

Buying or Selling at Auction Top Five Tips publication date: Dec 23, 2009

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[Previous](#) | [Next](#)

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Buying and selling at auction is a good way of finding and [selling property fast](#). And if you are a seller in this current market, it could be a good way to secure a sale within weeks, which is especially worth knowing if you are worried about repossession or have found a property to buy and need to sell quickly.

Unlike buying/selling in the 'open' market, an auction allows buyers and sellers to find a 'fair' price without complex negotiations or 'positioning' negotiating that goes on when estate agents are involved. This is not to say that the agents are the cause – it's actually buyers and sellers that play more of a game when there is a 'middle man' (or woman!) involved.

Follow Kate's Top Five Tips to find out if buying or selling at Auction is for you:-

1. If you are in a hurry to sell and don't want to sell at the absolute lowest price, then this is a good place to try. Properties are normally offered at 25% below their true market value. This attracts buyers who then compete on the day to purchase. Two buyers competing to a deadline in the same room are more likely to pay more for a property.

2. [Set a sensible 'reserve' price](#) ie one that the auctioneer thinks is fair and you can afford to sell at.

3. If buying, [make sure you have your finances in order](#) as you will have to pay over a 10% deposit on the day and complete within four weeks. **DO NOT** offer on a property **THEN** apply for a mortgage, you will not have time and are likely to end up losing the property **AND** your 10% deposit.

4. If selling, make sure there is plenty of information available about the property that encourages as many buyers to view and want your property as possible.

5. Don't just think of auctions as places to buy or sell 'unwanted' properties. You can pick up a good bargain or get a better price at auction than you can in the open market.

Above all, the best tip is to visit an auction before you make your mind up to buy or sell through one. See if there are properties similar to yours that are going under the hammer. Did they sell? Was there much interest? Did they get a better price than you expected? Then talk to the auctioneers, they will always help guide you if it's your first time buying or selling.

Are you a First Time Buyer and/or a Property Investor? Then purchase one of our comprehensive [First Time Buyers' Packs \(inc Which? Buy, Sell Move House Book\)](#) to help you get a foot hold on the property ladder or [Buying and Renting a Buy to Let Property Pack \(inc Which? Renting and Letting](#) or [Property](#)

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 [Previous](#) | [Next](#)

 [Back to top](#)