Buyer's Guide

Buying before the auction and bidding online

SmartPropertyAuctions.co.uk, operated by Capital Prestige Ltd, sells property in partnership with estate agents using a hybrid auction. You get the speed, certainty and transparency of an auction, with no risk of gazumping, together with the familiar feel of an estate agency sale. Offers are welcome before the auction, and you can bid from your desktop, tablet or phone on auction day.

This guide explains both ways to buy, what you pay and when, and what happens next.

TWO WAYS TO BUY

	Buying before the auction	Bidding at the auction
How it works	Make an offer through us or the estate agent. If the seller accepts, you secure the property with an Exclusivity Agreement.	Register, place your bids online and compete with other bidders until the auction closes.
Upfront payment	Exclusivity Fee, normally **£3,000** inc. VAT, when your offer is accepted	Bidder Security of **£5,000** for each lot, before bidding opens
When you are committed	When contracts are exchanged, within the Exclusivity Period (normally **28 days**)	Immediately. Contracts are exchanged when the auction closes with your winning bid
Buyer's Premium	1.5% inc. VAT, minimum £5,000. Your Exclusivity Fee is credited against it	1.5% inc. VAT, minimum £5,000. Your Bidder Security is credited against it
Deposit	10% on exchange, unless the Special Conditions say otherwise	10% within 2 Business Days, unless the Special Conditions say otherwise
Completion	On the date in the Special Conditions of Sale	On the date in the Special Conditions, usually 20 Business Days after the auction

GETTING STARTED

Whichever way you buy, the first steps are the same.

Create your account

Create an account with your contact details and verify your email address using the link we send you. You can then watch lots, receive auction updates and download legal packs.

Verify your identity

We are required by the Money Laundering Regulations 2017 to verify everyone who buys through us. You will be asked to:

- Verify your mobile number
- Upload photo ID, such as a passport or driving licence
- Provide a recent proof of address, dated within the last 3 months
- If you are buying through a company or trust, identify its beneficial owners

We may also ask about the source of your funds. We cannot accept an offer or a bid until our checks are complete.

Read the terms

Every sale is governed by our **Conditions of Sale** (the Common auction conditions (5th edition) with our extra conditions), the **Notice to Bidders**, the **Special Conditions of Sale** in the legal pack, and any addendum for the lot. You will be asked to accept them before you offer or bid, and copies will be emailed to you.

Do your due diligence

You are treated as having done all of the following before you offer or bid, so please:

- View the property
- Take professional advice on its condition and suitability
- Ask your solicitor to review the legal pack and any addendum
- Check the Special Conditions for any costs payable on top of the price, such as search fees or arrears
- Arrange your finance. Auction contracts are unconditional, so you must be able to complete
- If the property is let, take advice on how the Renters' Rights Act 2025 affects the tenancy you would be taking on

Guide prices and reserves

- **Guide price:** an indication of where the reserve is likely to be. A single-figure guide will be no more than 10% below the reserve, and a guide range will include the reserve. It is not a valuation.
- **Reserve:** the confidential minimum price the seller will accept at auction. It may change before the auction.
- **Bids for the seller:** we may bid on the seller's behalf up to, but not including, the reserve, so some or all bids below the reserve may be made for the seller. No bid is ever made for the seller at or above the reserve.

BUYING BEFORE THE AUCTION

You do not have to wait for auction day. If you have found the right property, you can make an offer at any time once the lot is listed.

1. **Make your offer.** Send it through us or the seller's estate agent. Every offer is passed to the seller, and the decision is theirs.
2. **Offer accepted.** We send you our Exclusivity Agreement. You sign it and pay the Exclusivity Fee, normally £3,000 including VAT. It may be higher for higher value lots, and the amount is shown on the lot page. Until both are done, the property stays on the market.
3. **The property comes off the market.** For the Exclusivity Period, normally 28 days from payment of the fee, the seller will not market the property or deal with anyone else.
4. **Exchange contracts.** Your solicitor exchanges contracts on the Special Conditions of Sale in the legal pack within the Exclusivity Period. On exchange you pay the deposit and the balance of the Buyer's Premium, after deducting your Exclusivity Fee.
5. **Complete.** You complete on the date set out in the Special Conditions of Sale.

Your Exclusivity Fee

A fee, not a deposit. It is paid to us, separate from your deposit, and **credited in full** against the Buyer's Premium on exchange.

Refunded in full if the seller withdraws or deals with another buyer, if the seller or their solicitor causes the delay, or if a material undisclosed problem comes to light.

Not refunded if you withdraw, cannot fund the purchase or otherwise do not exchange in time.

Cooling-off. Individuals who sign remotely may cancel within 14 days, paying only for the days of exclusivity used. The Exclusivity Agreement sets out the full rules.

Ready to proceed straight away? We can instead send you an **Invitation to Buy** through the website. Accepting it creates a binding contract immediately, on the same terms as a winning bid at auction.

Buying by private treaty? If the seller agrees to a private treaty sale, the same Exclusivity Agreement and Buyer's Premium apply.

BIDDING AT THE AUCTION

Bidder Security

To bid, you must provide a Bidder Security of **£5,000 for each lot** you register on, before bidding opens. You can do this by bank transfer, or by registering a credit or debit card. We use Stripe to place a temporary hold on your card for the amount.

- If you win, the £5,000 is taken and applied in full to your Buyer's Premium
- If you do not win, the hold is released or the transfer refunded. Release times for card holds vary by card provider

Auctioneer review

Once you have registered, our team will review your details. We may contact you for more information and may carry out a soft credit check, which does not affect your credit score. We will email you once you are approved to bid.

Placing bids

Use the + and – buttons to set your bid, then confirm it. You will be told straight away whether your bid has been accepted, and the live bid history is always visible.

Maximum (proxy) bids. You can set a maximum bid and the system will bid for you, by the smallest step needed, up to that amount. Your maximum is confidential, and we will tell you if you are outbid. If your maximum is at or above the reserve, the system will first bid at the reserve.

Example. The current bid is £90,000 and the reserve is £100,000.

1. Tom sets a maximum of £97,000 and becomes the highest bidder.
2. Jane sets a maximum of £105,000. The system bids for her at the reserve of £100,000.
3. Tom bids £101,000. The system automatically bids £102,000 for Jane.
4. Tom bids £105,000. Jane's maximum of £105,000 was placed first, so she stays the highest bidder.
5. Tom bids £106,000. Jane's maximum is exceeded and Tom wins.

Bidding extensions

If a bid is placed in the final 60 seconds, the auction is extended by 60 seconds. The clock resets with each new bid, and bidding closes when 60 seconds pass with no further bids. The website's server clock governs the auction, not your device, so please avoid leaving your bid to the last second.

When you win

All lots are sold on an immediate, unconditional contract. When the auction closes with your winning bid, contracts are exchanged and you are legally bound to buy. We then:

- Take your £5,000 Bidder Security and apply it to the Buyer's Premium
- Sign the contract on your behalf, as you authorised when registering
- Send copies of the contract to your solicitor and the seller's solicitor

Within **2 Business Days** you must pay Capital Prestige Ltd, by bank transfer, the **10% deposit** (or the minimum deposit in the Special Conditions) and the **balance of the Buyer's Premium**. We hold your deposit as stakeholder and pass it to the seller's solicitor once it has cleared. Completion follows on the date in the Special Conditions, usually 20 Business Days after the auction.

> **Protect yourself from fraud**
>
> We will only ever ask you to pay into the account shown on our website and in your registration documents. If you receive a message asking you to pay anywhere else, do not pay it, and call us on 020 3355 3259.

If the lot does not sell at auction

If bidding does not reach the reserve, we may put the highest bid to the seller as an offer. If your offer is accepted and you enter into an Exclusivity Agreement, £3,000 of your Bidder Security will be applied as the Exclusivity Fee. The remaining £2,000 will continue to be held and will be credited towards the Buyer's Premium if the sale proceeds.

WHAT YOU PAY AND WHEN

Example: a purchase price of **£500,000**. The Buyer's Premium is 1.5%, which is £7,500 including VAT.

	Buying before the auction	Bidding at the auction
Before you are committed	Exclusivity Fee: normally £3,000 on acceptance of your offer	Bidder Security: £5,000, held before bidding opens
On exchange of contracts	Deposit: £50,000 Buyer's Premium balance: £4,500	Bidder Security of £5,000 taken and applied to the Buyer's Premium
Within 2 Business Days of exchange	–	Deposit: £50,000 Buyer's Premium balance: £2,500
On completion	Balance of the price: £450,000, plus any costs in the Special Conditions	Balance of the price: £450,000, plus any costs in the Special Conditions

The minimum Buyer's Premium is £5,000: on £250,000, 1.5% would be £3,750, so £5,000 applies. Also budget for your own legal fees, Stamp Duty Land Tax and Land Registry fees.

HOW A CARD HOLD WORKS

A hold reduces the funds available on your card, but no money is taken unless you win.

Example 1: credit card

- Tom has a credit limit of £10,000, with £9,000 available
- He registers to bid and a £5,000 hold is placed, leaving £4,000 available
- He buys a laptop for £1,500, leaving £2,500 available
- He does not win, the hold is released, and £7,500 is available again

Example 2: debit card

- Jane has £5,250 in her bank account
- She registers to bid and a £5,000 hold is placed, leaving £250 available
- She buys a phone for £300 and is £50 overdrawn
- She wins the auction, the £5,000 is taken, and she remains £50 overdrawn

This guide is a summary only. The Conditions of Sale, the Notice to Bidders and the Special Conditions of Sale for each lot take precedence over it. It is not legal or financial advice, and you should take your own professional advice before you offer or bid.

Questions? Talk to us: 020 3355 3259 | hello@smartpropertyauctions.co.uk | www.smartpropertyauctions.co.uk