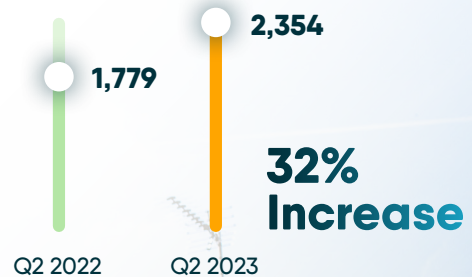




Properties sold via online auction Q2



ONLINE AUCTION INDEX

A quarterly overview of the growing Modern Method of Auction market and predictions for the quarter ahead

April – June 2023





JAMIE COOKE
Co-Founder

Q2 AUCTION INDEX

**Welcome to our Q2 Auction Index,
our market-leading quarterly focus on
the UK residential online auction market.**

This second edition launches at a time when the market has seen a shift and faced some new challenges. We came into the quarter with an interest rate of 4.25% which was an 11-year high, and we've had several increases since then. At the time of writing this, the average two-year fixed-rate residential mortgage has reached 6.63%*. We also saw the first monthly drop in asking prices this year in June, with the average new seller asking price now £372,812^.

Due to the change in mortgage affordability impacting buying power, a focus for agents everywhere has been working to secure strong, yet realistic sale prices for their listings, as well as commitment from sale-ready buyers.

Auction really comes into its own in more challenging marketplaces like we're experiencing now, with its speed and security helping to push through sales for the serious buyers and sellers who are still in the market and looking to transact. So I'm pleased to report that we've seen another quarter of sales growth – our highest selling quarter since the business began, helping our Partner Agents to sell over 2,300 properties across the UK.

In Q2 our Partner Agent Network also grew and we're now working with over 6,000 Estate Agency branches. The majority of which are using our auction service to offer an alternative method of sale to their clients – supporting them through any kind of market.

Read on for our look back at April through to June 2023, as well as my predictions for Q3.

*Data from Moneyfactscompare.co.uk.
^Rightmove's June House Price Index.

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**UK's market-leading
residential auctioneer**

**Over 6,000 Partner
Agents in the
iamproperty network**



Q2 AT AUCTION

Auction transactions continue to grow despite market challenges.

Rising interest rates impacting mortgage affordability during the last quarter saw less discretionary sellers come to the market. In a market with a higher proportion of serious sellers who don't just want to move but need to, auction thrives, making Q2 our highest selling quarter to date.

In markets like this with heightened uncertainty, the speed and security auction offers comes through for vendors and agents. Despite the wider market outlook, auction sales have continued to grow.

The number of properties sold reached record figures and increased by 32% compared to Q2 last year, fuelling Capital Value growth of 24%. All supporting our Partner Agents with over £8m in fees paid – up by 26%, and 7-day payments protecting their revenue streams. Looking at the wider auction market, in April and May there were 4,272 auction sales as reported by EIG**.

Although sales grew, the volume of viewings and bids dipped slightly compared to this time last year

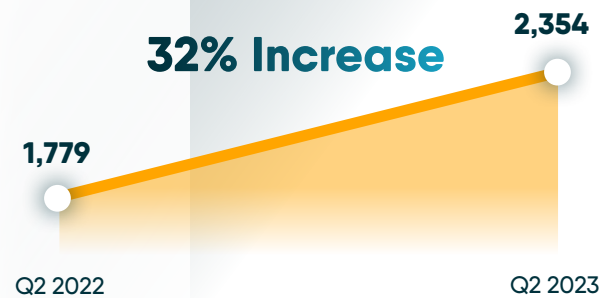
and Q1 of this year, in line with less but more serious people in the market. Our data also shows that there were slightly less mortgage purchasers in Q2. Our average completion timeframe fell to just 54 days in June, and when compared with average Private Treaty timescales of 132 days* over the last 12-months, that is less than half the time – another positive for the many vendors in today's economic climate relying on auction's speed.

Compared to Q1, sales have steadily increased (up from 2,252), with fees paid to our Partner Agents also increasing (up from £7.8m). In Q3 we expect to see these trends continue, with auction delivering results when they're needed most for both vendors and agents.

*Home buying and selling data from Landmark Group Insight.
**Data from Essential Information Group.

Number of Properties Sold

32% Increase



1,892
Completions

3,474

Auction Packs completed

£2,400,000
Highest Sale Price

SOLD

42,563

Property Viewings

15,308

Bids Placed

Fees paid to Partner Agents

£6.5m **£8.2m**

26% Increase

Q2 2022

Q2 2023

£8.2m

Fees paid to Partner Agents

£119,955

Partner Agent rewards

Worth of Property Sold (Capital Value)

Q2 2022 **£331m**

Q2 2023 **£412m**

24% Increase

REGIONAL SUCCESS

We've seen auction sales increase across all regions in Q2.

As in Q1, sales in the South have seen the biggest growth, with a 67% increase compared to the same period last year. The North follows with a 32% increase, while sales in the Midlands show smaller growth of 4%.

Our Partner Agents are reporting that auction is supporting them with the biggest challenges in the current market – securing listings, strong prices for vendors and avoiding transactions falling through.



"Q2 has seen strong listing and new sales activity, with buyer registrations remaining steady. However, price sensitivity remains at the forefront of the minds of buyers and sellers with asking prices needing to be realistic due to a potential reduction in buying power after the interest rate rises.

Auction contributed to making our Q2 successful by allowing our sellers to capitalise on today's market price and lock-in the value of their property without concerning themselves with any uncertainty in HY2. Buyers have remained sticky with fall through levels below average. The immediate reservation, security and sales fee offered by auction has supported our income in light of Private Treaty sales taking longer to exchange.

Our auction experience in Q2 has been fantastic as always. From our Auction Specialist to our Senior Account Manager, the iamproperty team has supported us consistently and our clients have received the same excellent service levels we aim to offer."

Matthew Smith, Managing Director of Thornley Groves in Manchester

MOST BID ON PROPERTY AND PROPERTY SOLD MOST OVER RESERVE PRICE

Attow Road,
Mansewood, Glasgow, G43



Countrywide, Shawlands

- Detached House
- 28 viewings

Reserve Price of £120,000

Sale price: £275,000

150
Bids Placed

£155,000
Over Reserve Price

680
properties
sold in the
North



32% up on Q2 2022

740
properties
sold in the
Midlands



4% up on Q2 2022

HIGHEST SELLING PROPERTY

Garnish Hall,
Theydon Garnon, Essex



Fine & Country, Loughton

- Detached House
- 3 viewings
- 1 bid

Reserve Price of £2,350,000

£2,400,000
Sale Price



934
properties
sold in the
South

67% up on Q2 2022



"We have seen a significant improvement from a financial perspective in Q2 compared to Q1, with June being our best month of the year for auction. The instant stream of cashflow associated with auction has contributed to making Q2 a more successful quarter than initially anticipated.

Auction has helped us overcome challenging market conditions in Q2 by providing sellers with an additional level of certainty and security. Our sales team have been having more conversations with our clients around the benefits associated with auction, and how it is ultimately a solution to many of the issues prevalent in the market. We've found that 95-100% of auction sales go through once the non-refundable deposit is paid, so that additional level of security, especially in an increasingly volatile market, is a real selling point."

John Nicholson, Managing Director of Downen in the North East

THE POWER OF AUCTION

Auction continues to give agents the power when it comes to winning instructions, building new revenue streams and protecting their sales pipeline.

Agents across the UK have worked hard to retain strong auction sales in Q2, relying on auction to navigate them through the current market. We expect to see a similar market landscape continue into the next quarter.

Highest selling branches in Q2:

(Independent agents)

1. **Miller Metcalfe**, Bolton
2. **Harrisons**, Bolton
3. **Miles & Barr**, Ramsgate
3. **DB Roberts**, Telford
4. **Wards**, Snodland
5. **Cooke & Co**, Whitley Bay
5. **X1 Sales & Lettings**, Liverpool
5. **Petty Real**, Colne

Highest sales increase Q2 2022 vs Q2 2023:

(Independent agents)

1. **Wards**, Snodland
1. **Petty Real**, Colne
2. **Thornley Groves**, Manchester
2. **McDonald & Co**, Blackpool
3. **Simon Blyth**, Wakefield
3. **Paul Fox**, Scunthorpe
3. **Keates**, Stoke
3. **Miles & Barr**, Cliftonville



Jamie's predictions for Q3

MORE CASH BUYERS

Over the last quarter we've seen a slight reduction in mortgage purchasers on auction transactions and slight increase in cash buyers. This doesn't come as a surprise in line with the recent interest rate rises. I expect this to follow into Q3 as the dust settles but we could see a shift further down the line.

LESS DISCRETIONARY SELLERS

So far this year we've not seen a real change in instruction type, but as we look at the broader market for the rest of the year, I do anticipate that we'll see a reduction in discretionary sellers – people who are testing the market.

What this means for agents is that I expect you'll be engaging with more committed sellers who really need and want to sell. On this basis, the benefits that auction can bring in terms of speed and security will be far more relevant to a lot more of the clients you engage with. Discussing auction in every instance is advisable to let your clients know that it's an option from the outset, or as a fallback if there's certain issues when selling via Private Treaty.

MAINTAINED DEMAND

With interest rates still high and market conditions expected to remain much the same as we've had in Q2, I expect to see demand for auction hold strong, supporting serious sellers with quick and secure transactions.

CONSUMER VIEWPOINT

In our Q1 Index we reported transformational demand from consumers for auction, and the same remains coming out of Q2.

Even before the market was hit with increased mortgage rates impacting buying power, consumers have never been more open to auction as an alternative method of buying and selling, creating opportunities for agents who offer it. Google search mirrors this with search for the Modern Method of Auction increasing by 90% over the last two years.

To support this, we launched a direct-to-consumer campaign in Q1 to build mass awareness of auction and drive more direct leads to our Partner Agents. Leading with social media and Rightmove advertising, we've reached over 1 million consumers over the last few months, with 51% of those who went on to complete our circumstance checker questionnaire being recommended for auction. The findings from the questionnaire demonstrate how auction is stepping up to support vendors with what's most important to them, even in the current market. Getting a maximum sale price ranked highest with the majority, followed by speed of sale then security / buyer commitment – all being the key challenges the market is currently facing, which auction is helping vendors to navigate.

Campaign content including social media assets are still available for agents to use on their own social media channels, helping you to promote your auction service. If you're new to the campaign or just want some fresh content, you can download the campaign pack here:

[Download here](#)

Auction is the 'Rightmove' for consumers

Auction activity is growing across the board, with Rightmove data comparing Q2 2022/23 showing strong demand and sales activity which mirrors what we're seeing.

In Q2, the portal listed 26,316 properties for sale via auction, which is up by 34% on the same quarter last year. There were over 41 million click throughs to the full details of auction property listings, up from 37 million in Q2 of 2022. Sales agreed on auction properties increased by 19% vs the same quarter last year. All reflecting the growth in awareness and appetite for auction across the UK.

THE POWER OF AUCTION

CONSUMER VIEWPOINT

1m+

Consumers reached

19,000

Campaign landing page visits

51%

of consumers recommended for auction



90%

Consumer search for MMoA up 90%

Rightmove auction property details click throughs

37m

19% Increase

41m

Q2 2022

Q2 2023

Most important thing to consumers when selling

24%
Security & buyer commitment

36%
Speed of sale

40%
Sale price



Consumer search for auction up 90%



ACCELERATING AGENT SUCCESS

iamproperty.com

