

# Get bargains and results at auction

It's a win, win situation, for sellers and bidders' properties going under the hammer, writes Pat Bramley

## AUCTION FACT BOX

### WHAT SELLS AT AN AUCTION?

Suitable properties for auction include:

- Houses and flats which are difficult to value because they need work
- Repossessions
- Any house or flat being sold by executors, a public body or organisation when it is necessary to prove the best price has been achieved
- Properties where a change of planning use could improve the value
- Derelict properties
- Amenity land such as moorings and paddocks
- Development land
- Mixed use buildings such as shops or offices with flats above

### KNOWLEDGE IS EVERYTHING?

Here are five fundamentals for novice bidders

- Do your homework. If you see a property in an Auction House brochure you fancy buying, get a copy of the legal pack containing all the relevant information – (cost approximately £20-£50).
- Consult a solicitor.
- Visit the property several times before the sale
- Get finance sorted. Decide your budget – don't forget you'll also need sufficient funds for stamp duty and legal fees and, if necessary, the cost of building work
- Have a mortgage offer agreed with your lender

### HOW TO BID?

- You need two forms of ID and a cheque book or banker's draft
- Ask for a copy of the auctioneers' sheet containing notices of any changes to the catalogue. Each lot will have a published guide price but the vendor's reserve price won't be disclosed
- If your bid is accepted, you will have to pay ten per cent deposit when the auctioneer's gavel falls, making you the legal owner of the property.
- The balance has to be paid usually within 28 days.
- If you can't get to the auction You can still make a bid, either in writing or by phone as long as you make a prior arrangement with the auctioneer.



Master of the gavel: Nigel Briggs at a recent auction event

Photo courtesy: www.event-photos.co.uk

**B**EACONSFIELD estate agent Nigel Briggs is adding a property auction division to his company.

As a fully qualified auctioneer, he has linked up with Auction House UK, a Norwich-based firm with the fastest growing network of associated regional offices across the UK. Currently regular auctions are held at 16 venues in London and the provinces.

The Beaconsfield agency's first sale as a licensed member of the Auction House group and the appointed auctioneers for South Buckinghamshire will be at The Bellhouse Hotel, Gerrards Cross in early March.

The agent with 40 years' experience of selling property in South Bucks is convinced regional property auctions are a successful sales format. Certainly they offer a way out of the mire in the current estate agency market.

"There is a need for a different method of sale," he argues. "Very little is selling through the usual channels. Undoubtedly there is pent-up demand but the urgency to buy is not there. In circumstances like this you need an initiative that will arouse interest and get things moving."

Local property auctions haven't been tried on a regular basis before in Bucks but results in other regions are encouraging. Nigel points out: "Popular programmes such as *Homes Under The Hammer* have made the public more aware of the

benefits of buying and selling at auction.

"The electric atmosphere of the sale room in itself can boost the price when there are several competing bidders. The main advantage is the prospect of a result on the day of the sale. The deal is legally binding once the gavel falls. There is no going back."

Having researched the market over the past year, the Beaconsfield agent found that properties in a local auction usually fare much better than those offered in the impersonal environment of a London saleroom.

"In a London auction, a property from Bucks is one of

**“The electric atmosphere... can boost the price when there are several competing bidders”**

many. The opportunity will be lost on most of those at the auction because they won't know the area. The fewer number of properties in a local auction arouse much more interest."

In the Auction House sale in Norwich in September more than 75 per cent of the lots were sold "well ahead of the industry norm," said auctioneer Bryan Baxter. "Sellers know they will likely get a result and bidders expect bargains."

"Sale by auction is continuing to increase in popularity both

nationally and locally," he reports. "Geographically, we now have regular sales across a third of England and Wales.

"Our mix of lots in the catalogue bears out the desire of many vendors to get property sold quickly and efficiently."

The Norfolk auctioneer believes the message is getting across. "Buyers should be encouraged by the growing belief that prices in this area are nearing the bottom. While financial markets remain volatile and uncertain, many are starting to see residential property as a safer haven and sensible investment."

There are signs that investors are returning, says the expert. "Private buyers are eager to snap up bargains and local builders are looking to acquire low cost parcels of land."

Nigel Briggs sums up: "For vendors, the chief attraction of selling at auction is the prospect of receiving the full sale price within 28 days or whatever the timescale set by the auctioneer for that particular property."

"Providing the undisclosed reserve figure is realistic, there is every likelihood that the seller will get a result on the day with no possibility of the sale falling through."

■ For a free market appraisal and full advice on the auction process, contact Nigel Briggs & Co at the company offices in Beaconsfield Old Town, telephone 01494 671099. Lots are being accepted for the first sale at The Bellhouse Hotel, Gerrards Cross in March.

