

Auction Day- Setting the Reserve

This is a critical point in the auction campaign. A too high expectation or lack of clear instructions to the auctioneer may prevent a sale on the day.

The auction itself is no magic miracle. It will not defy the market. It is however a method that allows all parties to compete fairly and openly and if a premium is available, the auction will allow this.

Consider these questions when you are considering your reserve.

- What have the buyers said about the property and indicated as a price via the written reports from the agent?
- What truly are our expectations regarding the final sale price? In other words, what are we prepared to accept as a result of the intensive marketing campaign that is finishing?
- What has the agent indicated to us as being a fair result on the day?
- What have other people outside of the programme said, others who are truly informed?

Setting a to higher reserve may in fact prevent a successful sale. However, setting a more aggressive selling price will not prevent the auctioneer and salespeople obtaining the best possible price the market will provide.

Remember that the buyer, and the value they place on your property govern 100% of property sale prices.