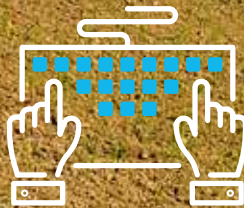




# Your Guide to Online Property Auctions



# Introducing Sunderlands Online Property Auctions



Whether you are buying an investment property or your dream home, Sunderlands Online Auctions enjoys all the benefits of traditional public auctions, including speed and certainty of sale, transparency and zero risk of gazumping or double-selling, but with the added advantage of being able to bid pressure-free from the comfort of your own home or office via desktop, tablet or mobile phone.



## A Guide for Buyers

Online auctions are formal auctions and are in principle the same as traditional “public” auctions. As with public auctions, properties are usually able to be viewed up to the online auction and legal packs are available to inspect prior to the auction bidding going “live”. Once the auction commences no changes will be made to the legal pack. We always recommend prospective bidders ask a legal representative to check the legal pack on their behalf prior to bidding.



## Buyer Registration

In order to bid, you will first need to register and create an account. This requires you to verify your email address, by clicking an activation link that we'll send to you via email. Once you've created an account you can 'watch' lots that you're interested in (you'll be kept up-to-date throughout the auction cycle), as well as gain access to the legal packs. In order to place a bid on a lot you will need to complete the bidder registration steps, as detailed below. Please note, the first time you register to bid you will also be asked to verify your mobile number and upload copies of your photo ID (e.g. driver's licence or passport) and recent proof of address (dated within the last 3 months). This is required by law so we can undertake an electronic anti-money laundering check and will help us easily keep in touch.

## Terms and Conditions

You will also be asked to read and accept our Online Auction 'Terms and Conditions'. Additionally, there may be specific documentation relating to the sale of the property you are registering to bid on that will need to be read and accepted before you are able to bid.



# The Pricing Guide

## Guide and Reserve Prices

Each auction property is advertised with a Guide Price but is also subject to a Reserve Price. The Guide Price is the expected level where the bidding will start. The Reserve Price is the seller's minimum acceptable price at auction and the figure below which the auctioneer cannot sell. Both figures are subject to change.

## Deposit

A deposit of 10% of the purchase price (minimum of £2,000 or the total price, if less) is payable on all purchases. The balance of the purchase price will usually be due within 28 days of the auction date.

## Agent's Fee

All successful purchasers will be required to pay an Agent's Fee of £600 inclusive of VAT. The fee must be paid alongside the deposit amount. Failure to pay the relevant deposit and fees will result in a breach of contract.

## Recommended Due Diligence

In general terms, you are strongly advised to view the property and take professional advice as to its condition and suitability. You should also ensure that you thoroughly read and understand the legal pack and any other associated documentation available online, and take proper legal advice accordingly. Finally, understand the contract you are entering into and the financial commitment that you will be liable for should you be the successful purchaser.



# The Bidding Process

When the auction opens, you will be able to place bids in line with the pre-determined bid increment levels, using the bid increase (+) and decrease (–) buttons provided. Each time you submit a bid you will be clearly shown whether your bid was successful, and a full list of all bids will be displayed on-screen at all times.

## Maximum (Proxy) Bids

You are not restricted to placing a bid at the minimum bid amount, but can instead increase your bid and place a maximum (proxy) bid in the system. By setting a maximum bid, the system will automatically bid on your behalf to maintain your position as the highest bidder, up to your maximum bid amount. If you are outbid, you will be notified via email so you can opt to increase your bid if you so choose.



## Reserve Prices

Virtually every lot will be offered for sale subject to a reserve price (the minimum price the auctioneer is authorised to sell for on that day).

When you submit a maximum bid, the actual bid placed by the system will depend on whether the reserve price has been met, as defined below.

### If your maximum bid is below the reserve price

- The system will place an immediate bid at your maximum bid amount.

### If your maximum bid is at or above the reserve price

- The system will automatically increase your bid to be at the reserve, and will only bid again on your behalf if you are subsequently outbid by another bidder (up to your maximum bid amount).
- If another bidder has already placed the same maximum bid or higher, they will be the highest bidder and the system will notify you via email so you can place another bid.

**NB:** Your maximum bid is kept completely confidential – it's presence or amount are not disclosed to the auctioneer, vendor or any other bidder.



## A typical bidding example

1. The current bid on a lot is £190,000. The reserve price has been set at £200,000 (not disclosed).
2. Tim wants to bid. The minimum bid amount is £191,000 but Tim decides to place a maximum bid of £197,000. This is below the reserve price, so the system places a bid for Tim at his maximum bid amount and he becomes the highest bidder at £197,000.
3. Eve logs on to bid. The minimum bid amount is £198,000 but Eve places a maximum bid of £205,000. The system automatically increases Eve's bid to meet the reserve and she is now the highest bidder at £200,000.
4. Tim is notified that he has been outbid. If no further bids are placed Eve would win the lot for £200,000.
5. If, however, Tim then places a maximum bid of £205,000, the bidding would jump to £205,000 and the bid would be with Eve as she bid that amount first.



## Automatic Bidding Extension

The online auction will close as per the advertised 'Auction End Date'. However, if a bid is placed within the final 60 seconds of the auction's scheduled end time, the auction will be extended by an additional 60 seconds – known as the 'bidding extension window'. If a bid is placed in the 'bidding extension window', the clock will immediately reset to 60 seconds again, and the auction will only finish when an entire 60-second bidding extension window passes without any further bid being placed, i.e. 60 seconds of no further bids.



## Bid 'Sniping'

Unlike eBay, bid "sniping" will not work on our online auction platform, thus there is no advantage in leaving your bid until the last few seconds as it will only initiate a 60-second bidding extension window which ensures every bidder has a fair and equal opportunity to place another bid. Additionally, if you do leave your bid until the final few seconds you could risk your bid not being received by the controller server until after the closing time, and therefore not accepted.



## Fall of the Electronic Gavel

We offer property for sale by immediate, unconditional contract. This means that the fall of the electronic gavel constitutes an exchange of contracts between buyer and seller. Both parties are legally bound to complete the transaction – usually within 20 working days following the close of the auction but this date will be confirmed within the legal documentation.



## Post-Auction

If you are the successful buyer, we will be in touch following the online auction to discuss the next steps. The 10% deposit and Agents Fee must be transferred to the seller's solicitor within 2 working days of the auction or as specified in the particulars of sale. The contract will then be signed on your behalf with copies being sent to the buyer, buyer's solicitor and the seller's solicitor.

Established in 1862, Sunderlands are the most successful property auctioneers in Herefordshire. With our fully qualified and experienced auctioneers, we hold property auctions throughout the year.

### Our other services include:

#### Residential

- Sales and lettings
- Professional valuations
- Property auctions
- Sale of new homes
- Sale of development sites
- Planning advice
- RICS red book valuations

#### Rural

- Sale of farms, smallholdings and land
- Farm dispersal and miscellaneous sales
- Estate management
- Farm business tenancies
- Basic Payment Scheme and entitlements
- Grass keep and straw auctions
- Livestock sales
- Grant and stewardship schemes
- Arbitrations

#### Commercial

- Sales and lettings
- Professional valuations
- Property auctions
- Planning advice
- RICS red book valuations

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For confidential professional advice on your property options contact 'The Property Experts'