

The Benefits Of Real Estate Auctions

Reduces Marketing Time – From the time you make the decision to employ our services until auction day is usually 30 to 45 days, depending upon the property. Even in good markets, this compares favorably with traditional sales methods. In good markets and low markets, **auctions create a competitive demand for your property selling it quickly and efficiently.**

Reduces Costs of Ownership – Once the decision is made to sell, **the quicker the process can be accomplished the better.** Typical costs associated with the ownership of real property can be drastically reduced such as maintenance, insurance, taxes, and interest. Many times, over the course of traditional listings, market conditions change affecting the price a willing and able purchaser will pay. Even in good markets, interest rates fluctuate, thereby causing a risk in the marketplace over which you have not control.

Targeting Qualified Buyers – Most of the time, an auction finds success because the company you have chosen understands the best means to reach a targeted audience. Marketing your property to those incapable of making the decision to purchase or lacking the ability to purchase, is a genuine waste of time and money. At the same time, your auction cannot be kept a secret, **advertising is essential to produce results.** Each auction marketing campaign is carefully planned and thought out to ensure all possible prospects become aware of your property and the opportunity afforded by the auction scheduled.

Reduces Marketing Time & Absorption – We have successfully offered and sold many properties for lenders, developers, corporations, and others with a need or desire to liquidate communities. This can include developed subdivision lots, completed residential units, acreage, or nearly any other type of real estate. At auctions, it is possible to accomplish in one day what may have taken months or years to sell out using traditional methods. **Auction marketing is compacted into a well-defined time frame.** This reduces holding costs, interest charges, expensive marketing campaigns, and risks associated with the marketplace.

Defines Negotiations Between Sellers And Buyers – At an auction, all negotiations between sellers and bidders are carried out while the auctioneer is at the podium. **Offers to purchase are made under predetermined conditions, which bidders have agreed to comply with.** This eliminates the need for complicated negotiations, offers, counter offers, and confusion. Through the process of competitive bidding, final prices are established.

Predetermined Terms And Conditions Of Sale – At an auction, the terms of sale are determined in advance of the event. In most cases, your property will be offered in "As-Is" condition requiring interested parties to conclude any inspections they deem necessary before the first bid is made. Upon the conclusion of the auction, the top bidder will be required to execute a simple contract of sale requiring a non-refundable deposit of usually 10% of the purchase price. In most cases, the contract will require closing 30 to 45 days following the auction. While many purchasers obtain financing on properties purchased at auctions, **the contract is not contingent upon the ability to obtain financing.** Many purchasing at auctions are pre-qualified by mortgage lenders or have the ability to close without financing. This allows you to leave the auction knowing your property has sold.

Achievement Of Fair Market Value – Through the process of competitive bidding, you can be assured your property brings a fair price. This is contrasted with traditional listings as the final price is achieved as qualified bidders react to your property. At an auction, you are able to observe what others are willing to pay for your property. It is one thing to obtain a current appraisal on your property or hear what brokers think your property is worth, yet these are really not that important. **The price that a willing, qualified purchaser is willing to pay on a certain date is really what matters.** This is the price achieved at professionally conducted auctions and

favorably compares to the written definition of current market value. Sometimes auctions are equated to negative financial events and, certainly, some properties typically offered are troubled. Many times properties become stale from being on the market for long periods of time. Sometimes, they become shopped out, passed from one broker to another without a sale. Some bidders attend auctions expecting to pay "pennies on the dollar." The reality is most properties, when offered by professional auction companies, bring prices that are fair to the seller and purchaser.

Selling On Your Time – In most traditional listing agreements, there is no time frame stated for the sale of your property. It could take as little as one day or as long as the listing lasts. **At auction, you set the date and time the property will be sold.** Auction advertising and promotion is designed to attract the attention of qualified bidders who must act quickly as there is an established date and time for the event. **This sends a powerful message that you are motivated and committed to selling.**