

MODERN METHOD AUCTION TERMS AND CONDITIONS

These Conditions govern the conduct of “Modern Method” (conditional) auctions operated by iamsold limited (company or auctioneer or us/we/our). All properties sold by Auction using the company website or by physical Auction which are expressed to be Modern Method” (unconditional) Auction are governed by these Conditions.

These Conditions are provided in accordance with the RICS professional standards and guidance for England and wales: **Auctioneers Selling Real Estate 7th Edition, March 2018**

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Introduction

These Conditions have four main sections which you are required to read carefully.

- 1. GLOSSARY OF TERMS**
- 2. AUCTION CONDUCT CONDITIONS**
- 3. CONDITIONS OF RESERVATION**

Important Notice

A prudent Buyer will, before bidding for a Property:

- Seek professional advice from a conveyancer and, and where appropriate, a chartered surveyor and accountant
- Read the traditional Auction and the Reservation Terms and Conditions
- Fully inspect the Buyer Information Pack for the relevant Property
- Have finance available for the Deposit and Purchase Price

In addition, before buying a Property though Traditional Auction, a prudent Buyer will also:

- Carry out usual searches and make usual enquiries.
- Consider with the chosen mortgage provider that the Property would be deemed suitable for mortgage lending purposes.
- Check the content of all available leases and other Documents relating to the Property.
- Check that what is said about the Property in the Buyer Information Pack is accurate.
- 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 Property without taking these normal precautions, you do so at your own risk.

Newcastle Office
Floor 6, Arden House,
Regent Centre, Gosforth
Newcastle upon Tyne,
NE3 3LU

Call: 0191 917 8999
Email: enquiries@iamproperty.com

www.iamproperty.com

1. GLOSSARY OF TERMS

This glossary applies to the Auction Conduct Conditions and the Conditions of Reservation. 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 genders;
- 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 words appear in this Document, 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 interest.

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 US.

AUCTION

The Auction advertised as Online or in the Catalogue (as applicable).

AUCTION CONDUCT CONDITIONS

The Conditions so headed, including any extra Auction Conduct Conditions.

AUCTIONEERS

The Auctioneers of the Auction.

BUYER INFORMATION PACK

The pack of Documents relating to a Property which is advertised for 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

The person who agrees to buy the Property 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

A publication (for instance printed, provided electronically or available online) that is advertising the Property or Properties available for sale at Auction. Publications often include photographs, Property descriptions and the terms and Conditions of the sale.

COMPLETION

Unless the Seller and the Buyer otherwise agree, the occasion when they have both complied with the obligations under the Contract that they are obliged to comply with prior to Completion, and the amount payable on Completion has been unconditionally received in the Seller's conveyancer's client account (or as otherwise required by the terms of the Contract).

CONDITION

A provision in which the fulfilment of the Auction Conduct Conditions and the Conditions of Reservation depend upon.

CONTRACT

The Contract by which the Seller agrees to sell, and the Buyer agrees to buy the Property.

CONTRACT DATE

The date of the Auction or if the Property is sold before or after the Auction:

- a) the date of the Sale Memorandum signed by both the Seller and Buyer; or
- b) if Contracts are exchanged, the date of exchange. If exchange is not effected 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 (apart from Financial Charges).

FINANCIAL CHARGE

A charge to secure a loan or other financial indebtedness (but not including a rent charge or local land charge).

INTEREST RATE

If not specified in the Special Conditions, the higher of 6% and 4% above the base rate from time to time of Barclays Bank plc. The Interest Rate will also apply to any judgment debt unless the statutory rate is higher.

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).

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, a person undertaking a similar role).

PRICE

The Price (exclusive of VAT) that the 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 must 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 Addendums.

MEMORANDUM OF SALE

The form so headed (whether set out in the Catalogue or not) in which the terms of the Contract for the sale of the Lot are recorded

ONLINE

On Our website or, where applicable, one of Our accredited partner's websites.

PROPERTY

Each separate Property described in the Catalogue or Online as the case may be.

PURCHASE PRICE

The Price that the Buyer agrees to pay for the Property.

RESERVATION DEPOSIT

A non-refundable Deposit paid by the Buyer to Us to reserve a Property. This Deposit is used by the Seller to pay Our fees for conducting the Auction.

RESERVATION FEE

A non-refundable fee paid by the Buyer to Us to reserve a Property. This is payment of Our fees for conducting the Auction.

RESERVATION FORM

The form of Contract which is to be signed by a Buyer and by Us (on behalf of the Seller) reserving the Property for sale by the Seller to the Buyer as further described in the Conditions of Reservation.

2. AUCTION CONDUCT CONDITIONS

This section regulates the Conduct of the Auction. If You bid for a Property which is offered for sale by Traditional Auction, You do so on the basis that You accept the Traditional Auction terms and Conditions. These Conditions are compulsory and cannot be disapplied or changed without the Auctioneers consent.

A1 INTRODUCTION

A1.1 Where a Property is advertised for Auction:

(a) Online, You have been given access to that Auction only on the basis that You accept these Auction Conduct Conditions;

(b) in a Catalogue, You are only issued that Catalogue on the basis that You accept these Auction Conduct Conditions, which 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 Auction Conditions). They can be varied only if We agree.

RESERVATION PERIOD

The period in which the Seller grants exclusivity to the BUYER.

RESERVE PRICE

The undisclosed minimum Price that the Seller is willing to accept for the Property. The Property will not be sold below the Sellers Reserve Price. The Reserve Price can be subject to change at any time.

SELLER

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

SPECIAL CONDITIONS

Those of the Sale Conditions so headed that relate to the Lot.

START BID

The starting level for bids in which the Auctioneer offers the Property for sale. The Start Bid is set by the Seller and can be subject to change. The Start Bid is not the final Purchase Price for the Property.

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 other tax of a similar nature.

VAT OPTION

An option to tax.

WE (AND US AND OUR)

The Auctioneers.

YOU (AND YOUR)

Someone who has seen the Catalogue or who attends or bids or otherwise participates in the Auction, whether or not a Buyer.

A2 OUR ROLE

- A2.1 As agents for each Seller We have authority to:
- (a) prepare the Catalogue (as applicable) from information supplied by or on behalf of each Seller;
 - (b) offer each Property for sale.
 - (c) receive and hold Deposits.
 - (d) receive Reservation Fees.
 - (e) sign the Reservation Form on behalf of each Seller; and
 - (f) treat a Reservation Form as repudiated if the Buyer fails to sign that Reservation Form or pay a Reservation Fee and/or Deposit (as applicable).
- A2.2 Our decision on the Conduct of the Auction is final.
- A2.3 We may cancel the Auction or change the way in which a Property is offered for sale. We may also combine or divide properties. A Property may be sold or withdrawn from sale prior to the Auction.
- A2.4 We may refuse to admit one or more persons to a live Auction event without having to explain why.
- A2.5 You may not be allowed to bid unless You provide such evidence of your identity and other information as We reasonably require from all bidders.
- A2.6 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 All bids made Online must comply with the Terms And Conditions which apply to use of Our website or to the use of Our partner's websites (as applicable).
- A3.4 If there is a dispute over bidding, We are entitled to resolve it, and Our decision is final.
- A3.5 Unless stated otherwise each Property is subject to a Reserve Price (which may be fixed just before the Property is offered for sale). If no bid equals or exceeds that Reserve Price, the Property will be withdrawn from the Auction.
- A3.6 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 bids up to the Reserve Price are bids made by or on behalf of the Seller.
- A3.7 Where a Start Bid is given, this is the starting level for bids to be received and not the final Purchase Price. The Start Bid is typically no more than 10% below the undisclosed Reserve Price. The Start Bid can change.

A4 THE BUYER INFORMATION PACK AND PARTICULARS

- A4.1 We have taken reasonable care to describe each Property (either Online or in a Catalogue). The description of a Property is based on information supplied by or on behalf of the Seller. You need to check that the information 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.
- A4.2 The description of a Property and the Buyer Information Pack may change prior to the Auction and it is your responsibility to check that You have the correct versions.
- A4.3 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 RESERVATION AGREEMENT

- A5.1 Where You are the successful bidder, You are required to enter into a Reservation Agreement which obliges You to proceed to purchase the Property at the Price You bid plus VAT (if applicable).
- A5.2 The successful bid is one We accept as such (normally on the fall of the hammer or close of an Auction). This Condition A5 applies to You if You make the successful bid for a Property.
- A5.3 To enter into the Reservation Agreement You must:
- (a) provide all information We reasonably need from You in order to meet Our regulatory requirements, including providing proof of your identity and address, as well as the identity and address of any party You represent and proof of funds to be used for the purchase.
 - (b) sign and return the completed Reservation Form; and
 - (c) pay the Reservation Fee and Deposit
- A5.4 If You do not, We may either:
- (a) as agent for the Seller treat that failure as your repudiation of the Reservation Form and offer the Property for sale again. The Seller may then have a claim against You for breach of Contract; or
 - (b) sign the Reservation Form on your behalf.

- A5.5 The Deposit:
(a) is to be held by Us as agent for the Seller, but otherwise is to be held as stated in the Reservation Conditions; and
(b) must be paid in pounds sterling either by debit card or by way of a bank Transfer made payable to Us from an approved financial institution. Please note, We are not able to accept payments made in cash or accept Bank Transfers where the Deposit for the Transfer was paid in cash.
c) may be declined by Us unless drawn on your account, or that of the Buyer, or of another person who (We are satisfied) would not expose Us to a breach of money laundering regulations.
- A5.6 We may retain the Reservation Form signed by or on behalf of the Seller until the Deposit and Reservation Fee (as applicable) has been received in cleared funds.
- A5.7 Where the Buyer is a company, You warrant that the Buyer is properly constituted and able to buy the Property.
- A5.8 If the Buyer does not comply with their obligations under the Reservation Form then:
a) You are personally liable to buy the Property even if You are acting as an agent for the Buyer.
b) You must indemnify the Seller in respect of any loss the Seller incurs as a result of the Buyer's default.

3. CONDITIONS OF RESERVATION

This section confirms the Reservation Conditions the Buyer and Seller agree to follow upon the conclusion of the Auction. The Conditions of Reservation are legally binding and are compulsory. They cannot be disapplied or changed without the Auctioneers consent.

R1 INTRODUCTION

- R1.1 Where You win a Modern Method (conditional) Auction for a Property You must sign a Reservation Form, which is a legally binding Contract between the Buyer and Seller reserving the Property for purchase by the Buyer within 2 hours of the winning bid being accepted and the Auction ending.
- R.1.3 These Reservation Conditions summarise the terms of the Reservation Form.

R2 PAYMENT OF RESERVATION FEE

- R2.1 This Condition applies where a Reservation Fee must be paid by You on winning an Auction for a Property. Payment is to be made within 2 hours of the winning bid being accepted and the Auction ending.
- R2.2 Conditional upon payment of the Reservation Fee, providing proof of funds and You signing the Reservation Form, the Property shall be reserved to the Buyer for the Reservation Period stated in that Reservation Form, this is the period in which time the Buyer is to exchange Contracts to purchase the Property.

R3 PAYMENT OF A RESERVATION DEPOSIT

- R3.1 This Condition applies where a Reservation Deposit must be paid by You on winning an Auction for a Property. Payment is to be made within 2 hours of the winning bid being accepted and the Auction ending.
- R3.2 The Reservation Deposit is to be held by Us and, following formal exchange of Contracts for the sale and purchase of the Property, transferred to the Seller's solicitors as part payment of the Purchase Price under the Contract for the purchase of the Property.

R4 SELLER'S OBLIGATIONS

- R4.1 On the Reservation Form being signed and payment of the Reservation Fee and Deposit being paid, the Seller will grant to the Buyer a period of exclusivity.
- R4.2 During the exclusivity period the Seller agrees:
(a) he or she has instructed Us not to agree another Reservation of the Property;
(b) not to encumber or deal with the title to the Property;
(c) not to send, instruct, or allow anyone else to send any Contract for sale of the Property to anyone other than the Buyer's solicitors;
(d) to give such access to the Property as may be reasonably required by any surveyor or valuer appointed by the Buyer;
(e) not to give access to any other person to view the Property nor negotiate with anyone other than the Buyer any terms for the sale of the Property;
(f) to use all reasonable endeavours to proceed to a formal exchange of contracts within the Reservation Period;
(g) to supply all documentation, information and authority to enable the Seller's solicitors to draft and negotiate the sale and purchase contract and do all work necessary to enable contracts for sale of the Property to be exchanged and completed within the Reservation Period;
(h) to immediately instruct the Seller's solicitors to issue a contract for the sale of the Property to the Buyer's solicitors and to do all other work required to enable contracts for the sale of the Property to be exchanged within the Reservation Period.

- R4.3 The Seller may (but shall not be obliged to) grant an extension of the Reservation Period stated in the Reservation Form. Where an extension to the agreed Reservation Period is required:
- (a) Both the Seller and Buyer must give consent to the Reservation Period being extended. Any agreed extension to the Reservation Period must be confirmed in writing.
 - (b) In the absence of a mutual agreement, the original Reservation Period and conditions will apply.
 - (c) Where the Buyer's solicitor raises enquiries that require information to be supplied by a Third Party, the Buyer is to agree an extension to the Reservation Period or proceed to exchange of contracts within the original Reservation Period.
 - (d) Where a delay to the Reservation Period that is not within the control of the Seller and Buyer, the Seller and Buyer will be expected to agree an extension to the Reservation Period until matters can resume.

R5 BUYER'S OBLIGATIONS

- R5.1 The Buyer agrees:
- (a) to proceed to a formal exchange of contracts and Completion within the Reservation Period;
 - (b) to immediately instruct the Buyer's solicitors to investigate title to the Property, negotiate the draft contract for the purchase of the Property, raise enquiries of the Seller and any third parties about the Property and do any other work required to enable contracts for the purchase of the Property to be exchanged and for Completion to take place, within the Reservation Period;
 - (c) to promptly:
 - (i) if the Buyer intends to use a loan in connection with the purchase of the Property, the Buyer shall apply to the relevant lender and complete all necessary documentation and do all such things as such lender may require to process the Buyer's application as soon as possible including the payment of any application fees;
 - (ii) if the Buyer or the Buyer's mortgagee or lender requires that the Property is surveyed and/or valued, the Buyer will use all reasonable endeavours to arrange for the survey and/or valuation to take place at the Property as soon as reasonably practicable including the payment of any valuation fee;
 - (iii) keep the Auctioneer and the Seller's solicitors advised of progress with the application for the loan;
 - (d) Within 5 working days of receiving draft contracts from the Seller's solicitor, the Buyer must ensure that their nominated solicitor has raised initial enquiries in relation to the draft contract, in writing with the Seller's solicitor. If this has not been undertaken, the Seller reserves the absolute right to re-offer the Property for sale free of any obligation to the Buyer. In this event the Reservation Fee is deemed non-refundable.
 - (e) the date of Completion shall be specified in the contract exchanged for the purchase of the Property, but such date shall be no later than 56 days from the date the draft contract was received by the Buyer's solicitor;
 - (f) the Buyer shall pay to the Auctioneer the cost of the preparation of the Buyer Information Pack relating to the Property;
 - (g) Buyer has reviewed the Buyer Information Pack (if applicable) and is ready willing and able to proceed with the purchase of the Property;
 - (h) the Buyer agrees that if contracts for the purchase of the Property have not been legally and unconditionally exchanged within the Reservation Period the Seller has the absolute right to re-offer the Property for sale free of any obligation to the Buyer.

R6 TERMINATION OF RESERVATION

- R6.1 The Reservation Form shall not be capable of termination by the Seller or Buyer during the exclusivity period except as specified below.
- R6.2 On the expiry of the exclusivity period specified in the Reservation Form (or the expiry of any extension granted by the Seller in writing) if the Buyer has not completed the purchase of the Property, the Reservation of the Property shall terminate at the discretion of the Auctioneer.
- R6.3 The Seller may terminate the Reservation of the Property with written notice to the Buyer if the Buyer is in breach of the Buyer's obligations set out above.

R7 BINDING OBLIGATIONS

- R7.1 These Conditions of Reservation must be read in conjunction with the Reservation Form applicable to a particular Property. Where there is any conflict or inconsistency between these Conditions and the provisions of an individual Reservation Form, the relevant provisions of the Reservation Form shall apply.
- R7.2 As these Conditions and the Reservation Form comprises legally binding obligations on You, You are recommended to seek independent legal advice on these Conditions and the Reservation Form before making any bid on a Property.

R8 AUCTIONEER

- R8.1 You acknowledge and agree that We act as an agent of the Seller and not in Our own capacity.
- R8.2 Save in the event of fraud or death or personal injury resulting from Our negligence, neither Us nor any of Our group companies, affiliates, third party service providers, licensors, officers, directors or employees shall have any liability of any nature howsoever arising in relation to these Conditions or to any Property.