



Your Property Questions Answered

Q: I am thinking of buying a property at auction, do I need to consult a solicitor?

A: A worrying number of our clients come to see us the morning after an auction and proudly announce that they had just secured the property they wanted. We then start to discuss with them what it is they have purchased and go through the contract papers hoping that these tell the same story. The time to consult a solicitor is before going to the auction. Preferably a week or more beforehand, so that we have time to check all the contract details, that the searches are in order and that there are no hidden snags. It will also allow time to raise questions with the seller's solicitors and obtain information that is not disclosed or clear from the auction pack.

People understandably do not want to 'waste' money on solicitors' fees in case they are not successful at the auction. Some are persuaded by the auctioneer's glossy sale's brochure that everything is probably alright, especially if others in the auction room are

bidding keenly for the same property. Sadly, however, the opposite can be the case; because the contract papers for an auction sale are often not scrutinised so carefully and also because many risk-favourable cash buyers (those who do not need a mortgage) attend auctions, these can be places in which 'difficult' properties are sold. This is also a time to remind ourselves of the obvious: once the bidding stops and the auctioneer's hammer falls then a binding contract exists. If you are the successful bidder then you will have to produce a ten per cent deposit before you leave the room, along with some identification. You will also be responsible for insuring the property and the clock will be ticking towards completion, usually 28 days later, when you will be required to produce the balance of the price. By then, it will be too late to think about surveys, mortgages or wishing you had kept your hands by your sides.

If you are interested in an auction property please contact our Commercial and Property Department on 01934 637903 or e-mail moore@powellslaw.com