

Selling at Auction

Our Modern Method of Auction provides you with speed and security but more flexible timescales than Traditional Auction, it is accessible to those buying with a mortgage to help drive increased interest in your property.

With our Modern Method of Auction, a Reservation Fee of 4.5% of the final agreed purchase price (subject to a minimum of £6,600 inc. VAT) is payable to secure the property. The Reservation Fee is used to cover your auction and estate agency fee and helps ensure all parties are committed to the sale or purchase.

In most cases the buyer pays this at the point the sale is agreed, as this secures the property exclusively to them during the reservation period whilst providing the seller with security. This **Reservation Fee** is non-refundable and **paid in addition to the agreed purchase price**, therefore the buyer may consider this within the total amount they wish to pay for the property.

Sometimes, you may choose to pay the fees yourself on completion. In this instance the buyer makes payment of a non-refundable **Reservation Deposit** when the sale is agreed which **forms part of the purchase price**.

Referral arrangements

Your Estate Agent and the Auctioneer may recommend services of third-party suppliers to you and may receive payment for the recommendation. Whilst these services are recommended to be of benefit to you, you are under no obligation to use any of these services and you should always consider your options fully before services are accepted.

Where any such arrangement exists, you will be made aware of the arrangement and advised of any payment that will be received prior to services being taken.



Auction Pack Fee

If you decide to sell your property at auction you will need an Auction Pack. These packs contain important information about your property that a potential buyer needs when deciding if they wish to place a bid and are a legal requirement.

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.

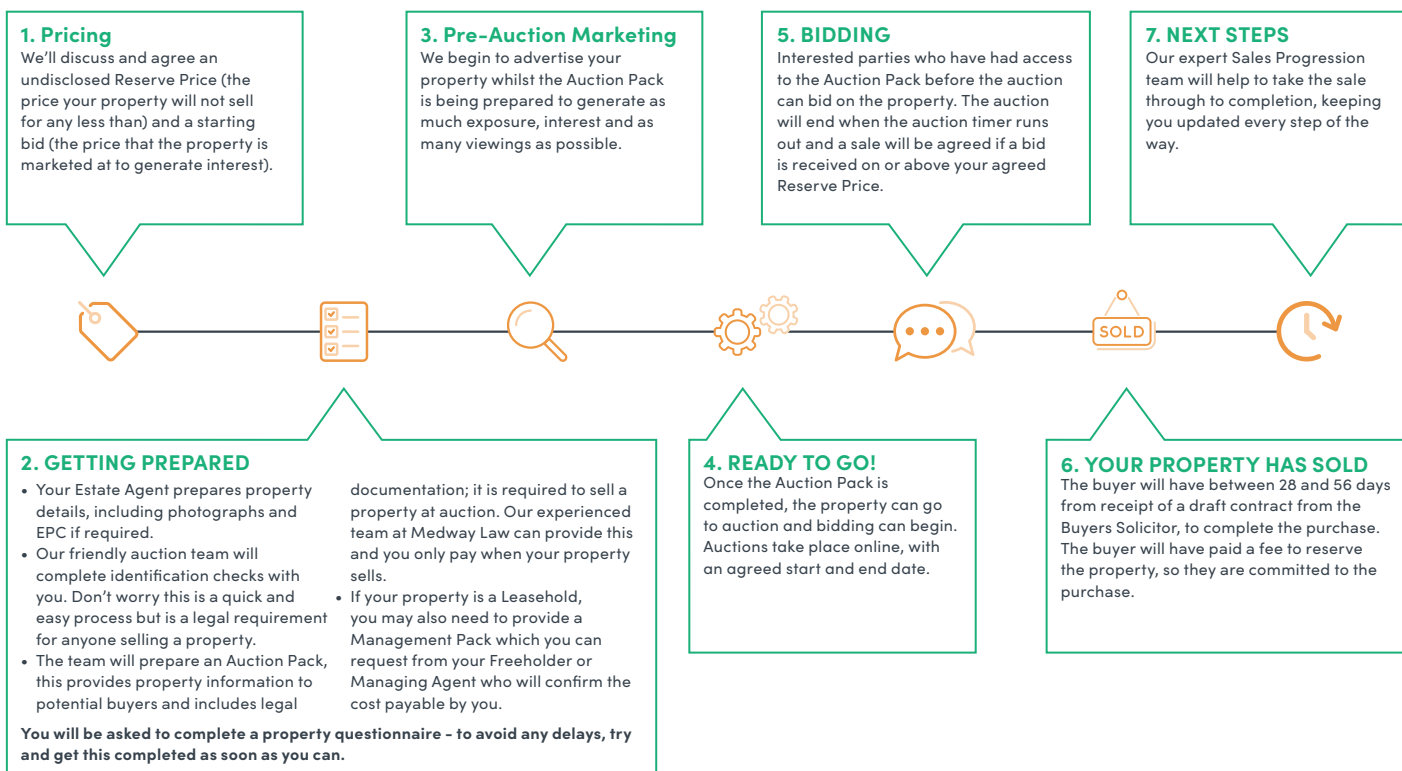


Legal Pack:

Our comprehensive Auction Packs offer value for money; speak to your Auction Specialist for up to date pricing information or alternatively, pricing can be found detailed in your Auction Contract.

The Process

You've decided to sell your property via Modern Method of Auction – let's get started!



FAQ

Selling your property has never been easier with our Modern Method of Auction.

How long does the auction last?

Once an Auction Pack has been completed and signed off, your Auction Specialist will discuss potential end dates for your property with you. This will be dependent on the level of interest created whilst the property has been in Pre-Auction Marketing stage (PAM). Your potential end date could be only a matter of days away if you already have several people wanting to bid. However, if there has not been any reported interest at this stage then your suggested end date could be set up to 2 weeks away. In short, the auction duration is bespoke to your situation. You can tell how much time is remaining on a specific auction by looking on the search section or by clicking into the property details where the time remaining will be displayed in the top left-hand corner.

Do I have to accept the highest bid for my property?

Each property has an undisclosed Reserve Price, this is the minimum amount that you agree that you are willing to accept for your property. Only the Start Bid and any bids received are visible as the Reserve Price remains confidential. If the Reserve Price has been met, or exceeded, then you would be expected to sell the property at an end point agreed with your Auction Specialist. Please note, should you decide not to proceed with a sale at or above your Reserve Price then you may be liable for any contracted fees.

What is a Starting Bid?

With every auction there is a Starting Bid. This is the price published for each property and confirms the level at which the bidding is suggested to begin. Starting Bids are for guidance only, they are not the price that the property is being sold for. Each Starting Bid has a corresponding Reserve Price.

What is a Reserve Price?

This is the minimum price that you agree the property can be sold for. This figure is kept private and is not disclosed

to interested parties, however as a guide the reserve is generally no more than 10% in excess of the Starting Bid. The ideal scenario is to generate enough interest to exceed the agreed Reserve Price, however, you must be comfortable should this be the highest achieved.

Can I accept bids prior to an auction ending?

Yes, if you want to accept a bid to sell your property before the auction has finished that's fine. We are duty bound to put any offer for the property forward to you, so it is entirely up to you if you want to accept an offer and take the property out of the auction early. Your buyer will still be bound by the Terms and Conditions of the auction. Your auction specialist will give the very best advice on how to achieve your desired outcome depending upon the interest in your property.

Are bids legally binding?

With the Modern Method of Auction; the bid binds the buyer to pay a Reservation Fee and sign a Reservation Agreement. 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 56 days of the draft contracts being received by the buyers solicitors.

What if the reserve price is not met?

Should an auction end with the highest bid being below your reserve, then your Auction Specialist will still discuss this with you and you could, if desired, accept this bid should you wish.

Why do you use sole selling rights agreements?

This type of agreement is typical with properties to be marketed under auction terms. Sole Selling Rights means that the property can only be marketed and sold through iamsold and your Estate Agent whilst it is under contract, and this ensures all parties are able to proceed in the instance advised above. If the property was marketed under different terms by different agents then this is likely

to damage your marketing and encourage buyers to avoid the terms, and commitment, that you have chosen as a seller for very specific reasons.

A viewer has made me an offer privately; can I accept it?

It's important that negotiations are carried out by the Partner Agent and iamsold whilst you are under contract and there a number of reasons for this. As the seller you will become liable for the auction fees rather than the buyer due to the terms of the contract. Our sale methods are designed to provide commitment and security to both parties, and it is likely that you have chosen this method of sale for those specific reasons. Our aim is to help you sell your property so we will work with any interested party if they are unsure about auction, so that we can try and agree a sale for you.

What is Management Pack and why do I need one?

A management pack provides important information regarding a leasehold property. The pack is obtained from the freeholder or their managing agent. The pack contains information on the management of the freehold, ground rent, service charges, buildings insurance and other relevant information to ensure the buyer is aware of their responsibilities should they proceed with the transaction. It will also contain information required by the buyer to transfer ownership.



If you have instructed another agent the terms and conditions of those instructions must be considered to avoid a possible liability to pay two commissions in addition to any withdrawal fees or disbursements.