

A Bidder's Guide

For Residential Property in Queensland

This guide seeks to de-mystify and simplify the auction process and provide clarification on the roles and responsibilities of Auctioneers and bidders.

Queensland real estate law requires that all people bidding at a residential property auction must provide their names, addresses and proof of identity to the Auctioneer prior to the auction in order for their bids to be accepted.

How to register

- You can register at any time prior to the auction. This can be at an open for inspection, or when visiting the listing agency prior to the auction. **Registering early will save you the trouble of registering on auction day.**
- You will need to provide the Auctioneer with your name and address and some photo identification – e.g. drivers licence or passport.
- The Auctioneer will record these details in a Bidders Register and provide you with a Bidder number. This number must be displayed by you when making a bid during the course of the auction.
- If you register prior to auction day, you may not receive your number. When you arrive at the auction, you will need to see the Auctioneer or their representative, provide them proof of your identity, and receive your number or bidder card at that time.
- Auctioneers are not permitted to provide your information to any other person other than an inspector or the court. However, the auctioneer may disclose to the seller of the property the identity of a bidder if it is necessary for negotiating the sale of the property after the auction.

Remember: You do not have to bid just because you have registered, but you must be registered if you intend to bid.

How to bid

- Make sure that the Auctioneer can see you. Ideally you should hold up your bidder number and call out your bid in a clear audible voice.
- You can call out an exact amount – e.g. "\$260,000" or indicate the amount you wish to increase the previous bid by the increment suggested by the Auctioneer – e.g. "Another \$10,000".
- If the Auctioneer calls the incorrect amount of misinterprets your bid – call out to the auctioneer and clarify the bid with them immediately.

Important points to remember when bidding at an auction

- Make sure you are familiar Conditions of Sale prior to bidding at the auction. Auctioneers will have these displayed at the auction for inspection by bidders prior to the auction commencing. Some Auctioneers will read some or all of these out at the start of the auction.
- If you propose to bid on behalf of another person, you must have a letter of authority and provide the name and address details of that person to the Auctioneer in order to register them as bidders in the bidder register.
- When bidding at an auction, remember that if you are the successful bidder you will be required to sign the contract of sale and pay a deposit on the spot.
- There is no cooling off period when you buy at an auction.
- The Auctioneer's decision is final. In the event of a dispute arising, the Auctioneer has the right to resubmit the property afresh or with a Vendor's bid in the event that the dispute arise before the reserve price was reached.
- Prior to the commencement of an auction, Auctioneers are unable by law to provide advice to potential purchasers as to what the reserve price is.
- At the commencement of the auction, the Auctioneer may announce if the property is to be sold with or without a reserve price.

REMEMBER TO HAND IN YOUR BIDDER NUMBER AT THE END OF THE AUCTION!

Need more information?

The Office of Fair Trading can provide you with more information on the laws that apply to property auctions. You can contact them on 3246 1523 or check out their website on www.fairtrading.qld.gov.au

Information current as at December 2014

Conditions of Sale – Public Auction

GST ANNOUNCEMENT AND CLARIFICATION

At auction the Auctioneer will announce in clear terms:

1. If GST is to apply or not; and
2. **One** of the following applicable GST Clauses

IF THE SELLER IS NOT REGISTERED FOR GST:

- The property is offered for sale on a GST inclusive basis – which means the knock down price is the sale price.

IF THE SELLER IS REGISTERED FOR GST:

- 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; or
- 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.

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| <ol style="list-style-type: none"> 1. 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 identity. If the Bidder is successful, the name listed on the registration form will be the name of the Buyer in the Contract of Sale, unless the Bidder is bidding on behalf of another person in accordance with Conditions 9 and 10. 2. The highest approved Bidder will be the Buyer subject to: <ol style="list-style-type: none"> a. the reserve price, if any; and b. the Seller's approval. 3. A cooling off period will not apply to any Contract of Sale formed on a sale by auction or entered into, by no later than 5.00pm on the second clear business day after the property was passed in at auction, with a registered bidder for the auction. 4. The Buyer acknowledges that the Contract of Sale will not be conditional on any of the following: <ol style="list-style-type: none"> a. Finance; and b. Building and Pest Inspection Reports. 5. Bids will only be accepted from registered Bidders. 6. Bidders must use the numbered identifier provided by the Auctioneer to make a bid during the auction. 7. The Seller reserves the right to bid, either personally or by a representative. If the Seller or their representative bids for the property the Auctioneer must clearly announce to all other Bidders that the bid is made on behalf of the Seller. 8. The Bidder warrants their ability to enter and complete the Contract of Sale in accordance with its terms. 9. 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. The Auctioneer may register a person as a Bidder only if the person gives the Auctioneer the name and address of the other person for whom bids are intended to be made on instructions given by the other person by telephone. 10. If the Bidder is authorised to bid on behalf of another person, and is the Buyer in accordance with condition 2, the Bidder warrants the other person's ability to enter and | <ol style="list-style-type: none"> complete the Contract of Sale in accordance with its terms. 11. The Auctioneer has the discretion to refuse to accept a bid from any Bidder. A bid will be taken to be accepted and irrevocable unless the Auctioneer refuses it. If the Auctioneer refuses a bid, the Auctioneer must announce to all other Bidders that the bid has been refused. 12. Without affecting condition 11, if there is any dispute over a bid or the result, the Auctioneer may: <ol style="list-style-type: none"> a. re-open the bidding; and/or b. determine the dispute in any other way the Auctioneer considers appropriate in his/her absolute discretion. 13. Immediately on the fall of the hammer the property is sold, the Bidder of the highest bid accepted in accordance with Condition 2, 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 Deposit Holder. 14. 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. 15. 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. 16. If the Buyer does not pay the deposit, at the Seller's option: <ol style="list-style-type: none"> a. 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 b. the Seller may affirm the Contract of Sale and pursue their legal and other remedies against the Buyer as they see fit. 17. The decision of the Auctioneer is final in all matters relating to the auction. 18. The Bidder consents to the use of electronic communication in accordance with the provisions set out in Chapter 2 of the <i>Electronic Transactions (Queensland) Act 2001</i> (Qld) and <i>Electronic Transactions Act 1999</i> (Cth). 19. If this document is signed using an electronic signature, the Bidder agrees to be bound by these conditions in electronic form and consent to signing this agreement using an electronic signature. |
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I/we have read and understand the additional Annexure with Special Conditions.

I/we have read and understand the above Conditions of Sale - Public Auction, and acknowledge that the sale of the property will occur subject to these conditions and the Contract of Sale.

Bidders Signature

Date

Bidders Signature

Date

000018415797

Bidder Registration Form

BIDDER NO:

The Property Occupations Act 2014 requires the auctioneer to only accept bids from registered bidders. To be registered, a bidder must provide the bidder's name and address and produce satisfactory evidence of the bidder's identity.

If you have an interest in bidding at the auction for a property or properties, please complete your name and address below and provide the auctioneer with satisfactory identification.

If applicable, the registered bidder acknowledges that they have been given a copy of the Form 36 Notice of No Pool Certificate at the time of completing this Bidder Registration Form.

The Bidder consents to the use of electronic communication in accordance with the provisions set out in Chapter 2 of the *Electronic Transactions (Queensland) Act 2001* (Qld) and *Electronic Transactions Act 1999* (Cth). If this form is signed using an electronic signature, the Bidder agrees to enter into this agreement in electronic form.

BIDDER DETAILS:

NAME: _____

ADDRESS: _____

SUBURB: _____ STATE: _____ POSTCODE: _____

PHONE: _____ FAX: _____ EMAIL: _____

IDENTIFICATION: _____

The above bidder is registered to bid in relation to the following property:

ADDRESS: _____

SUBURB: _____ STATE: _____ POSTCODE: _____

SIGNATURES

Signature: _____ Date: _____

The Auctioneer will not disclose the identity of any bidder to anyone other than:

- (i) An inspector or the court; and
- (ii) The seller if it is necessary for negotiations with the bidder after the property has been passed in or for facilitating the sale of the property.

Letter of Authority from Prospective Buyer for Agent to Convey Telephone Bids at Auction

AUCTION OF:

ADDRESS: _____

SUBURB: _____ STATE: _____ POSTCODE: _____

TO: AGENT FOR THE SELLER

DATE: _____

Philip Resnikoff

This letter serves to confirm that I/we will not be attending the auction at the above property but wish to reserve the right to submit bids via telephone during and immediately after the course of the auction.

You are hereby authorised to take offers, by telephone, from the person/s named below and convey them by outcry to the auctioneer.

I/We hereby authorise and request the auctioneer sign the contract of sale on my/our behalf of the party authorised to bid.

Should I be successful in purchasing the property, the buyer's details to be entered on the contract of sale are as follows:

BUYER/S DETAILS

NAME: _____ IDENTIFICATION: *(e.g. Driver's licence to permit registration of the bidder/s)* _____

ADDRESS: _____

SUBURB: _____ STATE: _____ POSTCODE: _____

NAME: _____ IDENTIFICATION: *(e.g. Driver's licence to permit registration of the bidder/s)* _____

ADDRESS: _____

SUBURB: _____ STATE: _____ POSTCODE: _____

The Payment Of Deposit Is By: _____

SOLICITOR DETAILS

NAME: _____ FIRM: _____

ADDRESS: _____

SUBURB: _____ STATE: _____ POSTCODE: _____

PHONE: _____

WE ACKNOWLEDGE HAVING RECEIVED A COPY OF THE CONTRACT OF SALE AND STANDARD CONDITIONS OF SALE BY PUBLIC AUCTION

SIGNATURES

BUYER/S SIGNATURE(S): _____ BUYER/S SIGNATURE(S): _____

BUYER/S NAME(S): _____ BUYER/S NAME(S): _____

CAPACITY: (eg. Director) _____ CAPACITY: (eg. Director) _____

APPROVED BY SELLER(S): _____ Date: _____