



# Conditional Online Auction Vendor Guide

[www.brookvaleauctions.com](http://www.brookvaleauctions.com)





# Watch the price of your property increase in real time!

Our online auction technology is powered by **Bamboo Auctions** so you can sell your properties by auction, with maximum exposure and flexibility.

## Conditional Auctions

Selling your home by conditional auction provides you with a faster transaction and more certainty. Your sale will be significantly less likely to fall through and there is a lower risk of your buyer trying to renegotiate the price. This means a quicker and more secure process for you at no extra cost. You can set a 'Reserve Price' which is your financial safety net - this means you will never sell your home for less than the minimum price that you have set.

## Speed - Making your transaction quicker

Your buyer will be required to exchange contracts by a specific date set by you. This is typically 20 working days (*long enough for them to finalise any mortgage arrangements if needed*). This is known as the Reservation Period.

## Certainty - A safer, more secure sale

At the end of the auction (*when the timer reaches zero and the reserve price has been met or exceeded*) the buyer will pay a non-refundable fee called a buyer fee. This is usually a % of the purchase price and would be forfeited if the buyer does not proceed to exchange contracts by the date agreed. This financial security gives you the certainty of your buyer's commitment to purchase your property.

## Reservation Period - The time between the auction ending and the exchange of contracts

This is the time between the auction ending (*where the property has met or exceeded the 'Reserve Price'*) and when the buyer is required to formally exchange contracts. This period of time is typically 20 working days, but you will be able to set this reservation period with our advice.





# The Conditional Sales Process

1

## When the auction finishes

At the end of the auction, when the timer reaches zero and your reserve price has either been met or exceeded, the buyer will be charged a buyer fee. This will typically be a %+VAT of the purchase price or a minimum of in pounds whichever is higher. Both you and the buyer will enter into a reservation agreement.

2

## Reservation Agreement

The agent will sign the reservation agreement on your behalf to evidence that a reservation has taken place. This reservation agreement forms part of the contract of sale. The buyer now has a specified period of time (typically 20 working days) to finalise and be ready to exchange contracts.

3

## Preparing for the exchange of contracts

You should contact your solicitor and make sure that they have everything ready to send to the buyer's solicitors and arrange for the exchange of contracts by this deadline.

The buyer will contact their solicitor and make sure they have everything in place for this same deadline. If the buyer fails to do this, they will forfeit the buyer fee they have paid.





# Frequently Asked Questions

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## **Q. Aren't auctions for distressed properties?**

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If your property is chain free, then it is perfect to sell online through this method. More and more properties are being listed and sold in this way in the UK. It's a great way to attract all types of buyers and exchange occurs faster. You could also get a higher price than you expected.

## **Q. If I get an offer outside of this sales process, can I accept it and withdraw the property?**

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Yes, so long as you do so before the reserve is met and the timer hits zero. You may have to pay a withdrawal fee and you should consider the terms of our Online Auctions Listing Agreement.

## **Q. How do you verify the bidders?**

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All bidders are required to undertake and pass our enhanced ID check, store a UK address registered payment card with us for automatic and immediate collection of a fee at the end of the auction as well as provide us with their solicitor details.

## **Q. Can you alter the reservation period?**

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Yes, you can change this to suit your circumstances. Should the buyer need more time, you have the option to extend the reservation period.

## **Q. If it doesn't sell, is there a cost to relist?**

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No, you can relist as many times as needed at no extra cost.





# Notes



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Contact us

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