRICING

We'll discuss and agree an undisclosed Reserve Price (the price your property will not sell for any less than) and a starting bid (the price that the property is marketed at to generate interest).



2. GETTING PREPARED

- Your Estate Agent prepares property details, including photographs and EPC if required.
- Our friendly auction team will complete identification checks with you. Don't worry this is a quick and easy process but is a legal requirement for anyone selling a property.
- The team will prepare an Auction Pack, this provides property information to potential buyers and includes legal documentation; it is required to sell a property at auction. Our experienced team at Medway Law can provide this and you only pay when your property sells.

3. PRE-AUCTION MARKETING

We begin to advertise your property whilst the Auction Pack is being prepared to generate as much exposure, interest and as many viewings as possible.



4. READY TO GO!

Once the Auction Pack is completed, the property can go to auction and bidding can begin. Auctions can take place in-room (a set date/time) or online (with an agreed start and end date).



5. BIDDING

Interested parties who have had access to the Auction Pack before the auction can bid on the property. The auction will end when the auction timer runs out and a sale will be agreed if a bid is received on or above your agreed Reserve Price.



6. YOUR PROPERTY HAS SOLD

Depending on the method of auction you have chosen, the buyer will have between 28 and 56 days to complete the purchase. In both cases the buyer will have paid a fee to reserve the property, so they are committed to the purchase.



7. NEXT STEPS

Our expert Sales Progression team will help to take the sale through to completion, keeping you updated every step of the way.

Auction Pack

If you decide to sell your property at auction you will need an Auction Pack. These packs contain important information about your property that a potential buyer needs when deciding if they wish to place a bid and are a legal requirement.

These packs typically include

- Local authority search
- Property information questionnaire
- Water and drainage search
- Reservation form or contract
- Title plan and register or Epitome of title
- General terms and conditions
- Fixture and fittings form
- Any special conditions of sale

We can provide an Auction Pack for you, and our team at Medway Law offer some great benefits:



EXPERTISE

Medway Law are a legal firm specialising in Auction Packs and have worked with us for over 5 years to provide our customers with everything they need to sell at auction.



SPEED

Our experienced team deliver the pack quickly (usually within 14-21 days) getting your property ready to sell as quickly as possible.



GUIDANCE

Our experts will highlight any issues which may hold up the sales progress later and provide advice on how any issues may be resolved.



Auction Pack fee

If you choose to instruct us on the sale of your property, we can offer the following options for provision of an Auction Pack.



Option 1:

£395 including VAT, when also using Medway Law conveyancing services for the sale of your property.



Option 2:

£445 including VAT, when you choose to source your own conveyancing provider.

You can provide your own Auction Pack if you prefer, we will just need to receive an electronic copy of the documents before we are able to sell your property.



FAQ

Selling your property has never been easier with our Modern and Traditional methods of auction.

Is auction right for me?

Perhaps your personal circumstances have recently changed, you've experienced a disappointing fall-through with Private Treaty or it could be that your property has been on the market for some time with little interest. Auction can be a good alternative to Private Treaty if you are a motivated seller as it offers speed, security and the achievement of a fair selling price.

How does auction improve the chance of selling my property?

To maximise the chances of selling through auction it's important that you're motivated to sell and that your property has great marketing exposure. Our marketing strategy will help you achieve a fair price in the current market for your property. We will discuss the most effective pricing strategy to maximise interest on your property.

Will I achieve the right price for my property?

With auction the seller sets a Reserve Price, this is the minimum amount you will receive for your property. Our pricing strategy is designed to drive interest, which in turn can help encourage competitive bidding which is more likely to drive up the purchase price.

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Can I accept bids outside the auction process?

Yes, you can accept a bid before the auction has finished. We are legally obliged to put all bids forward to you. It will then be up to you to decide if you wish to accept it and conclude the auction early.

I live in the property - how quickly will I have to move out?

Depending on which auction option you select this will generally be between 28 and 56 days.

Could the reservation fee put potential buyers off from bidding?

Whilst some buyers may consider the Reservation Fee within the total amount they wish to pay for the property, 97% of our sales at auction are agreed on the basis of the buyer paying the Reservation Fee. You are also in control of the minimum amount you are prepared to accept for your property through your agreed Reserve Price and it is our most popular method.

What are the identification checks for?

By law, Estate Agents and Auctioneers are required to complete identification checks on all parties involved in a property transaction. The process is nothing to worry about and will involve us carrying out an electronic search through LexisNexis® and asking you some identification authentication questions. We may also require you to provide identification documents such as a driver's license, passport or utility bills for proof of address.



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