

Common Auction Conditions

Important notice to bidders

A prudent buyer will, before bidding for a lot at an auction:

- Take professional advice from a conveyancer and, in appropriate cases, a chartered surveyor and an accountant;
- Read the conditions;
- Inspect the lot;
- Carry out usual searches and make usual enquiries;
- Check the content of all available leases and other documents relating to the lot;
- Check that what is said about the lot in the catalogue is accurate;
- Have finance available for the deposit and purchase price;
- Check whether VAT registration and election is advisable;

The conditions assume that the buyer has acted like a prudent buyer.

If you choose to buy a lot without taking these normal precautions you do so at your own risk.

Glossary

This glossary applies to the auction conduct conditions and the sale conditions.

Wherever it makes sense:

- Singular words can be read as plurals, and plurals as singular words;
- A “person” includes a corporate body;
- Words of one gender include the other gender;
- References to legislation are to that legislation as it may have been modified or re-enacted by the date of the auction or the contract date(as applicable); and
- Where the following word printed in bold black appear in bold type they have the specified meanings.

Actual completion date

The date when completion takes place or is treated as taking place for the purposes of apportionment and calculating of interest.

Addendum

An amendment or addition to the **Conditions** or **particulars** or to both whether contained in a supplement to the **catalogue**, a written notice from the **auctioneers** or an oral announcement at the **auction**.

Agreed completion date

Subject to **condition** G9.3:

- a) the date specified in the **special conditions**; or

b) if no date is specified, 20 **business days** after the **contract date**; but if that date is not a **business day** the first subsequent **business day**.

Approved financial institution

Any bank or building society that has signed up to the Banking Code or Business Banking Code or is otherwise acceptable to the **auctioneers**.

Arrears

Arrears of rent and other sums due under the **tenancies** and still outstanding on the **actual completion date**.

Arrears Schedule

The arrears schedule (if any) forming part of the **special conditions**.

Auction

The auction advertised in the **catalogue**.

Auction conduct conditions

The conditions so headed, including any extra auction conduct conditions.

Auctioneers

The auctioneers at the **auction**.

Business day

Any day except a) a Saturday or a Sunday; b) a bank holiday in England and Wales; or c) Good Friday or Christmas Day.

Buyer

A person who agrees to buy the lot or, if applicable, that person's personal representatives: if two or more are jointly the buyer their obligations can be enforced against them jointly or against each of them separately.

Catalogue

The catalogue to which the **conditions** refer including any supplement to it.

Completion

Unless otherwise agreed between the **seller** and **buyer** (or their conveyancers) the occasion when both **seller** and **buyer** have complied with their obligations under the **contract** and the balance of the **price** is unconditionally received in the **seller's** conveyancer's client account.

Condition

One of the **auction conduct conditions** or **sales conditions**.

Contract

The contract by which the **seller** agrees to sell and the **buyer** agrees to buy the **lot**.

Contract date

The date of the **auction** or, if the **lot** is not sold at the **auction**;

- a) the date the sale memorandum is signed by both the seller and the buyer; or
- b) if contracts are exchanged, the date of exchange. If the exchange is not effect in person or by an irrevocable agreement to exchange made by telephone, fax or electronic mail the date of exchange is the date on which both parts have been signed and posted or otherwise placed beyond normal retrieval.

Documents

Documents of title (including, if title is registered, the entries on the register and the title plan) and other documents listed or referred to in the **special conditions** relating to the **lot**.

Financial charge

A charge to secure a loan or other indebtedness (not including a rent charge).

General conditions

That part of the **sale conditions** so headed, including any extra general conditions.

Interest rate

If not specified in the **special conditions**, 4% above the base rate from time to time of Barclays Bank plc. (The **interest rate** will also apply to judgment debts, if applicable).

Lot

Each separate property described in the **catalogue** or (as the case may be) the property that the **seller** has agreed to sell and the **buyer** to buy (including **chattels**, if any).

Old arrears

Arrears due under any of the **tenancies** that are not “new tenancies” as defined by the Landlord and Tenant (Covenants) Act 1995.

Particulars

The section of the **catalogue** that contains descriptions of each **lot** (as varied by any **addendum**).

Practitioner

An insolvency practitioner for the purposes of the Insolvency Act 1986 (or, in relation to jurisdictions outside the United Kingdom, any similar official).

Price

The price that a **buyer** agrees to pay for the **lot**.

Ready to complete

Ready willing and able to complete: if **completion** would enable the **seller** to discharge all **financial charges** secured on the **lot** that have to be discharged by **completion**, then those outstanding financial charges do not prevent the **seller** from being **ready to complete**.

Sale conditions

The **general conditions** as varied by any **special conditions** or **addendum**.

Sale memorandum

The form so headed (whether or not set out in the **catalogue**) in which the terms of the **contract** for the sale of the **lot** are recorded.

Seller

The person selling the **lot**. If two or more are jointly the **seller** their obligations can be enforced against the jointly or against each of them separately.

Special conditions

Those of the **sale conditions** so headed that relate to the **lot**.

Tenancies

Tenancies, leases, licence to occupy and agreements for lease and any documents varying or supplemental to them.

Tenancy schedule

The tenancy schedule (if any) forming part of the **special conditions**.

Transfer

Transfer includes a conveyance or assignment (and “to transfer” includes “to convey” or “to assign”).

TUPE

The Transfer of Undertakings (Protection of Employment) Regulations 2006.

VAT

Value Added Tax or tax of a similar nature.

VAT option

An option to tax

We (and us and our)

The **auctioneers**

You (and your)

Someone who has a copy of the **catalogue** or who attends or bids at the **auction**, whether or not a **buyer**.

Auction conduct conditions

A1 Introduction

A1.1 Words in bold blue type have special meanings which are defined in the Glossary.

A1.2 The **catalogue** is issued only on the basis that **you** accept these **auction conduct conditions**. They govern **our** relationship with **you** and cannot be disapplied or varied by the **sale conditions** (even by a **condition** purporting to replace the whole of the Common Auction Conditions). They can be varied only if **we** agree.

A2 Our role

A2.1 As agents for each **seller** we have authority to:

- a) prepare the **catalogue** from information supplied by or on behalf of each **seller**;
- b) offer each **lot** for sale;
- c) sell each **lot**;
- d) receive and hold deposits;
- e) sign each **sale memorandum**; and
- f) treat a contract as repudiated if the **buyer** fails to sign a **sale memorandum** or pay a deposit as required by these **auction conduct conditions**.

A2.2 **Our** decision on the conduct of the **auction** is final

A2.3 **We** may cancel the **auction**, or alter the order in which **lots** are offered for sale. **We** may also combine or divide **lots**. A **lot** may be sold or withdrawn prior to the **auction**.

A2.4 You acknowledge that to the extent permitted by law **we** owe **you** no duty of care and you have no claim against **us** for any loss.

A3 Bidding and reserve prices

A3.1 All bids are to be made in pounds sterling exclusive of any applicable **VAT**.

A3.2 **We** may refuse to accept a bid. **We** do not have to explain why.

A3.3 If there is a dispute over bidding **we** are entitled to resolve it, and **our** decision is final.

A3.4 Unless stated otherwise each **lot** is subject to a reserve price (which may be fixed just before the **lot** is offered for sale). If no bid equals or exceeds that reserve price the **lot** will be withdrawn from the **auction**.

- A3.5 Where there is a reserve price the **seller** may bid (or ask **us** or another agent to bid on the **seller's** behalf) up to the reserve price but may not make a bid equal to or exceeding the reserve price. **You** accept that it is possible that all the bids up to the reserve price are bids made by or on behalf of the **seller**.
- A3.6 Where a guide price (or range of prices) is given that guide is the minimum price at which, or range of prices within which, the **seller** might be prepared to at the date of the guide price. But guide prices may change. The last published guide price will normally be at or above any reserve price but not always – as the **seller** may fix the final reserve price just before bidding commences.

A4 The particulars and other information

- A4.1 **We** have taken reasonable care to prepare **particulars** that correctly described each **lot**. The **particulars** are based on information supply by or on behalf of the **seller**. **You** need to check that the information in the **particulars** is correct.
- A4.2 If the **special conditions** do not contain a description of the **lot**, or simply refer to the relevant **lot** number, **you** take the risk that the description contained in the **particulars** is incomplete or inaccurate, as the **particulars** have not been prepared by a conveyancer and are not intended to form part of a legal contract.
- A4.3 The **particulars** and **conditions of sale** may change prior to the **auction** and it is **your** responsibility to check that **you** have the correct versions.
- A4.4 If **we** provide information, or a copy of a document, provided by others **we** do so only on the basis that **we** are not responsible for the accuracy of that information or document.

A5 The contract

- A5.1 A successful bid is one **we** accept as such (normally on the fall of the gavel). This **condition** A5 applies to **you** if **you** make the successful bid for a **lot**.
- A5.2 **You** are obliged to buy the **lot** on the terms of the **sale memorandum** at the **price you** bid plus **VAT** (if applicable).
- A5.3 **You** must before leaving the **auction**
- provide all the information **we** reasonably need from **you** to enable **us** to complete the **sale memorandum** (including proof of identity if required by **us**);
 - Sign the completed **sale memorandum**; and
 - Pay the deposit.
- A5.4 If **you** do not **we** may either:
- as agent for the **seller** treat that failure as **your** repudiation of the **contract** and offer the **lot** for sale again; the **seller** may then have a claim against **you** for breach of contract; or
 - sign the **sale memorandum** on **your** behalf.
- A5.5 The deposit:

- a) is to be held as stakeholder where **VAT** would be chargeable on the deposit were it held as agents for the **seller**, but otherwise is to be held as stated in the **sale conditions**; and
 - b) must be paid in pounds sterling by cheque or by bankers draft made payable to **Pearsons Southern Ltd** on an approved **financial institution**. The extra **auction conduct conditions** may state if we can accept any other form of payment..
- A5.6 **We** may retain the **sale memorandum** signed by or on behalf of the **seller** until the deposit has been received in cleared funds.
- A5.7 If the **buyer** does not comply with its obligations under the **contract** then:
- a) **you** are personally liable to buy the **lot** even if **you** are acting as agent; and
 - b) **you** must indemnify the **seller** in respect to any loss the **seller** incurs as a result of the **buyer's** default.
- A5.8 Where the **buyer** is a company you warrant that the **buyer** is properly constituted and able to buy the **lot**.

A6 Extra Auction Conduct Conditions

- A6.1 Despite any **special conditions** to the contrary the minimum deposit **we** will accept is £3,000 (or the total price, if less). A **special condition** may, however, require a higher minimum deposit.