

In order to buy at auction you must make a bid

If your bid is the highest bid taken by the auctioneer and is above the vendor's reserve price you will purchase the property.

If your bid is the highest bid taken by the auctioneer but hasn't reached the vendor's reserve price then the property will be passed in. You, as the highest bidder, will have the first opportunity to buy the property at the vendor's reserve price. The Auctioneer will clearly announce when the property is on the market and is going to be sold.

If the property is passed in on a vendor bid then the vendor via the vendor's agent is at liberty to discuss the purchase of the property with any genuine buyers.

Disclaimer: Information provided is believed to be accurate as at the date of printing. No responsibility is taken for any errors or omissions. It is your responsibility to obtain independent, professional advice. Personal information collected from you is for security purposes or to contact you should the property sell prior to auction. We may use this information to provide you with other real estate services and advice including financial services advice. Visit our website at www.comptongreen.com.au for our privacy policy.

Compton Green

WILLIAMSTOWN

29 Ferguson Street
Williamstown VIC 3016
Talk to us 03 9397 1600
realestate@comptongreen.com.au

YARRAVILLE

116-118 Somerville Road
Yarraville VIC 3013
Talk to us 03 9314 1188
yarraville@comptongreen.com.au

If you have any further questions relating to real estate or may wish to obtain a current market appraisal on your home, please contact your Compton Green agent or one of our offices.

Your guide to buying at auction

make change



This brochure outlines important auction information and some frequently asked questions.

At the commencement of a Public Auction, the Auctioneer is required to display the following under the Sale of Land Regulations 2005 (Schedule 1).

1. The auctioneer may make one or more bids on behalf of the vendor of the land at any time during the auction.
2. The auctioneer may refuse any bid.
3. The auctioneer may determine the amount by which the bidding is to be advanced.
4. The auctioneer may withdraw the property from sale at any time.
5. The auctioneer may refer a bid to the vendor at any time before the conclusion of the auction.
6. In the event of a dispute concerning a bid, the auctioneer may re-submit the property for sale at the last undisputed bid or start the bidding again.
7. The auctioneer must not accept any bid or offer for the property that is made after a property has been knocked down to the successful bidder, unless the vendor or successful bidder at the auction refuses to sign the contract of sale following the auction.
8. If a reserve price has been set for the property and the property is passed in below that reserve price, the vendor will first negotiate with the highest bidder for the purchase of the property.

Compton Green are members of the REIV and conduct all their auctions in accordance with the Institute guidelines

What is a vendor bid?

It is a bid made on behalf of the vendor (owner) not a buyer.

Who can make a vendor bid?

Only the auctioneer.

Does the auctioneer have to declare a vendor bid each time it is used?

Yes.

How many bids can a vendor make?

There is no restriction but our policy is generally limited to a maximum of 2 or 3 vendor bids.

What is a reserve price?

It is a price at which the vendor will sell.

What does "passed in" mean?

The bidding has not reached the vendor's reserve price and the property is not sold.

If the property is "passed in", who gets the first opportunity to buy the property?

The highest bidder.

If the property is "passed in" on a vendor bid, what happens then?

The vendor via the vendor's agent is at liberty to negotiate with any genuine buyer.

Do I have to register prior to bidding at an auction?

Not in Victoria.

What is a genuine bid?

All bids are genuine; there are vendor bids and buyer bids.

What is a buyer's advocate?

A person who is commissioned to act on behalf of a buyer (if you use one, make sure this person is a licensed estate agent and a member of the REIV).

Do I need to pay a 10% deposit if I buy today?

Yes. If the contract calls for 10% or the vendor agrees to a lesser amount.

Must I sign the contract on the day of the Auction if I buy?

Yes. To buy on the day you must sign a contract and pay a deposit.

Can I cool off if I buy under Auction conditions?

No. The law does not allow you to cool off if you buy under Auction conditions.

Meet Adrian

Adrian Butera, Director of Compton Green, is a prominent Auctioneer. He was the REIV Senior Auctioneer Winner in 1999, 2001, 2004 & 2010 and the Grand Finalist in the National Championships in 1999, 2005 and 2011. Adrian has been teaching Auctioneering since 1996.

