

We are your local Harcourts.

Vision Real Estate Ltd



WELCOME TO OUR AUCTION

Thank you for your interest in this property. Attached is the information the seller has provided, which I have gathered to assist you with your Due Diligence, in preparation for auction day.

If you are not familiar with the auction process it may seem a little challenging, but there are many advantages to purchasing at auction. When the buyer and seller meet, and a conclusive sale eventuates, true market value for that property will have been established. It's a proven

Harcourts
Vision Real Estate



DUE DILIGENCE

Thank you for your interest in this property. Attached is the information the Vendor has provided, which I have gathered to assist you with your Due Diligence, in preparation for auction day.

A Pre-Auction Offer could come in at any time, so I suggest you begin your Due Diligence straight away.

This will allow you to be prepared should the Auction suddenly be brought forward with 24-48 hours notice.

- Contact the owners Insurance Company to ask if they will insure you, should you be the successful bidder at Auction. When you contact the insurer, quote the Policy Number. You may need to send them the information in this pack.
- Arrange finance approval on this particular property with your mortgage lender and arrange how you will pay a 10% deposit on auction day, should you be the successful bidder. If necessary investigate the cost of bridging finance (if you have a house to sell) just so you know what to expect should you own two homes for 4-6 weeks.
- If it helps, discuss with us a change to settlement date (this must be agreed to by the vendor prior to auction). Have your solicitor check and approve the Title, LIM, Particulars and Conditions of Sale by auction document, EQC Claim Information, and Insurance information.
- Organise any other inspections or specialist reports.
- If you require a different settlement date from that which is noted on the front page of the Auction Agreement (Particulars and Conditions of Sale) or any other variations to chattels or deposit, this request needs to be put on an Aside Agreement form and presented to the Vendors for approval and signing prior to the Auction. Discuss this with me as soon as practicable.
- Arrange an auction meeting with the listing agent prior to the auction to discuss bidding strategies to ensure that you are well equipped to make good decisions on auction day and ask any final questions.



CHECKLIST FOR AUCTION BUYERS

Auction has fast become the preferred method of buying and selling property in Christchurch. We want to make it as easy and straight forward as possible.

- Register your interest with the salesperson so that you will be advised of any prior offers.
- Be in a cash position i.e., have arranged your finance to your upper limit. Have your 10% deposit organised for Auction day.
- Have viewed and been satisfied with a LIM report, the title, and the particulars and conditions for the property.
- These preceding two points are very important as NO CLAUSES OR CONDITIONS will be included in the Auction Contract. Your bid or offer will be **TOTALLY UNCONDITIONAL**.
- Make a decision to buy prior to, or on the day. You can submit an pre auction offer for consideration. All pre-auction offers must be cash unconditional.
- While a vendor may supply a LIM report and a building report as a courtesy, it does not represent any warranty on their part. If any matter concerns you, seek legal advice before bidding or submitting a prior offer.
- Have your preferred possession date agreed with the seller prior to the Auction.
- Decide who will bid for you if you don't wish to bid yourself.
- Bid confidently on the day. While you will have a figure in mind you wish to pay, the nature of Auctions means it often pays to have a little in reserve in case someone else wishes to pay the same as you do.
- If the property is passed in, you and your consultant can enter into negotiations.



BUYING AT AUCTION

If you are not used to the auction process it may seem a little challenging, but there are many advantages to purchasing at auction. When the buyer and seller meet, and a conclusive sale eventuates, true market value for that property will have been established. It's a proven system of success.

MAKE THE TIME TO GET THINGS RIGHT

- Once you have identified an auction property that you're interested in, you'll know the date by which to arrange finance. You can then familiarise yourself with all the auction documents. Your solicitor can also inspect the title of the property and investigate all legal matters relating to your prospective purchase.
- If you've never attended an auction speak to your Harcourts Vision consultant. They can arrange a buyers meeting which will help you to become more acquainted with the auction process and it's various features.
- Of course, the whole process may never get to auction day. Sometimes a property is purchased 'by prior agreement'. In this instance you can submit a bid to the property owner for their consideration prior to auction day. There is however a process to follow so speak with your consultant about this.
- Let the marketing consultant know if you are interested in a particular property. Then, if another purchaser submits a bid prior to the auction, you'll be contacted and given the opportunity to participate in the auction.
- Inspect the property as many times as necessary and, if you require it, arrange for a builder, plumber, electrician, or any other tradespeople to accompany you. If necessary arrange a formal property check.
- Arranging finance is important too. Sales by auction are unconditional, so it's vital to have finance confirmed before you bid. 10% deposit is required on the fall of the hammer.

ON THE DAY

- It's your last opportunity to ask questions before the bidding begins.
- The auctioneer will begin by reading the terms and conditions, then talk generally about the property.
- Most auctions are held 'subject to a reserve price' - the price below which a property may not be sold. When the property is about to be sold, the auctioneer will announce that the property is going to sell.
- Making a bid simply involves making any gesture to attract the attention of the auctioneer. Be aware that any bid you do make over the reserve price could be the one that buys the property.
- If you're successful on the day you are required to sign the sales agreement and pay a deposit. This is 10% of the purchase price.

A SUCCESSFUL BID: THE TRUE MARKET VALUE

Buying at auction avoids the traditional offer/counter-offer negotiation process. If the bid is accepted you'll have the satisfaction of knowing you have purchased at 'true market value.' An auction is an exciting, competitive environment where everything is out in the open. You can see your competitors and keep track of each and every bid.

PASSED IN

'Passed in' is the term used when a property fails to reach the reserve price. The property will then be put on the open market and conditional buyers may submit an offer.

PRE-AUCTION OFFER PROCEDURE

STEP A1: [Before commencing](#)

- A1.1 The Seller must confirm to the Licensee that:
- (a) they wish to sell their property at auction and an auction date has been set for the property; and
 - (b) they wish to accept pre-auction offers to be conducted in accordance with the standard Harcourts **Pre-auction Offer Procedure** as set out in this document.

STEP A2: [Licensee to explain standard Harcourts pre-auction offer procedure to seller](#)

- A2.1 The Licensee must thoroughly explain and discuss the meaning and implications of the Harcourts **Pre-auction Offer Procedure** clearly to the Seller (taking into account the Seller's particular circumstances) before the Seller signs the Harcourts **Agency Agreement** and the **Pre-auction Offer Acknowledgement**.
- A2.2 The Licensee must advise the Seller that:
- (a) they cannot withdraw their property from the brought-forward auction if they sign a Pre-auction Offer (an offer made by a potential purchaser using the REINZ Auction Agreement) because to do so would mean that the property did not sell for a higher price at the brought-forward auction and therefore the condition in the Pre-auction Offer is satisfied; and
 - (b) they cannot change the reserve price once the Pre-auction Offer is signed by them.
- A2.3 Before the Seller signs the Harcourts Agency Agreement and the Pre-auction Offer Acknowledgement, the Licensee must recommend that the Seller seek independent legal, technical, or other advice on the documentation.
- A2.4 By initialling the Client Acknowledgements section of the Harcourts Agency Agreement relating to pre-auction offers and signing the Pre-auction Offer Acknowledgement, the Seller is agreeing that:
- (a) the Licensee has clearly explained the Harcourts Pre-auction Offer Procedure to the Seller; and
 - (b) they have received a copy of the Harcourts Pre-auction Offer Procedure which includes the Pre-auction Offer Acknowledgement; and
 - (c) they have understood their rights and obligations under the Harcourts Pre-auction Offer Procedure; and
 - (d) they shall be bound by the terms contained in the Harcourts Pre-auction Offer Procedure, including that they cannot withdraw their property from the brought-forward auction if they sign a Pre-auction Offer.

STEP A3: [Licensee to explain standard Harcourts pre-auction offer procedure to purchaser](#)

- A3.1 The Licensee must thoroughly explain and discuss the meaning and implications of the Harcourts Pre-auction Offer Procedure clearly to a prospective purchaser (taking into account the purchaser's particular circumstances) before the purchaser signs the Pre-auction Offer Acknowledgement.

STEP A4: [Purchaser's pre-auction offer](#)

- A4.1 When discussing the terms of the purchaser's pre-auction offer, the Licensee must ensure that the Pre-auction Offer is prepared using the REINZ Auction Agreement and includes the following clauses:
- (a) the purchase price; and
 - (b) a deposit equal to 10% of the purchase price immediately payable to the Licensee in non-reversible cleared funds upon the Pre-auction Offer being declared unconditional at the brought-forward auction; and
 - (c) a condition precedent inserted under the Further Terms of Sale stating that the Pre-auction Offer is conditional on the property not being sold at the brought-forward auction for an amount higher than the purchase price in the Pre-auction Offer. If a higher bid is made and accepted at the brought-forward auction then the condition is not satisfied and the Pre-auction Offer is automatically cancelled.
- A4.2 Below we set out the suggested clause to be inserted into the Further Terms of Sale:
- "21.0 Pre-auction Offer Condition
- 21.1 This Agreement is conditional upon the Vendor (Seller) not selling the Property at a higher price (than the purchase price in this Agreement) at the brought-forward auction either at the fall of the hammer or at such time that the auctioneer announces that the auction is at an end. For the purposes of clarity, the Property is SOLD at the brought-forward auction when the purchase price at the fall of the hammer is higher than the Agreement price AND the Vendor and the winning bidder sign an unconditional REINZ Auction Agreement.

PRE-AUCTION OFFER PROCEDURE

- 21.2 The Vendor agrees that the time and the date of the auction shall be brought forward to a time and a date that is a minimum of 48 hours (which includes at least one (1) full working day) from the time and date the Vendor signs this Agreement.
- 21.3 As soon as is reasonably practicable following the brought-forward auction having been completed, the Vendor shall notify the Purchaser in writing as to whether or not the condition in this clause has been satisfied.
- 21.4 For the avoidance of doubt, this pre-auction offer condition must be satisfied before this Agreement becomes unconditional in all respects.

STEP A5: Opportunity for purchaser to obtain legal advice

- A5.1 Before the purchaser signs the Harcourts Pre-auction Offer Acknowledgement and the Pre-auction Offer, the Licensee must recommend that the purchaser seek independent legal, technical, or other advice on the documentation.
- A5.2 By signing the Pre-auction Offer Acknowledgement, the purchaser is agreeing that:
- (a) the Licensee has clearly explained the Harcourts Pre-auction Offer Procedure to the purchaser; and
 - (b) they have received a copy of the Harcourts Pre-auction Offer Procedure which includes the Pre-auction Offer Acknowledgement; and
 - (c) they have understood their rights and obligations under the Harcourts Pre-auction Offer Procedure; and
 - (d) they shall be bound by the terms contained in the Harcourts Pre-auction Offer Procedure.
- A5.3 Once the purchaser has either taken independent professional advice or waived their right to do so, the purchaser should contemporaneously sign:
- (a) the Pre-auction Offer Acknowledgement; and
 - (b) the Pre-auction Offer.

STEP A6: Presenting offer to seller

- A6.1 Prior to presenting the Pre-auction Offer to the Seller the Licensee must explain to the Seller that:
- (a) the Pre-auction Offer is conditional on the outcome of the brought-forward auction; and
 - (b) a conditional agreement for sale and purchase of the property is formed when the Seller signs the Pre-auction Offer; and
 - (c) by signing the Pre-auction Offer the Seller is bound to sell their property to the purchaser if a higher bid is not received at the brought-forward auction.
- A6.2 The Licensee should also remind the Seller that:
- (a) they cannot withdraw their property from the brought-forward auction if they sign a Pre-auction Offer because to do so would mean that the property did not sell for a higher price at the brought-forward auction and therefore the condition in the Pre-auction Offer is satisfied; and
 - (b) they cannot change the reserve price once the Pre-auction Offer is signed by them.
- A6.3 The Seller is presented with the Pre-auction Offer. The Licensee must confirm to the Seller that the purchaser has agreed to the Harcourts Pre-auction Offer Procedure.

STEP A7: Opportunity for seller to obtain legal advice

- A7.1 Before the Seller signs the Pre-auction Offer, the Licensee must recommend that the Seller seek independent legal, technical, or other advice on the agreement.
- A7.2 If the Seller is unwilling to accept the Pre-auction Offer the purchaser is informed.
- A7.3 If the Seller is willing to accept the Pre-auction Offer, the Seller must:
- (a) (before signing the Pre-auction Offer) complete the time and date of the brought-forward auction and re-sign the Pre-auction Offer Acknowledgement to confirm their agreement to be bound by the Harcourts Pre-auction Offer Procedure; and
 - (b) sign and date the Pre-auction Offer.

PRE-AUCTION OFFER PROCEDURE

STEP A8: Informing purchaser of next steps

- A8.1 The Licensee shall inform the purchaser that:
- (a) the Seller has accepted the purchaser's Pre-auction Offer which means that the purchaser cannot withdraw its offer;
 - (b) the Harcourts Pre-auction Offer Procedure has been agreed to by the Seller, which means the auction will be brought forward; and
 - (c) the agreement is conditional on the property not selling for a higher price at the brought-forward auction; and
 - (d) the purchaser may attend the brought-forward auction and may bid; and
 - (e) the reserve price will be set at a price that is equivalent to the purchase price in the Pre-auction Offer; and
 - (f) the purchase price in the Pre-auction Offer is not a bid and will not be treated as a bid at the auction. It is a separate agreement which will be cancelled if the condition in the Pre-auction Offer is not satisfied (i.e. the property is sold at a higher price at the brought-forward auction within the required time).

STEP A9: Informing prospective purchasers

- A9.1 The Licensee then contacts all other parties who have expressed an interest in purchasing the property. These prospective purchasers are advised that:
- (a) the Seller has a conditional agreement to sell the property;
 - (b) the auction date has been brought forward and the prospective purchaser can bid at the auction;
 - (c) unless the property is sold at a higher price at the brought-forward auction the property will be sold pursuant to the Pre-auction Offer. The Licensee shall not disclose the purchase price contained in the Pre-auction Offer to any party.

STEP A10: Before the brought-forward auction

- A10.1 Before the brought-forward auction:
- (a) The Seller must sign a Reserve Price Form. The reserve price must be equivalent to the purchase price in the Pre-auction Offer and the Seller cannot change the reserve price once the Pre-auction Offer is signed.
 - (b) The Licensee must advise the Seller, the purchaser, and any potential purchasers that:
 - (i) an auction starts when the auctioneer invites the first bid from potential participants;
 - (ii) an auction ends when the auctioneer makes it clear that bidding is closed or announces that the property has sold;
 - (iii) any bid at an auction may be withdrawn before the end of the auction; and
 - (iv) the Seller will not withdraw their property from the brought-forward auction.

STEP A11: The brought-forward auction

- A11.1 The auctioneer will announce the purchase price in the Pre-auction Offer prior to the start of the brought-forward auction as being at an acceptable level to the Seller (not as an opening bid) and then commences the brought-forward auction by inviting bids from potential participants. Prospective purchasers including the purchaser may bid.
- A11.2 If the auctioneer closes the brought-forward auction and the property is sold for a price over the reserve price:
- (a) the Pre-auction Offer is at an end; and
 - (b) a new REINZ Auction Agreement is signed with the successful bidder at the end of the brought-forward auction. If the winning bid is by the purchaser, then a new REINZ Auction Agreement is signed to include the winning bid as the new purchase price and the Pre-auction Offer is at an end as the condition is not satisfied.
- A11.3 If the auctioneer closes the brought-forward auction and has not received and accepted any bids, then the Pre-auction Offer becomes unconditional and the auctioneer will announce that the brought-forward auction is at an end.

PRE-AUCTION OFFER ACKNOWLEDGEMENT

Property

Seller

.....

.....

Purchaser

.....

.....

Acknowledgement

By signing this Pre-auction Offer Acknowledgement, the Seller and the purchaser both acknowledge that:

1. the Seller wishes to accept pre-auction offers to be conducted in accordance with the standard Harcourts Pre-auction Offer Procedure; and
2. the purchaser wishes to make a pre-auction offer in accordance with the Harcourts standard Pre-auction Offer Procedure; and
3. the Licensee has thoroughly explained and discussed the meaning and implications of the Harcourts Pre-auction Offer Procedure clearly to the Seller and to the purchaser; and
4. the Seller and the purchaser understand their rights and obligations under the Harcourts Pre-auction Offer Procedure; and
5. the Seller and the purchaser agree to be bound by the terms contained in the Harcourts Pre-auction Offer Procedure; and
6. the Licensee has recommended that the Seller and the purchaser seek independent legal, technical, or other advice on the documentation prior to signing any documents, and the parties have either taken such advice or have waived their rights to do so; and

Initials here:

7. the purchaser confirms that the Pre-auction Offer has been signed and includes:
 - (a) the purchase price; and
 - (b) immediate payment of the deposit (equivalent to 10% of the purchase price) to the Licensee in non-reversible cleared funds upon the Pre-auction Offer being declared unconditional at the brought-forward auction; and
 - (c) the Pre-auction Offer Condition set out in Step A4.2 above; and
8. once the Pre-auction Offer is signed by the Seller:
 - (a) the Pre-auction Offer remains conditional upon the outcome of the brought-forward auction; and
 - (b) the Seller is bound to sell their property to the purchaser if a higher price is not received at the brought-forward auction; and
 - (c) the Seller cannot withdraw their property from auction; and
 - (d) the Seller cannot change the reserve price (which must be equivalent to the purchase price); and
 - (e) the purchase price in the Pre-auction Offer is not a bid; and
 - (f) the purchaser may attend the auction and may bid; and
9. the brought-forward auction details:

PRE-AUCTION OFFER ACKNOWLEDGEMENT

Brought-forward auction shall be held at _____ am/pm on the _____ day of _____
(being a minimum of 48 hours including 1 full working day from the Seller signing the Pre-auction Offer.)

Dated this _____ day of _____ 20 ____

Signed by the Seller

Signed: _____

Signed: _____

Print Name: _____

Print Name: _____

Trustee/Director/Authorised Signatory

Trustee/Director/Authorised Signatory

Signed: _____

Signed: _____

Print Name: _____

Print Name: _____

Trustee/Director/Authorised Signatory

Trustee/Director/Authorised Signatory

Signed by the Trustee/Director/Authorised Signatory

Signed: _____ **Signed:** _____

Print Name: _____

Print Name: _____

Trustee/Director/Authorised Signatory

Trustee/Director/Authorised Signatory

Signed: _____

Signed: _____

Print Name: _____

Print Name: _____

Trustee/Director/Authorised Signatory

Trustee/Director/Authorised Signatory

PRE-AUCTION OFFER CONDITION IS SATISFIED

Property _____

Seller _____

Purchaser _____

Confirmation of Satisfaction of Condition

As you know, your Pre-Auction Offer was conditional upon the outcome of the brought-forward auction. The Seller was bound to sell their property to the purchaser if a higher price is not received at the brought-forward auction.

The Seller is pleased to notify the Purchaser in writing that clause 21 (Pre-auction offer condition) of the Sale and Purchase Agreement is satisfied. Accordingly, please forward a copy of the signed Agreement for Sale and Purchase to your lawyer for processing. We will do likewise and instruct our lawyer to make contact with your lawyer.

Dated this _____ day of _____ 20____

Signed by the Seller: _____

Print Name: _____
Trustee / Director / Authorised Signatory

Print Name: _____
Trustee / Director / Authorised Signatory

Print Name: _____
Trustee / Director / Authorised Signatory

Print Name: _____
Trustee / Director / Authorised Signatory

PRE-AUCTION OFFER CONDITION IS NOT SATISFIED

Property _____

Seller _____

Purchaser _____

Confirmation that Condition is NOT Satisfied

As you know, your Pre-Auction Offer was conditional upon the outcome of the brought-forward auction. The Seller was bound to sell their property to the purchaser if a higher price is not received at the brought-forward auction.

The Seller regrets to notify the Purchaser in writing that clause 21 (Pre-auction offer condition) of the Sale and Purchase Agreement was not satisfied. Accordingly, the Pre-auction Offer set out in the Agreement for Sale and Purchase is automatically cancelled.

Dated this _____ day of _____ 20____

Signed by the Seller: _____

Print Name: _____
Trustee / Director / Authorised Signatory

Print Name: _____
Trustee / Director / Authorised Signatory

Print Name: _____
Trustee / Director / Authorised Signatory

Print Name: _____
Trustee / Director / Authorised Signatory



AUCTION TERMS & CONDITIONS

DISCLAIMER:

Please seek legal advice before bidding at auction.
If successful you will be signing this unconditional agreement.
Please read due diligence checklist in this pack.

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CERTIFICATE OF TITLE & LAND INFORMATION

DISCLAIMER:

The Certificate of Title and LIM have been obtained on behalf of the Vendor and copies have been made available to prospective purchasers and interested parties for general information purposes only. However, neither the Vendor nor Harcourts Vision Real Estate Limited warrants the accuracy of this copy and they accept NO LIABILITY for any errors or omissions in this document. It is recommended to all prospective purchasers and interested parties that they obtain and rely on their own copies for due diligence.

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BUILDING REPORTS

DISCLAIMER:

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INSURANCE / EQC

DISCLAIMER:

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RENTAL ASSESSMENT

DISCLAIMER:

This rental assessment is a guide only and rental values could change at any stage. Vision Property Management Ltd or its employees will not entertain any claim for compensation or damages upon the grounds that the above property does not rent at the weekly rental figure as stated above. This appraisal is valid for 30 days.

Harcourts
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NEW ZEALAND RESIDENTIAL PROPERTY AND SALE PURCHASE AGREEMENT GUIDE



MISCELLANEOUS DOCUMENTS



PROPERTY MANAGEMENT

We are committed to a professional, caring, efficient property management service ensuring your investment is well looked after.

What we do

- Indepth vetting of prospective tenants
- Bond lodgements and rent collection
- Arrange maintenance and repairs with no extra fees
- Property condition experts
- Regular property inspections
- Monthly owner payouts within statement
- Audited trust accounts
- Casual lets

Testimonials

“We’ve been with Harcourts Property Management for 10 years. When we purchase our first home, we didn’t have any experience with renting a property. The property management team gave us helpful and most importantly honest advice on many different issues. Their team works hard on initially advertising and renting the property, liaising with tenants and then upkeep and maintenance. Our properties are well looked after and Harcourts always communicates with us to keep them in great condition.”

– Eloise Ono

Harcourts Vision Property Management have always been friendly and I have felt they are always on the case and doing the best for my property.

– Carol Studman

Our fees are competitive and we go the extra mile in many areas without additional fees.



Sarah Chaplin

New Business Manager / Business Owner

C: 027 320 0517

T: 359 4370

E: sarah@harcourtsvision.co.nz

W: www.harcourtsvision.co.nz

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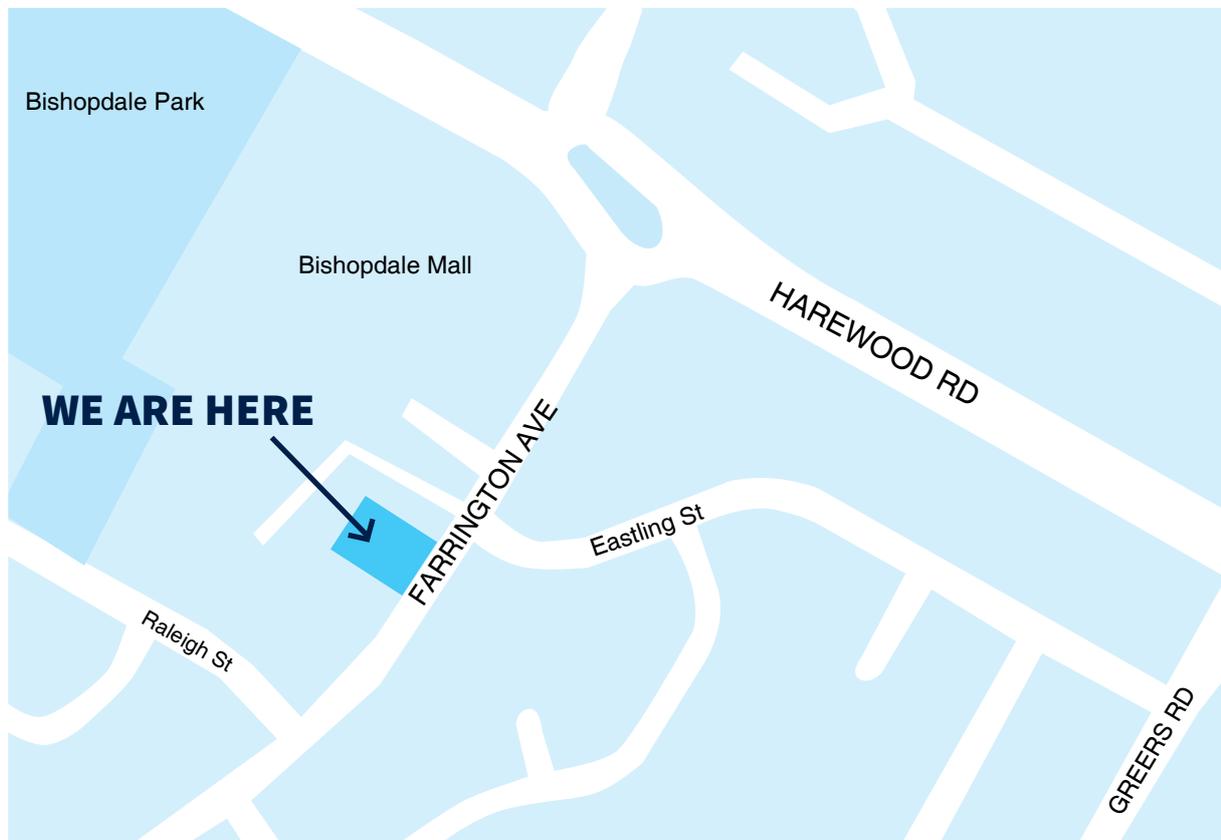
HOW TO FIND OUR OFFICES AND AUCTION ROOMS



VISION REAL ESTATE LTD
AUCTION ROOMS

127 FARRINGTON AVENUE
(HAREWOOD ROAD END)

Our Auction Rooms are on the first floor



BEST PRACTICE GUIDE FOR AN AUCTION



DISCLAIMER: The information contained in this document is not intended to form professional legal advice or legal opinion on any particular matter.

1. General

- 1.1 When conducting the sale of a property by auction, members shall not engage in any conduct which is misleading or deceptive or is likely to mislead or deceive. This principle applies to conduct prior to, at and after the auction.
- 1.2 Nothing in this Guide limits or diminishes members' obligations to report suspected misconduct or unsatisfactory conduct of a licensee to the Real Estate Agents Authority as required under the Real Estate Agents Act 2008 and/or its regulations.

2. Before the Auction

- 2.1 Members shall not advertise a property as being for sale by auction unless there is intended to be an auction and unless a written auction authority form has been duly executed by or on behalf of the seller.
- 2.2 Members shall provide a copy of this Best Practice Guide to prospective sellers prior to having them sign the auction authority.
- 2.3 Sellers must sign an acknowledgment of acceptance of the terms of this Guide, which shall form part of the auction authority.
- 2.4 Prior to the auction, the member shall make available for inspection the terms and conditions under which the sale of the property by auction will be undertaken.
- 2.5 If applicable, the member shall specify in such terms and conditions of sale that the seller reserves the right to bid either personally or through an agent.
- 2.6 The member shall make this Guide available for inspection prior to the auction.
- 2.7 Members must make reasonable endeavours to inform all interested parties if a property is to be withdrawn from auction or is to be sold prior to auction.

3. At the Auction

- 3.1 The auctioneer shall conduct the auction at all times with integrity and in compliance with the law of New Zealand and this Guide.
- 3.2 The terms and conditions of sale shall be on display and available for inspection, together with this Guide, at the auction. Any portion of the terms and conditions of sale relating to the description of the property will be read aloud by the auctioneer at the commencement of the auction of that property.
- 3.3 Before commencement of the bidding for a property, the auctioneer shall announce whether the seller has set a reserve price. The reserve price, if any, shall not be disclosed to bidders.
- 3.4 Before commencement of the bidding for a property, the auctioneer shall announce whether the seller has reserved the right to bid one or more times at any level below the reserve price at the auction and, if so:
 - (a) Whether the member has been appointed to bid on behalf of the seller and, in such case, that all bids made on behalf of the seller will be made and declared by the auctioneer; or
 - (b) Whether the seller or some other person will be bidding on behalf of the seller and shall identify that person in which case any bid made by that person shall be declared by the auctioneer.Neither the member nor any salesperson engaged by the member shall make or assist any other person to make any bid on behalf of the seller in contravention of any announcement by the auctioneer pursuant to this clause. The member, or any salesperson engaged by the member, shall immediately advise the auctioneer of any bid which they believe to be made in contravention of this clause.
- 3.5 Where the seller does not provide the auctioneer with a written reserve prior to the auction, the auctioneer shall announce that the property is to be sold without reserve and no bid shall be made by or on behalf of the seller at the auction.
- 3.6 In making a bid on behalf of the seller at the auction, the auctioneer shall exercise his/her independent judgement.
- 3.7 Where in advance of the auction, any contractor/employee of the member or the auctioneer has been requested to bid for a prospective buyer, whether that buyer is present or absent, the auctioneer will announce that fact and identify those contractors/employees who will be so bidding.
- 3.8 The auctioneer shall ensure that the amount of any bid is clearly stated.
- 3.9 The auctioneer may refuse any bid.
- 3.10 The auctioneer shall resolve any disputed bid in accordance with the terms and conditions of sale governing the auction.

If such terms and conditions do not specify how disputed bids are to be resolved, then the auctioneer shall resolve any disputed bid in accordance with the Particulars and Conditions of Sale by Auction 4th Edition (or any document approved by the REINZ in substitution thereof).
- 3.11 Under no circumstances will a bid by or on behalf of the seller be exercised by the auctioneer at or in excess of the seller's reserve price.
- 3.12 The auctioneer will always clearly announce if the property is about to be sold under the hammer.
- 3.13 Subject to the reserve price being reached, the highest bidder shall be the buyer.
- 3.14 If the seller so instructs, the auctioneer will announce during the course of the auction that in the event of the property being passed in the highest bidder will have the first right of purchase of the property at the seller's reserve price.

4. After the Auction

- 4.1 If a property is passed in at auction, no post auction advertising for the property shall make any reference to any seller bid made for the property at the auction.