



X



# THE AUCTION OPTION

How Listing Agents Leverage Auctions  
to Sell

## WHEN?

- Your listing is no longer “new.”
- Your seller is wondering why there isn't more activity, traffic or offers.
- You are contemplating a price reduction
- Your seller may be considering a new listing agent.

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## WITH PARAMOUNT'S PHASE 2 APPROACH...

Agents can unlock new momentum and results:

- ✓ **REFRESH YOUR LISTING** with a strategy that creates renewed interest and momentum.
- ✓ **ATTRACT NEW BUYERS** and re-engage prior ones by leveraging an auction format.
- ✓ **DON'T REDUCE THE ASKING PRICE** and lower the ceiling; instead, go with a “minimum bid price,” which serves as a floor.
- ✓ **KEEP YOUR LISTING AGREEMENT** and full commission structure in place.
- ✓ **AVOID LOSING YOUR LISTING** to another agent by providing your seller with a compelling alternative: “don't change your agent, change your strategy.”
- ✓ **EARN ADDITIONAL REVENUE** from Paramount in addition to your regular commission.

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## MECHANICS

1

Your listing agreement and fee structure stay in place exactly as-is.

2

Seller signs a separate agreement with Paramount, which collects a Buyer's Premium at closing.

3

Paramount provides revenue-share to you and your firm.

4

Conclusion: Agents gain (a) a powerful new tool and (b) additional revenue.

To learn more about the Laffey/Paramount collaboration, click [here](#).

To discuss an auction for your listing now, click [here](#).

# CASE STUDY



## 40 EAST 61<sup>ST</sup> STREET MANHATTAN

Closed (\$4.16M)

According to the listing agent, the seller wished to terminate the agent's exclusive agreement to hire a competitor that offered auction services. When the agent learned of our partnership with her firm, she immediately contacted us for assistance. In short, we were retained and, ultimately, leveraging the Enterprise Relationship with Paramount:

- ✓ Enabled the listing agent to keep the listing
- ✓ Earned the listing agent a 6-month extension on the term of her exclusive
- ✓ Facilitated a meaningful reduction in seller's price expectation
- ✓ Triggered a speedy sale: accepted offer within 2 days of launching and a signed contract within 29 days
- ✓ Generated a full commission to the listing broker PLUS additional revenue from Paramount

### BENEFITS FOR SELLERS

- ✓ More marketing/exposure plus more urgency due to a more compelling "auction" messaging.
- ✓ More engagement, traffic, and offers.
- ✓ Conclusion: Listing is more likely to sell because seller is more likely to agree that every avenue has been exhausted to maximize value.

### BENEFITS FOR LISTING AGENTS

- ✓ Sell More: Sellers who prefer auction are more likely to sell by auction.
- ✓ Sell Faster: Those sellers sell faster by auction.
- ✓ Earn More: Paramount provides revenue-share.

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# PRESS

THE WALL STREET JOURNAL  
**WSJ**

10/30/24

**“More closely associated with pricey art or collectibles, auctions are on the rise for luxury real estate, with auction houses reporting a dramatic spike in the number of high-net-worth sellers seeking their services since 2020.** Amid a slowdown in luxury home sales, auction companies are pitching homeowners on their ability to market unique properties to a range of deep-pocketed buyers beyond local markets and to sell them within a precise time frame...[CEO Misha] Haghani, who founded Paramount in 2009, said his company has seen a flood of interest from high-end sellers since the pandemic, 99% of it now inbound from homeowners approaching Paramount.”

**MANSION  
GLOBAL**

*“More Affluent Home Sellers  
Are Turning to Auctions”  
10/30/24*

“Buyers and sellers alike have grown more fascinated with and accustomed to the concept in order to acquire or sell properties quickly. Meanwhile, traditional real estate brokers over the past several years have become more open to luxury auctions, and, in some cases, have established concrete partnerships with niche auction houses, experts noted. **‘I don’t think that it’s the micro or the seasonality or the market conditions that is the primary driver behind this growth in momentum in this auction industry,’** said Misha Haghani, founder of New York-based luxury real estate auction house Paramount Realty USA. **‘It’s the macro—I think it’s the market acceptance of auctions as a more common method of selling assets.’”**

**CRAIN’S**  
NEW YORK BUSINESS

*“Sellers Consider Auctions a  
Winning Strategy”  
1/4/24*

“Industry players seem to be coming around to the idea. In the past couple of years, major brokerages have partnered with upstart auction houses, including Anywhere Real Estate (the former Realogy, which includes brands Corcoran Group and Coldwell Banker), which bought a controlling stake in home-selling service Concierge Auctions in fall 2021. Similarly, CoStar Group snapped up commercially-focused Ten-X in 2020 for \$190 million. **Last year, meanwhile, the brokerage Compass teamed up with 15-year-old Paramount Realty USA to ‘instill urgency into the sale process for certain properties,’** according to its press release.”

**THE REAL DEAL**  
REAL ESTATE NEWS

1/5/24

“Major brokerages have partnered with auction houses in recent years to facilitate the process for sellers. Anywhere Real Estate owns a controlling stake in Concierge Auctions, while **Compass has a partnership with Paramount Realty USA.**”

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# LUXURY PROPERTY AUCTIONS

## ABOUT PARAMOUNT REALTY USA

Paramount Realty USA is a prominent national real estate auction firm. The team has marketed, sold or advised on over \$2 billion of real estate and mezzanine interests throughout North America by auction. The firm has auctioned luxury, residential and commercial property for high net worth individuals, private equity firms, developers, family offices, lenders, government agencies, and other owners of real estate. Visit [www.prusa.com](http://www.prusa.com) for more information.