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With more commercial auctions on the horizon outstanding opportunities will exist for investors

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As the country's economic woes continue, investment opportunities are plentiful. Auction companies are well positioned for an increasing role in commercial real estate sales. Across New England, real estate auctions featuring commercial properties are taking place at a rapid pace. This market shift presents an outstanding opportunity for buyers to acquire solid investments at auction.

This article reviews a number of different types of real estate auctions and provides concrete details of upcoming opportunities from each auction category.

FORECLOSURE AUCTIONS

As foreclosure filings increase by record amounts, great values are on the horizon. It is important for prospective buyers to focus their efforts on those foreclosure proceedings that provide the best opportunity to buy. Local community banks are generally more realistic and intent on selling to third parties at auction. Local lenders tend to analyze the property more closely and develop an auction strategy that reflects current market conditions and avoids having to take the property into their portfolio. Large, national lenders are less aggressive about marketing and selling properties at auction and tend to use the auction as a legal proceeding to gain ownership of the premises.

A variety of commercial real estate foreclosure auctions are scheduled in the coming weeks. They include a former Kentucky Fried Chicken on Rte. 12 in Webster, a 1.25 acre development site near the Mass. Turnpike in Worcester and a Pub & Grill in Franklin.

MUNICIPAL AUCTIONS

As cash strapped cities and towns grapple with grim economic outlooks and cuts in local aid, they will need to seek alternative sources of revenue. This will necessitate town officials examining their tax possession property lists. There is no doubt that many communities will liquidate real estate using the auction method of marketing. As they dispose of these properties, municipalities will seek to generate as much one time revenue as possible and restore the properties to the tax rolls.

Municipal auctions present outstanding opportunities for buyers because of the seriousness of the seller. It is important to make the distinction that these types of auctions are held subsequent to the properties being foreclosed on, have clear title and are not subject to back taxes or other liens.

Examples of upcoming municipal auction opportunities include a 1 acre commercial parcel next to the I-95 Connector in Salisbury and buildable lots in charming Oak Bluffs.

PRIVATE SALES

As traditional real estate sales methods fail to generate offers, private sellers will increasingly turn to auctions to guarantee activity. With builders, developers and investors continuing to sit on assets in

a declining market they will seek creative, cutting edge methods of sale to get results. An aggressive and accelerated auction marketing plan will generate energy, excitement and spirited participation. It will allow the seller to move assets expeditiously, limit losses, and reinvest capital.

A scheduled developer's liquidation auction in Millbury represents an ideal investment opportunity. A 20 acre parcel with development potential and two new construction single family homes will be sold to the highest bidder regardless of price.

ABSOLUTE AUCTIONS

Absolute auctions represent the best opportunity for prospective buyers. An absolute auction is an auction conducted with no reserve or minimum bid, where the property is sold to the highest bidder regardless of price. Although risky for the seller, absolute auctions typically generate the highest level of interest and stimulate competitive bidding. Serious sellers often embrace this method of sale and attendees participate enthusiastically knowing they will have a genuine opportunity to purchase at a price they are comfortable with.

A variety of properties are scheduled to be sold absolute in the near future. They include: single family homes in Ipswich and Sutton, a two family buildable lot in the beach area of Salisbury and properties previously mentioned in Oak Bluffs and Millbury. These are auctions any serious real estate investor will want to attend.

Don't delay, start attending auctions today.

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