

# Online Auctions Buying Guide

## REGISTRATION

### A STRAIGHTFORWARD PROCESS FROM START TO FINISH

In order to bid at Allsop Online Auctions you will first need to create a user 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 a user 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 against each individual lot that you wish to bid on, 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 your private address (dated within the last 3 months). This is required so we can easily keep in touch and helps us confirm your identity in the event of you purchasing a lot. All documents will be deleted from our systems if you are unsuccessful in purchasing.

## ACCEPT TERMS

### ENSURE YOU READ, UNDERSTAND AND ACCEPT THE TERMS AND CONDITIONS

You will 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.

Once accepted, you will receive a copy of the document(s) via email for your own records.

## BIDDER SECURITY

### ARRANGEMENTS AND PAYMENT DETAILS RELATING TO THE BIDDER SECURITY

In order to bid online you will be required to complete a bank transfer for the bidder security into Allsop's Client Account detailed below. The amount of the bidder security will be three thousand pounds (£3,000) per Lot.

If you are the successful bidder, a buyer's fee of £600 (inclusive of VAT at 20%) will be deducted from the bidder security and the balance will be held as part payment of the deposit due for the lot (usually 10% of the purchase price). Unsuccessful bidders will have their bidder security transferred back to the bank account from which it came.

Allsop's Client Account bank details are as follows:

Barclays Bank

20-78-98

10830178

Allsop LLP Client Account

Please quote 'Lot No \_\_\_ the date of the current auction – surname/bidding name, e.g. "8 26/04 Lewis"

## AUCTIONEER REVIEW

### FINAL STEP – AUCTIONEER REVIEW

Once you have completed the bidder registration steps, Allsop will review your registration to bid. We may contact you to obtain additional information, so that we can electronically verify your identity with a credit reference agency – this is a quick and simple process which leaves a 'soft footprint' and does not affect your credit score. You will be notified by email as soon as you have been approved to bid. Where the buyer and

bidder are different we will require full ID from both parties. Please see the detailed information relating to identity verification published on our website.

## DUE DILIGENCE

### RECOMMENDED DUE DILIGENCE BEFORE BIDDING

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, please ensure that you understand the contract you are entering into and the financial commitment that you will be liable for should you be the successful buyer.

## BIDDING

### STRESS-FREE BIDDING FROM THE COMFORT OF YOUR OWN HOME

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 subject to a reserve price (the minimum price that the auctioneer is authorised to sell for on the 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 – its presence or amount will not be disclosed to the auctioneer, seller or any other bidder.

#### Bidding example:

1. The current bid on a lot is £90,000. The reserve price has been set at £100,000 (not disclosed).
2. Tom wants to bid. The minimum bid amount is £91,000 but Tom decides to place a maximum bid of £97,000. This is below the reserve price, so the system places a bid for Tom at his maximum bid amount and he becomes the highest bidder at £97,000.
3. Jane logs on to bid. The minimum bid amount is £98,000 but Jane places a maximum bid of £105,000. The system automatically increases Jane's bid to meet the reserve and she is now the highest bidder at £100,000.
4. Tom is notified that he has been outbid. If no further bids are placed Jane would win the lot for £100,000.
5. If, however, Tom then places a maximum bid of £105,000, the bidding would jump to £105,000 and the bid would be with Jane as she bid that amount first.

## BIDDING EXTENSIONS

### THE BIDDING EXTENSION WINDOW ENSURES A FAIR CHANCE FOR EVERYONE

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 'bidding silence'.

### BID 'SNIPING' – DOES IT WORK?

Unlike eBay, bid "sniping" will not work on our online auction platform. There is no advantage in leaving your bid until the last few seconds; 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 GAVEL

### LEGAL POSITION WHEN YOU HAVE PLACED THE SUCCESSFUL BID (HIGHEST BID AT OR OVER THE RESERVE)

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

### WE'LL GUIDE YOU THROUGH TO COMPLETION

If you are the successful buyer, we will be in touch following the online auction to discuss the next steps. Allsop LLP will retain the bidder security you have paid but under-bidders will have their bidder security payments released back to the source bank account; the purchase contract will then be signed on your behalf with copies being sent to the buyer, buyer's solicitor and the seller's solicitor.

**FOR MORE INFORMATION CONTACT ALLSOP ON 020 7543 6897**