



RICS Antiques and Fine Arts Faculty

A guide to buying and selling at auction

Booklet Summary

The Royal Institute of Chartered Surveyors (RICS) have recently published the booklet *A Guide to Buying and Selling at Auction*. The front cover is shown above. Below we include an edited version. The booklet is available from the RICS Contact Centre. Details are provided at the end of the summary.

Using an auction house with at least one chartered arts and antiques surveyor has built-in safeguards as they are bound by RICS Bye-laws and Regulations.

Chartered arts and antiques surveyors, recognised by the letters MRICS or FRICS, are highly specialised and experienced in advising clients on the valuation, sale, purchase and management of antiques and fine arts. Their intimate knowledge of the market covers the legislation which governs it, and the services which support it.

As part of their service, chartered arts and antiques surveyors must hold clients' money in a designated bank account, separate to their own business account. RICS members must also have professional indemnity insurance and follow the RICS Clients' Money Protection Scheme regulations.

A copy of 'Your Antiques', an illustrated booklet giving practical advice and guidance on protecting antiques and artwork in the home, is also available from RICS Contact Centre. This leaflet is intended to help you by providing a short question and answer guide to buying and selling at auction.

Guidance for buyers

Q. Should I buy a catalogue?
A. It is advisable.

Q. What is meant by 'conditions of sale'?
A. These are conditions under which the auctioneer holds the sale and under which you buy the lots. They are fairly standard

throughout the country, but variations can occur especially with regard to buyer's premium. The conditions are printed in the catalogue or displayed in the sale room.

Q. Can I assume all items are in good condition?
A. No you cannot. The auctioneer will use his best endeavours to give an accurate description of any faults or repairs. A more detailed condition report can be obtained upon request.

Q. What is an estimate?
A. An estimate is the auctioneer's indication of the range of the possible sales price, however it should only be taken as a guide.

Q. What if I have a problem?
A. In the first instance, take it up with the auctioneer.

Q. Do the misrepresentation and the trade description acts apply to auctions?
A. Yes.

Q. What happens on the 'view day'?
A. The items will be laid out and available for inspection prior to the sale. It is essential to examine carefully any lot upon which you intend bidding. The auctioneer is under no obligation to point out defects; it is up to you to satisfy yourself as to the item's condition, though on request the auctioneer will supply a condition report. There will be sale room staff in attendance during the view day. They are there to help so don't hesitate to consult them; they can have a good idea of likely prices. Having looked carefully at your lots, note their lot numbers, decide on your limit and, within reason, stick to it.

Q. What are the do's and don'ts during the sale?
A. The auctioneer will not mistake any casual movement for a bid, so relax, be natural, blow your nose, you won't find yourself saddled with a three piece suite. On the other hand,





don't fan yourself with your catalogue because that could be taken for a bid. Make sure you are bidding for the correct lot. If you feel you've made a mistake don't feel embarrassed tell the auctioneer right away; don't wait until the end of the sale as mistakes can mostly be rectified whilst everyone is still present in the sale room.

Q. What about the 'dealers'?

A. Sometimes you may be reluctant to bid against a dealer. Don't be put off when they bid...they are just bidders like you and it is up to you to decide your limit and stick to it.

Q. When and how do I pay for the lots and collect them?

A. Most auctioneers expect you to pay for and clear the goods on the sale day, and sometimes it is possible to do this whilst the sale is in progress. Either pay by cash or, if paying by cheque and you are unknown to the auctioneer, please consult the accounts department. If paying by credit card, a small handling charge may be levied.

If you are an absentee bidder or otherwise unable to collect on the day, it would be advisable to make prior arrangements with the auctioneer. The cost of clearance is your responsibility. There are often removal contractors and vans attending at a large auction. Get as firm a quotation as you can and don't forget to tell the men if the grand piano you've just bought has to be carried up two floors!

Q. As a buyer, do I have to pay any commission?

A. Usually yes, a buyer's premium is payable; this is a percentage of the hammer price, which is variable, so enquire before you bid.

Q. Who is responsible for the lots I purchase while they remain on the auctioneers premises?

A. While the auctioneer will do all he can to safeguard your lots, they nevertheless become your responsibility after the fall of the hammer.

Q. Do I have to pay VAT on the hammer price?

A. This depends on the status of the vendor - please refer to the catalogue, where lots subject to VAT will be marked.

Q. Can I leave a bid with the auctioneer?

A. Yes, if you are unable to attend an auction sale or do not wish to bid yourself, the auctioneer will bid on your behalf within the limit you specify. Telephone bidding may also be accepted, although you must check with the auctioneer before the auction.

Q. Do I need to register and tell the auctioneer I'm there before he accepts my bids?

A. Most auction houses require you to register your details prior to each sale. You will be allocated a buyers number or paddle.

Selling at auction

Q. Why sell at auction?

A. By selling at auctions your antiques will be exposed to a wider audience of potential buyers, thus increasing your chance of obtaining the maximum price.

Q. Do I have to take the items to the auction house?

A. In many cases the auctioneer will make a home visit to inspect items without any obligation.

Q. How can the auctioneer help me?

A. He will be able to advise you on a wide range of items you are considering selling.

Q. Will there be a charge?

A. In most instances there is no charge for an inspection for sale, sometimes there may be a small travelling charge.

Q. What are the charges?

A. This is termed commission, a percentage of the sale price.

Q. Who pays the commission?

A. In most cases, the vendor. The purchaser may also have to pay a percentage in the form of 'Buyers premium'.

Q. What is a reserve price?

A. The auctioneer will guide you in this matter. The reserve price is the agreed price below which the auctioneer will not sell your property.

Q. Who pays and arranges for the removals from my house to the sale room?

A. The auctioneer will be willing to make the arrangements on your behalf. There will be a charge for collection and carriage to the saleroom.

Q. What about the 'hidden' extras?

A. VAT is always levied on commission. Other charges to the seller could include such things as catalogue illustration and insurance whilst on the auctioneer's premises. Some auction houses charge a small handling and lotting fee.

Q. Will I get a catalogue?

A. Yes, in most cases, if it is a catalogued sale, along with advice on the reserve price, unless otherwise previously agreed.

Q. When will I be paid?

A. In the case of a general sale it is usually within a fortnight, but may be longer in a more specialised sale. Enquire about terms in advance.

Q. What happens in the unlikely event of the item not selling?

A. The auctioneer will advise you, either to re-offer in a later sale with reduced reserve, or suggest that you collect the item.

Q. Which firm should I go to?

A. RICS would be pleased to send you a list of member firms in your area. Alternatively, log onto our website at www.rics.org.uk or call Contact Centre on +44 (0)870 333 1600.

There are several different outlets in the antiques and collecting industry where readers may buy or sell antiques. *Antiques Info* will not only provide readers with guidance on auctions as required but will also provide information on general or specialist dealers/fairs. See our *Readers' Letters*.

