

# To Auction or not to Auction?

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How you sell your house or choosing the correct method to sell your house could mean a difference of thousands of dollars, below is a outline of the details involved with Auction selling.



## **Benefits of Auction (sale without a price)**

- You control the contract terms;
- Motivates purchasers to action by the auction date;
- Removes price objections;
- 10% deposit is required on the fall of the hammer;
- There is no cooling off period;
- Contract is cash unconditional;
- Maximises the price obtained;
- Guarantees a high profile campaign;
- Settlement within your specified requirements;
- Buyers compete for your home;
- You have three opportunities to sell your home – prior to auction, on auction day or through post-auction negotiation.

## **Versus Private Treaty (sale with an advertised price)**

- The terms of the contract can be insisted on by the purchaser;
- Opportunities to sell are limited;
- Pricing may alienate potential purchasers;
- Deposit often negotiated down to a minimum figure;
- Cooling off period applies;
- Purchasers often require subject to sale of another property or finance clauses;
- Price can be negotiated down;
- Purchasers determine the settlement period;
- Reduced competition;
- Sales often collapse before settlement due to financial failure, the subject to sale property not selling, purchasers may find another property or purchasers may have a change of heart.