

## TERMS & CONDITIONS FOR AUCTION NORTH LIMITED MODERN METHOD OF AUCTION

All properties sold under the "conditional" or "modern method" auctions operated by Auction North Limited (Company or Auctioneer or us/we/our) are governed by these terms and conditions of auction conduct and sale.

### Warning for all Buyers

Buyers before bidding for a property should consider taking all necessary legal and financial advice and where necessary should instruct a chartered surveyor and take any other advice they would consider necessary in the purchasing of property. Before bidding buyers should review the legal pack in full (taking the aforementioned professional advice if they consider necessary), these terms and conditions and also ensure that they have all reservation monies, deposit monies and purchase monies when required. In addition buyers should also consider carrying out any property searches and make usual enquiries that a prudent buyer would make prior to purchasing a property.

These terms and conditions assume that the Buyer has acted like a prudent buyer and should they proceed to purchase a property without taking these normal precautions then the buyer does so at their own risk and in the full knowledge that they have been provided with the opportunity to act as a prudent buyer.

### Interpretation

The following definitions apply to these auction conduct conditions and the sale conditions:

- A. singular words can be read as plurals, and plurals as singular words;
- B. a 'person' includes a corporate body or other non natural body;
- C. words of one gender include the other genders;
- D. 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
- E. where the following words are capitalized they have the specified meanings given.

"**Approved Financial Institution**" means any bank or building society that has signed up to the Banking Code or Business Banking Code or is on Financial Services Register or we agree is otherwise acceptable to us.

"**Auction**" means the auction as advertised, catalogued or as held by the Company from time to time including online.

"**Auction Conduct Conditions**" means the conditions as detailed within this document, including any extra auction conduct conditions which the Company may choose to put in place from time to time.

"**Auctioneers**" means an auctioneer from Auction North Limited or any other auctioneers of the auction.

"**Legal Pack**" means the pack of documents relating to a Property which is available to the buyer prior to the Auction.

"**Business day**" means any day except; a Saturday or a Sunday; a bank holiday in England and Wales; Good Friday or Christmas Day.

"**Buyer**" means the person who agrees to buy the Property or an appointed personal representative acting on their behalf. If two or more are jointly the Buyer their obligations can be enforced against them jointly or separately against each of them.

"**Condition**" means a single auction conduct conditions or sales conditions.

"**Conditional Auction**" means conditional or "modern method" of auction as described in these conditions.

"**Contract**" means the sale or relevant contract by which the Seller agrees to sell, and the Buyer agrees to buy the Property.

"**Exclusivity Period**" the period starting on the date that all of following conditions are performed in accordance with these terms and conditions: (a) the Reservation Deposit is paid (b) the Reservation Fee is paid and (c) the Reservation Form is signed and ending on and including 56 days after this date.

"**Online**" means on the website of the Company or any one of our accredited partner's websites.

"**Property**" means each separate Property as described in the catalogue/brochure for the Auction or Online.

"**Purchase Price**" means the price that the Buyer agrees to pay for the Property.

"**Reservation Deposit**" means a non-refundable deposit paid by the Buyer to the Company to reserve a Property.

"**Reservation Fee**" means a non-refundable fee paid by the Buyer to the Company to reserve a Property which is in payment of the Company fees incurred in conducting the Conditional Auction.

"**Reservation Form**" means the form of contract/agreement which is to be signed by a Buyer and by the Company for and on behalf of the Seller reserving the Property for sale by the Seller to the Buyer as further described in the conditions of reservation.

"**Seller**" means the person selling the Property. Where two or more persons/parties are jointly the Seller their obligations can be enforced against them jointly or separately against each of them.

Any reference to we (and us and our) is also a reference to the Auctioneers.

Any reference to you (and your) is someone who bids on an auction lot, whether or not a Buyer.

### AUCTION CONDUCT CONDITIONS

1. Where a Property is advertised for Auction whether by means of a catalogue/brochure or Online then you accept the Auction Conduct Conditions and any Contract will not act to disapply or vary the Auction Conduct Conditions even if the Contract should purport to replace the Auctions Conduct Conditions.
2. As agents for each Seller we have authority to carry out/do the following:

- (i) prepare the catalogue/brochure if applicable relating to the Property based on information supplied by or on behalf of each party comprising the Seller;
  - (ii) offer each Property for sale by way of Conditional Auction;
  - (iii) receive and hold Reservation Deposits (if applicable);
  - (iv) receive Reservation Fees (if applicable);
  - (v) sign each Reservation Form on behalf of each party comprising the Seller; and
  - (vi) where the Buyer fails to sign that Reservation Form or pay a required Reservation Fee or Reservation Deposit (as applicable) immediately following a successful bid we reserve the rights to make such a bid null and void and we will be free to offer the Property for sale to another party.
3. As agents we are not responsible for the upkeep, maintenance, repair and security at any time of any property or properties to be entered in the Auction.
  4. Any decision on the conduct of the Conditional Auction taken by the Auctioneer is final.
  5. We may cancel the Conditional Auction at any time and for any reason, or amend or vary the way in which a Property is offered for sale. We may also combine or divide properties and a Property may be sold or withdrawn from sale prior to the Conditional Auction at any time and for any reason.
  6. You acknowledge that to the maximum extent permitted by law we owe you no duty of care and we shall not be liable to the Buyer for any liability (of any kind) in respect of the particulars of anything contained or referred to in the catalogue/brochure or in any description of the Property provided by us being incomplete inaccurate unfair and/or misleading.

#### Bidding and reserve prices

7. Bids will only be accepted in pounds sterling and such bids will be exclusive of any applicable VAT.
8. The acceptance of a bid is the Auctioneer's prerogative, and no explanation or reasoning has to be given for any bids being declined by the Auctioneer and if there is a dispute over bidding we are entitled to resolve it with any decision made by us being final.
9. The lot may be subject to a reserve price. If no bid equals or exceeds that reserve price the Property will be withdrawn from the Conditional Auction but this will remain at the discretion of the Auctioneers. The Seller may amend the reserve price advertised on the date of the Conditional Auction should they so choose to do so.
10. It is permissible and the Buyer accepts that 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 they may not make a bid equal to or exceeding the reserve price.

#### The Legal Pack and other information

11. We have taken reasonable care to describe each Property as accurately as possible and based on information supplied by or on behalf of the Seller. However it remains the responsibility of the Buyer to ensure that ensure that such description is in fact accurate.
12. The description of a Property and the Legal Pack may change prior to the Conditional Auction and it is your responsibility to ensure that you are in possession of the most up to date version.
13. If the Legal Pack provides information, or a copy of a document, provided by a third party and we do so only on the basis that we are not responsible for the accuracy of that information or document.

#### The Reservation Agreement

14. A successful bid is one we accept as being successful which would normally be on the fall of the hammer and the following conditions will only apply to successful bidders:
  - 15.1 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).
  - 15.2 You must:
    - (i) provide all information we reasonably require from you to enable us to complete the Reservation Form (including proof of identity and address if required by us for both bidder and buyer);
    - (ii) if the buyer is a non natural body then the above will be required from all persons with significant control.
    - (ii) sign the Reservation Form once completed; and
    - (iii) immediately pay the Reservation Fee or Reservation Deposit (as required by the Reservation Form).
  - 15.3 Failure to comply with the above 15.2 may result in the bid being null and void or the Auctioneer may sign the reservation form on behalf of the Buyer.
  - 15.4 Where a reservation deposit is paid in pounds sterling by way of credit/debit payment or by a bank transfer from an Approved Financial Institution only, that reservation deposit will be held by us as agent for the Seller, but otherwise is to be held as stated in the reservation conditions.
  - 15.5 The signed Reservation Form will be retained by us until such times as the Reservation Deposit or Reservation Fee (as applicable) has been received in fully cleared funds into our account.
  - 15.5 If the Buyer or any party who has put forward the bid on behalf of the Buyer does not comply with their obligations under the Reservation Form then they will remain personally liable to comply with the obligations under the Reservation Form until such times as these have been complied with in full.
  - 15.6 If the Buyer is a limited company or other non natural body, you warrant that the Buyer is properly constituted and is a legal entity and the constitution enables the company to buy the Property.

#### Reservation Conditions



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16. Within two hours of the Buyer placing a winning bid at the Conditional Auction for a Property the Buyer must sign a Reservation Form, which legally binds the Buyer into a contract reserving the Property for purchase by the Buyer and they must also make payment of any Reservation Fee and Agreed Deposit stated within the Reservation Form.
- 16.1 The Property shall be reserved to the Buyer for the Exclusivity Period and during this reservation period the Buyer is to exchange contracts to purchase the Property.
- 16.2 The Reservation Deposit is to be held by the Auctioneers until formal exchange of contracts for the sale and purchase of the Property whereby it will be transferred to the Seller's solicitors in partial payment of the purchase price under the relevant contract for the sale and purchase of the Property subject to any deductions for fees or charges.

#### Seller's obligations

- 17 Subject to the defined conditions the Seller will grant to the Buyer the Exclusivity Period.
- 17.1 During the exclusivity period the Seller agrees:
  - (i) not to agree another reservation of the Property;
  - (ii) not to encumber and/or deal with the title to the Property in any way;
  - (iii) not to send /instruct/permit any other party to send any contract for sale of the Property to anyone other than the Buyer's solicitors;
  - (iv) to grant access to the Property at reasonable times and on reasonable notice as is strictly necessary to any surveyor or valuer appointed by the Buyer;
  - (v) not to negotiate or agree a sale with anyone other than the Buyer for the sale of the Property;
  - (vi) to use all reasonable endeavors to bring about a formal exchange of contracts within the Exclusivity Period;
  - (vii) to supply all documentation, information and authority and/or responses to enquiries to enable where possible 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 Exclusivity Period;
  - (viii) 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 Exclusivity Period.
  - (ix) The Seller may at their sole discretion grant an extension of the Exclusivity Period which shall be confirmed in writing.

#### Buyer's obligations

- 18 The Buyer agrees to the following:
  - (i) to proceed to a formal exchange of contracts and completion within the Exclusivity Period;
  - (ii) to immediately instruct the Buyer's solicitors to commence the conveyancing process and do any other work required to enable contracts for the purchase of the Property to be exchanged and completed within the Exclusivity Period;
  - (iii) 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 endeavors 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;
  - (iv) Within 5 working days of receiving draft contracts from the Seller's solicitor, the Buyer must ensure that their instructed solicitor has raised initial enquiries in relation to the draft contract, in writing to 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 and the Exclusivity Period will no longer apply. In this event the Reservation Fee is deemed non-refundable.
  - (v) the date of completion shall be specified in the contract once the contract has been 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;
  - (vi) the Buyer shall pay to the Auctioneer the cost of the preparation of the Legal Pack relating to the Property;
  - (vii) Buyer has received the Legal Pack (if applicable) and is ready willing and able to proceed with the purchase of the Property;
  - (viii) the Buyer agrees that if contracts for the purchase of the Property have not been legally and unconditionally exchanged within the Exclusivity Period the Seller has the absolute right to re-offer the Property for sale free of any obligation to the Buyer and the Exclusivity Period will no longer apply.

#### Termination of reservation

- 19 The Reservation Form shall not be capable of termination by the Seller or Buyer during the Exclusivity Period except as specified below.
- 19.1 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.



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19.2 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.

#### Binding obligations

- 20. 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.
- 20.1 As these conditions and the Reservation Form comprises legally binding obligations on you, it is recommended you seek independent legal advice on these conditions and the reservation form before making any bid on a Property.

#### Auctioneer

- 21. You acknowledge and agree that we act as an agent of the Seller and not in our own capacity.
- 21.1 Save in the event of fraud or death or personal injury resulting from our negligence, neither the 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.



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