

### **How to survive an auction**

The golden rules of bidding at auctions are to be confident and be prepared. Some research done prior to the day, along with the right advice, will secure your property with a minimum of stress. Here is a step-by-step guide:

If, after inspecting the property, you are interested in buying it, let your agent know. This ensures that you will be advised if any other offers are made by another party prior to the auction day .

Prior to the auction, check the sales contract. Ask your solicitor or legal representative to advise you on the details and any special conditions of the sale. Organise your finance. If you will be moving, its advisable to have an agent inspect your current property to establish a likely sale price .

Will you be attending the auction, or will someone else be representing you? If so, they will need a letter of authority to do so.

Taking into account recent sales in the area, set a price which you are prepared to bid to . When bidding, speak clearly and confidently. Try not to be carried away by the excitement of the event, remember, once the hammer has fallen, the property is sold.

You will also need to arrange a cheque for a deposit on the day of the auction. Personal or Bank cheques are fine as are Deposit Guarantee Bond in most cases. Passed in at auction, means bidding has failed to reach the owner's reserve price. Your agent will confer with the owner and normally the highest bidder will then have the right to negotiate the sale price of the property. Most passed in properties are sold rapidly after an auction.

### **Purchase at auction**

Ensure you are prepared to bid by having your deposit organised (cheque, bank cheque or deposit bond), finance organised, the contract checked, settlement time agreed and price estimates set.

Be confident, you want to buy so make a good effort, no point being timid, show that you are determined

When bidding you can either nominate the bid you desire verbally, using hand motions or following the auctioneers lead

Check our a few auctions in the Locality, you will see a variety of styles from auctioneers, so be prepared for the event. The auctioneer will make it very clear how bidding is progressing, if you are unsure of the status don't hesitate to seek clarification particularly if you are unsure if the reserve price has been reached, but remember when that hammer falls the property is sold .

If a property fails to reach the reserve price, the auctioneer will 'pass the property in' to the highest bidder. Negotiations will commence with the highest bidder immediately and a sale often eventuates, so it is essential to ensure that you are the highest bidder. If negotiations do not conclude in a sale, negotiations can then be opened to other bidders

If you are successful you will need to sign the contract and pay the deposit immediately following the auction, so check that all contract details and conditions are covered.

Often interested buyers are unable to attend an auction of a property they hope to purchase, if this happens to you, don't worry it is easily fixed. All you need is a friend or relative to bid on your behalf. You will give them a limited authority to bid and sign the contract on your behalf and they will have either a set limit to go to or you can instruct them over a mobile phone, but remember you will need to have the deposit organised in advance and have a written authority to hand to the auctioneer.

#### Purchase prior to auction

Many properties are Sold prior to their scheduled auction date. Don't get caught out by missing this buying opportunity, make sure the agent is aware of your interest, don't play it so cool that you miss out. Request that the agent notifies you if the vendor will be considering pre-auction bids and if so you would like to be involved in such negotiations

Check all details and conditions as normal, take the contract to your solicitor, do your inspection as you see fit, ensure that your finance is approved and that you can act immediately you get the go ahead.

Any offer submitted prior to auction will only be considered if you can prove that you will be in a position to proceed to an exchange of contracts within 24 hours of acceptance As the property is scheduled to go to public auction we treat any pre-auction negotiating in the same sense—PUBLIC—in other words we do not deal exclusively with any single buyer, if we have interest from other parties—we are working for the vendor to get them the best possible result, so we need to ensure we have dealt with all interested parties. So what does this mean to you?

We will treat you and other interested parties fairly and above board so that should an offer be considered by the vendor that has been submitted by any other interested buyers and you have expressed an interest in the property, then you have opportunity to bid and 'vice versa' - we believe in full disclosure—no hidden agendas—its fair to everyone and achieves the best result for our vendor

For further information please do not hesitate to cont Jason Maxwell at Maxwell and Co on 62996677.