



Q&A The Auctioneer and David Soutter CEO Reliance Auctions

Auctioneer: What trends are you seeing from buyers across your asset divisions?

David Soutter: "Purchasers are becoming a lot more comfortable with buying property on auction, this is apparent with the increase in number of first time auction buyers attending our auctions. The purchaser in today's market knows what he wants, is well informed and appreciates the transparency and speed that the auction process offers."

Auctioneer: What levels of buyer interest are you seeing and where are these buyers coming from?

David Soutter: "We have seen a spiked increase in the attendance of both our commercial and residential on-site auctions, purchasers understand that time is money and seem to take preference in attending a sale that is focused on an individual property. This ever growing purchaser base comes from all walks of life, from bargain hunters through to end users."

Auctioneer: What trends are you seeing from sellers across the auction spectrum and has there been an increase in any specific asset division?

David Soutter: "With the economy still recovering from the effects of the financial crises and job losses on the increase, we are finding a large number of home owners in the middle income bracket range being forced to sell their properties urgently. Auction provides a quick sale whilst still giving them the opportunity to obtain fair market value for their property."

Auctioneer: What have your success / closure rates been like over the last 4-6 weeks?

David Soutter: "Over the last 4-6 weeks we have experienced in what we consider a 'bear market', an exceptionally high sales rate, with over 70% of the properties taken to the market, sold on auction, and a good number within the 7 day confirmation period."

Auctioneer: Have you had any auction highlights over the last 4-6 weeks?

David Soutter: "We have had many auction highlights in the past 4-6 weeks, but the one that stands out the most was the sale of a town house unit in Lonehill. A traditional sales agent took over 7 months to conclude a sale in the same complex and achieved a sale price of R950 000 for their seller. Reliance took to auction the same size unit and in three weeks achieved a nett figure of R1.1 million for our seller. Surely that should demonstrate the 'power' of auction for those non-believers?"