

Orange Beach Auction

Simply raising a hand could net a 142-acre horse farm or 35 Gulf-front condominium units — if you're the highest bidder.

It's summertime, and the auctions are hot in Baldwin County and becoming more and more common.

Homeowners, developers and, of course, banks are turning to auction companies to unload property. Some owners aren't desperate, but want to sell what they hold quickly and move to other investments. Others are feeling the economic pinch of paying interest on unsold lots or see foreclosure clouds looming over their excess inventory.

There have been successes: Last week, 50 condo units at Emerald Greens off Alabama 59 in Gulf Shores, adjacent to Craft Farms, sold at absolute auction for \$6,393,750, according to National Auction Group. There were 86 registered bidders from nine states, plus Kuwait and Canada.

And some not-so-successful ventures: The owners of 2,000 acres along 7 miles of waterfront on Perdido Bay in Lillian canceled a planned auction when none of the 27 potential bidders were interested in buying big tracts, according to National Auction. Instead, the owners sold four tracts totaling 154 acres, netting \$465,300.

Auctioneers say there is demand, giving the example of the 500 bidders who stood in the pouring rain in May to buy 44 condo units at Crystal Tower in Gulf Shores. The absolute auction brought in more than \$13 million.

Many people wanted to buy condos when the market was bustling but couldn't afford the million-dollar price tag, according to William Bone, president of National Auction Group. "A lot more people can pay \$300,000, though, in today's market," he said.

The auctions will slow down when the inventory gets cleaned up, he said.

In mid-July, there were 2,112 condo units listed for sale in Gulf Shores, Orange Beach and Fort Morgan and 1,105 of those were Gulf-front units, according to the Baldwin County Multiple Listing Service.

In August, the auction frenzy continues. Sheldon Good & Company, one of the largest real estate auction firms in the country, plans to sell 35 units at San Carlos in Gulf Shores, with 15 of those offered at absolute auction on Aug. 17.

Vision Bank has hired National Auction Group to sell a variety of its properties in Baldwin County on Aug. 9 at a mega event in the ballroom of Perdido Resort in Orange Beach.

Vision's auction includes, among other properties, beachfront and bayfront lots, five condo units at Sanibel in Gulf Shores, 42 acres in Fairhope, two homes in Craft Farms, a Grand Caribbean condo unit in Orange Beach, a horse farm in Magnolia Springs and 103 lots in Crimson Ridge subdivision on Baldwin County 8 in Gulf Shores.

"It's the sign of the times," said Joey Ginn, chief executive officer of Vision Bank, based in Panama City, Fla. "I don't think there is a bank out there today that's been in business for the past five years that

does not have some foreclosure properties."

Not all of the properties are foreclosures, he said, adding that some customers who had properties for sale added there's to the mix.

"We're not unique to using an auction company," Ginn said. "Other banks have done it, maybe not in that market, but here in Florida."

In a normal market, Realtors don't like auctions, according to Larry Powell of Meyer Real Estate on Fort Morgan.

But, "in the market we have now, it creates and generates activity," he said.

"And a good auction sets some values that we as a market can put our teeth into" when the last couple of years have yielded few comparable sales to use in pricing.

A true, absolute auction will set the market prices, according to Chuck Norwood of REMAX of Gulf Shores.

But he said that while an auction is quick, and there have been some successes, sellers who price their properties correctly could just as well use a Realtor.

"I've said all along, people with realistic prices are moving property," Norwood said.

Paula Ingle of Coastal Auction Co. in Gulf Shores said that her company will tell a seller upfront if the asking price is unrealistic.

"You have to be truthful," she said. "Otherwise, everybody has wasted their time and money."

Sheldon Good rejects a lot of business because of the seller's pricing, according to Michael Fine, an executive vice president at the firm's Chicago office.

"We learn what they want and don't believe it's achievable," he said.

The San Carlos auction will be the first Alabama coast auction for Sheldon Good. It won't be at the beachfront site in Gulf Shores, but at the Renaissance Riverview Plaza Hotel in downtown Mobile.

"The idea is to make the location convenient to the bidders," Fine said. "We believe the bidders will come from not only Alabama, but a fairly strong number will come from the Georgia, Texas and the Atlanta area." Many could travel on commercial flights to Mobile, and during the summer, it can be difficult to find a place to stay the night at the beach, according to Fine.

Having absolute auctions with no minimum bid price is the key to drawing crowds, especially buyers from out-of-town, auctioneers say.

"People want to know that if they travel a great distance, they can be the highest bidder and get it," Bone said. "They don't want a pre-set price. But that doesn't mean properties sell cheap." Please let me know if you are looking for info on upcoming auction. [Gulf Shores Realtor](#)