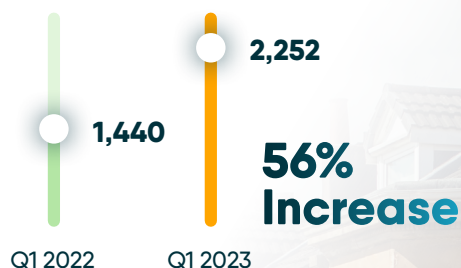




Properties sold via online auction Q1



ONLINE AUCTION INDEX

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

January – March 2023





JAMIE COOKE
Co-Founder

AUCTION INDEX LAUNCH

Welcome to our Q1 2023 Online Auction Index – a quarterly focus on the UK residential Modern Method of Auction market and a first of its kind for the UK property market.

We're launching this at a time when the Modern Method of Auction (MMoA) continues to break records month-on-month and grow at pace as an alternative method of sale. The MMoA market has never been more active. With Private Treaty timescales continuing to slow down and cause frustrations for everyone involved in the moving process, consumers are increasingly looking for a different way to buy and sell and auction is offering them a compelling alternative.

We hope this Index will be a great tool for agents, as it will evaluate the online auction market each quarter and set out predictions for the quarter ahead. It'll also look at the great results auction is getting for agents and vendors, deep dive into performance across the regions and explore consumer trends – making it full of useful data to show the success that vendors can enjoy with online auction, in turn supporting agents in winning new business.

As the UK's market-leading residential auctioneer with a 60% market share of online property auction sales, we wanted to create a data point to help our Partner Agents to succeed as the auction market continues to boom. We have big ambitions for the Index to become the go-to quarterly guide for those operating in the space, and I hope you enjoy this first edition which evaluates January to March 2023.



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

**Over 5,000 Partner
Agents in the
iamproperty network**



Q1 AT AUCTION

The residential auction market is booming. Wider market data shows there were 3,014 sales in January and February alone, 23% up on the same period last year**. Our data follows suit, showing that the first quarter of 2023 has been our highest selling quarter since the business was founded, seeing record sales and fees earned for our Partner Agents.

Stats across the board are significantly up on this time last year, with sales alone up by 56%, as more vendors are opting for the MMoA for a quick and secure transaction. Appetite for auction is at an all-time high.



2,252

Properties Sold



£387.9m

Worth of Property Sold
(Capital Value)



£960,000

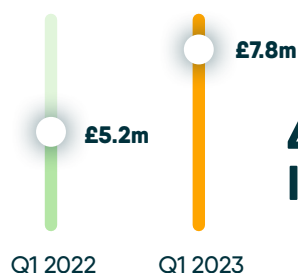
Highest Sale Price



48,439

Property Viewings

Fees paid to Partner Agents



Q1 2022

Q1 2023

48% Increase

17,189

Bids Placed



£7.8m

Fees paid to
Partner Agents

A challenging market but auction cuts through.

It's been a tough start to the year for agents on the Private Treaty front. The challenging market conditions since interest rate rises came into play last year were carried into the first quarter of 2023, continuing to impact mortgage affordability, paired with slow completion timescales sitting at an average of 132 days* over the last 12 months.

Despite this, online auction has been an asset to agents while the market has been tight, with a strong start to the year for sales. The Modern Method of Auction is a more viable option than ever for vendors who require a quick and secure sale.

Property sales via MMoA continue to reach record levels, with 872 sales in March alone – our highest selling month by far. Almost £400m worth of property was sold in Q1, seeing our Partner Agents earn almost £8m in fees, with 7-day payments boosting their income while Private Treaty timescales lagged behind.

Q1 2023 sales are also up by 21% on the final quarter of 2022.

With interest from buyers remaining high, the majority of properties were purchased for owner occupation, followed by purchases as an investment opportunity. The number of bids placed peaked in January with almost 6,000 in that month alone, and over 17,000 for the quarter, as well as almost 50,000 property viewings.

When comparing sales volumes with the wider auction market, from the 3,014 residential auction sales in January and February as reported by EIG**, our Partner Agents secured 1,380.

*Home buying and selling data from Landmark Group Insight

^Based on iamsold average completion times for Grade 1 standard properties

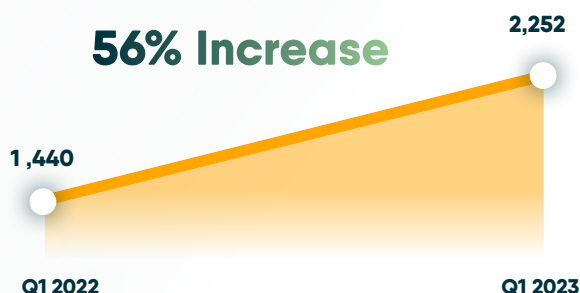
**Data from Essential Information Group

1,994
Completions

3,602
Legal Packs
Prepared

Properties Sold

56% Increase



Worth of Property Sold (Capital Value)

Q1 2022 **£262.8m**

Q1 2023 **£387.9m**

48% Increase

REGIONAL SUCCESS

MMoA auction sales have grown rapidly across all of our key regions in Q1 compared with the same period last year.

Sales in the South have seen the biggest growth, with a huge 78% increase. The Midlands follows with a 47% increase, with the North closely behind seeing a 45% increase.

Our Partner Agents across the regions are reporting a strong start to the year for auction, seeing more motivation from vendors to sell via MMoA for the benefit of its speed and security, to help to navigate the current market conditions.



“We’ve had a brilliant start to the year with auction. Our auction sale rate typically sits between 5-10% but has risen to 10-15% over the quarter, so we’re really pleased with that. Having the auction service has been a real benefit while the market has been tight, helping to push through sales and with that comes 7-day payment of our fees which is an added bonus. iamproperty does a lot of the work, which takes the pressure off our team while there’s lots to do. It’s a great partnership.”

Matthew Hill, Sales Director at DB Roberts



“The Modern Method of Auction (MMoA) has performed really well for us this quarter. The market has been tough since the interest rate rises which we’re still seeing now, and MMoA has been an asset. We’ve seen more motivation from vendors to sell via MMoA, who’ve understood that they needed speed and security if they didn’t want to take any chances with timescales. There’s been some great results, in particular with two properties in Leeds and Harrogate that received over 100 bids and sold for over their market value.”

Brad Ogden, Head of Sales at Linley and Simpson

MOST BID ON PROPERTY

White Lund Road,
Morecambe, Lancashire, LA3

3



Entwistle Green Estate Agents

- End-terraced house
- 4 viewings
- 153 bids

Reserve

Sale

7

pro
sol
Mi



“This quarter has been a very strong one. The end of 2022 was a disaster for the property market, and we saw sales slowdown drastically, so auction has been a godsend because of the speed and security. We offer auction as part of our general pitch to clients and 11% of our sales now go through auction. Because of the market conditions it's a more viable option than ever and our clients like to have the option there – people who are only being offered Private Treaty are missing out.”

Jonathan Moulton, Business Development Manager at Merryweathers Agents

Price of £200,000

price: £260,000

153

Bids Placed

93

properties
sold in the
Midlands

607
properties
sold in the
North



PROPERTY SOLD MOST OVER RESERVE PRICE

Mill Lane
Stratford-upon-Avon, Warwickshire



exp UK, West Midlands

- Flat/Apartment
- 17 viewings
- 124 bids

Reserve Price of £400,000

Sale price: £557,500

£157,500
Over Reserve Price

HIGHEST SELLING PROPERTY

Manor Road
Beckenham, London, BR3



Charles Eden Estate Agents

- Semi-detached
- 6 viewings
- 1 bid

Reserve Price of £960,000

Sale price: £960,000

£960,000
Sale Price

852
properties
sold in the
South



THE POWER OF AUCTION

Online auction has the power to help our agents to win more instructions, build new revenue streams and protect their sales pipeline with fast 7-day payments.

We've seen brilliant results across the board for our agents in Q1, and here are just some of them who are using the MMoA to accelerate their success.

Highest selling branches in Q1:

(Independent agents)

1. Wards, Dover

2. Miller Metcalfe, Bolton

Thornley Groves, Manchester City

3. DB Roberts, Wolverhampton

Keates, Stoke

DB Roberts, Telford

Highest sales increase vs Q1 2023:

(Independent agents)

1. Wards, Dover

2. Keates, Stoke

3. Thornley Groves, Manchester City

4. Wards, Gillingham

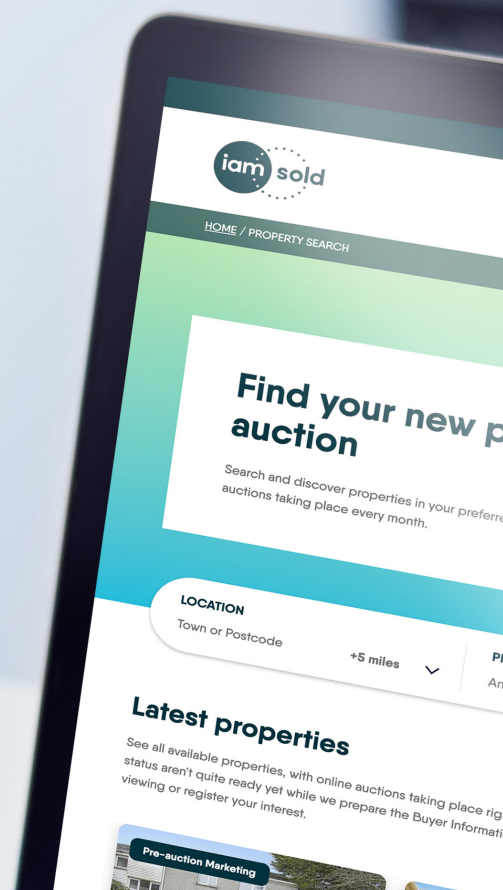
5. DB Roberts, Wolverhampton

Bernards, Portsmouth

Robinsons Tees Valley, Hartlepool

Peter Heron, Fawcett Street, Middlesbrough

Richard Kendall, Wakefield





Jamie's predictions for Q2

CONTINUED GROWTH

Continued growth in sales has to be top of the list. The auction market is continuing to grow, as more vendors are looking for a different way to move and auction is ticking a lot of boxes with the speed and security it offers. Especially when compared with Private Treaty, which unfortunately in many cases is taking longer and creating more risk of sales falling through. Throughout 2022 our monthly sales steadily increased and the data in this Index shows that continuing, which we anticipate to carry on into the next quarter across all regions.

MORE OWNER OCCUPANCY SALES

I also expect to see the percentage of properties sold for owner occupancy take a bigger majority of our total sales, as more vendors continue to turn to auction over Private Treaty. It already had the majority this quarter, increasing slightly compared with this time last year. Taking into consideration that new vendors entering the market are now more likely to be 'traditional' home sellers, this will keep growing.

THE NEED FOR DIFFERENTIATION

Competitiveness to win new instructions remains high, as market conditions continue to be challenging. Mortgage rates are still high, limiting the number of ready buyers, and conveyancing timeframes are still not as fast as consumers would like, slowing transactions. In our recent survey, 50% of consumers said the conveyancing process taking too long was their top frustration when selling a property. Auction is a viable method of sale in any type of market but can really add strength to an Estate Agency in the current market landscape because of its speed and security. Having options when it comes to method of sale can help agents to secure their pipeline, as well as win more instructions by standing out as the best option to a client by being able to offer them a choice which meets their personal circumstances.

INCREASE IN CONSUMER AWARENESS

Consumers' awareness and understanding of auction has come a long way. With more agents than ever now offering auction as part of their general pitch, and more people experiencing auction transactions, this will only continue. We're also committed to driving up awareness and have launched a social media-led direct-to-consumer campaign. With all of this in mind, I'd expect to see direct search for auction properties and information about selling at auction increase.

CONSUMER VIEWPOINT

The last 12 months have been transformational when it comes to consumer demand for auction. We've seen record-breaking numbers across the board, from online bids to properties sold, but it's not just recent market conditions driving the demand, consumers have been ready for change for the better for a while.

Google Trends data shows us that consumer awareness and interest in auction both continue to rise. There's been a sharp increase in consumer search for auction properties over the last three years, with a rise of 135% when comparing January 2020 to January 2023. Search data for 'buying a house at auction' has also more than doubled during the same period, and consumer searches for information around 'selling a house at auction' are up by 165%*.

Consumers are looking for agents who offer auction as they're more open to and understanding of it as an alternative method of buying and selling than ever before.

A NEW CAMPAIGN TO DRIVE LEADS FOR OUR PARTNER AGENTS.

In March we launched our 'Power of Auction' campaign direct to consumers, with a social media first roll out designed to build mass consumer awareness and drive more direct auction leads for our Partner Agents.

After just four weeks we've reached 449,000 consumers across the UK via social media channels, and seen more than 7,000 potential buyers and sellers head to the campaign landing pages to learn more about auction and explore properties.

As part of the campaign, we have also asked consumers to take our circumstance checker – a short questionnaire to find out what's most important to them when selling a property, to see if auction could be the right fit.

So far, 49% have said reaching the maximum sale price, 29% said speed of sale and 22% said security and buyer commitment. Out of 240 consumers, 53% have been recommended for auction and directed back to their Estate Agent to find out more.

We also launched the campaign on Rightmove, with consumer ads to help build awareness of auction as an alternative to Private Treaty. So far, the ads have reached 2.3m consumers searching for their next home.

A pack of consumer-facing assets was also created for agents to use on their own social channels to support their auction service, so if you'd like to find out more about the campaign or download the pack, head to our agent landing hub <https://iamproperty.com/power-of-auction/>



THE
POWER
OF
AUCTION



THE
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TION



7,000

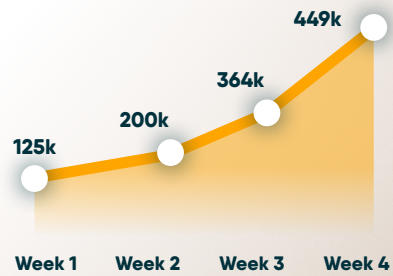
Website visits



135%

Consumer search
for auction up 135%

**449k consumers
reached in 4 weeks**



53%

of consumers
recommended for auction

2.3m

Rightmove ad
impressions





ACCELERATING AGENT SUCCESS

iamproperty.com

