



**Sold!**

**Our guide to selling your property  
at auction**

National auctioneers, personal service

**SDL** Property  
Auctions



## Why choose SDL Property Auctions?

You may have decided that selling by auction is right for you, but why choose SDL Property Auctions?

There are many reasons, including:

- **We are market leaders**

We are the UK's most successful live-streamed auctioneer and have been running auctions safely and securely for decades thanks to our advanced technology. We have valuers across the country who are all experts in your local area.

- **Our friendly and professional team**

We understand this may be your auction debut so will help you through the process by explaining everything in a simple to understand way.

- **We offer choices**

There are several selling options available to auction sellers and we are one of only a handful of property auctioneers to offer them all. Our friendly experts will help you decide which type of auction and selling method is best for you and your property.

- **We have a huge network of buyers**

As a market-leading national auctioneer, we have a vast database of serious buyers who are all looking for properties. Many of them buy from us frequently and have the cash ready.

# Which properties are suitable for auction?

A quick look at our current lots will show you a wide variety of properties. You'll find refurbishment projects, shops and warehouses, blocks of flats, city apartments, plots of land and much more.

People sell by auction for a variety of reasons. Can you answer yes to any of the following questions? If so, then an auction sale may be just what you need:

## • Are you in a hurry?

Perhaps you've found the house of your dreams and don't want to risk losing it to another buyer. You may be relocating or completing a divorce settlement. You may have put your house on the market but now your circumstances have changed. Whatever your need for speed, we can help you sell in just a few weeks – and you get to choose the timescale.

## • Are you worried about being messed about?

Selling a property on the open market (through an estate agent) can be lengthy and stressful – and nothing is certain until you've handed over the keys. You don't have any of this uncertainty with an auction sale. The winning bidder will have provided payment details in advance, committing them to the purchase and virtually ruling out the risk of the sale falling through.

## • Are you selling without a chain?

If there is no upward chain and you can move immediately, why risk a delay? Auction sales are chain-free as our buyers must have their finance in place before bidding. Keep things simple with just you and the buyer – and nobody else to slow things down.

## • Do you have an unusual property?

Is your house unique? Is it a character property or particularly desirable? You can take advantage of its unique qualities by letting the bidders compete over it. If two or more bidders take a shine to your property, they can drive up the price – maybe even to more than you'd have been able to ask on the open market.

## • Have you inherited a property?

When you have suffered a loss, dealing with a property sale is the last thing you need – especially if you don't live close by. Throw a family disagreement into the mix and this will add to the stress. Selling by auction removes any hassle and stops any price disputes as the property will sell for what it's truly worth.

## • Does your property need work?

Preparing a property for sale can be time-consuming, especially if it needs work. And you can guarantee potential buyers will haggle to compensate – even though your estate agent will take these costs into account in the valuation. You can skip the hassle and the haggling by selling in an auction. You won't need to do any DIY because many of our buyers are looking for unfinished projects – and even unstarted ones!

- **Is your property just not selling?**

If your property has been for sale for a while, with little interest or no offers, you may be thinking about switching agents, dropping the price or simply giving up. Before you do this, why not consider an auction sale? You can even do this through your existing estate agent.

- **Did your property sale fall through?**

If so, you will feel like the rug has been pulled from under you – but we can help. Get in touch straight away and we'll add your property to our site within hours. And you won't have to suffer the same disappointment again as the risk of a sale falling through is reduced to virtually zero.



*“Cannot fault this excellent company. I would like to thank everyone who dealt with a very difficult sale with professionalism and competence. They persevered when the going got tough bringing the sale to a happy conclusion. I was very impressed with their genuinely caring attitude, unbroken communication and helpful advice. I would highly recommend this company to anyone considering a sale by auction.”*





## How to get started

Want to find out more? Your first step to a successful auction sale is to get in touch with our team of friendly experts. We'll chat to you about your property and your circumstances, and help you decide if auction is right for you.

We will carry out a free, no-obligation auction appraisal of your property. Using our tried and tested desktop valuation method, we'll research your property, analyse its location, check sold prices for similar homes nearby and dig deeper into your local market using information only available to professionals. This, along with our experience and expertise, will help us arrive at a value. We can also visit your property for an in-person valuation if you prefer.

### **Pricing your property**

With your help, we will decide on two different prices for your property – the reserve price and the guide price:

#### **The reserve price**

This is the minimum you are willing to accept for your property. It protects you from having to sell for less than you are happy with. If the reserve isn't met, the property doesn't sell but we will continue to market the property after the auction.

#### **The guide price**

This is the price we advertise and is just what it says it is; a guide. It gives bidders a realistic idea of how much you are willing to sell for because the guide price must always be within 10% of the reserve price; higher or lower.

Don't be surprised if we value your property lower than an estate agent. The price in both types of sale is just a starting point. On the open market, potential buyers will usually try to negotiate the price down, while in an auction, we aim to drive the price up.

We advise against setting a guide price too high as experience tells us this can put people off. The most successful properties have a guide price which generates interest and triggers competitive bidding. An attractive guide price can result in a higher sale price.

## When and how do you wish to sell?

Your choice of auction will most likely be based on how quickly you need to sell and we will happily discuss these options with you.

We run two main types of auction:

### **Auction Events**

Our Auction Events have an auctioneer at the rostrum and are held in our head office auction studio or an external venue. They are live-streamed on our website so you can watch the auctioneer in real time, just as if you were in the room. Bids can be carried out online, by phone or by proxy.

### **Timed Auctions**

You can also sell in a Timed Auction on our website. These feature a single lot and can be started at any time to suit you. Timed Auctions generally run for three weeks but can be shorter if you wish. Bids can be placed over the internet 24/7.

Whether you decide to sell in an Auction Event or a Timed Auction, you can choose between a conditional and an unconditional auction sale:

**An unconditional auction:** When the auction ends, the winning bidder is legally bound to complete the purchase, usually within 15 working days. This means they must have their finance in place before bidding.

**A conditional auction:** The buyer pays a reservation fee and has an exclusivity period of 40 business days, in which you are bound to sell the property exclusively to the buyer. This time must be used to proceed towards exchange of contracts and completion. This takes slightly longer but gives the buyer more flexibility, which can open up the auction to more buyers, possibly leading to a higher selling price.

Don't worry too much about this right now – our friendly experts will be happy to help you decide which one is best for your property and circumstances.

## How you are protected as a seller:

### **The reserve price**

Setting a reserve protects you from selling your property for less than you are willing to accept. This is the lowest price you are willing to accept.

### **Bidders are committed to buying**

We've all heard of property sales falling through because the buyer couldn't get a mortgage. This isn't going to happen with your auction sale. Buyers don't have to have the cash available – this is a common myth. In an unconditional auction, they must have their finances in place before they bid. In a conditional auction, they have a little longer to get their finances in place.

In both types of auction, there's virtually no risk of the sale falling through because there are financial consequences for the buyer. In unconditional sales, the deposit is non-refundable. If the sale should fall through, you will receive the deposit. In conditional sales, the reservation fee is non-refundable.

## How much will it cost you to sell?

We will talk you through the various options but you will most likely not have to pay us anything.

This is something else you can discuss with your valuer to help you get the best result.

### **Before the auction**

In a traditional property sale through an estate agent, you won't start thinking about legal documents until you agree on a sale. However, with an auction sale providing speed and security, the legal pack must be created in advance for potential buyers to read ahead of bidding.

So as soon as you've agreed to sell with us, you should instruct a solicitor/conveyancer who has experience of auction sales. We work with several trusted firms so can help you find a suitable solicitor if you wish.

Your solicitor will compile a legal pack for the property which should be available to all potential bidders before the auction. We offer legal packs from £270.

When the legal pack is ready, it will be available for potential buyers to view on our website next to your property listing.

**If you watch one of our auctions and the auctioneer says a lot has been withdrawn, this can be because the legal pack was not ready in time, so don't delay instructing a solicitor!**



*"We decided to put the house on the market via SDL Property Auctions, after 2 sales fell through using the traditional way of selling; which was very stressful. The whole team were very helpful and reassuring. They told us that our house was very marketable and were confident of a successful sale. We would highly recommend the property auction route."*

**Once you have instructed your solicitor, you don't need to do anything else.** While you may wish to make your property look its best, there is no need to carry out any repairs, decorating or gardening as our buyers will look beyond the surface to see your property's potential, even if it requires work.

## Let us take care of the rest

While you wait for the auction to begin, we will be working hard for you behind the scenes.

### • We will contact you

We will write to you initially to confirm what information we require from you.

### • We will liaise with your solicitor

We will request the legal pack from your solicitor so we can add it to your property listing.

### • We will take photos of your property

We will organise photographs to be taken of your property to show it off at its best – or you can provide these yourself if you prefer.

### • We'll create a virtual viewing

We will create a virtual viewing of your property which we will upload to the property details online. We aim to create these virtual viewings for each property, even when physical viewings are also possible. Our virtual viewings will allow viewers to explore every area of your property, providing an experience as close to a 'real' viewing as possible, and are useful for house-hunters to share with any tradespeople so they can get a good idea of any costs.

### • We will market your property

We advertise your property on our website, on major property portals such as Rightmove and in our auction catalogue. We may also advertise it in the local press and share it on social media.

In addition, your property will be sent to our huge database of national and international buyers who are experienced in buying auction properties.

### • We will manage viewings

If a potential buyer is able to view the property in person, we are happy to organise this, meeting them and showing them round at a time to suit you.

### • We will handle any offers

If you wish, you can accept offers before the auction begins. Again, we will handle this for you – although we will not make any decisions without your agreement.

*"The whole experience was effective, efficient and friendly. Never having experienced anything like auctioning a property before the process was explained clearly. Even the remote nature (due to Covid) of the process was easy to navigate."*





## What happens on auction day

The big day has arrived and it's time has come to sell your property. What happens next depends on which type of auction you have chosen.

### **Auction Events**

In an Auction Event, you can watch the action on any device, computer, mobile or tablet. Properties are offered in lot order, starting with lot 1. You don't have to watch the whole auction, we sometimes have 200+ lots, but keep checking back so you don't miss the excitement – or your lot!

The auctioneer will often start the bidding below the guide price but don't worry – your reserve price is there to protect you and you won't have to sell for less than this.

Bids will be placed in three ways:

**Internet bids:** The auctioneer can see these bids flash up on a computer screen in front of him.

**Telephone bids:** Members of our team will be in the auction studio talking to bidders on the phone.

**Proxy bids:** This is when a buyer asks the auctioneer to bid on their behalf, up to their maximum price. Although the auctioneer wants to get the best price for you, he is only allowed to bid as high as he needs to.

Once your reserve price has been reached, you can relax as you know your property has sold. Any more bids after this are a bonus. When the bids stop coming in, the auctioneer will give bidders "fair warning" to give bidders a final chance, then say "going once, going twice" before dropping the hammer.

In an unconditional sale, when you hear that hammer fall, contracts are automatically exchanged. Both you and the winning bidder have now entered into a legally binding contract. The buyer must pay the applicable deposit on auction day and the sale will complete 15 business days later, unless you have requested a longer completion period. In the unlikely event of them pulling out, you will keep the deposit.

In a conditional sale, the buyer pays a reservation fee which grants them an exclusivity period of 40 business days. The payment of the reservation fee is non-refundable, to ensure that the buyer is still committed to the purchase.

*“Knowing little to nothing about selling property at auction this was to have been a daunting experience but the team at SDL were so efficient and readily available to explain and help where necessary, we just seemed to glide through the whole procedure. The auctioneer was very impressive on the day but the professionalism and teamwork was also first class.”*

## Timed auctions

These run on our website in the same way to other online auction sites. Your property will be the only one in each auction and the auction will have a set time to end. Bids can be placed around the clock.

You can watch the bidding on the website as it happens. Just as in an Auction Event, you will set a reserve price so you don't have to sell for less than you want to. Once the reserve is reached, you can end the auction or allow it to continue in case more bids come in.

Bidding can speed up towards the deadline so if any bids are received in the last 30 seconds, the deadline will extend by another 30 seconds. This repeats until no more bids are received and the auction ends.

As we have already mentioned, there are two types of auction:

**Unconditional auctions:** Contracts are exchanged immediately when the auction ends, just as in an Auction Event. The winning bidder is legally obliged to pay a deposit and any fees on the same day.

**Conditional auctions:** This is different in that contracts aren't exchanged immediately. But, to deter the buyer from pulling out, they must pay us a non-refundable fee which is a percentage of the final price. This is not a deposit but reserves the property for 40 business days to give them time to arrange a mortgage if necessary. If they fail to exchange and complete on the sale, they lose their fee.

## After the auction

When your property has sold, we will sign the paperwork on your behalf and carry out the exchange on an unconditional sale. We will then send the paperwork to your solicitor in readiness for completion. Expect to pay between £450 and £750 for the work your solicitor does after the sale.

Following a conditional sale, we sign the relevant paperwork on your behalf and then sign the buyer up to a reservation agreement.

Auctions are fast! So if you sell in an unconditional auction, in most cases you will be handing over the keys in just 15 working days. In a conditional auction, this is extended to 40 working days. Either way, it's much faster than selling on the open market.

## If the auction doesn't go to plan

### What if the property doesn't sell?

If your property doesn't sell in the auction, don't give up! We will continue to advertise your property on our website for four weeks after the auction and will inform you of any offers. In our Auction Events, many of the properties which don't sell are snapped up later that same day.

### What if the buyer pulls out?

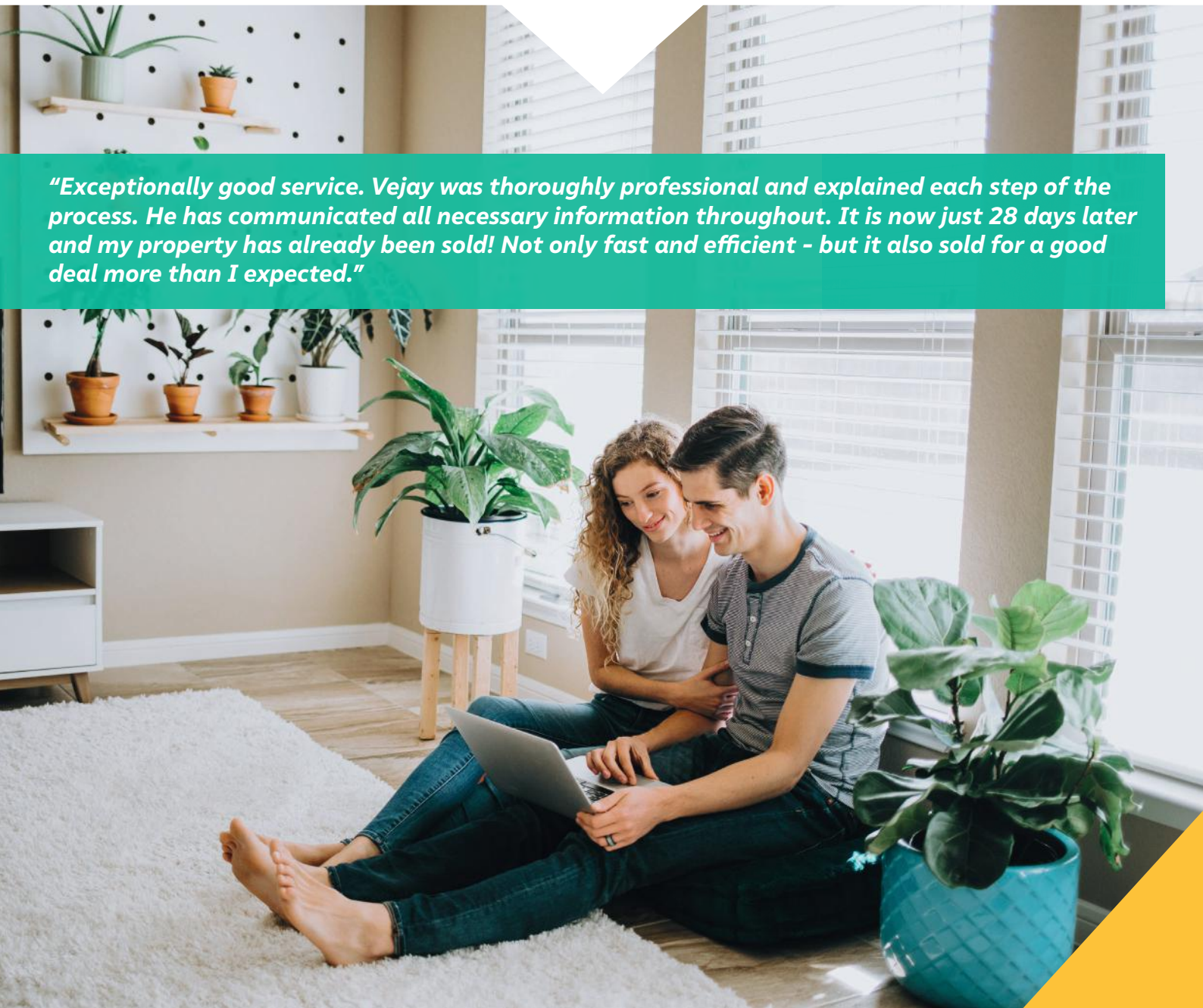
Because of the financial consequences, it is extremely rare for a buyer to pull out of one of our auction sales. In fact, less than 1% of sales fall through. However, in the unlikely event that a buyer fails to complete, they will still have to pay our fees and some form of compensation to you.

**Unconditional auctions:** As the buyer pays a deposit on auction day, you will get to keep this.

**Conditional auctions:** The buyer will have paid a reservation fee to us so if they pull out, they will lose this.

In addition, you have the right to sue them for any costs or losses.

**But remember: it is very rare for an auction sale to fall through. In almost every case you will be handing over the keys in a matter of weeks.**



*"Exceptionally good service. Vejay was thoroughly professional and explained each step of the process. He has communicated all necessary information throughout. It is now just 28 days later and my property has already been sold! Not only fast and efficient - but it also sold for a good deal more than I expected."*

## Different auction types

These are the different auction types at a glance. Fees payable by the buyer will differ, depending on if the lot is for land located in England & Wales or Scotland. This is just for your reference, you don't need to worry about this as we will explain everything when we speak to you.

Auction type	Buyer fees (England & Wales)	Buyer fees (Scotland)	Exchange	Completion
Unconditional with fixed fee	<ul style="list-style-type: none"> <li>• Buyer's Fee of £1074 (unless specified otherwise against the lot details)</li> <li>• Deposit of 10% of the purchase price with a minimum of £5,000</li> </ul>	<ul style="list-style-type: none"> <li>• Buyer's Fee of £1074 (unless specified otherwise against the lot details)</li> <li>• Deposit of 10% of the purchase price with a minimum of £5,000</li> </ul>	Automatic, on the fall of the hammer	15 working days after the auction, unless otherwise stated
Unconditional with variable fee	<p>Buyer's Fee of either:</p> <ul style="list-style-type: none"> <li>4.8% (including VAT) of the purchase price on properties up to and including £250,000 OR</li> <li>3.6% (including VAT) of the purchase price on properties over £250,000.</li> </ul> <p>The Buyer's Fee is subject to a minimum of £6000</p> <p>Deposit of 5% of the purchase price, with a minimum of £5,000.</p>	<p>Buyer's Fee of 3.6% of the purchase price of the property</p> <p>The Buyer's Fee is subject to a minimum of £4,800</p> <p>Deposit of 5% of the final purchase price, with a minimum of £5,000</p>	Automatic, on the fall of the hammer	15 working days after the auction, unless otherwise stated
Conditional with reservation fee	<p>Reservation Fee of either:</p> <ul style="list-style-type: none"> <li>4.8% (including VAT) of the purchase price on properties up to and including £250,000 OR</li> <li>3.6% (including VAT) of the purchase price on properties over £250,000.</li> </ul> <p>The Reservation Fee is subject to a minimum of £6000</p> <p>The deposit is not payable until contracts are exchanged. You must make every effort to exchange contracts and complete the sale within the 40 business day exclusivity period.</p>	<p>Reservation Fee of 3.6% of the purchase price of the property</p> <p>The Reservation Fee is subject to a minimum of £4,800</p> <p>The deposit is not payable until contracts are exchanged. You must make every effort to exchange contracts and complete the sale within the 40 business day exclusivity period.</p>	Both parties enter into an exclusivity period of 40 business days in which to exchange contracts and complete the purchase.	Both parties enter into an exclusivity period of 40 business days in which to exchange contracts and complete the purchase.