

A hand holding a gavel against a dark blue background. The gavel is positioned diagonally, with the head pointing towards the top left and the handle extending towards the bottom right. The lighting is dramatic, highlighting the contours of the gavel and the hand.

the auction guide

— FOR BUYERS —

THE
AUCTION
— GROUP —



meet your auctioneer

Matthew Condon

Integrity underpins everything Matthew Condon aspires to be and do. While still eminently able to put on a show, he's ultimately a no-nonsense and honest auctioneer, always seeking the best outcome for all parties.

Matthew initially cut his real estate teeth on sales in a major franchise group, quickly proving his competence with the auction process as it became his naturally preferred method of sale. This experience proved to be a solid foundation for his subsequent career as a professional auctioneer.

Now almost a decade later, Matthew is proud to include several high profile Brisbane agencies amongst his loyal client base and has successfully sold thousands of properties under the hammer.

Many of these have involved some level of independent and creative negotiation between seller and buyer to finalise a sale, another skill Matthew has become valued for by his partner agents.

From entry-level through to high-end prestige property, Matthew is equally at home with any call, easily adapting his style to suit the occasion and the audience.

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why bid at auction?

At first glance, the prospect of bidding at auction can seem daunting. For many buyers, it immediately brings to mind the prospect of a fast paced, high-pressure scenario where the auctioneer quickly pushes the price sky high.

The reality is quite different. Far from being an uncontrolled environment where you may end up paying in excess of your original budget, auction is a fair and transparent forum of exchange for both buyer and seller. While the atmosphere can sometimes be charged with excitement, there is no obligation for a prospective buyer to make a bid at any time unless they choose to do so.

The benefits for both parties are derived from the contract of sale being immediately unconditional at the successful conclusion of the auction. The successful purchaser accepts they have waived the cooling off provision and the purchase is not subject to further terms i.e. finance approval or buyer inspection clauses. It effectively makes any bid on the property an unconditional offer.

The key benefit for the seller in this arrangement is that there is virtually no chance of the contract not proceeding – it's a guaranteed sale. Just like the old adage of preferring a bird in the hand rather than one in the bush, many sellers would prefer to accept a fair price on auction day than delay the sale waiting for a conditional offer later that may or may not be more.

For prospective purchasers, not every buyer is in a position to make an offer that is unconditional, meaning there may be less competition on auction day. The danger of failing to bid at the auction is that the playing field is no longer level after the auction. Post auction negotiations can become challenging – if multiple offers are presented post auction you can't see your competitors offer and may miss the opportunity to negotiate based on your price and the terms of your offer.

The best way to bid at auction is to come armed with as much information as you can and have a clear bidding strategy.

frequently asked questions



Can we make an offer on a property prior to auction?

Yes. In practice many sellers, not all, consider offers prior to auction however, the acceptance of offers prior to auction is a decision made entirely by the seller. For the best chance to have your offer accepted prior to auction, ensure you have undertaken all research to enable you to make an offer with the same conditions offered at the auction.

If we make an offer prior to auction and it is not accepted, should we still register to bid?

Definitely. There can be many reasons why an offer is not accepted prior to auction. It may be that the seller's/agent's price expectation sits above the offers presented or perhaps the offers are under-estimating the value of the property. Regardless, after the seller has had the opportunity to experience the full marketing campaign and understand the interest in the property on auction day, both parties will often come to a mutual agreement.

Do I have to attend the auction to bid?

No, you can organise for someone to bid on your behalf. Any person bidding on behalf of another person must provide the auctioneer with a copy of their written authority before the auction, otherwise the bidder will be taken to be acting in their own right. Acceptable written authorities are:

- Power of Attorney – Outlining their authority with the supporting documentation
- Bidding Authority – Letter of Authority to bid for and on behalf of another person
- Telephone Bidding Authority - Letter of Authority from prospective buyer to convey telephone bids at auction

What is a Reserve Price?

The reserve price is the minimum sale price the seller will accept. The seller sets the reserve price in writing with their agent/auctioneer before the auction.

Once the reserve price is reached, the property is announced 'on the market'.

Once a property announced 'on the market', it means the auction must result in a sale. The winning bidder must purchase the property, and the seller must sell.

What is a vendor bid?

In Queensland, auctioneers can accept or place 'vendor' (seller) bids only up to the reserve price. Before the bidding reaches the reserve price, the auctioneer can:

- Bid on behalf of the seller
- Accept bids from the seller (or their representative)

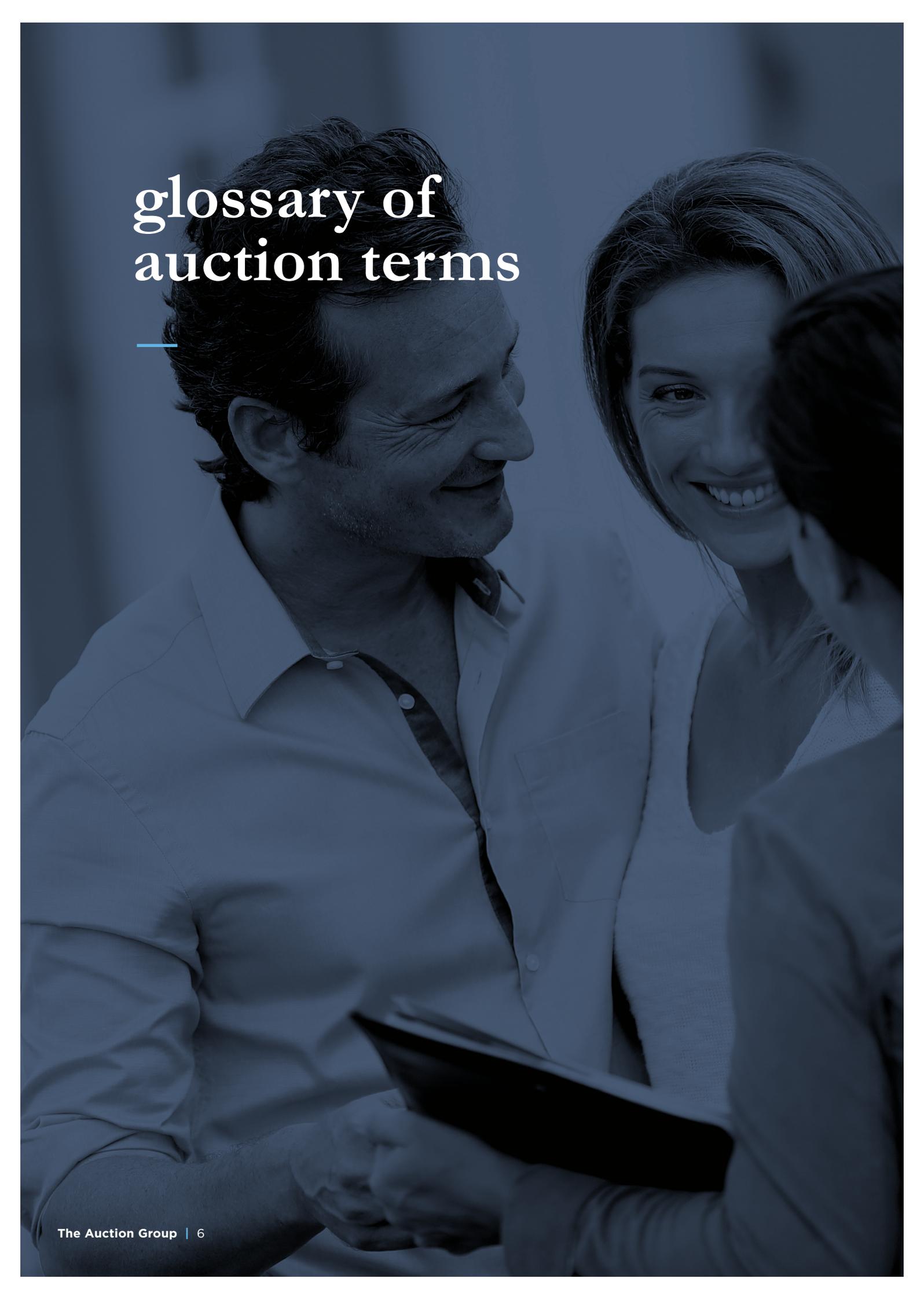
The auctioneer must announce if a bid is a vendor bid.

How many times can an auctioneer place a vendor bid?

In Queensland, auctioneers can place/accept unlimited vendor bids only up to the reserve price.

If the property is passed in at auction and I am the highest bidder, do I have the first right to negotiate with the owner?

No. In Queensland the highest bidder does not have the first right to negotiate with the owner. When a property passes in at auction all interested parties including conditional buyers have an equal opportunity to submit offers. If you can bid under the terms of the auction give it your best shot, we believe the auction is the most transparent way to negotiate.



glossary of auction terms

‘As Is’

Selling the property without warranties to the condition and/or the neatness of the property. Buyers are solely responsible for examining and assessing the property for their own protection. Otherwise known as ‘as is, where is’ and ‘in its present condition.’

Auction

A public sale of property in which prospective purchasers bid until the highest price is reached. Marketing without a price, the auction is supported by marketing directing buyers to the auction where they bid against each other to successfully purchase the property with an unconditional contract.

Auctioneer

A person holding an auctioneer’s license and conducting the auction.

Bank valuation

A bank’s written estimation of a property’s value.

Bid

A verbal offer presented at the auction.

CMA

Current or Comparative Market Analysis (CMA), is a written price comparison of a property with others that are for sale or were recently sold.

Conditional Contract

Any contract that includes conditions that must be satisfied before the parties become bound by the terms of the agreement.

Cooling Off Period

A short statutory period after the contract is made, during which the purchaser may cancel the contract. Does not apply with auctions.

‘On the Market’

When the bidding has reached the sellers reserve price the auctioneer may announce the property as ‘on the market’ to indicate that it is going to be sold.

Passed In

If a property is not sold at auction, it is passed in.

Reserve Price

The reserve price is the minimum price the seller will accept for their property at the auction. This is kept confidential between the seller, listing agent and auctioneer.

Settlement date

The date on which a property sale is finalised. The purchaser pays the seller and gains possession of the property at this time.

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