

'West' – 20 November 2010

FIVE THINGS I LOVE ABOUT AUCTIONS!

- **Certainty** – Whilst there is no "cooling off period" here in Western Australia as yet... consumerism is taking over and in time there more than likely will be "cooling off periods".... In the meantime buyers can create a quasi-cooling off period by making their offer conditional, with the intent that can secure the property and yet still have the option as to whether the dealing proceeds...or not! A sale at auction is an immediate, absolute & unconditional sale!
- **Sense of urgency** - One of the first questions a buyer will ask an agent when they come to an *Open For Inspection* is "How long has it been on the market for?" If the answer is 6-8 weeks, clearly there is no need for the buyer to act swiftly here on this standard "for sale" listing! Auctions have an innate sense of urgency for buyers. Let's face it, it's always going to be fresh to the market place when it is "auction" as the marketing period is both brisk & high activity based. Genuine buyers within the market place for a property like yours will have viewed your home within the first 2-3 weeks of marketing anyhow... so with auction, there is no price, they make their own assumption and place a sense of urgency upon themselves to act...hence creating a reason to take either immediate or prompt action!
- **Competitive buying environment** - This creates the opportunity for the premium price from the premium buyer! After promoting the property "without price" for say 3-4 weekends, you will have enjoyed a huge flow of *Open For Inspection* traffic, a motza of web page views and plenty of buyer enquiry through email or telephone (you will of course receive all of this information via your Agent's feedback reports & constant communication). Most buyers will have noted their interest to the Agent and on the 4th Saturday or Sunday they usually gather on the front lawn and actively compete to secure your property.
- **Set settlement date** - Like with the auction contract, you stipulate the terms and the settlement date is no exception... You may be seeking a short or long settlement period... Whatever it maybe, buyers understand and will purchase according to what you have laid down. There are no variances unless you say so,,,you're the boss!
- **Maximum possible price** – The market decides "how much" in any given commodity and property is no exception! Your property is worth what the market is prepared to pay for it...although some may make promises and give opinions to get you the blue-sky figure, no-one can get you more than the market value and Auction is the true test! You can most definitely be guaranteed of achieving the best possible result in a fair and reasonable time frame using the auction method of sale!

Tom Esze is the current REIWA State Auctioneering Champion

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