



If you think buying a house in auction is just for serious property investors, then it's time to think again?

An increasing number of private buyers are finding their next home at auction. Auction is not just for cash-buyers!

There are two main benefits of buying a property in auction:

1. It's quick. You will exchange and complete within 28 days.
2. It's seamless. You have already downloaded and read everything with regards to the property in the legal pack so there are no delays or surprises and no lengthy property chains.

It's important to know that buying in an auction is a serious commitment.

If you're the winning bidder, you are legally obliged to complete the purchase.

If you are serious about buying, this is a great way to secure a property quickly and with no fuss.

This guide will walk you through the process but if you're not sure of anything, our friendly team are always happy to answer your questions.

Just call us on 0161 697 3040, email us at info@propertiesunderthehammer.com

Why buy an auction property?

You may have already seen a property you would like to buy, so let us show you why you will be in safe hands when buying through Properties Under the Hammer Auctions.

Why use Properties Under the Hammer Auctions?

- With over 40 years buying and selling in auction, we understand how YOU want to buy.
- We do not charge the seller a fee and we do not think that it's fair that a buyer should pay the sellers costs.
- Did you know the average cost of buying in auction is approx. £6000 which deters most people from buying in auction.
- **Properties Under the Hammer have a fixed buyer's premium of only £2995!**
- We use leading industry software to ensure your whole buying process is seamless and safe, thanks to our advanced technology.
- We have a friendly and professional team ready to help and guide you through your buying journey.
- We understand you may never have bought at a property auction before, so we will help you throughout the process.
- Our strong work-ethic, honest approach and buyers guide price is attracting a growing number of investors and first-time buyers who are relieved of buying with realistic and affordable auction costs.
- We have a great selection of properties, whether you are looking for a renovation project or a home that you can move into immediately.



Price

Auction properties have a guide price which gives you a realistic indication of the seller's reserve price (the minimum they are willing to accept) as the guide price must always be within 10% of the reserve; higher or lower.

Example: If the guide price is £100,000+, the reserve cannot be higher than £110,000 or it could be as low as £90,000.

Date of auction

The listing will show you when the property is due to be sold, either in one of our Auction Events or in a Timed Auction. If it is a Timed Auction, a panel will show you when the auction is due to start or, if it has already begun, the clock will be counting down.

Unless the listing states otherwise, you may have the option to put in an early offer on a property in an Auction Event.

In a Timed Auction, simply place your bid and the seller may agree to end the auction early.

Legal pack

In a traditional property sale through an estate agent, you wouldn't expect to see the legal documents until after you have made an offer.

However, because of the speed of an auction sale, the seller must provide them in advance. Therefore, every property listing will have a link to the legal pack (and we always advise you to download and read them)

If this is not yet available, you can register your details and be notified when it is ready.

Type of auction

We run unconditional auctions, so it is important that you understand what this is.

Unconditional auctions: Contracts are exchanged immediately when the auction ends, which is when the hammer falls in an Auction Event, or at the moment a Timed Auction ends. If you're the winning bidder, you're legally obliged to buy the property and must pay a deposit and the buyer's fee on the same day.

Please do your research

Whilst there are huge benefits to buying a property in auction, it is not something to be entered into lightly as there are financial penalties if you don't complete the purchase.

Therefore, it is vital to thoroughly research the property before you think about bidding.

Viewing the property

We always recommend viewing the property if it's possible to do so. A physical viewing may not always be possible for various reasons; however, we will post a virtual viewing to our website if we are able to do so.

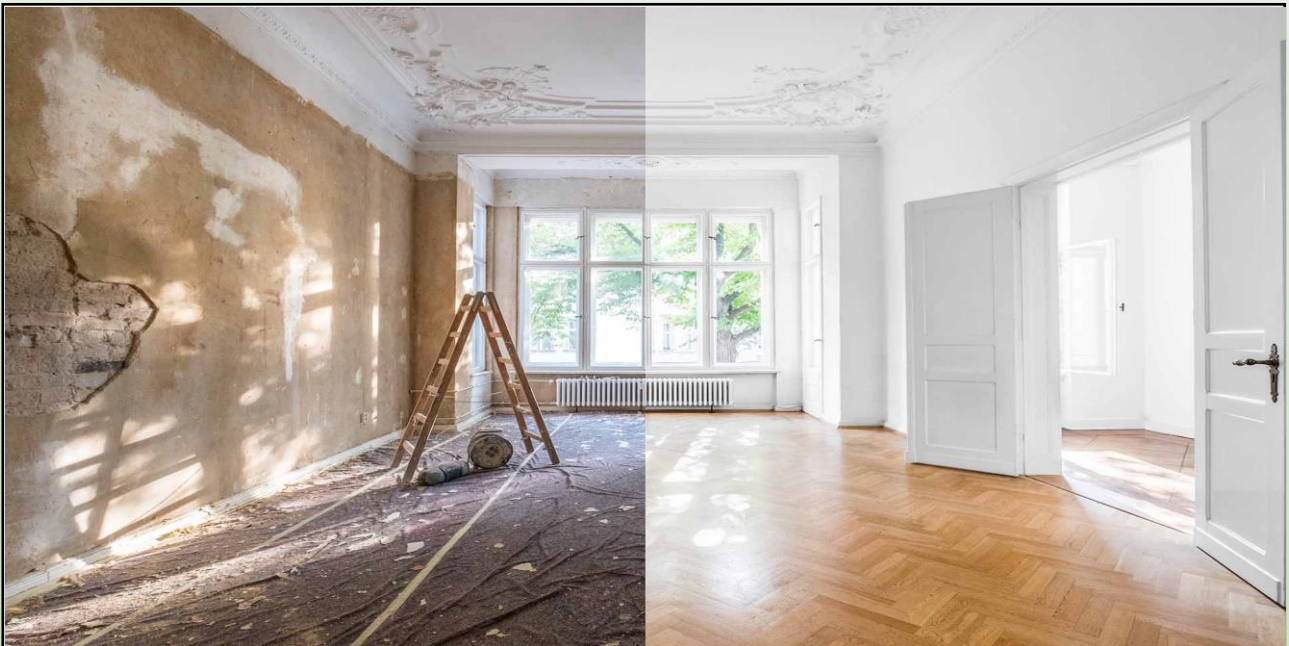
While some auction properties are ready to move into straight away, most of them will not have been prepared for, many require at least some work, so be prepared.

Many will require a great deal of renovation work.

If you hope to extend the property, check if planning permission is already in place and, if not, make some enquiries with the local planning authority before committing yourself.

We strongly advise you to read the legal pack.

You should read the legal pack very carefully as an auction purchase is legally binding. It is good practice to ask a solicitor/conveyancer who has experience of auction sales to check it over for you too, as they will check the sale conditions and correctly advise you. We work with several trusted firms so can help you find a suitable solicitor if you wish.



How you can bid

In an Auction Event, you can bid in two different ways:

1. Internet bidding - You can bid from your phone, tablet or computer.
2. By proxy - Proxy bidding is a feature given that allows bidders to submit their maximum bid for a property and have the auction system automatically bid on their behalf up to the maximum amount

Register to bid

Every bidder in an auction must register in advance.

Before you can bid, you must register your details – If you plan to bid on more than one lot, you should do this for each one.

If you are registering to bid in a Timed Auction, you will register for your chosen property and follow the step-by step prompts.

Internet bidding

You will be asked to create an Auction Passport (unless you already have one). This is a login for Essential Information Group, the business we work with to operate internet bidding. You need this login to read and accept the bidding terms and conditions and without these, you will not be authorised to bid.

You don't have to be a cash buyer but you must get your finances in place early in case you are the winning bidder.

- In an unconditional auction, you will need to pay your auction fees plus a deposit (usually 10%) on the day of the auction as contracts are exchanged automatically.

The rest of the purchase price is payable when you complete, usually 28 days - Exchange and completion must take place within this period. We advise you to instruct your solicitor asap (if not done so already). We will take over from there by liaising with them to ensure that they are ready within the timelines given

You may find it easier to get a mortgage for an auction property if you use a specialist firm or broker.

When working out your budget, remember to factor in the following costs:

- Conveyancing
- Auctioneer's fees
- Any additional fees as stated in the legal pack
- Stamp duty
- Survey
- Any renovations or building work.



And remember: the property price listed is just a guide. It's easy to get carried away in an auction so set a budget for yourself and stick to it.

Before the auction

If anything changes with a lot you are registered to bid on, we will let you know. So, if a lot is withdrawn or postponed, you will get an alert.

In an Auction Event, always check the addendum on the day for details of any lots which have been withdrawn, postponed, or sold prior.

Auction day

On the day of the auction, it is natural to feel excited and nervous. Whether you are bidding in an Auction Event or a Timed Auction, you can watch the action on our website.

Bidding in an Auction Event

How to place an internet bid

- Log in using the details from the email you received from Essential Information Group.
- Don't delay bidding, as there may be a short time lag and you could miss out.

How to place a proxy bid

- Log in using the details from the email you received from Essential Information Group.
- Submit your maximum bid for the property and the auction system will automatically bid up to your maximum amount.
- You can still watch the progress of the auction on our website.

Bidding in a Timed Auction

Log into your account on our website and you can either set a maximum bid or bid in real time. Bids can be placed around the clock.

Whichever way you bid, remember to stick to your budget as you will need to find the money very quickly.

No matter which way you placed your bid, if you are the winning bidder, your dedicated auction agent will take any relevant deposit and fees, using the payment details you supplied when you registered.

We will then send the legal pack and contract for the lot to you and your solicitor.



What will you have to pay on auction day?

Deposit

If you are the winning bidder in an unconditional auction, you will have to pay the deposit on auction day. This will be deducted from the purchase price.

Auction Fees

In all auction types, you will most likely have to pay fees. Remember, these are not part of the deposit or purchase price.

- **Buyer's Fee of £2995 plus VAT**
- **Auction administration fee of £495 plus VAT**
- **Deposit of 10% of the purchase price with a minimum of £3,000**