Streamlining Property Auctions for Time and Cost Savings

A Case Study for Klamath County, Oregon

Executive Summary

Conducting auctions of surplus property typically requires significant time, effort, and expense for property sales departments. However, Klamath County, Oregon has found success using **Veerus Auction Manager** to reduce cost, streamline operations, improve accuracy, and ultimately generate more revenue.

Some of the specific auction-related projects that are now improved for Klamath County include:

- Marketing parcels to the public with real estate details and photographs.
- Registering bidders and generating bid cards.
- Automating and improving accuracy of the legal documents for each sale.
- Tracking the financial details of each sale, including down payments, recording fees, and installment payments.

Following the analysis of a successful two-day auction in June 2017, the auction administrator concluded that Klamath County increased its sales by 50%, reduced the required labor by two person-months, and saved several thousand dollars by using Veerus Auction Manager.

Background

Like many governments, Klamath County, Oregon periodically conducts a public auction to liquidate surplus real estate. In addition to generating significant revenue directly from the auction proceeds, this process benefits the County on an ongoing basis by removing maintenance and upkeep costs, and by returning sold parcels to the tax roll for future assessment.

However, conducting these auctions has typically required significant effort and expense for the Klamath County Property Sales Department. Some of the time-consuming activities associated with each auction have included:

- Selecting the properties to be sold at each auction from the County's inventory.
- Assembling detailed real estate information for each parcel and making that information available to prospective buyers.
- Manually typing bidder registration information from paper forms.
- Generating bid cards for use by bidders on the day of the auction.
- Creating the various legal documents (such as sales agreements and deeds) to be signed and recorded for each sale.
- Tracking the financial details of each sale, including down payments, recording fees, and installment payments using complex spreadsheets.

With the previous process, it would usually take the Property Sales Department two weeks or more after the conclusion of an auction to complete the various legal documents and associated administration.

Solution

Klamath County decided to implement **Veerus Auction Manager** to streamline the administration of its property auctions. Because Veerus Auction Manager is offered as a subscription service, this decision didn't require capital expenditures for computer hardware or complex software integration as all systems are managed by Veerus.

The Veerus Auction Manager solution provided several immediate benefits to the Property Sales Department, including:

- **Parcel database**. The software manages a database of all parcels in the county's inventory, including details such as legal description, map tax lot, assessor parcel number, and real market value, as well as a collection of photographs.

- **Auction management**. Staff can define multiple auctions, each with their own open, start and end dates, and decide which parcels from its inventory should be included in each auction.

- **Public auction website**. When an auction is made public by the department staff, details and photographs of the parcels included in that auction are published to a dedicated website managed by Veerus, allowing interested buyers to research available properties on their own . Feedback from buyers about the inclusion of photographs has been particularly positive, as those were not available to the public previously.

- **Online bidder registration and bidder registration database**. Prospective bidders can submit their registration information online and automatically generate registration forms. The property management staff can track all registered bidders in a centralized location.

- **Bid card generation**. The auction administrator can generate bid cards for all approved, registered bidders in a single action.

- **Creation of legal documents**. Following each sale, the relevant legal documents can be generated with minimal effort, using the customized language developed by the County's legal team, and in the specific document formats approved by the County Recorder.

- **Financial tracking**. The system tracks the financial details of each sale, including down payments and recording fees. In cases where the purchase price is not paid in full, the software tracks balances due, payment dates, and interest, and generates the legal documents for payment agreements.

Results

Klamath County conducted a two-day property auction in June 2017 using Veerus Auction Manager. Over those two days, the County sold 130 of the 138 properties it had listed.

Analyzing the results after the conclusion of the auction, the administrator found that on the auction day, it had required only about three minutes to process each sale: recording the winning bidder and sale price, and generating and printing the associated legal documents. The two-day auction resulted in 263 sales documents being created, signed, and recorded, so this represented a significant time savings.

"It used to take about two weeks to complete all of the paperwork after a property auction. This time, I was able to go home at 5pm each day, with all of that day's documents already completed!"

Terry Wells
Klamath County Assistant Property Manager

The County also found that the bidders in the auction were happy with the improved process, specifically citing being empowered to do property research online on their own time before the auction, and significantly reduced wait times for processing their purchases after a winning bid.

In summary, the analysis found that Klamath County increased its sales using Veerus Auction Manager to market the properties and manage the auction. With the software, Klamath County:

- increased its overall sales by 50%,
- significantly increased marketing and advertising for the auctioned properties,
- reduced the required administrative labor by approximately two person-months,
- saved several thousand dollars in overall expenses, and
- achieved higher customer satisfaction.

Discover how Veerus Auction Manager can help streamline your upcoming property auctions.

Let's talk:

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