

BUYERS GUIDE PROPERTY AUCTION



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All of our properties are offered for sale via The Modern Method of Auction. This is not to be confused with the traditional method whereby a legal exchange of contracts is required immediately after the auction ends.

Our auction is still based around a fixed timescale but allows longer periods for exchange and completion to further accommodate the residential buyer and seller. The properties advertised through our property auction are offered by committed sellers at realistic prices. Many of the properties are vacant with no onward chain and auction provides buyers with the opportunity to purchase realistically-priced properties quickly and easily.

The auction method of sale also gives transparency for both the buyer and the seller as the sale is in the public domain so the fear of gazumping or re-negotiation is completely removed.

The Modern Method of Auction

This is what's known as a conditional auction and means that upon acceptance of an offer or at the fall of the hammer the buyer must place a non-refundable reservation fee or part-payment deposit to reserve the property. The buyer is then given 28 days to exchange contracts and a further 28 days to complete the purchase thereafter. Most buyers prefer to buy through The Modern Method of Auction as it provides greater flexibility.

What is the difference between the online auction and the auction event?

We hold auction events at specific times throughout the year. We also offer online auctions which run in tandem with the auction events. Simply we want to be able to offer our clients an auction service 24/7!

The online auction system works like ebay. Properties are usually listed on the site for 30 days, and at any point during this time you can place a bid on a property. You can tell how much time is remaining on a specific auction as it is clearly stated in the auction countdown displayed against each property.

All properties will start out life on the online auction system and many will sell long before the auction event date. However, subject to the correct level of interest and timing we will offer the auction event to you as an option to achieving a sale.

Reservation Fees & Deposits Explained

Reservation Fees: Under this method of auction all sales are subject to a reservation fee which covers our costs (unlike traditional property transactions where the seller pays the fee). This is a percentage of the final sale price, and is in addition to it. The reservation fee reserves the property for the buyer and must be paid at the end of the auction. If the sale falls through due to an act of the vendor the reservation fee will be refunded to the buyer in full. If it falls through due to an act of the buyer the reservation fee is deemed non-refundable.

Deposits: Under this method of sale, a deposit is required as security from the buyer. This is paid at the end of the auction and is held in a secure client account until exchange of contracts takes place. The deposit forms part-payment of the purchase price and comes off the balance owed on completion of contracts.

Why would someone pay a reservation fee to purchase a property?

When looking to buy a property, most people will look at the total purchase price, and all of the lots available through our auction are priced realistically and to sell.

Is the bid binding?

This is the Modern Method of Auction, the bid binds the buyer to pay a reservation fee or deposit and sign the reservation form. It does not bind the buyer to buy the property but instead allows them to reserve the right to exclusively exchange contracts on the property at an agreed price within 28 days of the bid being accepted.

How quickly do I have to buy the property?

With the Modern Method of Auction, when the auction closes the winning bidder has 28 days to exchange contracts and a further 28 days to complete the purchase. This additional time makes it more appealing to those buying with finance or a mortgage because there is more time to get the necessary paperwork completed.

How do I place bids?

Bidding online: Firstly you will have to register with us.

A link to the registration form can be found on the top bar of the home page. Once you have completed the registration form you will be sent a welcome email confirming that you are registered to bid. The auction software provides every bidder the chance to have one last bid as for every bid made in the last hour, 2 minutes is added to the auction end time making sure the highest bid wins the auction.

Can I place bids outside the auction process?

If you would like to place a bid on a property before the auction has finished it will be dealt with on an individual basis. By law we must put any offer that is made forward to the seller. It is then up to the seller to decide if they want to consider the offer and take the property out of the auction early. In this scenario the reservation fee or part-payment deposit is still payable and the terms and conditions of the auction still apply.

What if the reserve price is not met?

If the reserve price is not met during the auction, we will communicate with the seller and any interested parties to see if a sale can still be achieved. If you are interested in an unsold lot please contact the auction team.

