

FIELD RESOURCE

Auction Day Playbook for Vendors

Pre-day, day-of, and post-auction timeline

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Auction works because of the pressure of the room, the visibility of competing bidders, and the finality of the hammer. As a vendor, your job before and during auction day is to do nothing that undermines that. This playbook covers the week before, the morning of, the auction itself, and what happens if your property does not sell under the hammer.

The week before auction

The final week is when reserve is set, the contract is finalised, and the campaign's buyer pool is converted into registered bidders. Your agent should be running this for you, but here is what to expect and what to ask.

- Your agent should give you a written buyer engagement summary by Wednesday: how many groups inspected, how many requested contracts, how many had a building and pest done.

- Set the reserve price with your agent in a calm, private meeting, not on the morning of the auction. The reserve is a number you commit to, not a number you negotiate from.

- Confirm the contract has been issued to all serious buyers. Buyers must register with the auctioneer (under the Property Occupations Regulation 2014) before they can bid, and serious buyers will want to have reviewed the contract well before auction day.

- Confirm pre-auction offers have been handled in writing and you have decided in advance whether you will consider an offer the day before.

- Walk through the home one final time. Make sure it presents exactly as it did during the campaign. Any deterioration in presentation between launch and auction reads as a warning sign to buyers.

- Decide where you will be during the auction. Many vendors prefer to stay inside or away from the crowd to avoid being identified or watched.

Setting the reserve

The reserve is the lowest price at which your property will sell under the hammer. Below this number, the property is passed in and post-auction negotiation begins.

- Set the reserve in line with the buyer feedback from the campaign, not your hopes or your agent's opening price guide.
- A realistic reserve is set within or slightly above the strongest verified buyer signal you have.
- A reserve set too high produces a pass-in. A pass-in is not a failure but it removes the auction pressure that drives the highest results.
- Discuss with your agent whether you are willing to drop the reserve once you have seen the bidding. The decision should be made privately, not on the floor.
- Document the reserve in writing and sign it. This protects you and the auctioneer.

The morning of the auction

Calm, organised, and presented exactly as during the campaign. The morning of is not the time for surprises.

- Final clean and tidy. Open all blinds, switch on lights, set air conditioning to a comfortable temperature.
- Move all vehicles off the driveway and onto a side street.
- Hide all bins out of sight.
- Make beds, clear benchtops, fresh towels in bathrooms.
- Brief any family members, housemates, or tenants. Pets removed from the property.
- Decide on a safe location for valuables and keys during the auction.
- Have your phone charged and on silent. You will not need to take calls during the auction.

During the auction

The auction itself takes between five and twenty minutes in most cases. Your job is to stay calm and let the auctioneer do their work.

- Stay where you and your agent agreed. Inside the home, in a back room, or away from the property entirely are all valid.
- Your agent will check in with you privately if the bidding stalls below reserve. Be ready for that conversation.
- If the auctioneer asks for instructions on dropping the reserve, your agent should be the only person you speak to.
- Do not engage with potential buyers or onlookers during the auction. If anyone approaches you, your agent will handle it.
- If the property sells under the hammer, the contract becomes unconditional immediately on the fall of the hammer. The buyer signs and pays the deposit on the spot.

If the property is passed in

A pass-in is not the end of the campaign. In Brisbane, a meaningful percentage of auction properties sell within hours, days, or weeks after a pass-in.

- The highest bidder is given the first right to negotiate post-auction. This is a significant advantage and should be used.
- Your agent will move into private negotiation with the highest bidder immediately after the auction.
- Other registered bidders will often be contacted in the days following.
- Consider whether to relist by private treaty, run another campaign, or hold the buyer pool warm with a reduced price guide.
- Discuss with your agent whether the pass-in indicates a pricing issue, a timing issue, or a buyer pool issue. Each requires a different response.
- Do not panic-sell. The first 48 hours after a pass-in often produce the best result if handled calmly.

After the auction sells

A successful auction means the contract is unconditional from the moment the hammer falls. The buyer cannot withdraw, change conditions, or take a cooling-off period.

- The buyer pays the agreed deposit on the day, usually 5 or 10 percent of the purchase price.
- The contract is signed by both parties on the spot.
- Settlement timing is whatever was specified in the contract, typically 30 to 60 days.
- Notify your conveyancer or solicitor on the day. They will start preparing for settlement immediately.
- Notify your bank to arrange discharge of any existing mortgage.
- Begin planning your move and any pre-settlement tasks immediately. Settlement comes faster than most vendors expect.

Reading the room: signs to watch

You do not need to be on the floor to read an auction. Your agent will brief you, but here are the signs that tell you how the auction is tracking.

- How many bidders register on the day. A registered bidder is the closest signal a buyer will give.
- Where the bidding starts. A strong opening bid suggests strong genuine interest. A vendor bid that gets little response is a warning sign.
- How quickly bids come in the early rounds. Fast bidding means competition. Long pauses between bids mean buyers are at or near their limit.
- When the auctioneer pauses to refer to the vendor. This is the moment the auctioneer judges the property is below reserve. Be ready.
- How many people are watching versus actually bidding. A large crowd of watchers can still produce a strong result if even two are bidding hard.

Auction is a method, not a magic word. The vendors who do well at auction are the ones who plan calmly, set the reserve realistically, and trust the process on the day.

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