

AUCTION VS PRIVATE TREATY WHICH ONE DO YOU PREFER?



AUCTION MARKETING PLAN

- Controls contract terms
- Allows 3 opportunities to sell - before, at auction, or immediately after - and reduces the overall selling time in the market
- Motivates purchasers to action by auction date
- Removes price objection
- 10% deposit on the fall of the hammer
- No cooling off period
- Cash unconditional contract
- Maximises price obtained
- Guaranteed high profile campaign
- Settlement within your specified requirements
- Buyers compete at Auction
- Secure contract
- Creates a sense of urgency
- Auction puts the focus on your property

ACHIEVES BEST POSSIBLE CONTRACT IN RELATION TO CONDITIONS AND PRICE

IF YOU'RE NOT AUCTIONING YOUR PROPERTY YOU ARE MISSING OUT ON THE HIGHEST BID

It costs no more to have auction as part of your marketing strategy.

PRIVATE TREATY

- Terms of contract can be insisted on by purchaser
- Limits opportunities to sell
- Purchasers will act in their timeframe - no urgency
- Pricing may alienate purchaser
- Deposit often negotiated down to a minimum figure
- Cooling off period applies
- Purchasers often require Subject to Sale or Finance Clause
- Price negotiated down
- Usually limited advertising campaign
- Purchasers dictate settlement to their requirements
- Reduced competition

SALES OFTEN COLLAPSE BEFORE SETTLEMENT DUE TO ONE OF THE FOLLOWING REASONS:

1. Buyer sees another property
2. Buyer cannot raise the finance
3. Buyer changes their mind
4. Subject sale doesn't sell
5. Buyer may think they are paying too much and cools off