

Our guide to:

# Selling your property at auction



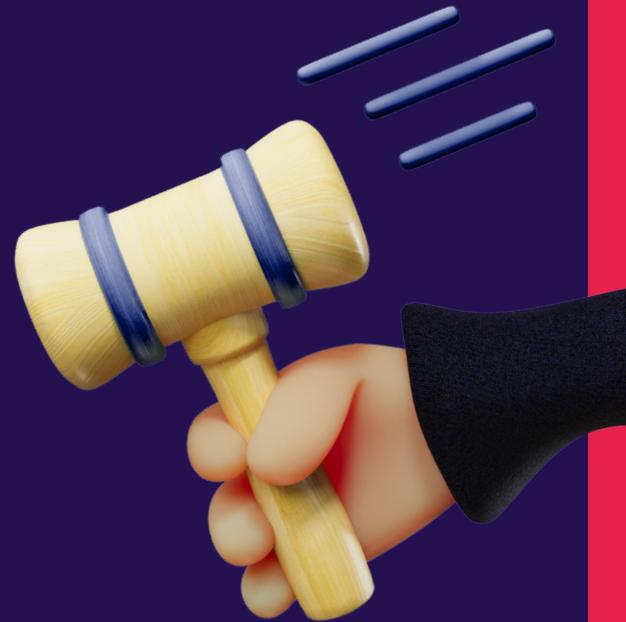
**SDL**  
Property Auctions

Part of  
**Eddisons**

[sdlauctions.co.uk](https://sdlauctions.co.uk)

# Why choose SDL Property Auctions?

You've decided selling by auction is right for you, but why choose SDL Property Auctions?



## We're the market leaders

We are the UK's most successful live-streamed auctioneer and have been running auctions for decades thanks to our advanced technology. We have valuers across the country who are all experts in your local area.



## Our friendly and professional team

We understand this may be your auction debut, so we'll help you through the process by explaining everything in a simple to understand way.



## We offer choice

There are several selling options available to auction sellers and we are one of only a handful of property auctioneers to offer them all. Our friendly experts will help you decide which type of auction and selling method is best for you and your property.



## We have a huge network of buyers

As a market-leading national auctioneer, we have a database of 35,000 serious buyers who are all looking for properties. Many of them buy from us frequently and have the cash ready.

# Which properties are suitable for auction?

A quick look at our current lots will show you a wide variety of properties. You'll find refurbishment projects, shops and warehouses, blocks of flats, city apartments, plots of land and much more.



## Are you in a hurry?

Perhaps you've found the house of your dreams and don't want to risk losing it to another buyer. You may be relocating or completing a divorce settlement. You may have put your house on the market but now your circumstances have changed. Whatever your need for speed, we can help you sell in just a few weeks – and you get to choose the timescale.



## Are you worried about being messed about?

Selling a property on the open market (through an estate agent) can be lengthy and stressful – and nothing is certain until you've handed over the keys. You don't have any of this uncertainty with an auction sale. The winning bidder will have provided payment details in advance, committing them to the purchase and helping to rule out the risk of the sale falling through.



## Are you selling without a chain?

If there's no upward chain and you can move immediately, why risk a delay? Auction sales are chain free, as our buyers must have their finance in place before bidding. Keep things simple with just you and the buyer – with nobody else to slow things down.



## Do you have an unusual property?

Is your house unique? Is it a character property or particularly desirable? You can take advantage of its unique qualities by letting the bidders compete over it. If two or more bidders take a shine to your property, they can drive up the price – maybe even to more than you'd have been able to ask on the open market.



## Have you inherited a property?

When you've suffered a loss, dealing with a property sale is the last thing you need – especially if you don't live close by. Throw a family disagreement into the mix and this will add to the stress. Selling by auction removes any hassle and stops any price disputes, as the property will sell for what it's truly worth.



## Is your property just not selling?

If your property has been for sale for a while with little interest or no offers, you may be thinking about switching agents, dropping the price - or simply giving up. Before you do this, why not consider an auction sale? You can even do this through your existing estate agent.



## Did your property sale fall through?

If so, you'll feel like the rug has been pulled from under you – but we can help. Get in touch straight away and we'll add your property to our site within hours. And you won't have to suffer the same disappointment again, as the risk of a sale falling through is reduced to virtually zero.



## Does your property need work?

Preparing a property for sale can be time consuming, especially if it needs work. And you can guarantee potential buyers will haggle to compensate – even though your estate agent will take these costs into account in the valuation. You can skip the hassle and the haggling by selling at auction. You won't need to do any DIY because many of our buyers are looking for unfinished projects – and even unstarted ones!



The whole experience was **effective, efficient and friendly**. Never having experienced anything like auctioning a property before, the process was **explained clearly**.



# How to get started

Want to find out more? Your first step to a successful auction sale is to get in touch with our team of friendly experts. We'll chat to you about your property and your circumstances, and help you decide if auction is right for you.



## Appraisal

We will carry out a free, no-obligation auction appraisal of your property. We'll research your property, analyse its location, check sold prices for similar homes nearby and dig deeper into your local market using information only available to professionals. This, along with our experience and expertise, will help us arrive at a value. We can visit your property for an in-person valuation or carry out a remote desktop valuation for convenience.



## Pricing your property

### The reserve price

This is the minimum you are willing to accept for your property. It protects you from having to sell for less than you are happy with. If the reserve price isn't met, the property doesn't sell and we will continue to market the property after the auction.



### The guide price

This is the price we advertise and is just what it says it is; a guide. It gives bidders a realistic idea of how much you are willing to sell for because the guide price must always be within 10% of the reserve price; higher or lower.

Don't be surprised if we value your property lower than an estate agent. The price in both types of sale is just a starting point. On the open market, potential buyers will usually try to negotiate the price down, while in an auction, we aim to drive the price up.

We advise against setting a guide price too high as experience tells us this can put people off. The most successful properties have a guide price which generates interest and triggers competitive bidding. An attractive guide price can result in a higher sale price.

# When and how do you wish to sell?

Your choice of auction will most likely be based on how quickly you need to sell and we will happily discuss these options with you.



## We run two main types of auction:



### 1. Auction Events

Our Auction Events have an auctioneer at the rostrum and are held in our head office auction studio. They are live-streamed on our website so you can watch the auctioneer in real time, just as if you were in the room. Bids can be carried out online, by phone or by proxy.



### 2. Timed Auctions

You can also sell in a Timed Auction on our website. Timed Auction properties are generally marketed for three weeks but can be longer or shorter if you wish. Bids can be placed over the internet within an agreed bidders window, often 24 or 48 hours.

## There are also two different sale types to choose from:

### An unconditional auction

When the auction ends, the winning bidder is legally bound to complete the purchase, usually within 30 days. This means they must have their finance in place before bidding.



### A conditional auction

The buyer pays a reservation fee and has an exclusivity period of 60 days, in which you are bound to sell the property exclusively to the buyer. This time must be used to proceed towards exchange of contracts and completion. This takes slightly longer but gives the buyer more flexibility, which can open up the auction to more buyers, possibly leading to a higher selling price.



Our friendly experts will be happy to help you decide which type of sale is best for your property and circumstances. Bids can be placed over the internet 24/7.

# How you're protected as a seller



## The reserve price

Setting a reserve price protects you from your property selling for less than you're willing to accept.



## Bidders are committed to buying

We've all heard of property sales falling through, because the buyer couldn't get a mortgage. This isn't going to happen with a sale by auction because there are financial consequences for the buyer. With both conditional and unconditional sales, the deposit is non-refundable.

A common myth is that buyers have to have the cash immediately available by auction. Whilst this is true for unconditional auctions, with conditional auctions, buyers have a little longer to get their finances in place after the gavel falls.



### Cannot fault **SDL Property Auctions**.

I would like to thank everyone who dealt with a very difficult sale with **professionalism** and **competence**. They persevered when the going got tough, bringing the sale to a happy conclusion. I was very **impressed** with their genuinely caring attitude, unbroken communication and helpful advice. I would **highly recommend SDL Property Auctions** to anyone considering a sale by auction.



# How much will it cost you to sell?

We'll talk you through the various options including our 'No Sale, No Fee' approach, but you will most likely not have to pay us anything. This is something you can discuss with your valuer to help you get the best result.



## Before the auction

In a traditional property sale through an estate agent, you won't start thinking about legal documents until you agree on a sale. However, with an auction sale providing speed and security, the legal pack must be created in advance for potential buyers to read ahead of bidding.

So as soon as you've agreed to sell with us, you should instruct a solicitor/conveyancer who has experience of auction sales. We work with several trusted firms so can help you find a suitable solicitor if you wish.

Your solicitor will compile a legal pack for the property which should be available to all potential bidders before the auction. We offer legal packs from £390 inc VAT.

When the legal pack is ready, it will be available for potential buyers to view on our website next to your property listing.

If you watch one of our auctions and the auctioneer says a lot has been withdrawn, this can be because the legal pack was not ready in time, so don't delay instructing a solicitor!



We decided to put the house on the market via SDL Property Auctions, after two sales fell through using the traditional way of selling - which was very stressful. The whole team were **very helpful** and **reassuring**. They told us that our house was very marketable and were confident of a successful sale. We would **highly recommend the property auction route**.



Once you've instructed your solicitor, you don't need to do anything else. While you may wish to make your property look its best, there is no need to carry out any repairs, decorating or gardening as our buyers will look beyond the surface to see your property's potential, even if it requires work.

# Let us take care of the rest



**While you wait for the auction to begin, we'll be working hard for you behind the scenes.**



## **We'll contact you**

We'll write to you initially to confirm what information we require from you.



## **We'll liaise with your solicitor**

We'll request that your solicitor uploads the legal pack to your property listing.



## **We'll take photos of your property**

We'll organise photographs to be taken of your property to show it off at its best – or you can provide these yourself if you prefer.



## **We'll carry out viewings**

We have a team of accompanied viewers who carry out block viewings on our properties. You can book these via our website. When physical viewings are not possible, we'll create a virtual viewing of your property which we'll upload to the property details online.

## **We'll market your property**

We'll advertise your property on our website, on major property portals such as Rightmove, and in our auction catalogue. We may also advertise it in the local press and share it on social media.

In addition, your property may be sent to our huge database of national and international buyers who are experienced in buying auction properties.



## **We will handle any offers**

If you wish, you can accept offers before the auction. If we receive any offers above the guide price, they will be referred to you for consideration.

# What happens on auction day?

The big day has arrived and it's time to sell your property. What happens next depends on which type of auction you have chosen.



## Auction Events

In an Auction Event, you can watch the action on any device, computer, mobile or tablet. Properties are offered in lot order, starting with lot 1. You don't have to watch the whole auction, we sometimes have 200+ lots, but keep checking back so you don't miss the excitement – or your lot!

The auctioneer will often start the bidding below the guide price but don't worry – your reserve price is there to protect you and you won't have to sell for less than this.

Bids will be placed in three ways:



### 1. Internet bids

The auctioneer can see these bids flash up on a computer screen in front of them.



### 2. Telephone bids

Members of our team will be in the auction studio talking to bidders on the phone.



### 3. Proxy bids

This is when a buyer asks the auctioneer to bid on their behalf, up to their maximum price. Although the auctioneer wants to get the best price for you, he is only allowed to bid as high as he needs to.

Once your reserve price has been reached, you can relax as you know your property has sold. Any more bids after this are a bonus. When the bids stop coming in, the auctioneer will give bidders “fair warning” to give bidders a final chance, then say “going once, going twice” before dropping the hammer.

In an unconditional sale, when you hear that hammer fall, contracts are automatically exchanged.

Both you and the winning bidder have now entered into a legally binding contract. The buyer must pay the applicable deposit on auction day and the sale will complete 30 days later, unless you have requested a longer completion period. In the unlikely event of them pulling out, you will keep the deposit.

In a conditional sale, the buyer pays a reservation fee which grants them an exclusivity period of 60 days. The payment of the reservation fee is non-refundable, to ensure that the buyer is still committed to the purchase.



### Timed Auctions

In these online auctions your property will be the only lot and the auction will have a set time to end. Bids can be placed around the clock.

You can watch the bidding on the website as it happens. Just as in an Auction Event, you will set a reserve price so you don't have to sell for less than you want to. Once the reserve price is reached, you can end the auction or allow it to continue in case more bids come in.

Bidding can speed up towards the deadline so if any bids are received in the last 30 seconds, the deadline will extend by another 30 seconds. This repeats until no more bids are received and the auction ends.

**As we have already mentioned, there are two types of auction:**



#### 1. Unconditional auctions

Contracts are exchanged immediately when the auction ends, just as in an Auction Event. The winning bidder is legally obliged to pay a deposit and any fees on the same day.



#### 2. Conditional auctions

This is different in that contracts aren't exchanged immediately. But, to deter the buyer from pulling out, they must pay us a non-refundable fee which is a percentage of the final price. This is not a deposit but reserves the property for 60 days to give them time to arrange a mortgage if necessary. If they fail to exchange and complete on the sale, they lose their fee.

# After the auction



## After the auction

When your property has sold, we'll sign the paperwork on your behalf and carry out the exchange on an unconditional sale. We will then send the paperwork to your solicitor in readiness for completion. Expect to pay in the region of £750 - £1,200 for the work your solicitor does after the sale.

Following a conditional sale, we sign the relevant paperwork on your behalf and then sign the buyer up to a reservation agreement.

Auctions are fast! So if you sell in an unconditional auction, in most cases you will be handing over the keys in just 30 days. In a conditional auction, this is extended to 60 days. Either way, it's much faster than selling on the open market.



Knowing little-to-nothing about selling property at auction, this was to have been a daunting experience. However, the team were so **efficient**, and readily available to explain and help, we just seemed to **glide through the whole procedure**. The auctioneer was very impressive on the day, and the **professionalism** and **teamwork** was also **first class**.



# If the auction doesn't go to plan



## What if the property doesn't sell?

If your property doesn't sell in the auction, don't give up! We'll continue to advertise your property on our website after the auction and will inform you of any offers. In our Auction Events, many of the properties which don't sell are snapped up later that same day.



## What if the buyer pulls out?

Because of the financial consequences, it's extremely rare for a buyer to pull out of one of our auction sales. In fact, less than 1% of sales fall through. However, in the unlikely event that a buyer fails to complete, they will still have to pay our fees and some form of compensation to you.



## Unconditional auctions

As the buyer pays a deposit on auction day, you'll get to keep this.



## Conditional auctions

The buyer will have paid a reservation fee to us so if they pull out, they will lose this. In addition, you have the right to sue them for any costs or losses.

**But remember: it's very rare for an auction sale to fall through. In almost every case you'll be handing over the keys in a matter of weeks.**



**Exceptionally good service** - thoroughly professional and explained each step of the process. He has communicated all necessary information throughout. It is now just 28 days later and my property has already been sold! Not only **fast and efficient** - but it also sold for more than I expected.



# Different auction types

These are the different auction types at a glance. Don't worry about taking it all in now, we'll explain everything when we speak to you.



Auction type	Buyer fees	Exchange	Completion
<b>Unconditional with fixed fee</b>	<p>Buyer's Fee of £1,500 (unless specified otherwise against the lot details).</p> <p>Deposit of 10% of the purchase price with a minimum of £5,000.</p>	Automatic, on the fall of the hammer	30 days after the auction, unless otherwise stated
<b>Unconditional with variable fee</b>	<p><b>Buyer's Fee of either:</b></p> <p>4.8% (including VAT) of the purchase price on properties up to and including £250,000</p> <p><b>OR</b></p> <p>3.6% (including VAT) of the purchase price on properties over £250,000. The Buyer's Fee is subject to a minimum of £6,000.</p> <p>Deposit of 5% of the purchase price, with a minimum of £5,000.</p>	Automatic, on the fall of the hammer	30 days after the auction, unless otherwise stated
<b>Conditional with reservation fee</b>	<p><b>Reservation Fee of either:</b></p> <p>4.8% (including VAT) of the purchase price on properties up to and including £250,000.</p> <p><b>OR</b></p> <p>3.6% (including VAT) of the purchase price on properties over £250,000.</p> <p>The Reservation Fee is subject to a minimum of £6,000.</p> <p>The deposit is not payable until contracts are exchanged. You must make every effort to exchange contracts and complete the sale within the 60 day exclusivity period.</p>	Both parties enter into an exclusivity period of 60 days in which to exchange contracts and complete the purchase.	Both parties enter into an exclusivity period of 60 days in which to exchange contracts and complete the purchase.

We're always happy to answer your questions. Simply call us on 0800 046 5454, email [heretohelp@sdlauctions.co.uk](mailto:heretohelp@sdlauctions.co.uk) or use our online live chat service at [www.sdlauctions.co.uk](http://www.sdlauctions.co.uk)