

## CONTRACT TERMS IN BRIEF

- 14 Day cooling off period (If we have started the Auction Pack production, there may be a charge).
- Contract is "Sole Selling" terms.
- Deadline for completion is set to 56 days.
- Online auction with option to go into a live event. This will be confirmed by the Auction Department.
- 60 day minimum contract.
- 21 Days written notice to withdraw from contract.
- Buyer pays a reservation fee which is typically 4.2% including VAT subject to a minimum of £6000 including VAT. This does not form part of the purchase price.
- Liable to pay fees if:
  - **Sell privately to an applicant introduced by auction.**
  - **Cancel sale with a ready willing and able buyer at reserve.**

## AUCTION PACK & LEGAL INFO

In order for us to sell the property, we require a set of legal documents ahead of securing a purchaser:

- Title Register
- Title Plan
- Local Search
- Water & Drainage Search
- Property Information Form
- Fixtures and Fittings Form
- Probate, Epitome of Title, Power of Attorney (if required).
- Tenancy Details in Situ
- Coal Mining Search

You will also need an Energy Performance Certificate, the cost of which is not included in the Auction Pack Fee. Please speak to your Agent for details.



### > AUCTION PACK FEE:

We provide a comprehensive and competitively priced Auction Pack service. For pricing information please speak to your Auction Specialist or refer to your Auction Contract.

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.

If your property is a Leasehold, you may also need to provide a Management Pack which can be requested from your Freeholder or Managing Agent.

# Auction Sale Pack



## Key benefits to you



### 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 from receipt of draft contract. 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 on completion.** For pricing information please speak to your Auction Specialist or refer to your Auction Contract.



### 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%.

\*Where the buyer pays the reservation fee they may consider this within the purchase price.

## The strategy

### Making property stand out

#### > PRIVATE TREATY

Asking Price: £220,000

Viewings:

- Vendor accepted £205,000 but the sale fell through after 5 weeks
- Branch recommended and listed for Modern Method of Auction.

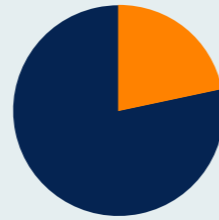
#### > MODERN AUCTION

Starting Bid: £180,000

Reserve: £200,000

Viewings:

- More interest, more viewings, more bids.
- Sold for £210,000. The vendor paid 0% fee and kept full price.



**38.8%**

average fall through rate on the open market.\*



**94.4%**

of properties completed in the first 6 months of 2018.\*\*



**43%**

of modern auction buyers purchase as a family home, 34.5% as investment, 17.5% buy-to-let & 1.5% for re-sale.\*\*\*

\*Quick Move Now 2018, quarter 4

\*\*iamsold Average fall through rate between Jan-Jul '18

\*\*\*iamsold Transaction Report 2018

## How it works

### 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).



### 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).



### 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.
- If your property is a Leasehold, you may also need to provide a Management Pack which you can request from your Freeholder or Managing Agent who will confirm the cost payable by you.

**You will be asked to complete a property questionnaire - to avoid any delays, try and get this completed as soon as you can.**

### 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 from receipt of a draft contract from the Buyers Solicitor, 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.

