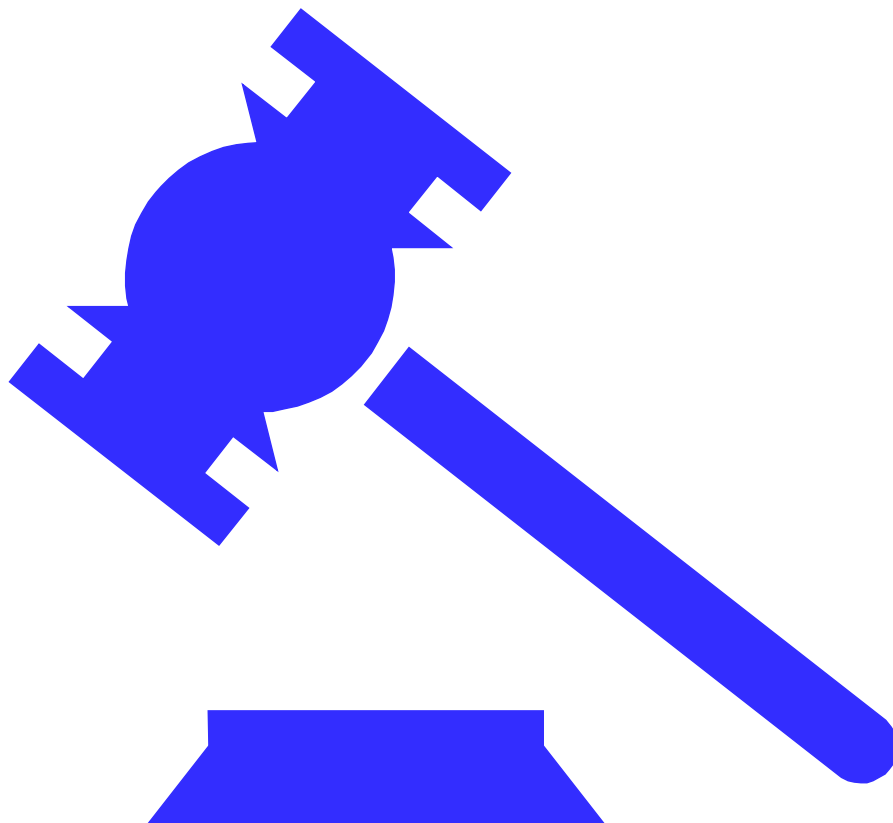




thinkrealestate

# **AUCTION SYSTEMS, PROCEDURES, and BOOKING FORMS**

**Effective from 1 March 2007**



**NOTE: ONLY THE BOOKING FORMS AND RESERVE FORMS INCLUDED IN THIS BOOKLET CAN BE USED FOR AUCTIONS UNDERTAKEN BY THINK REAL ESTATE**

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Brian Cannan Auctions Pty Limited trading as

**THINK REAL ESTATE**

CORPORATION LICENCE NO. 1184573

OFFICE ADDRESS: THINK REAL ESTATE  
323 Princes Highway  
CARLTON NSW 2218

POSTAL ADDRESS: THINK REAL ESTATE  
PO Box 4026  
KOGARAH BAY NSW 2217

PHONE: 02 9587 5277  
Facsimile: 02 9587 5266  
Mobile: 0412 353 801  
EMAIL: [auctions@thinkrealestate.net.au](mailto:auctions@thinkrealestate.net.au)

CHIEF AUCTIONEER:	Brian Cannan	Licence No. 202016	M: 0412 353 801
AUCTIONEERS:	Christopher Wilson	Licence No. 207513	0419 239 375
	Adrian Brookman	License No. 933542	0412 184 260
	Michael Ackerman	Licence No. 281362	0412 362 345
	Glenn Rosier	Licence No. 290732	0423 637 253
	Michael Hilder	License No. 120470	0419 434 290

ACCOUNTS: Karen Weeden  
AUCTION CO-ORDINATOR: Joanne Donaldson



This booklet sets out the procedures that agents MUST follow if they use the auction services of THINK REAL ESTATE.

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## AGREEMENT

When a booking is made to use an Auctioneer from THINK REAL ESTATE, the agent agrees to the following terms and conditions, and the auction will only be conducted by our auctioneers under these Terms and Conditions.

1. The Agent warrants that they hold a valid Auction Agency Agreement in the name of the Vendors of the Property being auctioned
2. THINK REAL ESTATE will provide an auctioneer to undertake any auction that the agent books with THINK REAL ESTATE. Auctions are only booked when the completed Booking Form is received at THINK REAL ESTATE.
3. The Agent agrees to abide by the Policy and Procedures for Auctions as set out in THINK REAL ESTATE's Auction Procedures Manual.
4. The Agent agrees to pay THINK REAL ESTATE the auction fee as billed to them within 7 days of the issue of the Invoice. The Agent acknowledges that THINK REAL ESTATE reserves the right to withdraw its services even though a booking has been accepted, if any invoice is outstanding for more than 21 days.
5. The Agent Acknowledges that they accept responsibility to ensure that the Auction campaign and the Auction is conducted in accordance with the Property Stock and Business Agents Act 2002 and the Regulations.
6. The Agent warrants that they are aware that "Dummy Bidding" is a breach of the Property Stock and Business Agents Act 2002 and that they will not condone, organise or allow "dummy bidding" to take place at an auction conducted by a THINK REAL ESTATE auctioneer. They also are aware that they should inform the Vendor of the rules regarding "dummy Bidding"
7. The Agent warrants that they are aware that **only** the auctioneer can use or call a "Vendor Bid" and has made the Vendor aware of the law in this regard. If a co owner or executor wishes to exercise their right to bid on the property on their own behalf, the Agent will inform the auctioneer of this fact.
8. The Agent warrants that they have inspected the Contract for Sale for any auction property booked with THINK REAL ESTATE and that the contract is correct and complete.
9. The Agent warrants that they have conducted all advertising for an auction property in a manner that does not contravene the Act or any other Act of Parliament.
10. If the auction booked requires a Bidders Register to be kept, then the Agent warrants that they will conduct the Bidders Register so that it complies with the Act and that all bidders will be registered in accordance with the Act.
11. The Agent agrees to make the auctioneer aware of any relevant information regarding the sale of an auction property, including a co owner or executor who wishes to bid on the property, being undertaken by THINK REAL ESTATE.
12. By booking an auction with THINK REAL ESTATE, the Agent agrees that they will abide by this agreement in every respect.

# BOOKING PROCEDURES

## ON-SITE BOOKINGS

- Step 1: **Before finalising a Time for an on site auction, ring** through to THINK REAL ESTATE on 9587 5277 to establish what times auctioneers are available. Once a time is set over the phone you need to:
- Step 2: **Fill in a Booking Form** either by going to our website [www.thinkrealestate.net.au](http://www.thinkrealestate.net.au) and complete the "Auction Booking form" or fax through a completed booking form contained in this booklet. An auctioneer will not be guaranteed until a booking form is received at THINK REAL ESTATE within 48 hours of the phone booking being made.
- Step 3: **The Thursday/Friday before the auction** you will receive a phone call from a THINK REAL ESTATE member to confirm all details of your auction and to inform you who will be your auctioneer.

NOTE: If a property is sold prior to auction or withdrawn from auction fees still apply. See page 6 for details.

## IN-ROOM BOOKINGS

Each group THINK REAL ESTATE conducts in rooms auction has set dates and venues which are determined one year in advance. These details are available from your Head Office or THINK REAL ESTATE. If you would like to conduct in-room auctions on a different date than the dates allocated then please contact us on 9587 5277 to discuss your options.

- Step 1: **At least 3 working days before the Auction** a completed Auction Booking sheet must be sent to THINK REAL ESTATE, Go to our website [www.thinkrealestate.net.au](http://www.thinkrealestate.net.au) and complete an "Auction Booking form" or complete the form in this booklet and fax to 9587 5266. A completed booking form will have all fields filled in.  
NB: It is very important that you fill in a short description for the property as this will appear on the order of sale.
- Step 2: **Email or send photos no later than 3 working days prior to auction date.** Please refer to "Systems and Procedures" for Digital Projection on page 8 . Please note that photos not received at least 3 working days before the auction cannot be used in the digital Projection at the auction.
- Step 3: An order of sale will be set which will be emailed to your office 2 working days prior to the auction. If any changes are to be made to the order of sale they must be notified to THINK REAL ESTATE no later than 4 hours after it has been sent. No changes can be made after that time.
- NOTE: If an auction is booked in and then sold prior or withdrawn, a booking fee will be payable, as well as the cost of the digital projection, if it is withdrawn and THINK REAL ESTATE is notified less than 48 hours prior to the auction (see page 6 for details).

# AUCTION SUBMISSION FEES AND CANCELLATION POLICY

## SYDNEY METROPOLITAN (Incl. Blue Mountains and Lithgow.)

	On-site		In Rooms	
	prior 30/6/07	From 1/7/07	Prior 30/6/07	From 1/7/07
Auctioneer:	\$360.00	\$400.00	\$240.00	\$240.00
Digital Show:	n.a	n.a	\$50.00	\$50.00
GST:	\$36.00	\$40.00	\$29.00	\$29.00
<b>Total:</b>	<b>\$396.00</b>	<b>\$440.00</b>	<b>\$319.00</b>	<b>\$319.00</b>

## REGIONAL AREAS (incl. Newcastle, Central Coast, Nowra or more than 1½ hour travelling time from Carlton)

### 1 to 3 properties:

Auctioneer:	\$360.00	\$450.00	\$240.00	\$300.00
Digital Show:	n.a.	n.a.	\$50.00	\$50.00
GST:	\$36.00	\$45.00	\$29.00	\$35.00
<b>Total:</b>	<b>\$396.00</b>	<b>\$495.00</b>	<b>\$319.00</b>	<b>\$385.00</b>

### 4 or more properties

Auctioneer:	\$360.00	\$400.00	\$240.00	\$240.00
Digital Show:	n.a.	n.a.	\$50.00	\$50.00
GST:	\$36.00	\$40.00	\$29.00	\$29.00
<b>Total:</b>	<b>\$396.00</b>	<b>\$440.00</b>	<b>\$319.00</b>	<b>\$319.00</b>

\* If 4 or more on site auctions are organised for the same day, or 4 or more in rooms auctions then the cost per auction will be reduced. The extra charge is to cover the extra travelling time incurred by the auctioneer

## CANCELLATION POLICY

### ON-SITES AUCTIONS

- If the property is sold, withdrawn or postponed **14 days or less** prior to the booked Auction Date a **FULL fee applies**. (Note: the auctioneers time has already been allocated to the exclusion of any other work.)
- If the property is sold or withdrawn **15 days or more prior** to the auction date – a fee of **50% of the auction fee** including GST applies – please notify THINK REAL ESTATE as soon as you are aware of the change. (Note: if an auction is postponed to another date and that date is known no fee will be charged. However, if the auction is postponed more than twice for the same property an auction fee may be incurred.)

### IN-ROOMS

- Once a booking is received if the property is sold prior, withdrawn or postponed a \$55.00 booking fee applies. **BOOKINGS WILL NOT BE ACCEPTED LESS THAN 3 WORKING DAYS PRIOR TO THE AUCTION DATE.**
- If the digital projection has been prepared a fee of \$55.00 per property will also be payable if the auction is cancelled or withdrawn 2 or less working days before the auction.



# AUCTION BOOKING SHEET

**Bookings may be made directly on the internet or by use of this form. This form is to be FULLY completed in BLACK INK and faxed to (02) 9587 5266 NO CONFIRMED bookings will be accepted over the phone.**

Please tick the appropriate box

**IN ROOMS**

**Date of Auction:** \_\_\_\_\_ **Time:** \_\_\_\_\_

**VENUE:** \_\_\_\_\_

**ON SITE**

NOTE: You MUST call 9587 5277 (between 9am & 5pm Mon to Fri to confirm that an auctioneer is available at the preferred time before you confirm it with the Seller or place any advertising

**Date of Auction:** \_\_\_\_\_ **Time:** \_\_\_\_\_

The Agent accepts that it is their responsibility to administer the Bidders Register for all on site Auctions

To be completed for all auctions booked **Date of Agency:** \_\_\_\_\_

**ADDRESS OF PROPERTY:** \_\_\_\_\_

**Office:** \_\_\_\_\_ **Phone:** \_\_\_\_\_

**Lister:** \_\_\_\_\_ **Mobile:** \_\_\_\_\_

**Inspections Times:** \_\_\_\_\_

**Seller(s) Names:** \_\_\_\_\_

as per contract or Agency Agreement

**Address:** \_\_\_\_\_

**DESCRIPTION: If Auction In rooms Description for the order of sale. No longer than 3 sentences. BLOCK LETTERS PLEASE**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**In submitting this form we understand that the auction being booked is governed by the standard Agreement contained in THINK REAL ESTATE Auctions Procedures Booklet.**

Once this form has been fully completed, please fax to (02) 9587 5266. Any queries call 9587 5277  
NOTE: On site auctions cancelled **14 days or less before auction date will be charged at the full fee**; 15 days or more the charge is 1/2 fee. In rooms auction will incur a booking charge plus a fee for digital if the auction does not proceed on the booked night.  
The Auctioneer will not inspect properties prior to auction. © THINK REAL ESTATE 2007 Page 7

# DIGITAL PROJECTION

- Cost = \$55.00 (incl GST) per property (Allowing 1-6 photos). After receiving photos a \$55.00 fee (including GST) will apply whether the property is withdrawn, sold prior or sold at Auction.
- The \$55.00 digital charge will be invoiced with the usual auction invoice
- All images are to be supplied to us no later than 3 days prior to the auction date. Photos sent after this may not be included in the presentation.
- All images are to be sent via:  
email to [auctions@thinkrealestate.net.au](mailto:auctions@thinkrealestate.net.au) or  
sent on a CD to Think Real Estate PO Box 4026, KOGARAH BAY NSW 2217  
Attn: Joanne Donaldson
- All images are to be in JPEG format sized at least 800 x 600 pixels at a resolution of at least 72 pixels per inch.
- If you require photos to be in a specific order, please name the photos as in the second example. If this is not received the order will be determined by a THINK REAL ESTATE staff member.
- All images must be named clearly using the following formula:

(street number)(street name) (position in property).jpg

For example

Photo 1: "27smith front.jpg"

Photo 2: "27smith kitchen.jpg"

Photo 3: "27smith lounge.jpg"

Photo 4: "27smith backyard.jpg"

- If you require photos in a certain order please name them as follows:

For example

Photo 1: "27smith pic1.jpg"

Photo 2: "27smith pic2.jpg"

Photo 3: "27smith pic3.jpg"

Photo 4: "27smith pic4.jpg"

FORM 1a AUCTION RESERVE LETTER

Date

The Auctioneer  
THINK REAL ESTATE.  
PO Box 4026  
KOGARAH BAY NSW 2217

Dear Sir,

re Sale of \_\_\_\_\_

Auction Date: \_\_\_\_\_

Listing Agent: \_\_\_\_\_

I/we refer to the Auction authority signed by me/us with for the sale at auction of the above property.

I/we hereby wish to nominate that the reserve price for the property at the auction to be held on the above date will be \$\_\_\_\_\_. Should the bidding not reach the reserve price nominated then please have the auctioneer refer the highest bid to me/us for decision.

I/We acknowledge that under the Property, Stock and Business Agents Act 2002 (the Act) that the auctioneer is prohibited from taking bids at the auction from persons who have not registered to bid, even though the bid may be above the reserve price. I/we will not make any requisition or claim of the Agent or Auctioneer for the auctioneer refusing any bid in accordance with his obligations under the Act. In addition we acknowledge that only the auctioneer may exercise a vendor bid during the course of the auction, and that it is an offence for the vendor to exercise a bid themselves or to get anyone else to bid on their behalf.

Yours faithfully,

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Note to be signed by all the Sellers named on the contract for sale

<p><b>I/we have during the auction agreed to vary our reserve price to.....</b> SIGN OR INITIAL IF RESERVE PRICE ADJUSTED DURING THE AUCTION</p>	<p>\$ _____</p> <p>DATE: _____ TIME _____</p>
--	---

FORM 1b AUCTION RESERVE LETTER

Date

The Auctioneer  
THINK REAL ESTATE.  
PO Box 4026  
KOGARAH BAY NSW 2217

Dear Sir,

re the Sale of: \_\_\_\_\_

Auction Date: \_\_\_\_\_

Listing Agent \_\_\_\_\_

I/we refer to the Auction authority signed by me/us for the sale at auction of the above property.

I/we hereby wish to nominate that the reserve price for the property at the auction to be held on the above date will be \$\_\_\_\_\_. Should the bidding not reach the reserve price nominated but exceeds \$\_\_\_\_\_ then please have the auctioneer refer the bid to me/us for decision. \*I/we authorise the auctioneer to exercise my/our seller's bid if he deems necessary no higher than \$\_\_\_\_\_.

I/We acknowledge that under the Property, Stock and Business Agents Act 2002 (the Act) that the auctioneer is prohibited from taking bids at the auction from persons who have not registered to bid, even though the bid may be above the reserve price. I/we will not make any requisition or claim of the Agent or Auctioneer for the auctioneer refusing any bid in accordance with his obligations under the Act. In addition we acknowledge that only the auctioneer may exercise a vendor bid during the course of the auction, and that it is an offence for the vendor to exercise a bid themselves or to get anyone else to bid on their behalf.

Yours faithfully,

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Note to be signed by all the Sellers named on the contract for sale \* OPTIONAL

<p><b>I/we have during the auction agreed to vary our reserve price to.....</b></p> <p>SIGN OR INITIAL IF RESERVE PRICE ADJUSTED DURING THE AUCTION</p>	<p>\$ _____</p> <p>DATE: _____ TIME _____</p>
---	---

FORM 1c AUCTION RESERVE LETTER

Date

The Auctioneer  
THINK REAL ESTATE.  
PO Box 4026  
KOGARAH BAY NSW 2217

Dear Sir,

re the Sale of: \_\_\_\_\_

Auction Date: \_\_\_\_\_

Listing Agent \_\_\_\_\_

I/we refer to the Auction authority signed by me/us for the sale at auction of the above property.

I/we hereby wish to nominate that the reserve price for the property at the auction to be held on the above date will be \$ \_\_\_\_\_ and authorise the auctioneer to exercise a Seller's bid no higher than \$ \_\_\_\_\_. If the bidding does not reach the reserve please have the auctioneer refer the highest bid to me/us for decision.

I/We acknowledge that under the Property, Stock and Business Agents Act 2002 (the Act) that the auctioneer is prohibited from taking bids at the auction from persons who have not registered to bid, even though the bid may be above the reserve price. I/we will not make any requisition or claim of the Agent or Auctioneer for the auctioneer refusing any bid in accordance with his obligations under the Act. In addition we acknowledge that only the auctioneer may exercise a vendor bid during the course of the auction, and that it is an offence for the vendor to exercise a bid themselves or to get anyone else to bid on their behalf.

Yours faithfully,

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Note to be signed by all the Sellers named on the contract for sale

<p><b>I/we have during the auction agreed to vary our reserve price to.....</b> \$ _____</p> <p><small>SIGN OR INITIAL IF RESERVE PRICE ADJUSTED DURING THE AUCTION</small></p>	<p>DATE: _____</p> <p>TIME <b>MARCH 2008</b></p>
---	--

Date \_\_\_\_\_

THE PROPERTY AT \_\_\_\_\_

BEING AUCTIONED ON: \_\_\_\_\_

I/we wish to nominate the person whose details are set out below as BIDDER, to bid on our behalf at the above auction for the above property. If he/she is the successful bidder then

(\* cross out what does not apply)

\* I/we will sign the contract for sale and pay the deposit as we will be in attendance at the auction

OR

\* The Bidder who we authorise is also authorised to sign the contract on our behalf and pay the required deposit.

Our full details are set out below.

Yours faithfully,

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Note: to be signed by all parties whose names are to appear on the contract

DETAILS of the BIDDER:

NAME OF BIDDER: \_\_\_\_\_

ADDRESS of  
BIDDER: \_\_\_\_\_  
\_\_\_\_\_

ID DETAILS OF BIDDER\*: TYPE \_\_\_\_\_ ID# \_\_\_\_\_

\*This ID **must be sighted** by the agent before you can receive the Bidding Number

NAME(S) OF PERSON(S) ON WHOSE BEHALF THE BIDDER IS BIDDING

FULL NAMES: \_\_\_\_\_  
\_\_\_\_\_

ADDRESS: \_\_\_\_\_  
\_\_\_\_\_

ID DETAILS OF ONE PERSON\*\*: TYPE \_\_\_\_\_ ID# \_\_\_\_\_

\*\*This id does **not** have to be sighted

MARCH 2008

FORM 3 BIDDING AUTHORITY FOR AN AGENT TO BID ON BEHALF OF SOMEONE  
BIDDING OVER THE TELEPHONE.

Date \_\_\_\_\_

THE PROPERTY AT \_\_\_\_\_

BEING AUCTIONED ON: \_\_\_\_\_

AGENT: \_\_\_\_\_

I/we, whose details are set out below, hereby authorise the Agent, who details are set out below, to receive bids made by me/us by telephone during the course of the auction for the above property, and to communicate the amount of any such bids openly by voice to the auctioneer conducting the auction.

In the event that we are the successful bidder as a result of the bidding we have communicated to the Agent, then we authorise the Agent to complete the contract of sale with our particulars which set out below, and to sign the contract on my/our behalf.

I/we acknowledge that I/we have receive and read and understood the conditions of an auction sale and that ten percent (10%) of the final sale price is payable at the fall of the hammer as a deposit. I/we authorise the Agent to complete the cheque drawn and signed by me/us in favour of the selling agent with an amount that is equal to 10% of the purchase price.

I/we acknowledge that I/we have received a copy of the Terms and Conditions of an Auction Sale and the warning notice setting out the material parts of Sections 78(3) and 83(2) as set out in FORM 3a.

SIGNED

\_\_\_\_\_  
\_\_\_\_\_

DETAILS of PERSON(S):

Full Names \_\_\_\_\_

Address \_\_\_\_\_

SOLICITOR DETAILS \_\_\_\_\_

ID DETAILS of one Person \_\_\_\_\_

AGENT undertaking the Bidding: \_\_\_\_\_ Licence #. \_\_\_\_\_

Clause 18(1) The following conditions are prescribed as applicable to and in respect of the sale by auction of land or livestock:

- (a) The principal's reserve price must be given in writing to the auctioneer before the auction commences.
- (b) A bid for the seller cannot be made unless the auctioneer has, before the commencement of the auction, announced clearly and precisely the number of bids that may be made by or on behalf of the seller.
- (c) The highest bidder is the purchaser, subject to any reserve price.
- (d) In the event of a disputed bid, the auctioneer is the sole arbitrator and the auctioneer's decision is final.
- (e) The auctioneer may refuse to accept any bid that, in the auctioneer's opinion, is not in the best interests of the seller.
- (f) A bidder is taken to be a principal unless, before bidding, the bidder has given to the auctioneer a copy of a written authority to bid for or on behalf of another person
- (g) A bid cannot be made or accepted after the fall of the hammer.
- (h) As soon as practicable after the fall of the hammer the purchaser is to sign the agreement (if any) for sale.

Clause 18(2) The following conditions, in addition to those prescribed by subclause (1), are prescribed as applicable to and in respect of the sale by auction of residential property or rural land:

- (a) All bidders must be registered in the Bidders Record and display an identifying number when making a bid.
- (b) Subject to subclause (2A), the auctioneer may make only one vendor bid at an auction for the sale of residential property or rural land and no other vendor bid may be made by the auctioneer or any other person.
- (c) Immediately before making a vendor bid the auctioneer must announce that the bid is made on behalf of the seller or announce "vendor bid". (NOTE: The right to make a Vendor bid is reserved)

(2A) The following conditions, in addition to those prescribed by subclauses (1) and (2), are prescribed as applicable to and in respect of the sale by auction of co-owned residential property or rural land or the sale of such land by a seller as executor or administrator:

- (a) More than one vendor bid may be made to purchase the interest of a co-owner.
- (b) A bid by or on behalf of an executor or administrator may be made to purchase in that capacity.
- (c) Before the commencement of the auction, the auctioneer must announce that bids to purchase the interest of another co-owner or to purchase as executor or administrator may be made by or on behalf of the seller.
- (d) Before the commencement of the auction, the auctioneer must announce the bidder registration number of any co-owner, executor or administrator or any person registered to bid on behalf of any co-owner, executor or administrator.

# **PRESCRIBED WARNING NOTICES**

## **PENALTY for COLLUSIVE PRACTICES**

Section 78(3) and Regulations 2003, clause 20(1)

It is an offence against the Property, Stock and Business Agents Act 2002 for a person to do any of the following as a result of a collusive practice, or to induce or attempt to induce another person by a collusive practice to do any of the following:-

- (a) to abstain from bidding, or
- (b) to bid to a limited extent only, or
- (c) to do any other act or thing that might prevent free and open competition.

Severe penalties can be imposed on persons convicted of collusive practices.

## **SUCCESSFUL BIDDERS**

Section 83(2). and Regulations 2003, clause 20(2)

The actual successful bidder at an auction sale must give to the auctioneer or an employee of the auctioneer:

- (a) the bidder's name, or
- (b) the name of the person on whose behalf the successful bid was made.

of the Act is to be in the following form:

## **PENALTY FOR DUMMY BIDDINGS**

Section 66(4) and Regulations 2003, as amended, clause 20(2A)

It is an offence against the Property, Stock and Business Agents Act 2002 for a person to do any of the following:

- (a) make a bid as the seller,
- (b) make a bid on behalf of the seller (unless the person is the auctioneer),
- (c) procure another person to make a bid on behalf of the seller.

Any bid made with the dominant purpose of benefiting the seller constitutes a bid made on behalf of the seller.

A bid may be found to be a bid made on behalf of the seller even though the seller did not:

- (a) request the bid, or
- (b) have any knowledge of the bid.

Severe penalties may be imposed on persons convicted of dummy bidding.

MARCH 2007

## **QUESTIONS TO ASK PEOPLE WHO PRESENT THEMSELVES TO REGISTER AT AUCTIONS.**

### **1. Are you the person who will be doing the bidding?**

If "Yes" then go to 2.

If "No" then find out who will be bidding for them and arrange a Bidding

#### **Authority to be completed.**

The person who is doing the bidding is entered in the Bidders Register and their ID must be sighted. The person's details who they are Bidding on behalf of must also be included in the Bidding Register (including their ID details) but these do not have to be sighted.

A Bidding Authority is in this Booklet.

### **2. Is your name going to appear on the contract for sale if you are successful?**

If "Yes" register the person.

If "No" then find out who they are bidding for and arrange a Bidding Authority to be completed.

The person who is doing the bidding is entered in the Bidders Register and their ID must be sighted. The person's details who they are Bidding on behalf of must also be included in the Bidding Register (including their ID details) but these do not have to be sighted.

A Bidding Authority is in this Booklet.

### **3. Do you have the 10% deposit if you are the successful bidder?**

It is a condition of the auction that the successful bidder must pay the 10% deposit as soon as the hammer falls unless arrangements are made prior to auction day with the vendor's solicitor. If a deposit bond is to be used it must be approved by the vendor's solicitor. Check that the expiry day is more than two weeks past the proposed settlement date.

### **NOTE: Bidding for a Company or a Superannuation Fund or an Unit Trust.**

Do you have a Letterhead of the Company/Super Fund/Unit Trust that shows the ABN Number and do you have a signed authority to bid on its behalf?

If "Yes" register the Bidder and he produces his/her ID and then include the Company details also on the Bidder's Register. The Company ID is the ABN. If there is no ABN then the authority to bid cannot be accepted.

If the answer is "No" then the person must be registered to bid and they will sign the contract in their own name with the added particulars "for and on behalf of (Company name)" and then the address details.

**There can be no exception to this rule.**

## Check List for Bidder's Register

### 1. Person Bidding for themselves and their name will be included on the contract.

Ask them for their identification

a.) The following is acceptable on its own as long as it shows the person's Name

**AND current Address**

NSW Drivers License or one issued by any other Australian State

Australian Passport (you will need proof of their address)

Document issued by a Government Authority and shows their name and address e.g. Vehicle Registration paper, Bank Statement, Rates Notice

b.) If they do not have that type of identity then they can show two documents that show their name and address

Medicare Card

ATM card

Credit Card or Store card

Birth Certificate

Overseas Drivers License or Overseas passport

(One MUST show their address)

Utilities Bill (eg gas, electricity, telephone)

Real Estate Rental Agreement

Statutory Declaration stating the address.

### 2. Person Bidding on behalf of someone else ie their name will NOT be on the contract.

The person MUST have a bidding authority signed by the person/Company/unit trust / etc they are bidding on behalf of.

The Bidding Authority MUST have the persons details including details of their identification on the bidding authority. See the Auction Procedures Book for the approved Bidding Authority. The person who is doing the bidding is entered in the Bidders Register and their ID must be sighted. The persons details who they are Bidding on behalf of must also be included in the Bidding Register (including their ID details but these do not have to be sighted).

If the person who is bidding on behalf of a Company/Superannuation Fund/Unit Trust the ID will be a letter head with an ABN number. If they have no letterhead with an ABN number, then the person who is bidding name will go on the Contract and you can add the other details such as "for and on behalf of XYZ Pty Limited"

**If you are having a problem with any of this then please READ the 'Bidder's Guide" that you hand out to bidders.**

**Examples of questions you need to ask are shown on the previous page.**



# ACKNOWLEDGEMENT OF EXCHANGE OF CONTRACTS AT AUCTION

**PROPERTY:** \_\_\_\_\_

**AUCTION DATE:** \_\_\_\_\_

**AGENT:** \_\_\_\_\_

**VENDOR(s):** \_\_\_\_\_

**PURCHASER(s):** \_\_\_\_\_

I/we the **Purchaser(s)** noted above hereby confirm that:

1. the above property was sold to me/us at auction today
2. I/we have executed an Agreement for the Sale of Land to purchase the above property as a result of the auction.
3. I/we have received into our possession a copy of the exchanged contract of sale duly signed by the Vendor(s)
4. \*I/we have expressly authorised the Agent named above to forward the exchanged contract to our solicitors/conveyancers without delay.

\*I/we have taken possession of the exchanged contract and will deliver it to our solicitor/conveyancer without delay.

\_\_\_\_\_  
PURCHASER(S):

\_\_\_\_\_  
DATE:

I/we the **Vendor(s)** noted above hereby confirm that:

1. the above property was sold at auction today
2. I/we have executed the Agreement for the Sale of Land as a result of the auction.
3. I/we have received into our possession a copy of the exchanged contract of sale duly signed by the Purchaser(s)
4. \*I/we have expressly authorised the Agent named above to forward the exchanged contract to our solicitors/conveyancers without delay.

\*I/we have taken possession of the exchanged contract and will deliver it to our solicitor/conveyancer without delay.

\_\_\_\_\_  
VENDOR(S):

\_\_\_\_\_  
DATE:

\* CROSS OUT WHAT DOES NOT APPLY.



# AUTHORITY to EXCHANGE CONTRACTS AFTER AUCTION on day of auction

**PROPERTY:** \_\_\_\_\_

**AUCTION DATE:** \_\_\_\_\_

**AGENT:** \_\_\_\_\_

**VENDOR(S):** \_\_\_\_\_

**PURCHASER(S):** \_\_\_\_\_

I/we the **Purchaser(s)** noted above hereby confirm that:

1. That the above property was sold to me/us after auction today and we have expressly authorised the Agent to attend to the exchange of contracts on my/our behalf.
2. I/we have executed an Agreement for the Sale of Land to purchase the above property prior to 12 midnight & acknowledge that a Cooling Off period does NOT apply.
3. I/we have received into our possession a copy of the exchanged contract of sale duly signed by the Vendor(s)
4. \*I/we have expressly authorised the Agent named above to forward the exchanged contract to our solicitors/conveyancers without delay.  
\*I/we have taken possession of the contract and will deliver it to our solicitor/conveyancer without delay.

\_\_\_\_\_  
PURCHASER(S)

\_\_\_\_\_  
DATE

I/we the **Vendor(s)** noted above hereby confirm that:

1. I/we have sold the above property prior to midnight on the day of the auction after the property was passed in at auction and I/we have expressly authorised the Agent to attend to exchange of contracts on my/our behalf.
2. I/we have executed an Agreement for the Sale of Land to purchase the above property and acknowledge that a Cooling Off period DOES NOT apply.
3. I/we have received into our possession a copy of the exchanged contract of sale duly signed by the Purchaser(s)
4. \*I/we have expressly authorised the Agent named above to forward the exchanged contract to our solicitors/conveyancers without delay.  
\*I/we have taken possession of the contract and will deliver it to our solicitor/conveyancer without delay.

\_\_\_\_\_  
VENDOR(S)

\_\_\_\_\_  
DATE

\* CROSS OUT WHAT DOES NOT APPLY.

## CHECKLIST FOR EXCHANGING CONTRACTS

The process of exchanging contracts is a very important one. Care should be taken that the following procedure is followed carefully, otherwise it could be held that contracts have not been exchanged.

1. Obtain both copies of the contract. They can be the original copy and the counterpart prepared by the Solicitor, or they can be photocopies of the contract, but beware of copyright considerations.
2. Before proceeding further check the contracts page by page to ensure they are identical.
3. Check that all documents that should be appended are actually there. The list of appended documents are set out on page 2 of the standard form of contract.
4. Have the purchaser write their name and other details, and their solicitor details on a separate piece of paper and then copy their details to both copies of the contract. Ensure the details are the same on both copies.
5. Check the list of contents with the vendor and add any contents not on the contract. Do not write outside the heavy black box. Note any exclusions as well.
6. Enter the purchase price, the deposit (10%) and the balance owed on both copies. Do not vary the deposit amount unless authorised by the vendor's solicitor in writing.
7. Do not alter any clauses or add any clauses without the Vendor Solicitor's/Conveyancers's written permission. This includes the settlement term on the front page.
8. Have both the purchaser and the vendor sign one contract each on the front page. Tradition is that the vendor signs the original contract and the purchaser the copy. It is prudent practice to have each party initial every page of the contract and any alterations made to the contract as presented by the vendor's solicitor/conveyancer. This includes the changes to the inclusions and exclusions and the purchase price. Some agents have both parties sign and initial both contracts.
9. If the contracts have been out of your possession after you have checked them under Clause 2 above, then check again that they are identical.
10. Have both parties sign the relevant "Authority to Exchange". If you are doing an exchange with a Cooling Off period use the authority obtainable from THINK REAL ESTATE.
11. If the contract is being exchanged with a 66W Certificate or being exchanged after the auction before mid night then advise both parties that there is no cooling off period. Then physically exchange contracts.
12. Date the contracts and then advise both parties that contracts have been exchanged. If one or both parties are not present at the exchange then call them at let them know you have exchanged the contracts.
13. Make arrangements to send the contracts to the respective solicitor/conveyancer ASAP but no later than 2 days. If either party are taking the contracts then have them sign a receipt acknowledging they will take the contract to their solicitor/conveyancer ASAP.

**NOTE: This is a guide only and all agents should ensure that they understand what they are doing when exchanging contracts. If they are unsure they should seek independent legal advice.**

## **AUCTIONEER SIGNING CONTRACT**

Please note that THINK REAL ESTATE auctioneers do not as a general rule sign contracts except in very particular circumstances which are set out below.

If you are undertaking a "Mortgagee in Possession Sale, our Auctioneers will not sign contracts on behalf of the Mortgagee unless there is specific instructions in writing from the Mortgagee. You will need an authority from the Mortgagee in Possession whose name is shown on the front page of the contract, for you the agent, to sign contracts on their behalf. Care should be taken that the person who signs the authority to sign the contract has the authority to do so if they are acting for the mortgagee.

A THINK REAL ESTATE auctioneer will only sign a contract after the hammer falls if either the purchaser or the Vendor who signed the reserve form, refuses to sign the contract. The auctioneer is signing the contract in these circumstances to evidence in writing the exchange of contracts that took place at the fall of the hammer.

Note that a no time will the auctioneer sign a contract of a property that is sold after it is passed in.

## **RESERVE FORMS**

Only reserve forms included in this booklet will be acceptable to THINK REAL ESTATE Auctioneers. Agents who use THINK REAL ESTATE auctioneers must show a copy of a completed reserve form signed by all the vendors to the property. Failure to produce a written reserve signed by all the vendors will lead to the cancellation of the auction, with full fees being payable. If the reserve price is varied during the course of the auction, the agent must note the change on the reserve form and have the change initialled by the Vendor(s).

## **PRESCRIBED NOTICES**

The Office of Fair Trading has advised that Agents should note that under the Property Stock and Business Agents Act 2002, it is their responsibility for any auction they arrange that they have the correct signage on display. This includes the Terms and Conditions of an Auction Sale and the Prescribed Warning Notices. Some inspectors of the Office of Fair Trading require that more than one copy of the Terms and Conditions and Prescribed notices be on display. The Act requires that such notices must be displayed at the place where the auction is being physically held. If that is the front yard then the notices must be on display in the front yard, and some inspectors require them to be displayed at eye height level.

Also note the Agent must take all reasonable steps to ensure that a person who bids at the auction has been provided before the auction with a copy of the consumer education guide on Bidding at Auction. There is a NEW consumer guide effective 1 March 2007 or later that is available from the Office of Fair Trading.