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Auctions Increase as House Market Slows

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VERO BEACH — Donald and Christine Loftus started out selling their Vero Beach house through listing it on the real estate market.

But when no one quickly bought the house, they tried a different method — an auction, which was successful.

“We considered it later in the process because the traditional approach wasn’t moving quickly enough for us,” Mr. Loftus said.

Because of a slowdown in the real estate market, Ron Rennick, who has specialized for 25 years in auctioning property, said he is seeing more people like the Loftus’ seek his services.

Many property owners are choosing auctions rather than waiting possibly months to sell their houses, lots and condominiums on the open market, said Mr. Rennick, who owns Ron Rennick Real Estate Auctions Inc., in Vero Beach.

It’s not surprising that sellers may have to wait a while to sell their homes, considering statistics from the Realtors Association of Indian River County. As of June 13, 3,314 houses and condominiums were listed for sale in Indian River County — 790 on the beach and 2,524 on the mainland.

For those trying to get “last year’s price in today’s market,” auctions may not be the best choice, said Mr. Rennick.

But auctions can be ideal for home sellers who are attuned to the current market and want to make a quick sale, Mr. Rennick said.

“It can almost be for everyone under the right circumstances,” he added.

The auction results in a “fast sale at a fair price,” said Ron Rennick Jr., his son.

Mr. Rennick is a pioneer real estate auctioneer for the Treasure Coast. His business is the only one that serves the entire Treasure Coast and is devoted full time to auctions.

The process, he said, begins with a meeting between he or his staff and the property owner to determine whether an auction would be well suited for them.

If that determination is made, Mr. Rennick said, he recommends a reasonable suggested



Staff photo by Jay Meisel

Ron Rennick Jr. and Ron Rennick stand in front of a house auctioned by Ron Rennick Real Estate Auctions Inc. The former owners of the house, Donald and Christine Loftus, decided on an auction because the house wasn’t selling quick enough.

starting price for the auction. The bulk of the work occurs before the auction, he said, adding that involves putting out fliers, placing advertisements and sending mailings.

A typical auction may last less than 10 minutes, he said. “When people come to auctions, they’re ready to buy.”

Buyers generally must immediately provide 10 percent of the price and the remaining 90 percent within 30 days. So auctions are generally for people who have the cash to spend, as opposed to a first-time homebuyer, Mr. Rennick said.

He said he holds two types of auctions. One is a reserve auction, where the homeowner reserves the right to reject all bids.

That’s the type of auction he recommends to most people because the house “is their biggest asset,” he said.

Sometimes an absolute auction where the seller agrees to accept the highest bid is good

for people who can afford to take the risk, such as those who own multiple properties, he said.

An absolute auction can bring in good results and may draw more people, he said. The bottom line, Mr. Rennick said, is that 80 percent of the auctions result in sales. He said that one weekend recently his business conducted 15 auctions and all 15 properties were sold.

Like those, the Loftus house auction is an example of how successful the process can be, he said.

“We’ve always known that option was available,” Mr. Loftus said.

He said he was pleased with the way Mr. Rennick and his staff treated him and his wife and how the auction was conducted.

As to whether he would seek to have another auction, Mr. Loftus said, “Hopefully we’re not going to be selling again.”