

Property, Stock and Business Agents Regulation 2003

Conditions of sale by auction

1. The following conditions are prescribed as applicable to and in respect of the sale by auction of land or livestock:
 - a. The highest bidder is the purchaser, subject to any reserve price
 - b. In the event of a disputed bid, the auctioneer is the sole arbitrator and the auctioneer's decision is final
 - c. The auctioneer may refuse to accept any bid that, in the auctioneer's opinion, is not in the best interests of the seller
 - d. A bidder is taken to be a principal unless, before bidding, the bidder has given to the auctioneer a copy of a written authority to bid for or on behalf of another person
 - e. A bid cannot be made or accepted after the fall of the hammer
 - f. As soon as practicable after the fall of the hammer the purchaser is to sign the agreement (if any) for sale

2. The following conditions, in addition to those prescribed by subclause (1), are prescribed as applicable to and in respect of the sale by auction of residential property or rural land:
 - a. All bidders must be registered in the Bidders Record and display an identifying number when making a bid.
 - b. One bid only may be made by or on behalf of the seller. This includes a bid made by the auctioneer on behalf of the seller.
 - c. When making a bid on behalf of the seller or accepting a bid made by or on behalf of the seller, the auctioneer must clearly state that the bid was made by or on behalf of the seller.

Penalty for collusive practices

It is an offence against the Property, Stock and Business Agents Act 2002 for a person to do any of the following as a result of a collusive practice, or to induce or attempt to induce another person by a collusive practice to do any of the following:

- a. to abstain from bidding, or
- b. to bid to a limited extent only, or
- c. to do any other act or thing that might prevent free and open competition.

Successful bidders

The actual successful bidder at an auction sale must give to the auctioneer or an employee of the auctioneer:

- a. the bidder's name, or
- b. the name of the person on whose behalf the successful bid was made.

Dummy bidders

It is an offence against the Property Stock and Business Agents Amendment Act 2006.

For a bid by or on behalf of the seller, other than the single permitted vendor bid known as a Dummy bid at auctions of residential property and rural land is now an explicit offence, with a maximum penalty of \$55,000.

The single vendor bid can now only be made by the auctioneer

Co-owners and executors

A co-owner, executor or administrator or someone bidding on their behalf, may make more than one bid to purchase the property as long as:

- This is outlined in the auction conditions
 - The auctioneer has announced this before the start of bidding at the auction
 - The auctioneer announces before the start of the auction, the bidder registration number of any co-owner, executor, administrator, or someone bidding on their behalf.
-