



Selling

Selling a property on auction:

TIC Auctions provides their clients with a transparent and easy to understand process for selling property on auction.

The auction process is a dynamic and exciting one that offers many benefits for you, the seller, such as:

- Expert advice on the assessment and sale of your property
- The benefit of the T.I.C. Auctions database of property buyers and extensive marketing platforms.
- A quick sales cycle of approximately 2-6 weeks
- A sale agreement in which the seller's terms of sale and the minimum selling price is protected
- A well-managed process where the prospective buyers have conducted their due diligence prior to the auction event
- The buyer pays the auctioneer's fee, not the seller
- A healthy and competitive environment at the auction event where the best possible price on the day can be achieved on the property
- There is no ceiling on the value that can be achieved on auction

The auction process to follow when selling a property:

1. Enquiry

The first step to take when you are interested in selling a property is to call T.I.C. Auctions on 033 394 0231 or 083 656 0891 and one of our experienced Consultants will contact you shortly to discuss your property in more detail and answer any questions relating to the auction process.

2. Discussion

One of our property specialists will confirm a time to meet with you to understand your needs and conduct a thorough due diligence and assessment on the property. At this stage it would be helpful to acquire information on the property such as building plans, lease agreements, municipal accounts, etc. The information required would obviously be a function of the type of

property under discussion (agricultural, retail, industrial, residential, commercial, hospitality or undeveloped land).

3. **Appointment**

Once we have completed the due diligence and assessment process one of our Sales Executives will take you through the findings and provide the necessary advice related to the sale of the property.

At this stage a formal proposal will be discussed for your consideration including the mandate options, marketing strategies and costs and conditions of sale of the property.

Once this process has been concluded successfully we would enter into an agreement and conclude a mandate for T.I.C. Auctions to market and promote the property for sale at a predetermined auction date.

4. **Marketing**

The ability of T.I.C. Auctions to reach and attract the right profile of buyer to the auction event will impact on the success of the transaction and on the value achieved for the property. A key driver of success is the company's marketing capability.

Over time we have established the ideal marketing mix for reaching the target market. The following marketing strategies improve the results for the benefit of the seller:

- **Brand marketing:** T.I.C. Auctions invests in developing its brand and company in the media in order to build confidence for its auction platform in the market. Our clients benefit directly from this activity in terms of attracting quality sellers and buyers to the auction platform.
- **Matching of buyers and properties via our referral system:** We are able to capture new buyers into our buyer's system on a regular basis. These are matched with the properties being serviced by the Consultants.
- **Online Presence:** We use various internet marketing platforms to market our properties to reach prospective buyers throughout the country and abroad.
- **Signage boards:** These will be prominently placed outside your property and surrounding areas, which have proven to positively influence the perception of value that buyers will have of your property, as well as to drive the call-to-action to bring all potential buyers to the auction event.
- **Print Advertising:** Property adverts are placed in appropriate publications to maintain top-of-mind awareness and future auctions.
- **Property catalogue:** Will showcase your property in an online and printed format.
- **Property Viewing:** We will manage information flow with interested buyers including the process of visiting and viewing the property. This process is essential in terms of evaluating levels of interest, concerns and capabilities of the buyer. Managed professionally this increases the probability of success of the auction.

5. Processing

T.I.C. Auctions compile detailed and comprehensive "Investor Packs" that are made available to interested buyers upon request to assist in informing their purchasing decisions. This process is carefully managed by the relevant Sales Executive who interacts directly with prospective buyers and provide them with the necessary information, answers to questions and advice about the properties. This process is also tracked and recorded so that valuable feedback can be provided back to the seller throughout the process.

6. The Auction Event:

The auction will take place at the property. Buyers attending the auction are generally pre-registered or they register on the day with the necessary FICA documents and a R30 000 deposit. The T.I.C. Auctions team are also present on the day to assist the seller and buyers with proceedings and answer any questions that the buyers may have. The rules of auction and the auction process are then managed by a professional auctioneer. Once the auction has concluded the highest bidder signs the conditions of sale and the necessary deposit is paid.

After the Auction Event

After the sale agreement has been signed by all parties and the deposits paid into the T.I.C. Auctions Trust account, the highest bid is submitted to the seller for confirmation. Once the offer has been accepted, copies of the agreement and all supporting documentation are delivered to the transferring attorney who will attend to the registration of transfer of the property.

Seller's FAQ

What kind of properties can be sold on auction?

Most properties could be sold on auction. Reasons for selling property on auction include: Getting the true market value for the property, selling through a quick sales cycle, achieving extended reach into the market, accessing broader base of potential buyers through effective marketing, execution of a forced sale (liquidations, deceased estates and legal instructions), a low cost option, a need for transparency and easy to understand processes to name a few.

Do I need to sign a mandate to take my property to auction?

Yes, there is a legal requirement for you to provide us with a signed sole mandate agreement in order for us to promote and sell your property.

What is it going to cost me?

The primary cost would be dependent on which marketing strategies are employed to promote the property in the target market. These costs are generally affected by the type of property, location and value. A detailed and tailored marketing campaign will be discussed with you at an appointment with a T.I.C. Auctions property consultant.

What if the price I want is not achieved at the auction?

Firstly the seller is protected under the conditions of sale where the property will not

be sold if the reserve price is not met. This mitigates the seller's risk in the auction process. The final hammer price will however be presented to the seller for consideration in the event that the reserve is not met on auction day.

What happens if the buyer breaches the sales agreement?

Registered buyers would have agreed to the terms of auction and failure to comply with these terms allows the seller to place the buyer in breach of contract. If the buyer does not rectify his breach within the required period then the seller has the right to cancel the sale and take further action. The buyer would also then lose the substantial deposit paid following the auction.

So where to from here?

Call us to list your property on our next auction. 033 394 0231 / 083 656 0891.

Buying

Buying a property on auction:

T.I.C. Auctions provides its clients with a transparent and easy to understand process for buying property on auction. We also ensure that prospective buyers are supported, throughout the property evaluation and buying process, by experienced property consultants.

Several advantages available to prospective buyers include:

- Most of the information related to properties for sale or the processes involved with buying property is available on our website which is accessible on a 24/7 basis.
- We provide buyers with direct access to our team of consultants that can assist buyers by providing them with all the information and advice related to a particular property and assist them, personally, through the registration and auction process.
- The investor packs that are compiled on properties are comprehensive and with the specialist advice available through the professionals at the company would provide the buyer with clarity and confidence in what they are buying.
- The auction company would have secured exclusive mandates on the properties so, subject to confirmation by the seller, the highest bidder gets the property without any further negotiation.
- Great deals on properties are available especially as buyers get to benefit of a true supply and demand transaction environment.

In order to buy a property on auction the following general terms apply:

- Pre-registration by filling in our registration form, sending through your FICA documents (Copy of ID book, proof of residence and letter of authority to sign on behalf of a juristic entity), and paying your registration fee of R30 000.
- Upon successfully winning the auction a deposit of 16.4% is payable. This is payable at the auction where we have facilities available.
- The buyer is generally responsible for paying the auctioneer's commission upon successfully purchasing a property on auction in addition to the final highest bid or "hammer price".
- If the buyer is unable to attend the auction event they may bid via telephone proxy.

For any enquiries related to buying a property please call us on **033 394 0231**. One of our Consultants will contact you to discuss your requirements in more detail and answer any questions relating to the auction process.

Buyer's FAQ

How do I register for the auction?

We have an easy registration process where an application form is completed and the necessary FICA documentation is provided with a refundable deposit of R30 000. In terms of the FICA documentation the buyer's ID book, proof of residence and letter of authority to sign on behalf of a juristic entity would be required. The refundable deposit could be paid by either credit card, EFT or bank guaranteed cheque.

It is advisable that the registration process be undertaken online at your convenience although all the necessary facilities would also be made available on the day at the auction venue prior to the auction.

Can I inspect the property before the auction?

We advise prospective buyers to conduct physical inspections of the property prior to the auction. One of our Sales Executives will gladly meet you at the viewing of the property and answer any questions you may have.

Who pays the auctioneer's commission?

The auctioneers' fee is paid by the buyer over and above the bid (Hammer) price.

Is there a reserve price on all lots?

Most lots are auctioned with a reserve price in place. Should the highest bid at the auction not meet the reserve price then the seller has the option to reject or accept the final bid (hammer) price.

What is the deposit amount?

The deposit is 16.4%. This is payable at the auction where the necessary payment facilities are available.

What do I do if I cannot make the auction?

We recommend that all prospective buyers attend the auction events but in cases where this is not possible we have a facility available where buyers could participate via proxy (where someone else bids on the buyer's behalf) or via telephone. Our Sales Executives could assist you through this process.

RULES OF ONLINE PROPERTY AUCTION

Place of Auction:

This is a timed online auction.

Date and time of Auction:

8th – 9th December 2021 @ 11h00 @ www.ticpropertysales.co.za

These Rules of Auction comply with Section 45 of consumer Protection Act 68 of 2008 and the Regulations thereto ("the CPA").

In accordance with the provisions of the CPA, T.I.C. Auctions CC. and the Auctioneer, hereby declare as follows:

1. If a bid is made within 10minutes before the closing of the auction then the auction will be extended for a further 10minutes and will continue to be extended until there is no further bids received with the 10 minute period.
2. TIC Auctions cannot be held responsible for any missed bids due to any technical issues experienced.
3. The sale in respect of any lot is complete when the Auctioneer announces its completion by the fall of the hammer and the statement "Sold", and until then a bid may be retracted;
4. Unless otherwise announced, all lots are sold subject to a reserve price and/or to a 7 day acceptance period in favour of the seller. The onus will be on the highest bidder / Purchaser to establish whether his/her offer was accepted.
5. Unless otherwise announced, T.I.C. Auctions CC and the Auctioneer are entitled to bid on behalf of the seller up to the reserve price;
6. The auction will commence at 11h00 and will not be delayed to allow any specific person or persons to take part in the auction;
7. Acknowledges that, should his/her bid be knocked down as the highest bid in respect of any lot bid upon, a buyer's premium of 10% plus VAT shall be payable over and above the bid price, unless otherwise stated;
8. Any bidder who intends to bid on behalf of another must produce a letter of authority that complies with Regulation 26(3) of the CPA, which states that such a letter must expressly authorise such a bidder to do so, and that both such principal and the bidder must submit documentation in support and verification of their identities in terms of the financial Intelligence Centre Act ("FICA"), and such bidder must sign a bidder's record containing such details;
9. Acknowledges and understands, that should his/her bid be the highest bid on any lot, he/she will then be obligated to sign the Auctioneer's standard agreement of sale by public auction, which agreement the bidder acknowledges to have acquainted himself/herself therewith;
10. T.I.C. Auctions CC has a Trust account which is audited in terms of The Estate Agency Affairs Act and all monies will be paid for the benefit of the seller minus the agreed commission;
11. The Auctioneer will announce the reason for the auction unless such reason is the normal and voluntary disposal of the property by the owner;
12. All bidders must register prior to the commencement of the auction, read the Rules of Auction, comply with all FICA requirements and provide proof of ID, residence, authority to transact on a formal letterhead;
13. The bidder's record and vendors roll required to be kept in terms of the CPA will be available for inspection free of charge during normal working hours at the offices of T.I.C Auctions;
14. Any person present at the auction may object to the Rules and such objection shall be recorded in the vendors roll;
15. A registration fee of R20 000 (Twenty Thousand Rand) is required to register to bid. This fee is fully refunded to all unsuccessful bidders and will form part of the highest bidders deposit asper the below;
 - 5.1 5% of the highest bid is payable as a deposit by the highest bidder and is payable by bank transfer or bank guaranteed cheque simultaneously upon signature of the conditions of sale by the highest bidder.

15.2 The balance of the purchase price is payable on date of transfer and the purchaser will furnish an approved bank guarantee within 30 days of confirmation of the sale, payable to the seller or his nominee.

16. The Purchaser will be liable for auctioneer's commission at a rate of 10% plus VAT.

15. The costs of an auction are as follows:

- cost of advertising

TBA

- cost of the event and conducting an auction

Nil Rand

Total cost.

TBA

17. The conduct of the auction is subject to the control of the Auctioneer who has the sole right to regulate the bidding;

18. The property sold shall be sold to the highest bidder, subject to the Rules of Auction;

19. These Rules have not been amended after their initial publication.

Signed by the

Auctioneer:

Auctioneer full name:

Jacques Wynand van Rooyen, TIC Auctions CC

Address:

191 Pietermaritz St, Pietermaritzburg, KZN, 3201

Contact number:

033 394 0231 or 083 656 0891.