



A guide to **buying**
property and land
successfully at auction

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Romans
auctions

Benefits for buyers

Absolute certainty

The main advantage for buyers is that an auction provides absolute certainty. The successful bidder knows that the property is theirs at a fixed price and they cannot be gazumped. The owner must complete on the pre-agreed date, normally 20 working days after the auction.

At the fall of the gavel the successful bidder is legally committed to pay the price and complete the purchase; you and the seller cannot change your mind!

Fairness

Because auctions are conducted in public, there can be no secret bidding or unfair competition. Properties are offered at a realistic guide price, particularly when in need of repair, refurbishment, or being sold by a bank or building society to recover debts.

In the public arena of the sale room, you will also be fully aware of what other buyers are prepared to pay.

The catalogue is available on Romans' award-winning website romans.co.uk, named by the **Daily Mail's Residential Property Awards** as one of the best property websites in the country. The Auctions section attracts thousands of hits every month - the auction catalogue and legal packs can both be downloaded from the website too.

Bidding at each auction can be followed online, where buyers can also view a 'How to...' video explaining the bidding process in more detail.



Our sale room

Hundreds of buyers pack our busy sale room. There is a restaurant, bar and plenty of free parking.

Free advice on buying

Romans expert staff are on hand to assist buyers and advise on how best to prepare for buying at auction.

Comprehensive details and the process of buying at auction is explained in this guide, and further details can be obtained by calling Romans on freephone 0800 093 9994 or e-mail auctions@romans.co.uk

If you are buying at auction, flower IFA can help tailor rapid and flexible finance solutions including:

- bridging finance
- portfolio funding
- land finance
- development finance
- buy to let

For impartial advice without obligation, call

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An authority on mortgages

So you want to buy?

Romans' expert staff are on hand to assist buyers and advise them how to prepare for buying at auction. For a successful and stress free purchase at auction, research and careful preparation is crucial.

1 What to do first

Contact the auctions office or your nearest Romans branch to obtain an auction catalogue, or download one free on our website romans.co.uk. This will give you information about the properties being offered for sale, including particulars, viewing times and access to the legal documentation.

2 Inspect the lot

Mostly 'group viewings' are arranged at a specific advertised time and you can just turn up. You do not need to make an appointment. Dates and times are contained within the catalogue and on our website. Otherwise, please contact the auctions office.

3 Registering your interest

If you find a property of interest, it is important to let Romans know so we can advise you should it be withdrawn or if there are any important changes to the conditions of sale, prior to the sale day.

4 Legal details

The owner's solicitor will prepare a legal pack with details of essential information to enable your solicitor to advise if the property is suitable for purchase. You should advise your solicitor of your interest as much of the conveyancing work needs to be carried out before the auction. You or your legal representative can download the legal pack for any property from our website. Alternatively, for a small charge we can send you legal documents on USB data stick or paper photocopy. Details of how to obtain the packs are available on our website and in our catalogue.

5 Finances

If you need a mortgage to finance your purchase you must get approval in principle before auction day. Most lenders are familiar with the auction process and are willing provide a mortgage offer. They will require a valuation survey to be carried out. As you will need to complete the purchase 20 working days after the auction you should check with your lender that this will not cause a problem. Don't forget to ensure you have finance in place to enable you to bid up to the very maximum you can afford. You will also need to have funds available to pay the 10% deposit at the auction if your bid is successful.

6 Survey

Purchasers should arrange for a survey to be carried out as early as possible. Your surveyor should contact Romans to make arrangements for access to the property.

7 Pre-auction offers

Offers must be in writing and will only be considered if the lot has been viewed, and proof of funding has been supplied to the auctioneers. Pre-auction bids are made on the basis of an immediate exchange of an unconditional contract upon acceptance by the seller.

Any offer will be assumed to be your best and final offer. The auctioneers will not guarantee that you will be invited to increase your bid in the event of an alternative, satisfactory offer being received prior to exchange.

Who, and what, sells at auction?

More and more private individuals are choosing to sell at auction alongside commercial vendors.

Traditionally, sellers have included solicitors on behalf of their clients; building societies and mortgagees, banks, trustees, charities, receivers and liquidators. Local authorities, housing associations, private and public companies also often choose this method.

Some of the above have a duty of trust, and a sale conducted in public offers complete transparency, with the market value openly achieved on auction day.

In the right circumstances, almost any property can be appropriate for auction. Examples include residential properties that are unusual or difficult to value, along with those suitable for refurbishment and repair; repossessions and forced sales.

Residential and commercial investments or tenanted properties also feature on sale day, along with development land, commercial and industrial property, agricultural land, ground rents, garages and land with planning potential.



On auction day

1 Check the lot

The day before the sale you should check the lot in which you are interested is still available. Arrive early so as not to miss any of the auctioneer's announcements regarding withdrawn lots and changes in the order of sale. There will also be time to inspect copies of the legal packs in the sale room before the auction starts.

2 Bidding

The auctioneer will confirm the lot number and the address of the lot to be sold. The bidding will then begin with the auctioneer inviting bids at a certain level. This may be at, above or below the guide price. Buyers can make bids by raising a hand or a catalogue. If you wish to offer an amount other than that called by the auctioneer, shout out the bid. It is a total myth that you can bid by making a slight movement by, for instance, scratching your nose! However, if a mistake is made, the auctioneer must be told immediately.

Some buyers prefer to take their solicitor or surveyor with them to bid on their behalf.

The auctioneer will make it clear when the property is to be sold by saying 'going once, going twice, going for the third and last time' – at which point he will bring down the gavel and declare the property SOLD!

The highest bidder on the fall of the gavel is legally committed to pay the price and complete the purchase. You cannot change your mind nor can the vendor who is equally legally bound to complete the sale on the terms and date stipulated in the conditions of sale.

3 Signing the contract

This will take place immediately after the lot has been sold, when you will be required to provide the name and address of your solicitor, sign the contract and pay a 10% deposit by cheque. You will also have to provide photographic evidence of your identity (passport or driving license) and proof of your address (utility bill) You will be given a copy of the contract which you should immediately pass to your solicitor and completion will take place 20 working days later when the purchase price must be paid in full.

As soon as contracts are exchanged you are responsible for ensuring that the property is fully insured.

4 Deposits

On the fall of the auctioneer's gavel a deposit of 10% of the contract sale price (minimum £2,000 if the value of the lot is less than £20,000) per property is payable, by way of bankers draft or building society cheque. Personal or company cheques will not be accepted unless arrangements have been made at least 24 hours prior to the auction.

All drafts/cheques should be made payable to Romans. Cash and credit/debit cards will not be accepted. We suggest you obtain a draft for 10% of your maximum bid price (minimum £2,000 if the value of the lot is less than £20,000) and bring it with you to the auction.

If you buy the lot for less, the difference will be deducted from your 'balance' figure on completion. Any shortfall (subject to the auctioneers discretion) can be paid by personal cheque. A buyers charge (per lot) is also payable to the auctioneers on the fall of the gavel

5 Essential things to take with you

- Your auction catalogue, which contains the general conditions of sale.
- Building Society cheque or bankers draft for a 10% deposit, calculated on the maximum you are prepared to bid. Personal cheques will be accepted if you have arranged this with the auctioneers at least 24 hours in advance. Legislation dictates that cash is not acceptable.
- Proof of identification such as a passport or driving license, and proof of your address.
- Full details of the solicitors who will be carrying out the completion and transfer of the balance on your behalf.





The **advantage** of auctions

Established in 2002, Romans are experienced auctioneers specialising in the sale of property and land. We sell residential property, commercial property and land, with or without planning permission, to hundreds of satisfied buyers every year. Here we outline the benefits of buying at auction, give advice on how to go about it and let you know why Romans is the obvious choice of auctions buyers.

FAQs

Romans' experienced auctions staff would be delighted to help you with free advice on all aspects of buying and selling at auction, however here are the answers to some of the most frequently asked questions:

What is the difference between a guide and reserve price?

A guide price is merely to give buyers an indication of what the owner is hoping to achieve. A reserve price is the lowest price the owner will authorise the auctioneer to sell at. This figure is confidential and will not be released to any interested parties. The seller can alter the reserve figure right up to the start of the auction.

When are contracts exchanged?

A legal binding contract is formed between the seller and buyer on the fall of the gavel.

What if the lot does not sell?

The lot may not have reached the reserve and is withdrawn from sale. You should ensure that you register your highest bid with Romans as the owner may be prepared to sell after the auction.

Can the catalogue details change?

Yes – there are occasionally last minute amendments, which the auctioneer will announce and will be added to the addendum of sale.

Can properties be sold or withdrawn prior to the auction?

Properties are occasionally withdrawn or sold prior to auction and you should check with Romans Auctions prior to the auction day.

Are properties sold conditionally?

No – properties are sold unconditionally. If you are the successful bidder, you are legally committed to complete the purchase. Properties are not sold subject to finance being arranged, survey or contract.

Can I make an offer prior to auction?

On rare occasions some owners will consider offers prior to auction. Offers should be submitted to Romans in writing. Your offer should be unconditional and you must be in a position to exchange contracts prior to the day of auction, provide a 10% deposit, and complete within 20 working days.

What if I am unable to attend the auction?

You should always try to be there in person or have someone you trust, such as your solicitor, surveyor, or a member of your family to bid on your behalf. If it is impossible for someone to attend, you may bid by telephone or proxy. Details can be found on our website romans.co.uk, or in the catalogue.

When should I arrive on auction day?

It is advisable for you to arrive in good time so you can listen to the auctioneers announcements, check the addendum, inspect any additional paperwork and relax! And don't forget to make sure the auctioneer can see your bid!

How can I register for future auction catalogues?

Contact Romans on freephone 0800 093 9994
or e-mail: auctions@romans.co.uk
or visit our website romans.co.uk

Contact us

At Romans we are delighted to provide free advice. Here are our contact details to help you get the best out of our auction service.

freephone: 0800 093 9994

e-mail: auctions@romans.co.uk

fax: 01344 753 121

web: romans.co.uk/auctions

