

Woodford & Co.

PROPERTY CONSULTANTS & AUCTIONEERS

The Guide To Property Auctions



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Property Auctions

Selling property by auction goes back many years. It is a proven method of achieving a desired result. The benefits are not limited to sellers as many buyers feel that buying at auction is a simple, open and efficient method of purchase.

The aim of Woodford & Co is to provide a quality service to sellers and buyers across the region, provided by an experienced team of dedicated professionals, using quality brochures, frequent advertising and website marketing. This will enable vendors to sell their properties locally where the best prices can normally be achieved within a specific time frame. Equally buyers will know that they are dealing with an experienced firm whose aim is to attract a wide range of properties. Vendors who decide to sell by auction, but who have loyalty to a particular firm of surveyors or estate agents who may not offer that service can instruct that they act on a joint agency basis with Woodford & Co who are happy to enter into such an arrangement. Confidence in the Auction method of sale is growing but there are still a large number of sellers who do not appreciate that their agent is duty bound to consider this alternative approach. This brochure aims to explain more fully the opportunity to prospective sellers. It also covers the buying process and gives advice to those thinking of bidding.

Why Sell By Auction?

There are many significant benefits from choosing Sale by Auction and it is only by understanding these, that agents and sellers can together decide if Auction is right for a specific property.



Speed

There is no faster way of selling. The process can take as little as five weeks from instructing us, through to an exchange of contract. You will likely bank the proceeds of your sale within eight to ten weeks from going to the market.

Chance of Success

Auction gives you a greater likelihood of selling your property than by private treaty. If you need a certain sale you really should consider the auction route.

No Fall-throughs

Your sale is certain. When the hammer comes down you have exchanged contracts, your buyer is legally committed and cannot change his mind. You will be much better off than via sale through the normal Private Treaty system, where approximately one third of all sales collapse after they have been agreed.

High Profile Marketing

Your property will be advertised very intensively in the local press – almost every day prior to the auction date, and also nationally through specialist publications that target investors and professional buyers. Your property will be featured in our catalogue, which is mailed to an extensive database of interested buyers, and extensively promoted on the web.

Viewings

We set up special press promoted viewing days for your property. Each is hosted by a member of our Auctions team, who can talk knowledgeably about the potential that your property offers and answer all manner of questions from prospective buyers. It is by talking with these viewers that we can judge interest and help guide you in setting the Reserve Price.

Competitive Bidding

Our aim is to generate interest from two or more prospective buyers and to encourage them to bid against each other. The process of competitive bidding will help your property to achieve 'best price' on the day. Sometimes buyers are anxious to secure a property and they put in a strong pre-auction offer.

Best Price

Often properties achieve a sale price at Auction in excess of the Guide Price. Regularly the result is ahead of that which might have been acceptable with a Private Treaty sale, but you can always be sure that it has achieved its Best Price on the day. This is especially important on Local Authority, Institution and Probate properties where Executors are required to achieve "Best Price". When Auction is the chosen sale route then this is guaranteed and also open to public scrutiny.



Continuing Tenancy Income

More and more investment properties are now being sold by Auction, without vacant possession being obtained in advance. By continuing the tenancy the vendor will continue to receive rent until completion date, and the purchaser will start receiving an income from that date onwards.

No Re-negotiation

With Private Treaty sales a price agreed often isn't the price you finally receive. With Auction there is no re-negotiation, no discounting to take account of survey findings or any last minute gazundering. With Auction your buyer should have fully researched the property's condition prior to bidding and cannot reduce the sale price after the hammer has fallen.

Time Scale

If you are in a hurry or have a deadline to meet, then Auction could well be right for you. From the outset you will know the date of the Auction and legal completion will usually be set for 28 days thereafter. This time-scale is fixed and legally binding on the two parties. Financial pressures, and the need to relocate or dispose of a property in a specific time frame, can be easily accommodated and are almost always met with a sale by Auction.



Suitable Property

There are many different types of property that sell well at Auction, and if you have one that falls into any of these categories you certainly should consider the Auction route. Check through the list below and if you find a match then call Woodford & Co to discuss the way forward.

Properties for Improvement

Properties in need of updating make ideal Auction Lots. They are in great demand from refurbishment specialists and from private buyers keen to undertake a project for their own occupation or for resale. They also appeal to buy-to-let investors who carry out the improvements then retain them as part of a property portfolio.

Tenanted Properties

Residential houses and flats, with tenants in residence sell well at Auction. If the best buyer for your property is another landlord, and it usually will be, Auction is the right route. We should be able to get investor landlords bidding competitively. You won't need to serve notice on your tenants, and rental income continues to be received right up to completion.

Residential Investments

Houses in multiple occupation and blocks of flats are regularly sold at Auction as valuable investments. Here, it is the rent level that determines the sale price, just as much as the building itself.

Development Propositions

Derelict or disused farm buildings, empty commercial premises and buildings with potential for conversion or change of use can all sell well at Auction. In some locations a change to residential can significantly add to the value of a property. In other situations there may be space for additional dwellings or to substantially enlarge the property. Auction is regularly chosen as the effective channel for such disposals.

Building Land

There is no better way of ensuring that a seller achieves best price for a building plot or parcel of development land than to offer it for sale by Auction. Builders will be able to consult with architects, planners etc., and be ready to bid up to their maximum in the Auction room.



Mixed Use Properties

Properties that have twin uses or a variety of potential future uses are ideal for sale by Auction. Retail shops with accommodation above appeal to investors as well as owner-occupiers. Further conversion work can often be undertaken and the property tailored to suit the purchaser's special requirements.

Commercial Investments

Retail shops, offices, industrial units, garage blocks and parking areas – an ever increasing number of commercial investments are being sold by Woodford & Co It doesn't matter whether they are vacant or tenanted, with lease renewal soon needed or with a long way to run. We have a large number of investor clients who will consider all types of commercial investment.

Unique Properties

There are always some rare entries, sought after property and prime locations that need to be sold in a competitive bidding environment. Unexpectedly high prices have regularly been achieved by this route, resulting in an outcome that cannot be challenged by any unsuccessful bidder.

Amenity Land and Other Property

We have sold paddocks, fields, moorings, city amenity land and also other unusual land parcels. If it is property or land that is surplus to requirements, the likelihood is that we could find a buyer at Auction. If it has a value, and is worth marketing, it is worth considering a disposal by Auction.

Seeking advice

Call Woodford & Co. We will ask you about your property, your situation and your requirements. An Auctioneer or Valuer will visit and advise you, making recommendations and talk you through the process.

Instruction to sell

We will confirm our terms of appointment, get in contact with your solicitor, gather together the necessary paperwork, liaise with others to get Searches, Planning Permissions, Specialist Reports, Tenancy Agreements, Architectural Plans and get Special Conditions of Sale prepared for your property.

Property details approved

We will forward to you the property details and marketing material we have prepared for you to approve; convert them into a format suitable for viewing on our website, press advertising, launch brochure and catalogue. We will also send copies to your solicitors for them to approve.



Marketing campaign

All Auction Lots are advertised extensively in the local papers. We also promote Auctions nationally using specialist websites. Our offices in Oundle and London are able to field enquiries and carry out further promotion. We sometimes appoint Joint Agents local to the property, who will also carry out advertising.

Viewings

We organise viewing days at all properties that require access, and have an experienced, well briefed member of the Woodford & Co team present to provide guidance and ascertain interest from the many viewers. Viewing Days are well advertised, highly effective and much valued by prospective Auction buyers.

Your property will be allocated a running order Lot number and after approval, will be added to our Auction Catalogue. These are sent to a considerable number of buyers on the mailing list as well as those who have made specific enquiries for Lots in a current Auction. The Catalogue is also uploaded to the website and made accessible through subscription to every interested party. Special Conditions, Ancillary Documents and Plans are made available through our website and from our Office.



Reserves

We gauge interest and likely bid levels at Viewing Days and by discussion with prospective buyers. We may have also received pre-auction offers and take these into account. Occasionally a pre-auction offer may be so attractive and unlikely to be surpassed in the Auction Room that we recommend its acceptance, conditional upon exchange at least five days prior to Auction Day. We agree a Reserve Price with every seller approximately 48 hours prior to the Auction and this remains confidential between you and the Auctioneer.

Auction day

Time is allocated prior to the start of the Auction for prospective buyers to ask any last minute questions. We circulate final amendments to Catalogue details to those attending. Each Lot is

described prior to being offered, and hopefully after competitive bidding will be sold on the fall of the hammer, with contracts being effectively exchanged at that point. Sale documentation is signed in the Room and a 10% deposit paid.

Completion

Your Solicitors will handle the process from then onwards. We will supply them with a Notification of Sale and hand over deposit monies. You will need to provide vacant possession on completion, unless the property has been sold tenanted; make arrangements for key release and cancel your service supplies, insurance etc.

Buyers

We are able to advise buyers on a range of properties. We also have good contacts in the property world, such as Architects, Surveyors, Solicitors, Insurance and Finance Brokers.

Temporary Financing

Nowadays there are specialist short-term lending options available that will enable you to complete with temporary funds, prior to your preferred long-term mortgage being put in place. Woodford & Co is able to introduce you to specialists who work in this field or who can arrange conventional funding.

Properties for Improvement

Our Auction and Residential teams often work very closely with a large number of refurbishment specialists and individuals who acquire property for repair and rental, or as a project for improvement and re-sale. We can give general advice on specification, which segment of the market to target and a property's value once the work is completed. We give advice on rent levels and the style and content of furnishings. A good number of our Auction buyers appoint our Property Letting department to find a tenant and manage the property post refurbishment. Alternatively, if resale is the preferred way forward, our office will be pleased to provide a market appraisal and an effective selling service.



Building and Development

Our Land & Development specialist will be pleased to advise Auction buyers either prior or subsequent to their purchase. We regularly assist in the preparation of development appraisals, give market based suggestions for improving the housing mix and help during the pre-planning process.

Need advice? Please telephone us or call into our offices

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Glossary of Terms

Addendum - An amendment or addition to the conditions where contained in a supplement to the catalogue. This may be a written notice in the catalogue, or announced at the auction.

Auction - A public sale in which property or items of merchandise are sold to the highest bidder.

Auctioneer - The person who conducts an auction. The auctioneer introduces each lot offered for sale, acknowledges bids, and announces whether lots are sold or unsold and their final bid prices.

Bid - This is the offer to buy property at a specific price.

Buyers Premium - A payment made by the purchaser to the auctioneer at the point of exchange to cover the added cost of insurance and staffing relating to the conduct of the sale and money laundering regulations.

Catalogue - The catalogue gives a description of the property, details on how to view each property and the General Conditions of Sale, The catalogue description forms part of the contract.

Completion - The date by which the sale must be finalised. Penalties will be applied if the sale is completed late, which can include losing your deposit.

Deposit - The sum paid on exchange of contracts to secure the purchase, normally 10% of the purchase price but sometimes subject to a minimum figure.

Exchanging contracts - If you are the successful bidder at the auction sale, the sale is binding on the fall of the hammer and you will be asked to sign and exchange contracts in the auction room. The auctioneer has the authority to sign the contract on behalf of both buyer and seller.

Guide price - This gives an indication of the price that the property is expected to sell for and what the vendor is hoping to achieve.

Legal pack - The vendor's solicitors prepare a legal pack containing copies of all the legal papers. This should include (where applicable) copies of the special conditions of sale, title deeds, leases, office copy entries, searches and replies to pre-contract enquiries.

Lot - Each property being sold.

Private treaty - The sale of a property at a price agreed by the seller and the buyer or their agents. This can happen prior to auction, or after, if the property is withdrawn from the auction unsold.

Proxy bid - The auctioneers can undertake bidding on behalf of buyers who are unable to attend the auction. The buyers must contact Woodford & Co in advance to obtain a proxy bidding form. This must then be returned to Woodford & Co with a deposit cheque within the time specified by the auctioneers. The buyer writes the maximum amount they will bid to on the form and the auctioneers will bid on behalf of the buyer, up to, but not beyond the stated price.

Reserve - A reserve price is the lowest price the vendor will accept. This is confidential and not disclosed to any interested parties.

Telephone bid - A telephone bid, made through a member of the Woodford & Co team. The staff member telephones the client from the auction room and relays the client's bids to the auctioneer during the bidding on those lots. An Authority to Bid by Telephone form needs to be completed and signed at least 24 hours prior to the auction, and a deposit cheque lodged with the auctioneers.

Tenancies - Contracts to occupy or lease the property subject to rent. A lot may be sold subject to existing tenancy agreements.

Withdrawal - If there is a failure to reach the reserve price or there is insufficient bidding, the auctioneer will withdraw the property from the auction

If you have property to sell, be it a house, flat, mixed use, paddock or building plot, we can probably help. Please call our experienced team to arrange an appraisal or to discuss the different methods of sale.

We sell property in Northamptonshire, Rutland and Cambridgeshire from our offices in Oundle and London. We also appoint local, Joint Agents.

We have an experienced team selling a range of property from our Oundle and London offices, using quality photography, brochures and the prime web sites to present your property to an international market.

