

BIDDERS GUIDE TO CONDITIONAL AUCTIONS

Condition auction sales are a great way of giving interested parties who require traditional finance and mortgage a better chance to bid at auction.

The auction take place as you would expect, with interested parties bidding in real time against each other in a live online auction. The highest bidder then agrees to buy the property at the end of the auction (subject to their bid being over any reserve set by the seller), but instead of there being an instant exchange of contracts they enter into a Reservation Agreement.

The highest bidder benefits from having secured the property at a fixed price, allowing a longer time to exchange contracts and complete, allowing them a better chance of arranging a mortgage.

The Reservation Agreement will be available to view in the Legal Pack and will:

- Allow a maximum period for the highest bidder to exchange contracts and then complete the purchase. Typically, this is 56 days in total from the auction (28 days to exchange and 28 days to complete) and will be stated in the Additional Information section of the auction website property particulars.
- Prohibit the Seller from accepting offers from any other party.
- Specify a Reservation Fee, payable at the close of the auction, part of which will get applied to the 10% deposit that is payable on exchange and part will be applied as a contribution towards the Auctioneer's costs. The split will be stated in the Additional Information section of the auction website property particulars.

The Legal pack will contain the terms of Sale and other important information so you should read this before bidding.

Please note:

- If you do not exchange within the specified period, the Reservation Fee will not be refunded.
- If the Seller's solicitor has provided a full Legal Pack and the Seller agrees, you can choose to exchange sooner, including on the day of the auction if you so wish.
- Whilst the aim is to give interested parties more time to arrange finance it is your responsibility to check with your chosen mortgage provider that the Property would be deemed suitable for mortgage lending purposes and you are able to meet the required timescales.
- You should act as a prudent Buyer and carry out all due diligence you require before bidding. If you choose to buy a Property without taking these normal precautions, you do so at your own risk.