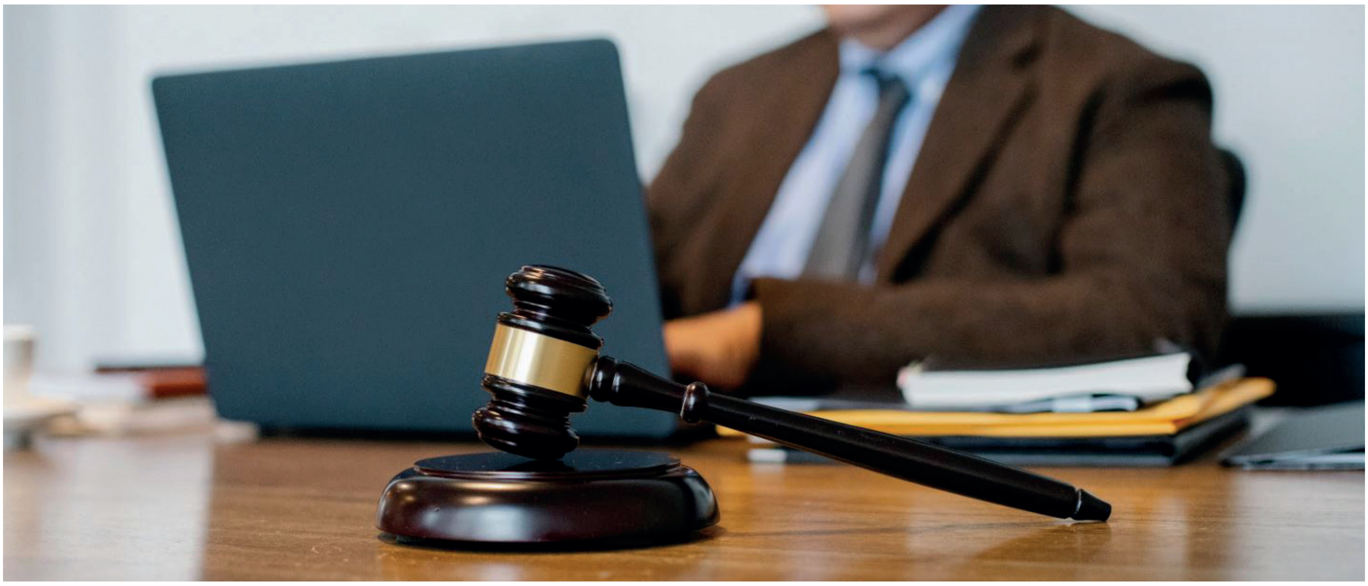
Peter Clarke

IN ASSOCIATION WITH Winkworth

BUYING
AT ONLINE AUCTION

Regulated by RICS



A STEP-BY-STEP BUYERS GUIDE

1. REGISTRATION

To view and download the legal documents you must first create an account. This is very simple and we only ask for your email address to do so. To register, simply click the link in the top right hand corner of the online auction listings and complete the form.

Once you have registered, you will be able to search, download legal documents, arrange site viewings and contact Peter Clarke and your solicitors if you have queries on the property.

2. BIDDER VERIFICATION

We are committed to carrying out identity and anti-money laundering checks and so, in order to bid, you will need to be authorised. The process is quick and easy, you'll need to complete a short form, and provide either a passport MRZ number or driving licence number. Verification is carried out online and results are immediate. This check will leave a soft footprint on your credit report (but it should not affect your credit rating.)

- Details of your solicitor / conveyancer - we need this information so that we can ensure a smooth exchange/completion process if you win the bid. We will only contact your solicitor/conveyancer if you are the successful bidder.
- Payment details - if you are the successful bidder, we will charge fees as shown on the property details.

3. PLACE YOUR BID

Once you are fully authorised you will be free to place a bid. We encourage responsible bidding. Remember that if you are the successful bidder, you will be legally obliged to pay the full amount of the purchase price. With that in mind, we strongly recommend that you have funds in place before placing your bid and only bid up to your limit.

4. IF YOU ARE THE WINNING BIDDER

TRADITIONAL ONLINE AUCTION

Exchange occurs online, immediately at the end of the auction - you'll be legally bound to complete the purchase of the property.

We will charge you the Buyers Fee (as shown on the property details.) This amount is split between a buyer fee and part payment of the purchase price. In addition, there is an admin fee payable (as shown on the property details.) Please check the details on each property for details of all buyer fees. You will only be charged if you are the successful bidder.

You will then have until 12 pm the next business day to transfer the remainder of deposit (being 10% of the purchase price less the amount part paid towards the purchase price.) You will be contacted by the auctioneer as to how to do this.

CONDITIONAL ONLINE AUCTION

At the end of the auction you'll enter into a reservation agreement with the seller and have up to 20 working days within which to exchange. If you fail to do so, you may lose your reservation fee.

If you are the successful bidder, we will automatically charge you up to 2% plus VAT of the final sale price, subject to a minimum of £5,000 plus VAT. This will be specified in the reservation contract. Please check the fees on each property for details of all buyer fees as these may vary for each lot. You will only be charged if you are the successful bidder.

By placing the bid, you are authorising the auctioneer to sign the reservation agreement on your behalf. You then have 20 working days to exchange and transfer the deposit (usually being 10% of the purchase price) to the vendors solicitors.

FREQUENTLY ASKED QUESTIONS

Q. How long does each auction last?

A. A countdown timer is shown on each auction so bidders can see how long is left of the auction. Whenever a bid is placed in the final 5 minutes, the auction timer will reset to 5 minutes. This is to allow other parties a fair chance to place another bid. The auction will end when the countdown hits zero.

Q. I've placed my bid. Can I bid again at any time?

A. Of course! You are free to bid as many times as you feel comfortable. You will have to go through the bidding steps, so make sure you place that bid in time.

Q. Do you use automatic proxy bidding?

A. There is an automatic proxy bidding system in place. You can place your maximum highest bid at any point during the auction, the system will then automatically bid incrementally until that maximum bid has been reached. We have a time extension mechanism in place to give you time to put another bid in - whenever a bid is placed in the final 5 minutes, the auction timer will reset to 5 minutes. This is to allow other parties a fair chance to place another bid.

Q. Are there minimum bidding increments?

A. Yes. When a bid is placed, we will automatically set the next bid to the minimum increment. Please note that the auctioneer may vary the minimum increment depending on the property, so not every property will have the same minimum increment.

Q. Can I download and print legal documents?

A. Yes, you are free to download and print the legal documents. We recommend you use a solicitor or conveyancer to review the legal documents, but that is entirely your decision.

Q. How do I know the seller owns the property?

A. The legal pack should include an official copy from the Land Registry. This document will specify who owns the property and whether there are any charges or mortgages that need to be cleared. Your solicitor can assist you with this information.

Q. I'd like to arrange a viewing - how do I do this?

A. Arranging a viewing couldn't be easier. Contact the office dealing with the sale of the property, the details of which are within the property listing.

Q. I've won the auction. What's next?

A. The process is slightly different depending on whether you are successful in a traditional online auction or conditional online auction:

Traditional Online Auction

We will contact you if you are the successful bidder and will charge you the Buyers Fee and Administration Fee (as shown on the property details). This payment will be taken as soon as the auction ends and you are the successful bidder.

You then have 48 hours to pay the remainder of 10% of the purchase price. You should contact your solicitor immediately after winning the bid (we will also contact you and your solicitor.) If you do not carry out these steps within 48 hours, you may forfeit the entire amount of the Buyers Fee and Administration Fee.

Conditional Online Auction

If you are the successful bidder, we will automatically charge you up to 2% plus VAT of the final sale price subject to a minimum of £3,000 plus VAT. This will be specified in the reservation contract. We will only charge you if you are the successful bidder. You should check the Reservation Contract document contained as part of the legal documents for each property.

A reservation agreement is produced at the end of the auction and the auctioneer is authorised to sign this on behalf of both the successful buyer and the seller to evidence that an exclusivity agreement is in place between both parties.

You then have up to 20 working days to exchange on the property.

You should contact your solicitor immediately after winning the bid (we will also contact you and your solicitor). If you do not exchange on or before the expiry of the 20 working day period, you will forfeit the entirety of the reservation fee paid and will still be liable for the full amount of the reservation fee. If due to the actions of the seller, exchange does not occur on or before the expiry of the 20 working day period, then your reservation fee is fully refundable.

Q. Are there fees to pay?

Traditional Online Auction

A. Fees are specified on the individual property listing within the details and are charged immediately at the end of the auction period. You can also see all fee information in the pop up that appears after you click "Bid". If you are unsure of any fees, please contact us before bidding.

Conditional Online Auction

A. If you are the successful bidder, we will automatically charge you up to 2% plus VAT of the final sale price subject to a minimum of £5,000 plus VAT. This will be specified in the reservation contract. We will only charge you if you are the successful bidder.

Q. Are there any other fees to pay?

A. You may be required to pay for the costs of the seller's legal pack. This is because the seller is required to arrange for a legal pack to be prepared up front, which contains a number of searches and information that is usually carried out by a buyer in a conventional property purchase. Asking for the buyer to reimburse the seller's legal fees is commonplace in auction sales. We strongly advise you check the legal pack and terms of the sale before you place a bid.

Also be aware that for some properties, you may be required to pay VAT on top of the purchase price. This will generally be for commercial properties and the legal pack and/or the sale memorandum will make reference to this.