

 IN PERSON

Deciphering the Fine Print of Real Estate Auctions



BY STEVE ADAMS
BANKER & TRADESMAN STAFF

After a career start as a title examiner, Marianne Sullivan got her first taste of the real estate auction business when she joined Paul Saperstein Co. After 15 years, she was ready to strike out on her own and founded her own auction house, Sandwich-based Sullivan & Sullivan Auctioneers. The company has six employees and conducts approximately 100 real estate auctions a month in Massachusetts, New Hampshire and Rhode Island, with its expanding presence in the tax foreclosure business picking up the slack as foreclosures have declined.

Q: What's Sullivan & Sullivan's niche within the industry?

A: We're a commercial auctioneering firm. We conduct foreclosures, condominium lien sales and we have diversified into the municipal auction market as well when we saw a decrease in foreclosures over the last five years. Now we hold contracts with the state of Rhode Island, Massachusetts and several major cities and towns. It's really become another presence for our company: non-payment of real estate tax auctions all over the state. It's big business. We're continuing to invest in technology and always looking to the future of this industry. Online auctions are driving the market, so the business is really going to change within the next few years.

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Q: When did you know you were ready to start your own company?

A: I started the company in 2007 in Boston, renting a desk at a real estate office because I was very nervous and I had never run my own company before. Then we moved to the Cape and bought a property on Route 6A, and this is our headquarters. I'd had an opportunity to learn the auction business for 15 years and had great training and great leaders, but I knew I wanted my own company at that point. I wanted to be an expert and wanted my ethics to dictate what I could do, so I needed to have my own company and employees. About a year ago we were scheduling 175 auctions a month, but now obviously the economy is good and foreclosures are down. There are always some new moratoriums and case law, and it really keeps these law firms very busy.

Q: Did your father join the firm at the outset?

A: He was part of the startup team. He is basically retired now and only works on a part-time basis, but he gave me everything that I need. He was in refrigeration and restaurant equipment and used to go to auctions. That's how he knew Mr. Saperstein and that's how I started to work with them.

We are hired by banks and lawyers, and they are working under the strict guidelines of the national servicers, so we try to keep that in mind when it comes to compliance, training, security and technology.

Q: What are some of the complications of conducting a real estate auction?

A: TRhode Island, New Hampshire and Massachusetts are non-judicial foreclosure states, so we have to conduct auctions on or about the property. Sometimes properties are occupied. It's a sensitive situation. It could be occupied by an owner or a tenant.

We have to be sensitive to all of the situations. We try to understand their difficulties and call the attorneys and be constantly relaying information, just to make sure that every opportunity has taken place that the foreclosure doesn't go forward. We're just the messengers. We're the auctioneers and we're trying to facilitate an auction and an order from the attorneys we work with. It's a very delicate situation.

Q: How are you using technology to enhance your services?

A: It's been such a big investment for us. I think we're the only firm which has a client login wherein our clients and banks can access a database that gives them any information they would be requesting on a piecemeal basis. All of our reports are accessible for the client.

I train our auctioneers and agents to go above and beyond. What time did you arrive at the property? How many qualified bidders did you have? What time did you make a certificate of entry? What was the weather? Who were the qualified bidders? They'll be able to access everything, and we always keep the servicer in mind.

We are hired by banks and lawyers, and they are working under the strict guidelines of the national servicers, so we try to keep that in mind when it comes to compliance, training, security and technology. The servicers want to make sure they do business with people who are compliant and up-to-date on industry standards and knowledge. ◀

SULLIVAN'S FIVE FAVORITE WAYS TO ENJOY THE SUMMER:

1

Performances at
The Cape Playhouse

2

Visiting shops along
scenic Route 6A

3

Cool sounds at Cape
Cod Jazz Festival

4

Cruising in her '56
Oldsmobile Super 88

5

Summer breezes at
the Nantucket Hotel

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