

Auction: from Latin *augere* ("to **increase**")
especially in the bidding of a property sale

Auction

Selling Your Home

**NEED A
QUICK SALE?**
Legally binding sale
in under 4 weeks.
And competitive
bidding!



For some home sellers, their initial reaction to auction is “that’s only for run down properties, or desperate sellers.” The truth is that auction offers a **secure and efficient** method of selling *all* types of property; giving sellers more control of the sale, compared to an estate agency sale.



Homes in good condition

For a fair and reliable property sale, the rules of auction mean the sale is legally binding and can’t fall through.



Leasehold flats

Sell your leasehold house or flat quickly to a cash buyer at auction, including short or defective leases.



Run-down & unmodernised

The competitive bidding environment of auction maximises the sale price of properties with potential.



Tenanted properties

No need to serve notice to your tenant. There are plenty of auction buyers looking for investments.



Unique, commercial & land

For property and land that’s difficult to value, the transparency of auction allows the market to decide the price.

Auction for all

Property auctions have evolved to cater for the more “average” property seller. If you thought auction was only suitable for properties in poor condition, you’re in for some news! Virtually any type of property can be sold by auction.

Whilst the traditional “homes under the hammer” style auctions you see on TV are still thriving, there are newer methods of auction designed to suit the requirements of most home sellers.

Why auction?

Auction overcomes many of the inefficiencies of an estate agency sale. If you’ve tried selling with an estate agent, you might be aware the law in England and Wales allows the buyer to reduce their offer at the last minute, or back out of the sale completely.

The reason **estate agency sales fall through** is because there’s **nothing legally binding** about the buyers offer.

The rules of an auction sale are different. Buyers have to carry out their research and have funds in place **BEFORE** they place their legally binding bid. **Not after.**

Offers are legally binding with an auction sale.

Is auction suitable for me?

Any type of property can be sold by auction. There are a range of auction services to cater for all types of property.

However, there are **two** important things you will need to be happy with before booking your property into auction:

1 Chain-free seller?

To sell your property by auction, you need to be a chain-free seller. In other words, you will need somewhere lined up and ready to move to. Not immediately, but within 4 to 6 weeks after auction day.

The reason you need to be a chain-free seller is because auction sales are legally binding; the buyer cannot back out of their purchase. But likewise, the seller cannot back out of their sale.

If you're selling a vacant property, that's ideal. And tenanted properties are fine too, on the basis that the tenancy agreement will be transferred to the new owner.

Not a chain-free seller? Even if you're in a chain, auction could still be an option for you. Call us on **0800 862 0206** to discuss your options.

2

Happy with the reserve price?

Pricing works differently at auction.

Estate agents talk about “asking prices” and auctioneers talk about “reserve prices”.

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 the “starting price” and bidding can only go upwards from that point. Your property will not be allowed to sell for less than the agreed reserve price. That’s a guarantee. The final (and highest) sale price is achieved through transparent and competitive bidding, a feature that’s unique to auction sales.

You will need to agree to the auctioneers 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.

**BID
UP**



How much does it cost?

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
One of the many benefits of an auction sale

- ▶ Contact us for more information about passing your costs to the buyer, for a low cost (or no cost) property sale. Call our friendly team on **0800 862 0206** or visit: **[auction-link.co.uk/costs](https://www.auction-link.co.uk/costs)**



What 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.

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.

What are the risks?

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

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.

What are the timescales?

Exchange of contracts (legally binding sale) can be as quick as 3 to 4 weeks from the time of booking your property into auction. If preferred, a longer completion date can be set.

Call **0800 862 0206** for your free estimate



Free Home Valuation

Calls are free from mobiles and landlines

0800 862 0206

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

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AuctionLINK

PROPERTY AUCTION SALE SPECIALISTS



The Property
Ombudsman

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