

Auction Day

Buyers Guide



Conduct of the auction:

- 1. Particulars and Conditions of Sale of Real Estate by Auction** is a document that contains the conditions of sale under which the property is offered and information on how the sale will be conducted. It also contains any of the vendor's special terms of sale. You should familiarise yourself with this document and/or seek legal advice before bidding at auction.
- 2. Buyer Registration**
Buyers may be required to register prior to bidding. This is at the discretion of the salesperson conducting the sale.
- 3. Opening Bid**
The auctioneer will generally call for an opening bid or offer from the floor. Don't be afraid to call out a realistic opening bid to start the auction. It's important where the bidding ends, not where it starts.
- 4. Vendor Bidding**
The auctioneer may be instructed by the vendor to bid (make counter-offers) on their behalf. This is called vendor bidding and may occur up to the vendor's reserve price. The auctioneer is required to declare when he/she is bidding on behalf of the vendor.
- 5. False or Dummy Bidders**
PGG Wrightson Real Estate auctions are conducted in accordance with the REINZ Auction Code of Practice, which does not allow unauthorised bidding by any other party.
- 6. Third Party Bidding**
You may wish to have someone bid on your behalf if you can't attend the auction or if you feel nervous about bidding yourself. You can instruct your lawyer, a family member or your agent to bid on your behalf, as long as they have your written authority and acknowledgement that they may be required to sign the binding Memorandum of Contract on your behalf. Third party bidding forms are available from your agent.
- 7. Telephone Bidding**
If you are unable to attend the auction but still wish to bid, you can instruct your agent to relay your bids by telephone. This is called telephone bidding and is now common practice. You will need to provide your written authority to the agent and acknowledge that you will complete all the relevant documentation if you are the successful bidder. Telephone bidding forms are available from your agent.

8. The Bidding Process

To be successful at auction you should confirm your interest to the salesperson that showed you through the property. They will be able to advise you when to place a bid and what increases you should make. When the auctioneer declares that "the property is on the market", it means that the bidding has reached or exceeded the vendor's reserve and that the highest bidder will be the new owner.

9. The 'Call Down'

The auctioneer will generally offer the property to the highest bidder three times. This is referred to as the 'call down'. The auctioneer will then call 'for the third and final time' and then announce the property is 'SOLD'. Feel free to bid at any time during the call down.

Some more handy tips to make sure you are informed and prepared to bid at auction:

- Decide on your best and final price – Decide the maximum amount you are prepared to pay for the property and stick to it. Don't let someone else's spirited bidding put you off going to your limit.
- Bidding – When you are bidding, do so with confidence and speed. Respond quickly when someone is bidding against you.
- Make yourself visible – Make your bids obvious by raising your hand or a sheet of paper. Once you have the auctioneer's attention, maintain eye contact with him at all times.

Should you require any help or have any questions, please feel free to approach one of our sales team at any time. Good luck and happy bidding!