

# Auction Conduct Guide for Buyer's (England, Wales & Scotland)

## Our Auction Types

We run three styles of auction described below:

- **"Auction Events"** which take place with a live auctioneer and are streamed online in real-time. Properties are sold alongside several other lots. Bids are placed remotely. The auction date applicable for the property is displayed on the property listing. It is not possible to provide a precise timeslot when the property will be auctioned on the day, because there are other lots being sold.
- **"Timed Auctions"** - these are individual auctions, which are conducted online through our online-bidding platform. The timeslot for the auction is displayed on the property listing page, showing the time remaining to bid and end date of the auction.
- **"Buy-It-Now"** - these are individual auctions, which are also conducted online through our online-bidding platform. These properties are available on a first-come, first-served basis, and can be purchased immediately\*\* for the price listed on the property listing. You are bound to purchase as soon as you click to confirm payment.

**\*\* Please note:** In all cases, you are required to undertake identity checks before you can be authorised to bid. You must also provide your payment details. If you do not provide this information, your registration will not be processed. SDL Property Auctions is not liable to you for any loss of opportunity if your registration cannot be processed for any reason.

## Sale Types and Applicable Fees

Our properties will either be sold as "Unconditional with Fixed Fee", "Unconditional with Reservation Fee", or "Conditional with Reservation Fee". Applicable deposits and auctioneer fees will differ, depending on if the property is located in England and Wales, or Scotland.

**All auctioneer fees and deposits listed are non-refundable. The Deposit will contribute to the purchase price. Auctioneer fees do not contribute to the purchase price, but will still form part of the chargeable consideration of the property for calculation of Stamp Duty/Land and Buildings Transaction Tax.**

Please see quick reference chart for each sale type below:

	Unconditional with Fixed Fee	Unconditional with Variable Fee	Conditional with Reservation Fee
England & Wales	<ul style="list-style-type: none"> <li>• Contracts of sale immediately exchanged</li> <li>• 10% Deposit subject to a minimum of £5,000 (inc. VAT)</li> <li>• Buyer's Fee of £1074 (inc. VAT).</li> </ul>	<ul style="list-style-type: none"> <li>• Contracts of sale immediately exchanged</li> <li>• 5% Deposit subject to a minimum of £5,000 (inc. VAT)</li> <li>• Buyer's Fee of 4.8% of the final purchase price for properties sold for up to £250,000 or 3.6% for properties sold for over £250,000. This is subject always to a minimum of £6,000 (inc. VAT)</li> </ul>	<ul style="list-style-type: none"> <li>• Exclusivity agreement entered into (contracts of sale not exchanged immediately)</li> <li>• Reservation Fee of 4.8% of the final purchase price for properties sold for up to £250,000 or 3.6% for properties sold for over £250,000. This is subject always to a minimum of £6,000 (inc. VAT).</li> </ul>
Scotland	<ul style="list-style-type: none"> <li>• Contracts of sale immediately exchanged</li> <li>• 10% Deposit subject to a minimum of £5,000 (inc. VAT)</li> <li>• Buyer's Fee of £1074 (inc. VAT)</li> </ul>	<ul style="list-style-type: none"> <li>• Contracts of sale immediately exchanged</li> <li>• 5% Deposit subject to a minimum of £5,000 (inc. VAT)</li> <li>• Buyer's Fee of 3.6% of the final purchase price, subject to a minimum of £4,800 (inc. VAT)</li> </ul>	<ul style="list-style-type: none"> <li>• Exclusivity agreement entered into (contracts of sale not exchanged immediately)</li> <li>• Reservation Fee of 3.6% of the final purchase price, subject to a minimum of £4,800 (inc. VAT)</li> </ul>

For worked examples of variable fees, please see page [3] at the end of this document.

**In the case of any Unconditional sale (whether Fixed Fee, or Variable Fee),** if you are the highest bidder, legally binding contracts for the sale will be exchanged when the auction for the property comes to an end. You must then pay the applicable nonrefundable Deposit and Buyer's Fee. You must then complete the sale within 15 business days unless the Special Conditions of Sale contained within the Legal Pack state otherwise. The Deposit will be held as security by SDL Property Auctions and be passed to the seller's solicitor in time for completion. In the event that exchange of contracts does not take place, and the sale cannot proceed, the balance of the deposit will be payable to the seller, less any fees payable to SDL Property Auctions.

**In the case of any Conditional with Reservation Fee sale,** if you are the highest bidder when the auction for the property comes to an end, you will enter into a reservation agreement with the seller. You must then pay the applicable non-refundable Reservation Fee. You will then have 40-business days within which to exchange contracts and complete the sale, unless the Special Conditions of Sale contained within the Legal Pack specify a different time limit. If you fail to do so, you may lose your Reservation Fee. During the 40-business day reservation period, the seller is not able to accept other offers.

**Additional seller's fees:** There may be additional fees payable to the seller listed in the Special Conditions of Sale, which will be available to view within the Legal Pack. You must read the Special Conditions carefully before bidding. Any additional fees are included at the seller's discretion, not on the instruction of SDL Property Auctions, and will be in addition to any fees payable to the auctioneer. Please note that SDL Property Auctions has limited control over the content of the Special Conditions of Sale.

**Registration Process:** The registration process will differ slightly, depending on if the lot is being sold in an Auction Event, or online in a Timed Auction/Buy-It-Now. When you register, you are deemed to have agreed to SDL Property Auctions' Buyers Terms.

**Auction Event registration:** You can submit your registration via the banner on SDL Property Auctions' website home page. You can also register via the property listing page, where you will also be able to find the lot number for the property. Prospective buyers must register no later than 12pm the day before the auction date. If you register after the cut off, it cannot be guaranteed that your registration will be processed.

**Timed Auction and Buy-It-Now registration:** Follow the link on the property listing to "Log in/Register to Bid". You will then be directed to create an account with the online bidding platform provider, Essential Information Group ("EIG").

### Special Conditions of Sale

All properties are sold subject to any Special Conditions of Sale. These are contractual conditions that are included in the Legal Pack (see below) by the seller- they are not part of SDL Property Auctions' terms and conditions. The Special Conditions of Sale are

legally binding. You are taken to have read and accepted these at the point of bidding, even if you have not done so.

### Legal Pack

Before bidding, you must view the Legal Pack for the property. This is the collection of legal documents that apply to the sale. The documents will include but are not limited to: Special Conditions of Sale, title documents from the Land Registry and Energy Performance Certificate.

The link to view the Legal Pack can be viewed on the property listing. The Legal Pack can change at any time up until the auction starts, so you must check for the most recent version of the Legal Pack. An addendum may be issued outlining any late changes and will be available to view on the SDL Property Auctions' website. At the point of placing your bid, you are deemed to have read the Legal Pack in its entirety, including any changes. Failure to check for changes to the Legal Pack will not be a valid reason for withdrawing from the sale. It is strongly recommended that you instruct a qualified professional to review the Legal Pack and raise any necessary enquiries before bidding.

### Home Report

For residential properties located in Scotland, a Home Report will be provided to give you a better understanding of the nature and condition of the property. The Home Report will contain: a survey assessing the condition of the home and valuation, an energy report, and property questionnaire. It may be accessed in the same area as the Legal Pack against the property listing.

### Payment Process

If you are the successful buyer, you must pay the applicable auctioneer fees and Deposit immediately following the auction. The process for payment differs, depending on the auction type. Please note that in all cases, we do not accept payment by cash or cheque.

**Auction Event:** Prior to the auction, we will email you to register your card details with our third-party provider, Stripe. Your card details will be stored on their secure online payment platform. Payment will only be taken from you in the event of a winning bid, and we reserve the right to charge your card without notification.

**Timed Auction or Buy-It-Now:** When you register to bid online, you will be prompted to provide your payment details through the online platform. In the event that you are the winning bidder, your card will automatically be charged a proportion of the applicable auction fee & Deposit. Where the auction fee is a fixed sum, the exact amount will be charged. Where the auction fee is a percentage, this will be calculated based on the guide price of the property alongside the deposit. Where the actual purchase price is higher than the guide price, you will be required to pay the difference immediately after the end of the auction, which can be paid by debit card or bank transfer.

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**Example:** You win the bid on a property with a guide price of £250,000, but the actual purchase price is £270,000. The Buyer's Fee for the lot is 3.6% of the final purchase price. At the point your bid is successful you will be charged as follows:

- Buyer's Fee of £9,000 - calculated as 3.6% of guide price- this will be charged immediately after the auction if you are the winning bidder.
- Deposit of £12,500 - calculated as 5% of the guide price- this will be charged immediately after the auction if you are the winning bidder.

As the actual purchase price amounted to £270,000, after the auction, you will be required to pay the following additional amounts on top of the initial payment:

- £720 for Buyer's Fee shortfall (£9,720 due as 3.6% of actual purchase price)

- £1000 for Deposit shortfall (£13,500 due as 5% of the actual purchase price)

If you are the successful buyer, the following standard contractual documents will apply to the sale. These are available to view on SDL Property Auctions' home page. You are reminded that any terms within the Special Conditions of Sale will take precedence over any of these standard documents.

### Contractual documents

If you are the successful buyer, the following standard contractual documents will apply to the sale. These are available to view on SDL Property Auctions' home page. You are reminded that any terms within the Special Conditions of Sale will take precedence over any of these standard documents.

	Unconditional (Variable or Fixed Fee)	Conditional with Reservation Fee
England & Wales	<ul style="list-style-type: none"> <li>• Buyers Terms (England &amp; Wales)</li> <li>• Contract of Sale and auction Conditions</li> </ul>	<ul style="list-style-type: none"> <li>• Buyers Terms (England &amp; Wales)</li> <li>• Reservation Agreement</li> </ul>
Scotland	<ul style="list-style-type: none"> <li>• Buyers Terms (Scotland)</li> <li>• Articles of Roup</li> <li>• Minute of Preference and Enactment</li> </ul>	<ul style="list-style-type: none"> <li>• Buyer's Terms (Scotland)</li> <li>• Reservation Agreement</li> <li>• Articles of Roup</li> </ul>

### Worked Examples for Variable Fees:

#### Example 1 - Buyer's Fee as Percentage:

If the final agreed sale price of the lot was £250,000, and the Buyer's Fee was 3.6%, the amount payable would be £9,000 (including VAT). This does not contribute to the purchase price. The non-refundable deposit would be payable in addition, amounting to £12,500 as 5% of the final purchase price. The deposit does contribute to the purchase price.

#### Example 2 - Buyer's Fee as Fixed Figure:

If the final agreed sale price of the lot was £45,000, and the

Buyer's Fee was listed against the lot as £1074, the stated figure would be payable. This does not contribute to the purchase price. The non-refundable deposit would be payable in addition, amounting to £5,000, because the Deposit is subject to a minimum of £5,000 where 10% of the final purchase price amounts to less than this value. The deposit does contribute to the purchase price.

**Please note in very rare cases, the applicable fee structure may differ - in which case this will be stated clearly on the property listing.**