

a guide to selling at auction

- Allsop is the market leader for residential and commercial auctions in the UK
- Annually sells up to £700 million of property at auction
- Holds at least seven residential and six commercial property auction sales each year
- Regular sales of properties in Dublin
- Offers around 350-500 properties located throughout the UK at each sale
- Around 1000 purchasers from first-time private buyers to large property companies attend

This guide explains the advantages of selling residential property at auction
– in particular an Allsop auction and how the process works.

advantages of auction

An auction is an efficient and cost effective way of selling property and, if prepared properly with intensive marketing, advertising and mailing, will result in the greatest possible exposure of the lots offered. To maximize the effectiveness of the marketing, considerable thought must be given to the guide price, which needs to be tailored to generate competitive bidding in the auction room, thus ensuring that the best price is being achieved.

Although some properties are more suitable for sale by private treaty, taking this route does present uncertainties over terms such as sale price and timing of exchange and completion.

Selling by auction however, offers a high degree of certainty that a sale will be achieved on a given day and, significantly, on the fall of the gavel an immediate binding contract is formed. As no further negotiation is permitted the entire sale process, from instruction to exchange of contracts can be, is achieved within as little as six to eight weeks.

For vendors with a large number of properties to sell, auctions provide a highly efficient method of sale allowing for a total or phased disposal programme selling in individual lots thus maximising receipts. For those selling in a fiduciary capacity, there is the added advantage of the sale being entirely open and transparent. Most types of property are suitable for auction provided that a realistic reserve price is agreed.



Who sells at auction?

Auction is now regarded as the optimum method of sale for many sellers who range from private investors and property companies to banks, housing associations and local authorities.

entering a property into auction

If you have a property to sell, please contact one of the Residential Auction partners who will arrange a free, no obligation auction appraisal and advise whether they think your property is suitable for sale by auction or an alternative method.

1 When do you want to sell?

Decide when you want to sell your property and which auction you would like to put it in. Sale dates and venues can be found on our website.

2 What information do we need?

In order to give you the best possible advice we will need the following details:

- Address
- Description
- Photograph
- Tenure and Tenancy (if applicable) details
- Floor plan or site plan
- Anything else you consider to be material

Once we have received this information, we shall provide an estimate of the likely sale price of your property at Auction. Together with a proposed reserve, we shall send you a copy of our standard agency contract setting out our terms and conditions. Once the maximum reserve price is agreed you will be asked to sign and return our standard agency contract to confirm your instructions, at which time the Entry Fee becomes payable.

3 Proof of identity

If Allsop has not sold for you before we shall require proof of your identity and address before we can market your property.

4 How much does it cost?

Auction Entry Fee

Allsop charges a fee to enter a property into an auction. This fee is payable whether the property is sold or not. The fee is a contribution towards the cost of marketing and catalogue production. The fee will depend on how much space is taken in the catalogue for the property.

Details of current entry fees are available upon request. We shall advise the most appropriate amount of space to be taken. Most lots appear on a quarter page within the catalogue.

Commission

In the event of a sale, our commission is up to 2% of the sale price plus VAT for a sole agency or 2.5% plus VAT for a joint agency. A joint agency is usually advisable where we feel it is necessary to include a local estate agent to handle local enquiries and conduct viewing. Our surveyors will confirm the auction entry fee and commission rate with you in writing before accepting your instructions.

5 Sales particulars

Once we have been formally instructed, the property will be inspected by one of our surveyors, measurements taken where appropriate, and the property will be photographed. Draft sales particulars will then be forwarded to you and to your solicitors for approval and/or amendments.

6 Legal documents

At the same time your solicitors will be instructed to prepare a legal pack containing special conditions of sale, title documents, leases (where applicable), searches, planning documentation and office copy entries so that they are available to interested parties either by post or on line.

7 Guide price

Our auction team will recommend a guide price which you will need to approve before marketing begins. It is important to set the guide price at a realistic level which is attractive to buyers. This will generate competitive bidding in the auction room and ensure that best value is achieved.

8 Marketing your property

Marketing will start approximately three to four weeks prior to the auction sale.

Catalogues

We produce around 15,000 catalogues for each auction. These are sent to prospective buyers such as private investors, property companies and developers.

E-marketing

Our catalogue is available online and we send regular email alerts to the 280,000 private investors who are registered on the site. This is the single largest database of its kind in the UK.

Advertising and PR

We advertise in the key property publications and place advertisements in local newspapers. We often achieve editorial coverage in addition.

Targeted Marketing

We target individuals who have previously expressed an interest in similar properties, as well as adjacent occupiers, local agents, local developers, builders and property companies.

9 Potential Buyers

Viewings and Surveys

Potential purchasers may want to view your property during the marketing period and have a survey carried out. Let us know how you would prefer viewings to be arranged and we shall arrange access for buyers. In most cases, vacant properties are open at pre-arranged times for viewing. Details will be printed in the catalogue.

Legal documentation

In conjunction with your solicitors we will supply copy documents to prospective purchaser's solicitors and will keep you constantly updated as to the levels of interest shown. We have developed an innovative and user friendly online document system in order to speed up the handling of requests for documents.

10 Reserve price

We will agree a reserve price with you for your property a few days before the auction. This is the level below which we will not be authorised to sell. It is important that this be set at a realistic level. If you think you have a property that is suitable for auction, please do not hesitate to contact us.

auction day

At Allsop auctions it is not uncommon for 1,000 to attend, creating a buzz and an atmosphere which are crucial to the success of the sale. If you have never sold at auction before, you may want to attend an Allsop auction. The atmosphere of the room can be extremely exciting and competitive.

The Fall of the Gavel

On the fall of the Auctioneer's gavel, a binding contract is effected. The purchaser may not renegotiate and cannot change any of the terms stipulated. The successful bidder is required to provide the name, address and telephone number of the purchaser and the purchaser's solicitors. The successful bidder will also be asked to provide a cheque for 10% of the purchase price. Identification of the purchaser is always checked at this stage. Clearance of all deposit cheques is arranged immediately after the auction.

Exchange of Contracts

The Memorandum of Sale is made up in the room and given to the purchaser to sign. The exchange is overseen by our solicitor. We will forward the purchaser's signed Memorandum of Sale to your solicitor. Completion will usually, take place 20 working days later. The deposit funds are then paid to you less our fees.

What happens if the property does not sell on the day?

If your property fails to reach its reserve in the room, someone may still wish to buy it. You will need to decide whether to accept any offer and advise us accordingly. The property may even be sold in the days or weeks after the sale as we continue to market the property.

why allsop

Market Leaders

Allsop has been synonymous with auctions for many years and as a result has the staff, depth of experience and reputation necessary to hold well attended auction sales and ensure a successful and profitable outcome for your property disposals.

The current Residential Auction Team has collectively a total of over 200 years' experience working together.

Impartial Advice

When advising on sales we will always consider whether a property is more suitable for sale by auction or private treaty. Allsop offers both methods. Our auction and private treaty departments effectively work as one team ensuring that our advice is impartial and carefully considered.

Unrivalled Access to Property Investors

For every property offered in our auction sale we guarantee unrivalled exposure to the market with 15,000 catalogues mailed out each auction, 280,000 registered investors on our website and extensive advertising in the national and local press.

Quick Results

The entire process, from instruction to exchange of contracts, can be achieved within as little as six to eight weeks. Our experienced team offers a streamlined service aimed at securing the best price for your property with the least amount of stress.

By auction, Allsop offers sellers

- Guaranteed unrivalled exposure to the market
- 15,000 catalogues mailed out each auction
- 280,000 property buyers and investors registered online (UK and abroad)
- Advertising in national, trade and local press for every property
- Average success rate of nearly 90%, ie the strong likelihood of a sale on a given day
- The knowledge that, with a realistic reserve price, the property will achieve the best possible market value
- The same care, attention and thoroughness for each lot
- Regular auction sales
- Competitive fees

N.B. Auction properties are sold unconditionally ie not sold "subject to contract", "subject to finance" or "subject to survey". In other words, the successful bidder is legally obliged to complete the sale.

contacts

Useful numbers

Catalogue requests

09065 151 510

(calls are charged at £1.50 per minute at all times)

Listen to the auction live

09067 591 401

(calls are charged at 75p per minute at all times)

Online

- Full property details
- Legal document downloads
- Addenda
- Updated guide prices
- Results
- Live link to auction
- Past auction results
- Unsold lots
- Research - www.rapidinfo.co.uk

www.allsof.co.uk

Meet the team

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Further information

If you require further information about buying or selling at one of our auctions, please contact:

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