

FAQ

What is a Real Estate Auction?

Auction is a form of marketing a property through an intensive campaign. The aim is to attract interest from a maximum number of buyers within a set time frame. At auction, the property is sold to the highest bidder above the reserve price.

What is the reserve price?

The reserve price is usually set on the day of the auction by the client/vendor. It is the minimum price that the client/vendor will accept. When the bidding reaches/passes the reserve price, the Auctioneer will call the property "on the market" and will be sold to the highest bidder.

How do I bid at an auction?

Simply attract the attention of the auctioneer by:

1. Firstly you must Register to Bid and provide name, address and photo I.D.
2. You will be given a Bidder Number to hold up when bidding.
3. When Bidding attract the Auctioneers attention by calling out or nodding your head and holding up your Registered Bidders Number.

The auctioneer will nominate the amount of the bid he or she is looking for. However, you can state a different amount when you make a bid, the Auctioneer may or may not accept this lesser offer!

If you are the successful bidder, you will be asked to pay the deposit and sign a contract.

Do I need to organize finance so I can bid at an auction?

Yes, you will need to have a pre-approved loan. This pre-approval will allow you to bid in complete confidence under the conditions of a cash contract.

Can I buy before and auction?

Yes. Auction properties are often sold this way. You simply submit a written offer via the property agent on a Contract of Sale. If the client/vendor agrees to the price and conditions, the contract is completed to finalise the sale. Your property agent can provide further advice.

What if the property does not sell at the auction?

If the reserve price is not reached at auction, It is "passed in". In this case the property will be offered for sale to all interested parties. The Auctioneer may bid on behalf of the client to set the stage to negotiate after auction.

What contract do I sign and what are the standard conditions?

The contract will be available to read prior to auction as will the terms and conditions of auction. The usual conditions for purchase are:

1. Deposit – 10% of the purchase price paid as a deposit either by cash or cheque.
2. Settlement date is the day on which the full purchase amount is due. This is usually 30-40 days from signing the contract.

We're here to help you!

Our experienced agents and the Auctioneer are here to help assist you. We do understand it is a stressful time and will give you all the help you need to make this a stress less event.