

Pre-Auction Offer Procedure

1. All pre-auction offers must be unconditional. One of the Business Owner / Branch Manager / Sales Manager / Auctioneer must be involved if being presented as a multi offer where the listing sales consultant has an offer.
2. The offer is prepared on the Particulars and Conditions of Sale of Real Estate by Auction (Fourth Edition 2012 (2)), with the following clause added as a Special Condition of Sale.

In consideration of the Vendor considering this offer before the advertised auction and agreeing to adopt the pre-auction sale procedures set out in the Pre-Auction Offer–Purchaser’s Form which the Purchaser has signed and which is attached hereto, the Purchaser agrees that the Purchaser will not withdraw this offer before _____ am/pm on _____ (date)

The Purchaser understands that this is an essential element of the pre-auction offer procedure. If this condition is not included in the Purchaser’s offer, the offer will not be considered by the Vendor prior to the advertised auction.

3. The offer (with Purchaser’s Form attached) is presented to the Vendor for consideration with a deposit of 10% of the purchase price or such other deposit as the Vendor has approved.
4. If the offer is not at an acceptable level no counter offer is made, it is merely communicated to the Purchaser that at that stage the offer was not at a level that would stop the auction. The deposit is returned.
5. If the offer is at an acceptable level, the Vendor signs the Pre-Auction Offer-Vendor’s Form, and a copy of the Vendor’s Form is immediately provided to the Purchaser. The Vendor does not sign the offer at this stage. All other interested parties are then contacted and told that an unconditional offer to purchase the property has been received and will be accepted by the Vendors unless a better offer is received. They should then be informed of the time, place and manner for the opportunity to make their better offer. This must be communicated within 2 hours of the Vendor’s acceptance. A reserve form will be signed by the Vendor at that level.
6. If any other interested party wishes to make an offer we bring the auction forward, or present the offers as multi-offers (with the first Purchaser having the right to increase their offer).
7. From the time of verbal acceptance by the Vendor, a minimum of 48 hours must be allowed, including at least one working day, to the time of the auction or multi-offer presentation. It is recommended that time records be kept of the procedure followed, and contacts made.
8. If there is an auction conducted with the interested parties, the auctioneer will invite bids above the offer already made.

Subject Property Address: _____

The Vendor(s) agree to adopt the procedure outlined above.

(Vendor(s))

(Date)