

Welcome

TO OUR AUCTION

If you have not been to one of the Harcourts Holmwood auctions previously, you need to understand that you form a very important part of the Auction process.

In consultation with the seller they set the RESERVE for the property in the last few days of the campaign. They do this based on feedback from people who inspect the property, either by appointment or by visiting our Open for inspections.

Therefore, we would ask you to inspect the property with an open mind. All inspections will be followed up so you will have the opportunity to give feedback to the sales consultant.

If you feel informed enough of the area values your feedback will be of great value to the seller as they look to set a reserve price.



A Guide to Buying at Auction

- Register your interest with the salesperson as this property may sell at anytime.
- Be in a cash position, having arranged your finance to the upper limit.
- Have viewed and be satisfied with a LIM report and the title for the property.
- These preceding two points are very important as no clauses or conditions will be included in the Auction Contract. Your bid or offer will be totally unconditional.
- The Auction document provides for a sale before, at, or after Auction. Please read the section 'Before Bidding At Auction', on the rear of the document. This explains the key points for you.
- While a vendor may supply a LIM report as a courtesy, it does not represent any warranty on their part. If any matter concerns you, seek legal advice before bidding or submitting a prior offer.
- The Pre Auction Offer forms detail how this will be handled.
- Have your 10% deposit ready for Auction day or prior.
- Have your preferred possession date agreed with the vendor prior to Auction.
- Have your own property appraised so that you will have an idea of its value.
- Bid confidently on the day. While you will have a figure in mind you wish to pay, the nature of Auctions means it often pays to have a little in reserve, in case someone wishes to pay the same as you do.





Legal

ADVICE

We advise you to seek legal advice should you be considering purchasing this property.



Disclosure

This information has been supplied by the vendor which we are passing on to you to assist in the purchase of their property.

This information has been supplied by the vendor or the vendor's agents. Accordingly Holmwood Real Estate Limited is merely passing over this information as supplied to us by the vendor or the vendor's agents. We cannot guarantee its accuracy and reliability as we have not checked, audited, or reviewed the information and all intending purchasers are advised to conduct their own due diligence investigation into this information.

To the maximum extent permitted by Law Holmwood Real Estate Limited does not accept any responsibility to any person for the accuracy or use of the information herein.

Harcourts
Holmwood
my kind of people
holmwood.co.nz

What is AML? How does it affect me?

From 1st January 2019 Real Estate Companies will need to comply with the Anti-Money Laundering and Countering Financing of Terrorism Act 2009

What is AML?

A law passed in New Zealand called The Anti-Money Laundering and Countering Financing of Terrorism Act 2009, or "AML/CFT Act" as it is more commonly known. The law reflects New Zealand's commitment in a worldwide initiative to combat global crime and reduce the impact criminal activity has within the global community.

How am I affected by the new legislation?

The legislation requires Real Estate Companies and other professionals to assess the risk they may face from the actions of money launderers and people who finance terrorism and must identify potentially suspicious activity.

To make that assessment, Real Estate Companies must obtain and verify information from our clients. This is part of what the AML/CFT law calls "customer due diligence" and is a similar obligation to that imposed on banks and lawyers who have been subject to this regime for some time now.

Customer Due Diligence Requirements

Customer due diligence requires Real Estate Companies to complete certain checks before we can list your property or business to sell. We will also require this information from our clients who have commercial property they wish to lease. The Act requires us to also take reasonable steps to make sure the information we receive from you is correct, we will therefore need to ask you for documents to verify this information.

For starters, we will need:

- Your full name; and
- Your date of birth; and
- Your address.

To confirm these details, documents such as your passport, driver's licence or birth certificate, and documents that show your address such as a current bank statement will be required.

Under the new rules, if your property or business is held in the name of a company, a trust, or has overseas ownership we'll need specific information about the entity including the people associated with it, (directors and shareholders, trustees and beneficiaries) and source of funds.

If you have any questions please contact your agent, or our AML/CFT Compliance team by email at aml.compliance@holmwood.co.nz.

Purchaser Acknowledgement

Prior to entry into Agreement for Sale & Purchase

I/We as prospective buyers of the property located at:

BUYER ACKNOWLEDGEMENT AND DISCLOSURES

I\We hereby acknowledge the following:

1. I/We were advised of the Holmwood Real Estate Limited in-house complaints process.
Refer <https://www.holmwood.co.nz/complaints-dispute-resolution-procedures/>
2. I/we were advised that we must provide proof to our solicitor of an IRD NZ tax number and NZ Bank account both in my/our name and our solicitor will require me/us to complete a Residential Land Statement for OIO Act approval.
3. I/We have been made aware of the following matters and I/we have been told to seek specialist advice if I/we have any concerns.
 - (a) Any house built of monolithic cladding/Polystyrene/Triple S/Harditex with a plastered finish and typically building between 1990 and 2006 may be prone to weather tightness issues.
 - (b) Asbestos is a common building material that may be present in houses.
 - (c) Any house built in the 1970's-1980's may have Dux Quest plumbing systems.
 - (d) That if the property is being purchased as a residential investment property (a rental) that I/we will need to undertake my/our own due diligence as to whether the property complies with all legislation especially but not limited to the Residential Tenancies Act 1986/Healthy Homes Standards/any possible Meth contamination.
 - (e) I/We acknowledge that Holmwood/Sales Consultant may receive a Referral or Introduction fee (for example, but not limited to Mortgage Express/Insurance Express).
 - (f) **AGENT TO TICK:** Related Party Transaction (section 134/136 of the REA 2008)
do apply do not apply.

VIEWING THE PROPERTY

4. I/we were strongly advised to view the property prior to submitting any written offer. I/we hereby specifically acknowledge and confirm that by purchasing without viewing the said property I/we may not have seen all the features and all the property details, area, and locale and therefore may not have a full understanding of the subject property. I/we warrant and undertake that I am/we are not relying on any representation, warranty, description or statement made in any way whatsoever by Holmwood Real Estate Limited or the agent cannot guarantee that the property is fit for the intended use by me/us.
5. I/we will provide a copy of a valid form of photo identification (Passport or Drivers Licence) upon request.

CONSENTS

6. If the proposed purchaser is/is to be a Trust/Company then the person(s) signing this Authority hereby absolutely warrant and represent that they have the necessary authority of all Trustees/Directors to enter into this Authority and further represent that all Trustees/Directors have consented to this Authority. If not then any signatory herein agrees to be personally liable for any bidding or purchase.
7. I/we understand and acknowledge that before my/our lawyer can act on behalf of myself/us, they must complete customer due diligence (CDD) on me under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML/CFT). If my lawyer cannot complete customer due diligence on me/us and cannot act for me/us as a result, I/we may not be able to satisfy conditions under the agreement or settle the property purchase. This may result in me/us incurring liability to the vendor. understanding of the subject property. I/we warrant and undertake that I am/we are not relying on any representation, warranty, description or statement made in any way whatsoever by Holmwood Real Estate Limited or the agent cannot guarantee that the property is fit for the intended use by me/us.

DISCLOSURES

Oral or Written Disclosures I/We acknowledge that the following matters/documents/disclosure of facts (if any) were specifically disclosed to us during the sale and marketing period and prior to signing this Authority.

BUYER CONSENTS & ACKNOWLEDGEMENT

I/we as the buyer HEREBY AGREE that we have read, understood, and accepted these Terms, Conditions, and Disclosures and further acknowledge that at the time I/we entered into this Sale and Purchase Agreement did so freely and voluntarily, without any pressure, undue influence or duress, and acknowledge we were recommended to obtain legal advice and offered the right of other technical/specialist advice of our choice before entering into the same.

BUYER'S EXECUTION AND AUTHORISATION

Buyer's Name: _____ Signature: _____ Date: _____

Email: _____ Phone: _____

Buyer's Name: _____ Signature: _____ Date: _____

Email: _____ Phone: _____

Authorised by Sales Consultant/Branch Manager/person authorised to take statutory declarations (Solicitor, JP Registrar etc):

Name: _____ Signature: _____ Date: _____

Complaints & Dispute Resolution Procedures

In accordance with Rule 12 Real Estate Agents Act (Professional Conduct and Client Care Rules) 2012

Introduction

All licensed real estate agents are required to have a written in-house complaints and dispute resolution procedure. That procedure is set out below.

You do not have to use our complaints and resolution procedure. You may make a complaint directly to the Real Estate Agents Authority at any time. You can make a complaint to the Real Estate Agents Authority even if you choose to also use our procedures.

In-house Complaints and Dispute Resolution Procedures

Our complaints and dispute resolution procedures are designed to provide a simple and personalised process for resolving any complaint you might have about the service you have received from our agency.

STEP 1: Call us and speak to our designated Complaints and Dispute Resolution manager, Tony Jenkins, Chief Executive Officer, (397-399 Ilam Road, Ilam, Christchurch). Telephone (03) 351 3002.

Tell the manager who you are complaining about and what your concerns are. Let the manager know what you would like done about your complaint.

STEP 2: The manager may ask you to put your complaint in writing so that he or she can investigate it. The manager will need a brief period of time to talk to the team members involved. We promise to come back to you within 10 working days with a response to your complaint. That response may be in writing. As part of that response we might ask you to meet with members of our team to discuss the complaint and try and agree a resolution.

STEP 3: If we are unable to come to an agreed resolution after a meeting, or if you don't wish to meet with us, then we will provide you with a written proposal to resolve your complaint.

STEP 4: If you do not accept our proposal please try and advise us in writing within 5 working days. You can, of course, suggest another way of resolving your complaint.

STEP 5: If we accept your proposed resolution we will attempt to implement that resolution as soon as possible. If we decline your proposed resolution we may discuss referring the matter to an independent mediator.

STEP 6: If we agree to refer the complaint to mediation but don't settle the complaint at mediation, or we do not agree to mediation then that will be the end of our process.

Remember, you can still make a complaint to the Real Estate Agents Authority at any time.

The Real Estate Agents Authority
c/- PO Box 25-371
Wellington 6146
New Zealand
Telephone 0800 FOR REAA or 0800 367 7322

Pre-Auction Checklist for Buyers

We've prepared this information to help prepare you for buying a property at Auction.

So... You've seen a house that's going to be sold by Auction and decided you'd like to buy it? Fantastic! Here's what to do next:

1. If you haven't already done so, make sure you let the salesperson you're dealing with know that you're interested in the property by "Registering your Interest". They can then supply you with a full Auction Pack which will include details of the property and contain such things as a draft of the Auction Contract, the Title & LIM (Land Information Memorandum) for the property, and any other pertinent information available. It pays to get this information as soon as you can, sometimes properties are sold prior to the initially advertised date. If you've registered your interest you'll be kept informed should the Auction be brought forward.
2. When buying at Auction, you are generally buying on an "unconditional" basis, so it's wise to do your "homework" early by:
 - Getting your solicitor to check over the LIM & Title to the property.
 - Ensure your finance is in place (know your top limit!) and that you are in a position to pay the standard 10% deposit immediately after the Auction if you are the successful bidder. The deposit is most commonly paid by electronic bank transfer to the Trust Account of the Real Estate Firm handling the sale. Let the salesperson you're dealing with know how you intend to pay the deposit, or if you foresee any difficulty meeting these requirements.
 - Check the nominated settlement/possession date on the front page of the Auction contract. If you'd like to request an alternative date, advise the salesperson you've been dealing with.
 - Check that you can get Insurance on the property should you buy it. In most cases in Canterbury since the earthquakes the incumbent insurer will agree to insure the next owner, but if you encounter any difficulty with this, advise the salesperson you've been dealing with. They may be able to help.
3. Have you been provided with the Real Estate Agents Authority (REAA) booklet: "New Zealand Residential Property Sale and Purchase Agreements Guide"? If not, ask for one from the salesperson you've been dealing with or you can get one from any Real Estate Office, or the Auction Venue.
4. Have you been to an Auction before? If not and time permits, it's a good idea to attend one. The salesperson you've been dealing with will be happy to assist wherever possible.
5. Can you attend the Auction in person? If not, you can also bid by telephone or through a third party, but this needs to be arranged in advance so once again; let the salesperson know so they can arrange the necessary documentation.
6. If you are buying the property in conjunction with another person, we recommend that both of you attend the Auction, but if that's not possible, try and ensure that you can at least be in telephone contact with each other whilst the Auction is in progress.
7. Plan your bidding strategy in advance. Auctions can move fairly swiftly so it pays to be well prepared beforehand. If you are buying in conjunction with another person, decide who will do the bidding, or whether you'd prefer the salesperson you're dealing with (or another 3rd party) to bid for you. Your salesperson can also offer advice and a few tips that may be to your advantage on Auction day.
8. Make sure you know when and where the Auction is to be held. Some people have missed out by being in the wrong place at the wrong time!

Property _____

Seller _____

Purchaser _____

Acknowledgement

- a. The seller confirms to the licensee that they wish to sell their property at auction and an auction date has been set for the property.
- b. The seller wishes to accept pre-auction offers, which will be conducted in accordance with this **Harcourts Pre-Auction Offer Procedure** agreement.
- c. All pre-auction offers must be prepared using the REINZ Auction agreement and must be unconditional.
- d. The seller retains the right to withdraw from an auction entirely before a pre-auction offer is signed. This means that the seller can cancel an already scheduled auction in order to sell the property to a specific purchaser. However, once a pre-auction offer is signed by the seller, then this pre-auction offer procedure will be binding on the seller.
- e. If the pre-auction offer is not at an acceptable level, the seller will not counter-sign it, and the prospective purchaser will be told that the pre-auction offer was not acceptable.
- f. If the pre-auction offer is at an acceptable level, and the seller chooses to follow the **Harcourts Pre-auction Offer Procedure** by signing the pre-auction offer, then the acceptable price will become the reserve price for the brought forward auction.
- g. The purchaser accepts that other prospective purchasers may have already expressed their interest in the property, such that the sales consultant will have a duty to contact all interested parties in the event that an acceptable pre-auction offer is made to allow them an opportunity to bid at the brought forward auction.
- h. It is recommended that the brought forward auction be a minimum of 48 hours ahead of the scheduled date, and one full working day from the date the seller signs the Particulars and Conditions of Sale of Real Estate by Auction form.

The following clause is to be inserted into the auction contract prior to the offer being signed by the purchaser.

Pre-auction Offer Condition

This Agreement is conditional upon the Seller (Vendor) not selling the Property at a higher price (than the purchase price in the Agreement) at the brought forward Auction either at the fall of the hammer or at such time that the auctioneer announces that the auction is at the end.

As soon as is reasonably practicable following the brought forward auction having been completed, the Seller (Vendor) shall notify the Purchaser in writing as to whether or not the condition in this clause has been satisfied.

For the avoidance of doubt, this pre-auction offer condition must be satisfied before this Agreement becomes unconditional in all respects.

By signing and acknowledging this Pre-auction Offer & Procedure Acknowledgement, both the seller and the purchaser acknowledge that:

1. The licensee has thoroughly explained and discussed the meaning and implications of the **Harcourts Pre-auction Offer Procedure** to the seller and to the purchaser; and
2. The seller and the purchaser understand their rights and obligations under the **Harcourts Pre-auction Offer & Procedure**; and
3. The seller and the purchaser agree to be bound by the terms contained in the **Harcourts Pre-auction Offer & Procedure**; and
4. The licensee has recommended that the seller and the purchaser seek independent legal, technical, or other advice (as the seller or purchaser may require) on the **Harcourts Pre-auction Offer Procedure** and any other documentation prior to signing any documents, and that the parties have either taken such advice or have waived their right to do so; and

Initials here: _____

5. The purchaser confirms that the Pre-auction Offer has been signed and includes:
- the purchase price; and
 - immediate payment of the deposit (equivalent to 10% of the purchase price) to the licensee by bank transfer in cleared funds upon the Pre-auction Offer being declared unconditional at the brought-forward auction; and
 - the Pre-auction Offer Condition enclosed above;
6. Once the Pre-auction Offer is signed by the seller and purchaser then:
- the Pre-auction Offer remains conditional upon the outcome of the brought-forward auction; and
 - the seller is bound to sell their property to the purchaser if a higher price is not received at the brought forward auction; and
 - the seller cannot withdraw the property from auction; and
 - the purchaser cannot withdraw its pre-auction offer; and
 - the seller cannot change the reserve price (which must be equivalent to the purchase price in the Pre-auction Offer); and
 - the purchase price in the Pre-auction Offer is not a bid and will not be treated as a bid at the auction; and
 - the purchaser may attend the auction and may bid separately.

The brought-forward auction details:

Brought-forward auction shall be at _____ am/pm on the _____ day of _____

Signed by the Seller: _____

Print Name: _____

Trustee/Director/Authorised Signatory

Print Name: _____

Trustee/Director/Authorised Signatory

Print Name: _____

Trustee/Director/Authorised Signatory

Print Name: _____

Trustee/Director/Authorised Signatory

Signed by the Purchaser: _____

Print Name: _____

Trustee/Director/Authorised Signatory

Print Name: _____

Trustee/Director/Authorised Signatory

Print Name: _____

Trustee/Director/Authorised Signatory

Print Name: _____

Trustee/Director/Authorised Signatory

Authority to Bid

Re _____ (Address of Property)

To be auctioned on _____ (Date)

Purchaser's Name (s) _____

☐ I hereby authorise _____
to bid on my/our behalf.

☐ I/We will be bidding from _____ (Address)

(Telephone) _____ (Email)

In the event that I am the successful bidder, I will immediately:

- (i) Complete all relevant details and sign the Memorandum of Agreement with the Particulars and Conditions of Sale and return this to Harcourts Holmwood for acceptance by the vendor.
- (ii) Pay into the Harcourts Holmwood Trust Account on the day of the Auction, the deposit being 10% of the purchase price.

I/We further agree to indemnify _____ from any personal liability in any manner or form arising from his/her role as our disclosed agent in bidding at Auction on our behalf.

I/We also acknowledge receipt of a copy of the New Zealand Residential Property Sale & Purchase Agreement Guide.

Signed _____

Date _____

Witness _____ (Name) _____ (Signature)

Vendor(s) _____
Accepts/Declines _____

Date _____

Aside Agreement - Variation to Terms and Conditions

(Address) _____

to be offered for sale by public auction by: _____ Real Estate Limited

If the Purchaser (named below) is the successful bidder at auction then the Terms and Conditions are varied as follows:

1. Notwithstanding the vendor agreeing to the above condition, the purchaser acknowledges that during the course of the auction, the vendor can consider, with a view to accepting, a bid that is lower than the purchaser's but such lower a bid being unconditional in all respects. If the vendor wishes to accept an unconditional but lower bid than the purchaser's conditional bid, then the vendor will offer the purchaser:
 - a) The opportunity to withdraw the condition above thereby making the purchaser's higher bid unconditional; or
 - b) To increase their bid to the level acceptable to the vendor so that the purchaser retains the condition set out above.
2. The purchaser acknowledges at all times the vendor has the right to withdraw the property from the market at any time during the auction and that the vendor retains all rights to sell the property to any bidder at a price acceptable to them in all respects.

Purchaser _____ (signed)

Purchaser _____ (signed)

Vendor(s) Accepts/Declines _____ (signed)

Date _____

Please nominate the address of the property as the payment reference.