

FAQ

What is a Real Estate Auction?

Auction is a form of marketing a property through an intensive campaign. The aim is to attract interest from a maximum number of buyers within a set time frame. At auction, the property is sold to the highest bidder above the reserve price.

What is the reserve price?

The reserve price is usually set on the day of the auction by the client/vendor. It is the minimum price that the client/vendor will accept. When the bidding reaches/passes the reserve price, the Auctioneer will call the property "on the market" and will be sold to the highest bidder.

How do I bid at an auction?

Simply attract the attention of the auctioneer by:

1. putting up your hand
2. calling out
3. nodding your head when you catch the auctioneer's eye.

The auctioneer will nominate the amount of the bid he or she is looking for. However, you can state a different amount when you make a bid, the Auctioneer may or may not accept this lesser offer!

If you are the successful bidder, you will be asked to pay the deposit and sign a contract.

Do I need to organize finance so I can bid at an auction?

Yes, you will need to have a pre-approved loan. This pre-approval will allow you to bid in complete confidence under the conditions of a cash contract.

Can I buy before and auction?

Yes. Auction properties are often sold this way. You simply submit a written offer via the property agent on a Contract of Sale. If the client/vendor agrees to the price and conditions, the contract is completed to finalise the sale. Your property agent can provide further advice.

What if the property does not sell at the auction?

If the reserve price is not reached at auction, It is "passed in". In this case the property will be offered for sale to all interested parties. The Auctioneer may bid on behalf of the client to set the stage to negotiate after auction.

What contract do I sign and what are the standard conditions?

The contract will be available to read prior to auction as will the terms and conditions of auction. The usual conditions for purchase are:

1. Deposit – 10% of the purchase price paid as a deposit either by cash or cheque.
2. Settlement date is the day on which the full purchase amount is due. This is usually 30-40 days from signing the contract.

We're here to help you!

Our experienced agents and the Auctioneer are here to help assist you. We do understand it is a stressful time and will give you all the help you need to make this a stress less event.

A Guide to Conditions of Sale by Public Auction for Real Property

1. The highest approved bidder will be the buyer subject to:
 - the reserve price; and
 - the seller's approval
2. The seller may bid, either personally or by a representative.
3. The bidder warrants their ability to enter and complete the contract of sale in accordance with its terms.
4. Any person bidding on behalf of another person must provide the Auctioneer with a copy of their written authority before the auction, otherwise the bidder will be taken to be acting on their own behalf.
5. The Auctioneer has the discretion to refuse to accept any bid from any person. A bid will be taken to be accepted and irrevocable unless the Auctioneer, immediately after it is made, refuses it.
6. The decision of the Auctioneer is final in all matters relating to the auction and no bidder has any right of recourse against the Auctioneer or the seller.
7. Without affecting condition 6, if there is any dispute over a bid, the Auctioneer may:
 - re-open the bidding and resubmit the property for sale starting with the highest bid previously accepted; OR
 - determine the dispute in any other way the Auctioneer considers appropriate in his/her absolute discretion.
8. Immediately on the fall of the hammer, the bidder of the highest bid accepted must sign, as buyer, the Contract of Sale in the form displayed or circulated with these conditions of sale and pay the deposit to the nominated stakeholder.
9. The deposit payable under the Contract of Sale is 10% of the successful bid or any other percentage or figure nominated in the Contract of Sale.
10. The seller and the buyer agree to sign all documents and do everything else necessary to transfer the property to the buyer. The seller and buyer each appoint the Auctioneer their agent to sign the Contract of Sale on their behalf. This appointment is non-revocable.
11. If the buyer does not pay the deposit, at the sellers option:
 - the result of the auction will be treated as invalid and the property may be resubmitted to public auction at the risk and expense of that buyer; OR
 - the seller may affirm the Contract of Sale and pursue their legal and other remedies against the buyer as they see fit.
12. Insert special conditions (if any).

BUYERS SIGNATURE

SELLERS SIGNATURE

GST Announcement and Clarification

At Auction announce in clear terms if GST is to apply or not

THE SELLER IS IS NOT REGISTERED FOR GST *(tick box)*

Announce publicly one of the clauses listed hereunder

- The property is offered for sale on a GST inclusive basis – which means the knock down price is the sale price.
- The property is offered for sale on a GST exclusive basis – which means the knock down price attracts GST at 10% of the selling price. (Registered GST seller).
- The property is offered for sale under the Margin Scheme – which means that the knock down bid is the sale price and GST payable by the seller is 1/11 of the margin. (Registered GST seller.)

Auctioneers Instructions

Auction Date _____

Property Address _____

Points to highlight _____

Reserve Price _____

Call for \$ _____

Client Bid ? _____

Details on Bidders _____

Client Present ? _____

Special Instructions to Auctioneers:

Agent: _____

Date _____

To the auctioneer

LETTER OF INSTRUCTIONS OF RESERVE PRICE FOR AUCTION:

The above mentioned property is to be offered for sale by public auction

on _____ at _____

I/we confirm that the reserve price for this property is to be set at \$ _____

I/we further authorize you at your discretion to refer any bid above \$ _____ to me/us for consideration should the reserve price not be reached.

Should the property be sold at auction, I/we confirm your authority to sign all documents to form the contract of sale.

SELLERS SIGNATURE

SELLERS SIGNATURE

NAME

NAME

WITNESS

DATE

DATE

Date _____

To _____ (Agent for Seller)

LETTER OF AUTHORITY FROM PERSON TO BID FOR AND ON BEHALF OF ANOTHER PARTY AT THE AUCTION OF:

Address _____

Please be advised that the person named below is authorized to bid on our behalf at the auction of the above-mentioned property and you also are authorized to take such bids from this person.

If sold to us our representative is authorized to immediately pay the deposit of _____% of the purchase price, complete the contract of sale with the following buyers details and sign the contract of our behalf.

PARTY AUTHORISED TO BID:

Name _____

Address _____

Identification (eg Drivers License Number) _____

Signature _____

BUYERS DETAILS:

Name _____

Address _____

Telephone _____

Identification (eg Drivers License Number) _____

SOLICITORS DETAILS:

Name _____

Company _____

Address _____

Telephone _____

BUYERS SIGNATURE

BUYERS SIGNATURE

NAME

NAME

APPROVED BY SELLERS

DATE

Date _____

To _____ (Agent for Seller)

LETTER OF AUTHORITY FROM PROSPECTIVE BUYER FOR AGENT TO CONVEY TELEPHONE BIDS AT AUCTION OF:

Address _____

Please be advised I/we will not be attending the auction of the above mentioned property but wish to reserve the right to bid via telephone during and immediately after the course of the auction.

I/we hereby authorize the auctioneer/selling agent to sign the contract of sale on our behalf.

If successful in purchasing the property, the buyers details to be entered on the contract are as follows:

BUYERS DETAILS:

Name _____

Address _____

Identification (eg Drivers License Number) _____

DEPOSIT DETAILS:

Payment of deposit by 12 noon next business day or _____

SOLICITORS DETAILS:

Name _____

Company _____

Address _____

Telephone _____

BUYERS SIGNATURE

BUYERS SIGNATURE

NAME

NAME

APPROVED BY SELLERS

DATE

Auction Bidding Summary

PROPERTY _____

AUCTIONEER _____

AUCTION DATE _____

ATTENDANT _____



Queensland Property Agents & Motor Dealers Act 2000
The Agents and Motor Dealers (Auctioneering Practice Code of conduct)
Regulation 2001, contains the following:

Clause 32 Registration of Bidders

(1) An Auctioneer must use the auctioneer's best endeavours to register all bidders at Auction

To assist us to comply with this requirement, if you have interest in today's property would you please complete the following

Name: _____

Address: _____

Phone: _____ Mobile: _____

Note: We undertake not to disclose your personal information to any third party. However, to ensure that you are kept informed of similar properties in the market, we may contact you about other properties as they become available. If you do not wish to be contacted by us, please tick the following box

You can remove yourself from our contact database at any time by make contact with us.

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CONDITIONS OF SALE BY PUBLIC AUCTION FOR REAL PROPERTY

1. The highest approved bidder will be the buyer subject to:
 - * the reserve prices, if any, and
 - * the seller's approval
2. All bidders must be registered. The Auctioneer may register a person as a bidder only if the person has provided his/her name and address and satisfactory evidence of his/her family. The Auctioneer is required to keep a register of all bidders at the auction in accordance with Queensland Government regulations.
- 3 Bids will only be accepted from registered bidders.
4. Bidders must use the numbered identifier provided by the Auctioneer to make a bid during the auction.
5. The seller may bid, either personally or by a representative.
6. The bidder warrants their ability to enter and complete the contract of sale in accordance with its terms.
7. Any person bidding on behalf of another person must provide the Auctioneer with a copy of their written authority before the auction; otherwise the bidder will be taken to be acting on their own behalf.
8. The Auctioneer has the discretion to refuse to accept any bid from any person. A bid will be taken to be accepted and irrevocable unless the Auctioneer, immediately after it is made, refuses it.
9. The decision of the Auctioneer is final in all matters relating to the auction and no bidder has any right of recourse against the Auctioneer or the seller.
10. Without affecting condition 9, if there is any dispute over a bid, the Auctioneer may:
 - * re-open the bidding and resubmit the property for sale starting with the highest bid previously accepted; or
 - * determine the dispute in any other way the Auctioneer considers appropriate in his/her absolute discretion.
11. Immediately on the fall of the hammer, the bidder of the highest bid accepted must sign, as buyer, the Contract of Sale in the form displayed or circulated with these conditions of sale and pay the deposit to the nominated stakeholder.
12. The deposit payable under the Contract of Sale is 10% of the successful bid or any other percentage or figure nominated in the Contract of Sale.
13. The seller and the buyer agree to sign all documents and do everything else necessary to transfer the property to the buyer. The seller and the buyer each appoint the Auctioneer their agent to sign the Contract of Sale on their behalf. This appointment is non-revocable.
14. If the buyer does not pay the deposit, at the seller's option:
 - * the result the Auction will be treated as invalid and the property may be resubmitted to public auction at the risk and expense of the buyer; or
 - * the seller may affirm the Contract of Sale and pursue their legal and other remedies against the buyer as they see fit.
15. Insert special conditions (if any).

Sellers signature

Buyers signature

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