

## *Auction, I am a first timer, help, please . . .!*



This is what you must do, as auction is fast paced and can cause a heart attack:

- Study the market well. There are many “bimbos” at the auction and most of the time, the profession will win. With each auction, there will be usually 3 to 5 professionals. Professional are those that know the current market value. They are usually the last to bid.
- We cannot emphasise enough that you must be very well prepared for the auction.
- It is vital that you have finance approved. Once the hammers go down and if you are the last person to put your hand up, you are the official buyer. There is no way out.
- If your finance is not strong, do not be tempted to go to auction.
- You should have a minimum of 20% of the sales price before thinking of going to auction. If the bank’s valuation comes back below the auction price, you will be in hot water.
- You must email the full contract to use at least 2 weeks in advance for us to study. We will negotiate any onerous conditions for you. Once the hammers go down, there are no negotiations.
- Consider doing a pest and building report if you are serious. There are always around 5 professionals players at any one auction and there will only one final bidder. Whether you want to order any reports is your choice.
- If it is a unit, consider ordering a strata report.

- If there was a report that was done, it was not meant for you. It could be fake and you will have no recourse.
- At auction, the deposit will be 10%. You need to get a personal cheque or arrange to have one in advance. This is the only time that a personal cheque is acceptable.
- If you do not have a personal cheque or time is running short to arrange one, buy a bank cheque. The amount is you have to estimate what the price of the property will be and buy 10% of that. It is not an exact amount and if it is close enough, the agent and the vendor will accept that. Make the cheque payable to the agent. If you do not win, you can always go back to the bank and get a refund. There will be a small cancellation fee.
- Once the hammers go down,  there is no cooling off period.
- If you are young and attend auctions, you must study the market well and be mentally prepared. Auctions, attracts a lot sooks and bimbos. Make sure that you are not one of them.

