

## A Guide to Buying at Auction

Rook Matthews Sayer works in association with the top property auctioneer in the North East called Agent's Property Auction. They were rated top in the North East region for the amount of properties that they sold which is great news for you buying a property.\*

Together, we sell properties of all shapes, sizes and budgets from small bungalows to grand estates across the North East.

For first time buyers at auction, we understand that the auction process can seem a bit daunting, so we have created this helpful guide with handy pointers to guide you through the process.

If you have any other queries, please don't hesitate to call your local Rook Matthews Sayer branch who will be happy to answer any questions.

### 1. Experience an auction sale

A monthly auction is held at the Grand Hotel, Gosforth Park in association with Agents Property Auction. Before you consider buying at auction you should go and watch one in action. The experience will give you a better idea of the ebb and flow of bids.

### 2. Find a property

One of the most important aspects of buying at auction is doing your research, choose your locations, know your price range and look at nethouseprices.com to look at how much a similar property has sold for. To find out which properties are selling at auction, you can download the auction catalogue, contact your local RMS branch, search for a property on the Rook Matthews Sayer website or on property portals Rightmove and Zoopla.

### 3. View properties

Ask the branch for the properties details and for any relevant history of the property or the area. Find out which option the property is being sold under. If you are interested in buy to let, ask the agent how popular the location is with renters and for an informal rental valuation. View the property and note down any improvements which need to be made or if there is value to be added. It may also be necessary to consult a builder on the costs of improvements.

### 4. Survey

Contact a Chartered Surveyor and ask them to survey the property you wish to buy, some bidders may try and avoid this cost, but it could save you from making an expensive mistake. Make sure the property is still for sale before you pay for a survey. You can contact our Survey department who will be happy to assist.

### 5. Expressing an interest

Inform your local branch or Agents Property Auction that you will be bidding on a property and which one or ones they are. Some sellers may accept your offer before the auction, but auction terms still apply.

### 6. Before you go to the auction

Check with the appropriate branch, selling the property/properties you are interested in, that they are still for sale and haven't been sold prior to auction.

### 7. Auction night

Arrive early, as you need to register with the administration team. You will be given amendments to the catalogue, make sure you check whether the lot you are interested in is included. You will need to bring along proof of identification; photographic proof of ID (driving license or passport), a copy of a utility bill and your solicitor's details are required at the time of paying the deposit.

### 8. Find a seat

Make sure you arrive early enough to get a seat and a good view of the auctioneer and they have a good view of you. When you make a bid, raise your hand, listen carefully, the auctioneer will warn the room when he is concluding the sale, in case you need to make a last minute bid.

### 9. Remote Bidding

If you are unable to attend the auction, bidding is available remotely by telephone or proxy bid. The remote bidding form is provided in the auction catalogue or online at [www.agentspropertyauction.com](http://www.agentspropertyauction.com) under the heading 'Ways to Bid' or call 01661 831360.

\*The results for 2018 (compiled by The Essential Information Group) show that Agents Property Auction agreed sales on over 750 properties with a combined capital value of over £59 million

## 10. Buying a property

There are two options: check which option the property you like is being sold under.

**Option one:** On the fall of the gavel, you will be deemed to be exchanged. You (the buyer) will need to pay a 10% deposit on the night of the auction (subject to a minimum of £3,000). Completion must take place in 28 days.

**Option two:** You (the buyer) will need to pay £3,000, a non-refundable deposit on the night of the auction, (this amount comes off the purchase price), exchange of contracts must occur in 28 days and completion in a further 14 days. Option two properties are a better option for those applying for a mortgage, as it allows you more time to get the full mortgage application through.

## 11. Deposits

On the night of the auction, deposits may be paid by cheque, bankers draft or by prior arrangement into the Client Account of The Agents Property Auction. Unfortunately cash cannot be accepted. Proof of identity and address is required for all bidders in order for us to comply with Money Laundering Regulations. Original documents must be provided, photocopies are not accepted. For proof of identity we can accept – current signed passport, current full UK/EU photo card driving licence, resident permit issued by the Home Office to EU Nationals. Fire Arms Certificate. For proof of address we can accept – A utility bill issued in the last three months (not a mobile phone bill), local authority tax bill, bank or building society statement containing current address. We require sight of the account details the deposit funds are coming from and details of how the balance is to be funded. We reserve the right to conduct a soft imprint online identification search on any bidder/buyer.

## 12. Legal Pack

Option one properties have a legal pack, which should be viewed before the bidding process. We would advise you to read it and seek advice from your legal representative. You should take particular notice of any Special Conditions of Sale. Your solicitor will read the legal pack and will need to see the property's listing in the catalogue. You will need to appoint a solicitor to carry out the conveyancing on your property, we can recommend a solicitor if you need one.

## 13. Lot numbers

Each property in the auction catalogue is given a lot number, the earlier lot numbers are sold earlier in the auction.

## 14. Guide price

Each auction property is offered at a guide price and is also subject to a reserve price. The guide price is the level where the bidding will commence. The reserve price is the sellers minimum acceptable price at auction and the figure below which the auctioneer cannot sell, The reserve price, which may be up to 10% higher than the guide price, is not disclosed and remains confidential between the seller and the auctioneer. Both the guide price and the reserve price can be subject to change up to and including the day of auction. Where price comparables and rental incomes are quoted they are believed to be fair but are to be used for guidance only and their accuracy can not be guaranteed.

## 15. Reserve price

The reserve price is the price the seller is prepared to accept, which is normally not disclosed. If the reserve price is not met, the auctioneer will not sell. You can however make an offer after the auction has taken place on the night or the next day, to try and meet the reserve price. You can also offer on a property before the auction takes place, still under auction terms.

## 16. Auctioneer

The auctioneer's decision is final, he can refuse to accept a bid and does not have to explain why.

## 17. Successful Bid

After the gavel has gone down on your successful bid, the auction team will guide you to the administration team who will take your deposit and your administration fee.

**Remember:** Agreeing to buy an Option One property at auction is legally binding.

**YOUR HOME OR PROPERTY MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.  
YOU MAY HAVE TO PAY AN EARLY REPAYMENT CHARGE TO YOUR EXISTING LENDER IF YOU REMORTGAGE.**

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