

## PARK VILLAGE AUCTIONS

# Going, going, going... strong!

The auction scenario in South Africa is evolving at breakneck pace. Is your business leveraging off this growth?

In the past, if you attended an auction at all you did so with low expectations. At most you expected to find sub-standard items that invariably needed TLC, or would serve as a stop gap until you could afford to buy something better. Today, depending on the worth of the auctioneer, you can expect auctioned goods to be high quality, particularly in vehicles, which are frequently late model units in good condition with full service histories and many with motor plans still intact.

"Our bidders come from all walks of life, from small entrepreneurs and SME owners, to private individuals, middle and senior management, corporates and of course dealers, all looking for that special opportunity and often finding it," says Roy Lazarus, MD of Park Village Auctions.

## Quick, transparent sales

According to Lazarus, auctions are 100% transparent, there are no suspensive conditions or hidden agendas, buyers cannot delay the sale by 'playing off' against each other, and the sale is brought to finality quickly, without hidden costs. "These principles are true of any asset sold by auction and the open auction system is an extremely efficient mechanism of disposal, irrespective of the purpose – whether it's a question of winding up an estate, liquidating a company, the sale of surplus assets for any number of reasons or simply realising locked up capital," he adds.

## Financing your buy

Depending on the asset in question, conventional asset financing arrangements can be made by the usual banking and finance houses. Park Village Auctions deals with all major institutions, including banks, finance houses, liquidators, trustees and executors. "These organisations set up desks at our auctions to offer their services and they are kept nice and busy," says Lazarus. "It's worth pointing out that interest rates are at the lowest they have been in 15 years." □

## Expert advice

### LEVERAGING AUCTIONS

Roy Lazarus's 12 basic guidelines to successfully taking part in an auction:

- » Check your auctioneer's track record. This includes whether they are members of SAIA (SA Institute of Auctioneers).
- » Understand the extras. There is the auctioneer's commission and VAT to pay. Knowing there are extras will help you to bid within your budget.
- » Avoid buyer's remorse. Don't just fall in love with something. Inspect the lot you are keen on, particularly if it's a big ticket item.
- » Get a sense of an auction item's value. For cars use the Transunion vehicle price guide.
- » Don't let your heart rule your head. Don't allow yourself to get carried away by the moment.
- » Have the finances to bid with confidence. Be sure you can (a) afford it, or (b) finance it.
- » Short list the lots you are interested in. Don't do a Michael Jackson. The late pop artist was known for breezing in and out of stores dishing out instructions: "I'll take this, that, the other and then that as well."
- » Get to know the auction process. Go along to one or two auctions. If you are more certain about what's going on, you can bid more confidently.
- » Remember Ts and Cs apply. Check the 'conditions of sale' in the catalogue, consult the auctioneer before bidding or listen carefully to the preamble at the start of every auction. Know what your legal obligations are.
- » If you bid for the wrong lot, tell the auctioneer immediately. Although you have a legal obligation once you have won the bidding, the auctioneer may present the item for auction again, at their discretion.
- » Understand registration requirements. Familiarise yourself with registration requirements for the particular auction before you arrive in case a large refundable deposit is required.
- » Understand the terminology and the auctioneering process. Remember that liquidations, bankruptcies and receiverships have no reserve prices. If there are no other bidders your first bid may be the price you pay.

Roy Lazarus, MD of  
Park Village Auctions

## A COMPETITIVE ADVANTAGE

Founded in 1983, Park Village Auctions offers extensive expertise in all facets of auctioneering, notably vehicle auctions, trucks, capital equipment and agricultural assets, as well as residential, commercial and industrial property. "Our diverse experience provides us with a broad-based business perspective that achieves outstanding results. We are differentiated in the market place in terms of our asset management capabilities, based on ultra-modern storage facilities in various locations," says Lazarus, adding that Internet bidding is also available. Visit [www.parkvillageauctions.co.za](http://www.parkvillageauctions.co.za), or the mobi site on [mobi.parkvillage](http://mobi.parkvillage)

