

Tips on settling Grandma's Estate

(Choosing the right Auction Company)

You have been given the task of settling an estate or you are moving and do not wish to spend more money moving your furniture than what it is worth. Perhaps you are downsizing, and need to dispose of a "lifetime accumulation". So, what are your options? Give it away? That will work for most of it, but what will you do with the rest? Have a yard or garage sale? You can do that, if you have the time, energy and patience to put up with people trying to devalue what you have and buy "the good stuff" at rock bottom prices leaving you with a big mess of unwanted items. How about a "tag" sale? Sure, you can hire somebody to come into your home, price your items for about double what they are really worth. They will sit in your home for several days, allow buyers and other curious people to traipse through your home and each day you watch the prices drop down while the house is trashed. You can pay a large fee or commission for this type of service and then at the end of it wonder what in the world you were thinking to pay somebody to do what you could have done yourself. Oh, did I mention all the stuff that did not sell?

What about an auction?

Have you ever considered hiring a trained professional to organize, prepare, market and liquidate your most prized possessions? Read further to see if this might be the best option you could ever choose!

So, what is different about an auction?

1. Competitive bidding to determine true market value: You can have a garage or tag sale and sell that family heirloom to the first person that hands over the money at a

price they like. Then you can spend the rest of the day wondering if it was priced too low. Or you can have multiple bidders competing aggressively at an auction pushing the final price up to a point where everyone learns its true market value and at a price both buyer and seller find satisfactory.

2. Quick and efficient: Most auctions can be conducted in a matter of hours on a day you get to choose! There are usually very few unsold items left and a lot less clean up than you might imagine.

3. Professional Marketing Techniques: Most auctioneers have years of training and experience and are experts in finding your buyers and getting them to the auction. Auctioneers are particularly gifted at getting the crowd to interact and participate enthusiastically in the process of bidding and buying!

4. Should this be work or fun: Auctions are a fast paced intense event, which is a unique blend of business and entertainment. A good auction is not only rewarding for both buyer and seller, but they are exciting and fun to attend and great stress removers! Let your auctioneer go to work for you and deal with all the stress while you sit back and enjoy the “show”!

5. What if the crowd leaves? A good auctioneer is adept at bringing in a crowd of buyers and keeping them there. He will hold their attention and keep their interest and attention level at a high peak throughout the entire auction day. Your auctioneer will keep the process moving quickly and professionally, yet entertain the crowd with humor and a unique sales method, which will please both buyers and sellers. He will make all necessary arrangements for a portable toilet, lunch wagon and other amenities. Try going to a tag sale or garage sale and have this type of convenience! An auction is

much more than just another way to sell “stuff”. An auction is an interesting blending of solid business practices, excitement and just plain fun. Auction lovers attend not only to have the chance to pick up a bargain, they go to socialize, have fun and it is a great way to “people watch”!

6. Will the auctioneer guarantee prices for me? If he says he will, ask for a signed check. When you don't get it, go find yourself an honest auctioneer. Remember, an auction is not a retail operation. While prices cannot be guaranteed, some items will sell for much more than you think and some will sell for less. A well-planned auction will, however, determine true market value. Historically, no other method of sales has been able to duplicate the ease and efficiency of a public auction. A professionally conducted auction provides rewards and satisfaction to both buyer and seller that no other sales method can match. An auctioneer is a special person, a well-trained professional. Make no mistake about it. Nobody can duplicate what an auctioneer can do.

7. What will sell at an auction? Anything that can be legally sold can be sold effectively at an auction. Real Estate, business liquidations, general household, antiques, collectibles, livestock, equipment, intangible assets. The list is endless.

Ok, you have decided to have an auction. What is the next step?

8. Do not throw anything away. Consult with a reputable auctioneer first.

Chances are you may not be familiar with what people will buy. A good auctioneer has years of experience and he will know what will sell and what will not. Oftentimes people will weed out what they consider to be junk or not sellable and in the process throw away literally hundreds of dollars. A good auctioneer usually earns his commission from the sale of items the owner was going to trash. Remember he has been doing this successfully for many years. **9. Does your auctioneer use contracts?** If not, find another one. This is important business. Never forget you are talking about converting thousands of dollars of assets into cash! A contract provides clarity and outlines in writing what each person's responsibilities will be. A well-written contract will avoid unpleasant surprises at the end of the auction.

10. Choose your auctioneer wisely: Is your auctioneer of choice a member of a state auctioneers association or the National Auctioneers Association? You do not have to be a member to be a qualified auctioneer, but auctioneers who are members of these organizations are sending a message that they are professionals and are serious about providing a quality service. In choosing an auctioneer, why not choose the best?

11. How will my property be marketed? To effectively market and sell your assets via the auction method, you need much more than someone who will scribble up a hastily written ad and throw it in a couple of local papers. That used to work, but in today's world, you need someone who is "marketing smart" and is familiar with the most up-to-date marketing options available. Talk to your auctioneer about the costs. You need to have a "feel" for the expenses you will incur. No one needs to suffer from "sticker shock" after the sale. Ask about Internet advertising. It's inexpensive and effective. If the auctioneer you talk to does not believe in Internet advertising, find an auction

service that believes in keeping pace with the changing technology in the auction world. There is a market of serious buyers who are utilizing the Internet to find auctions that meet their interest. Do you really want to risk losing these buyers?

12. What kind of equipment does my auctioneer have? If he tells you to throw some old doors over top of sawhorses or just to “line” it up in big boxes in the yard, get nervous very fast! A good auctioneer should be able to furnish plenty of clean, sturdy and attractive auction tables. Ask him if he has a large tent or canopy available to protect the nicer items. Inquire as to whether or not he has a professional sound system. He may have an auction facility available for items that cannot be sold on site.

13. What will my auctioneer do for me? This should all be spelled out in your contract. Many auctioneers will expect you to do all the pre-auction prep work, and then they just show up sale day and start auctioning. If this is your preference that is fine. Bear in mind however, it does not cost that much more to hire someone who will take a hands on approach to setting up and preparing for your auction. The auctioneer you might want to select will work with his seller and “custom build” an auction designed to draw serious buyers to insure a rewarding sale and he will do it in a way that fits your needs and that you feel comfortable with.

14. Do I have enough for an auction? Ask the auctioneer and do this before anything is thrown away. Experienced auctioneers can do a quick walk through, ask a few questions and be able to tell you immediately if an auction will meet your needs. They will also tell you what “not” to throw away. You may be surprised by what they tell you. Remember, they do this to earn a living so if it is not going to work for you, then it will not work for them.

15. What about references? Auctioneers depend on their good name and reputation to earn a living. If they are as good as they say they are, then they should have names, phone numbers, and letters from happy sellers and buyers. Ask for this information. If they are reluctant to provide this or act in an evasive manner, you may want to talk to another auction company.

16. I have chosen my auctioneer. Now what do I do? Sit back and relax. If you have asked the right questions, then you have probably picked the right auctioneer. While all auctioneers should welcome your questions and input, it is important to trust their judgment and ability. This is why you hired them. They are experts in their profession and a good one will leave no “stone unturned” in preparing and conducting the best auction sale possible. When your auction is over, if you are unhappy for any reason, talk to your auctioneer. If you are happy with the results then talk to everyone else! Either way, your auctioneer will thank you and appreciate you!

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