

# **kw** CLOCKWORK **AUCTIONS**



**GOING, GOING, GONE!**  
**SOLD IN 30 DAYS AT 0% COMMISSION**  
**TO YOU AS THE SELLER.**

## How to sell your property with “Keller Williams Clockwork Online Auction”

1. Kw Auctions will prepare a Proposal for you with regards to selling your property on the Online Auction and present same to you.
2. You then need to sign and accept the “Clockwork Auctioneering” division sole mandate and pay the marketing cost of R2 500.00.
3. We will then schedule your auction i.e. date and time (approximately in 3 weeks from date of signature of mandate)
4. Kw Auctions will then design a marketing campaign. i.e. Database marketing using SMS and email campaigns to existing buyers, Social Media advertising. Our social media channels include Facebook, Instagram and LinkedIn.
5. Website portal marketing includes the Keller Williams Clockwork website, Property24, Private Property, IOL, ImmoAfrica, and the South African Institute of Auctioneers Website (we are members of SAIA).
6. The marketing campaign commences and endures for approximately 3 weeks.
7. Clockwork marketing department designs and produces a bespoke Bidders Information Pack on your property.
8. Your Auction day has finally arrived
9. Only highly qualified Registered Auctioneers will be used to Auction your property.
10. The highest Bidder will sign our sales agreement and immediately pay a 15% deposit into our Trust account.
11. The Agreement is then presented to you the seller.
12. If the Offer to Purchase is equal to or exceeds the minimum reserve price the property is SOLD.
13. If the Offer is below the minimum reserve price the seller has a 3day confirmation period to accept the offer. If the seller accepts the offer the property is SOLD.
14. At Auction the sale is final and binding and cannot be subject to any suspensive conditions i.e. subject to finance or the sale of the purchaser’s property.
15. The buyer has 21 working days to provide guarantees for the full selling price.

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## Fee Structure.

Other than the agreed contribution to marketing expenses there is NO COST to you the seller. The purchaser pays a buyer's premium of 10% plus VAT (i.e. 11.5%) over and above the "Bid Price"

## Can I have a Reserve Price?

All Properties sold by Keller Williams Clockwork Properties Auctioneering Division are sold with a reserve price i.e. if the reserve price is not achieved the seller does not have to accept the offer.

## Popularity of property Auctions.

The number of auctions has increased by 300 percent over the last few years and auction attendance has increased by over 200 percent over the same period. "When Australia experienced their property boom, their residential property sales method - which until then had been predominantly by private treaty - metamorphosed into the auction system,"

## Who should be selling their property via the Auction route.

The misconceptions that auctions are reserved for distressed properties or that it is a hunting ground for bargains, is steadily being corrected as more and more people opt for the auction floor as opposed to traditional real estate channels. The auction process has seen much success in the property market for many years and selling on auction can realize more for your asset due to its competitive mechanism. It provides the seller with fair market related prices and creates opportunities for buyers to acquire property at a price they are comfortable with.

## Then and now

Given the financial climate 10 years back, many property auctions occurred as a result of company closures or liquidations where the creditors, appointed liquidators or trustees preferred to use the auction method to dispose of assets.

Banking institutions have for some time been using the auction process to sell property successfully, based on its transparent and arms-length process and have achieved excellent results. These results are achieved through a larger pool of buyers and investors, with a low cost to creditors.



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## Qualified buyers

Normally, the lack of financing is a common hurdle to selling property out of hand or through a broker where a high percentage of deals may not be approved by finance companies or banks and therefore fail, leaving the seller without a result.

Auctions open up the market for a seller on a cash and voetstoets basis with qualified buyers coming fully prepared to make property investments. While buyers may still obtain finance to pay for the property, making the purchase is not subject to them obtaining finance

## Voetstoets applies

Section 55 of the Consumer Protection Act – Consumer's Right to Safe, Good Quality Goods – does not apply to goods bought on auction.

“The basic purpose of the voetstoets clause is to protect the seller from any action by the buyer (on discovering any defects the seller was not aware of when transacting) to jeopardize the actual sale contract. But it is important to note when the consumers' rights, provided by Section 55, do not apply to a transaction.”

## The price is right

The savvy seller or investor knows that the auction route is instrumental in achieving a better price where good demand exists, or producing a result for a seller where no demand exists. In particular, auctions are able to produce a sale where a seller requires urgent disposal while traditional marketing and sale methods have not been able to produce any significant result.

Auctions show a higher confirmed sale rate than that shown by the traditional disposal methods. In short, you have a process that is strictly regulated, transparent, and offers instantaneous results, as well as value for money for the buyer and the seller who retain control, can make informed decisions and have the right to set their price at an auction.

