

What is an Estate Sale? From EstateSalesNews.com

An estate sale has become a generic term used for the liquidation of personal property whether the owners are deceased, downsizing or moving for heirs, families, attorneys or realtors. The term estate sale use to be the sale of personal property of a person or persons who were deceased. Other descriptions used by some companies is tag sale or house sale.

Every estate sales company has its own way of conducting professional personal property liquidation. States and municipalities decide whether estate sales companies are licensed and regulated and each company determines what kind of personal property they wish to sell. Some companies choose to only sell antique contents.

Literally everything from A-Z can be sold in an estate sale. Automobiles to zippers and everything in between. This can include gold, silver and costume jewelry, art, old magazines, military memorabilia, sheets, clothes etc. The only limitation is what a company is willing to work with and what the client wants to sell.

Choosing the right estate sales company for your requirements is very important to you for your financial bottom line and peace of mind and knowing what to expect in the process.

If you need to have an estate sale, we recommend that unless you have personal property liquidation experience you're probably going to be more satisfied using a professional estate sales company rather than trying to do it yourself. The choice is yours, but knowledge and experience can prevent costly and unfortunate miss steps. It can also reduce an already stressful process.



Staging the estate sale – set-up for success

Although every company operates differently in how they stage and run an estate sale there are a few basics you should inquire about.

Staging is very important. Catching a buyers eye as soon as they enter the sale is very important. Most buyers that frequent estate sales can tell by the set-up if the estate sale company running the liquidation is professional by the appearance. High end and sought after items should be prominently and securely displayed.

You should inquire during your interviews if the company provides tables, table covers, locking show cases and additional lighting if necessary and if these supplies are professional in appearance. Even such a small item as a plate stand plays an important role.

Remember first impressions can greatly influence a buyers desire to press on and look or turn and leave especially if they are impulse buyers.



Estate Sales Contract

Having a contract between you and the estate sales company is very important. The contract should clearly detail:

- Name of the estate sales company
- Your name (you're hiring the liquidator)
- Date of the contract
- Address where the sale is to take place
- Dates the sale is to be held and time
- Party responsible for advertising costs
- Who is responsible and paying for permits (i.e. sign, sale etc.)
- Cost of the sale – commission, fee or both, make sure it is explicit
- How the net proceeds of the sale will be paid out, i.e cash or check.
- Payout for sale is end of each day or end of sale
- Any items to be excluded from sale
- Will you be charged if an item is removed from sale after contract signed
- Who is responsible for the clean out after the sale is concluded
- Does the liquidator provide a written account of items sold
- Any additional costs for specialists i.e. appraisers
- Is the company bonded and insured

All of these items should be in the contract for your protection and to prevent misunderstandings during the liquidation process.

Estate Sales Costs



Every estate sales company has a different method for being compensated. Some companies charge a straight commission based on the gross amount of sales. Other companies may charge a flat fee regardless of the gross proceeds. Another company may charge a minimum (the least amount of money they are to be paid regardless of the proceeds of the sale) plus a commission.

Some companies may even charge by the hour. Depending on the company and where the company is located depends on how they charge.

Some questions you may consider asking during an estate sale company interview:

- Who pays for advertising, permits, licenses (if needed) etc.?
- Are there any upfront costs to you?
- How will you receive your net proceeds of the sale?
- Do they settle up at the end of every day and pay you cash, or do they wait until after the sale and issue you a check?
- If the company accepts charge cards who pays the fee and how much?

Some companies may provide you with an accounting of the sale. Some will show only items sold over a certain dollar amount, while others might offer you a spread sheet showing everything sold right down to a 50 cent item. And some companies do not do any accounting.

How an estate sales company handles the proceeds for you at the conclusion of the sale and how you feel about the final payout method should be what is most comfortable for you the consumer.