

Frequently Asked Questions

Q What happens if I am the highest bidder?

A You will be asked to complete and sign the Offer to Purchase and provide your ID particulars and proof of residence. If applicable, you will also be asked to sign cheques drawn on a South African clearing bank to cover the deposit (normally 10% of the purchase price) and the buyer's premium (normally 10% of the purchase price plus VAT). Cheques are banked the next day so you must ensure that there are sufficient funds available. For your convenience, EFT facilities are often available on site as well.

Q I don't want anyone to know what I'm bidding - can I put in an offer after the auction?

A An auction is a transparent process that protects both buyer and seller. If you don't want anyone to know you are bidding, you can send in a proxy bid (by completing our Absentee Bid Form), by telephone (by pre-arrangement ONLY) or by sending a bona fide representative (who must carry your personal details - ID/Drivers Licence/Proof of Residence).

Q I'm certain the seller will accept an offer before the auction - how can I do that?

A You can submit an offer prior to the auction, but remember that the seller has often paid a substantial amount to secure advertising and marketing and Rawson Auctions has incurred extensive costs in arranging the auction. If you are interested in a property, then why not attend the auction - after all, 97% of

auction attendees feel that auctions are fun (see Did You Know?).

Q What happens if I can't come up with the balance of the purchase price or if I default on my payment?

A The seller will reserve their right to take the necessary legal action in terms of the Offer to Purchase, but ultimately, you will be held liable and responsible to fulfill your obligations. If you remain in breach, then all monies paid by you will be retained as "rouwkoop" or pre-estimated damages.

Q Can I get a Bond for a property on auction?

A Yes. Rawson Auctions recommend that you approach our in-house Mortgage Originator, Rawson Finance, for the quickest pre-approval for auction property. You are free to choose which financial institution you eventually go through, but don't forget that an auction is often non-suspensive and is not subject to bond approval (NOTE: the Auctioneer will clarify this before commencement).

Q What happens if a property is sold to me STC (subject to confirmation) ?

A Rawson Auctions will endeavor to obtain confirmation as soon as possible after the auction. You are bound by your offer during this period and payment for deposit and buyer's premium is still due immediately after the auction (if applicable). Should the sale not be confirmed, all monies will be refunded to you.

DID YOU KNOW?

The highest annual growth rate in 2007 from all auctions conducted in the U.S. was residential real estate, increasing by 46.6%. Source - National Auctioneer's Association

Auction Terminology

Absentee Bid - This is a method of bidding for those who cannot attend an auction in person. Absentee Bid Forms can be obtained from our office. The standard Conditions of Sale still apply.

Bidder's Paddle - This is the numbered card issued to you when you register. When you want to place a bid, you simply raise your paddle until the Auctioneer acknowledges you. If you are the highest bidder on a property, your number is recorded alongside your bid. Do not lose this paddle as you will be liable for a bid if someone uses it.

Buyer's Premium - Final bids are subject to a predetermined Buyer's Premium. This premium is added to your winning bid and constitutes the total purchase price. (NOTE: Not applicable on all purchases - the Auctioneer will inform you before commencement).

Conditions of Sale - All sales are final and subject to our Conditions of Sale, normally found in the property brochure and also on our website www.rawson.co.za. Please read the relevant conditions carefully before making a bid, as they will not be read out in their entirety by the Auctioneer.

Fair Market Value - This term is used frequently by appraisers referring to their judgment and opinion about the sale price a property is likely to achieve if it is offered for sale at a public auction. Since the auction process is open to all bidders, a sale at auction is considered to be a measure of Fair Market Value.

Increment - This is the amount by which the Auctioneer increases the bidding. The increment may be rounded up or down at the Auctioneer's discretion.

Proxy Bid - A bid submitted by a bidder prior to an auction by submitting an Absentee Bid Form.

Reserve Price - This term refers to a confidential minimum price that has been agreed upon between the seller and Rawson Auctions.

Subject To Confirmation (STC) - A sale which is subject to the Seller's approval within a specified period.

Telephone Bidding - We accept bids from potential buyers by telephone by pre-arrangement only. An auction assistant will relay the bidding information to the bidder on the telephone. Telephone bidding is generally only an option for property of substantial value, or where the bidder cannot physically be present at the auction.

Webcast Auction - This term refers to an auction hosted on the internet in conjunction with a Rawson Auction happening in real time onsite around the country.

Voetstoots - Property sold "as is" - without warranties as to the condition. Potential buyers are responsible for examining the property and should be aware of this clause when they are bidding.



First Time At An Auction?

Here's what to do before the auction

- **Obtain a Brochure** on the property concerned - by contacting Rawson Auctions and requesting a copy of the printed brochure. You may also view details at www.rawson.co.za
- **View the property** - View Days at pre-arranged times will continue until auction day and, on certain properties, there will also be viewing on the day of the auction.
- **Arrange finance** - We recommend you to approach our in-house Mortgage Originator, Rawson Finance, in order to secure a pre-qualified home loan.
- **Register** - at our service desk which is present at every auction. Registration is compulsory in order to bid.
- **Direct any questions** - to the Rawson Auctions staff before the auction.
- **Relax!** - and wait for the auction experience to begin.

DON'T FORGET!

To bring your ID document or driver's licence and proof of residence (rates bill, telephone account etc) with you in order to register and in case you are the highest successful bidder.

DID YOU KNOW?

97% of attendees feel auctions are fun
83% feel auctions are a way to get good value
92% have a favourable impression of Auctioneers

Source - National Auctioneer's Association

DO's & DONT's at the Auction

- ✓ DO listen to the Auctioneer when he reads out the conditions of sale and other details of the property.
- ✓ DO address all queries you may have BEFORE the auction commences as the Auctioneer will not allow questions once the auction has started.
- ✓ DO make sure the Auctioneer or his assistants see your bid by lifting your numbered bidding paddle in the air.
- ✓ DO call out your bid if necessary to attract the attention of the Auctioneer.
- ✓ DO sign the Offer to Purchase before leaving the premises if you are the successful bidder. Keep in mind that you are legally bound by your bid to complete the sale.
- ✗ DON'T bid if you do not have the money to purchase or if you have not made arrangements for finance beforehand.
- ✗ DON'T bid if you have not completed our Registration Form.
- ✗ DON'T lose your numbered Bidder's Paddle - contact one of our assistants immediately if you do.
- ✗ DON'T bid if you do not understand the Conditions of Sale or any aspect of the property.
- ✗ DON'T be put off by other bidders - remember everyone is looking for a bargain.
- ✗ DON'T hesitate to bid - you may lose the property if you wait.
- ✗ DON'T ask questions once the auction has started - the Auctioneer will not stop the proceedings.
- ✗ DON'T put in a bid after the auction has finished - it will be too late.

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A guide to Buying at Auction

