



How To Select The
“Right Auctioneer”
For Your Real Estate Business



Introduction

The timing is right for you to include the auction option in your portfolio of services available to your clients and customers. Since you will be entering unfamiliar territory it is important that you proceed carefully to determine the “Right Auctioneer” for you.



Chemistry

It is critical that you identify an auction professional that you feel comfortable working with AND that you trust completely. You will be embarking on unknown territory and you will be following the lead of your auction professional. TRUST is key to your success



Expertise

You need to identify an auctioneer that has the **EXPERTISE** necessary to sell your listings. Although you may know someone who is very successful selling antiques, cars, household items, etc., don't expect them to naturally have what it takes to succeed in selling your real estate. Extensive real estate expertise is a must



Experience

Don't be a guinea pig. Your clients won't be happy if they become your latest experiment. You need to identify an auction expert who has LOTS of EXPERIENCE. Someone fresh out of auction school is NOT prepared to sell your listings. It takes time to become a good auctioneer and it isn't as easy as it looks. Find a proven player



Professionalism

Contrary to popular belief all auctioneers are not "cowboys". When in Rome...do as the Romans. If you live in Texas where cowboy boots and ten gallon hats are customary then that will work for you in your market. If not...find someone who fits your professional "profile". Your auctioneer will be a reflection of you.



Reputation

Don't believe everything you hear. Ask for references and FOLLOW UP with them to get a good idea of how your auctioneer interacts with clients and what the overall feelings are at the end of the day. You can't afford not to do your homework.



Credentials

Most states require auctioneers to hold a professional license. Inquire about licensing and confirm that your auctioneer is in good standing within your state. Most of the "top notch" auctioneers will also hold the CAI designation which is an advanced educational program offered through the National Auctioneers Association.



Availability

In order for this service to be blended into your core business, you will need to identify an auctioneer that will be reasonably available to you throughout the auction marketing process. Auctions are new to you and the process can be very hectic. You WILL have questions and need guidance. If your auctioneer isn't reasonably available to you then you might become unnecessarily uneasy about the process. Define your working relationship BEFORE you move forward.



Negotiate

I am *amazed* at how many real estate agents believe that they aren't compensated if their listing is taken over by an auctioneer. Although MANY auction firms will require that you delete your listing (for them to take over) and expect you accept a referral on the sale IT DOESN'T HAVE TO BE THAT WAY. I have managed over 4000 auction transactions and I have NEVER removed the agent or negated their listing fees. Look at your options and negotiate the transaction! It should be and can be a win/win for all.



Style

Although the auctioneer will be in control of the auction promotion, it is a good idea to review some of their marketing materials *before* you make your decision to move forward. Keep in mind that auction promotion is VERY BOLD by design but it doesn't have to be unprofessional. Discuss the style/image prior making your decision. You will not likely be given an opportunity to edit or critique the auction marketing along the way.



Timing

You will want to specifically address timing relative to your auction needs. A typical well-managed auction marketing program will take approximately 5-6 weeks from the time your seller signs up for the auction to the time you are at the block. Any auction campaign that is *considerably* shorter or *much* longer is reason to question. Make sure that your auction is a priority for the auctioneer and that they have time to accommodate your needs within a reasonable time frame (especially in this market).



Branding

Auctions are a great “added service” for your portfolio and although you will be working with a proven player, do not lose your identity as part of the process! If you are going to add this option into your business then you should be gaining recognition for doing so. Insist that your name and broker information is included in all advertising and ask that you be able to keep your sign in the yard when they add theirs.



Closing Process

It isn't safe to assume anything. Determine who will escrow the deposits, who will be closing the transaction, what Title Company will be used, who will be tracking the transaction to closing, how forfeited deposits will be distributed, etc. These details need to be discussed before your first transaction. There could be great differences in the way the transactions are managed by your auctioneer and you need to know before you're headed to closing.



Now is the Time!

Adding auction services to your core real estate business is a *must* in this market. To ignore this option is to walk away from business. Don't waste any more time contemplating the possibilities. Use this checklist as a guideline and get to work! Time is money in this market.

If we can be of assistance to you throughout the process feel free to email your questions to:

The Institute for Auction Learning
Lynn Gardner – Trainer/Auctioneer

info@auctionlearning.net