

Your guide to buying by tender

A real estate tender is a method of selling a property through the process of private and confidential offers made by a set deadline.

Understanding the tender process

Offers need to be submitted on the standard tender document (talk to your Barfoot & Thompson salesperson to get a copy of this) and deposited at the specified closing location by the tender deadline. Barfoot & Thompson will hold your offer secure until the deadline. All tenders are opened at the same time in the presence of a Barfoot & Thompson Manager or Auctioneer. The client has a five working day irrevocable period in which to decide which offer to accept. Although clients reserve the right to negotiate with any tenderer, in most cases a decision is reached on the tender day. If your tender is accepted you are legally bound by the terms and conditions of the tender document.

Presenting your best offer

Purchasing by tender gives you one chance to present your best offer to the property owner. Unconditional, cash tenders are traditionally the most attractive offers for the client, but conditional offers may also be made.

Use a combination of your own instincts and market awareness to decide your price.

The salesperson can offer you information about property sales in the area, or you can obtain information from other sources, for example Quotable Value or a registered valuer.

Registering your interest

If you are interested in submitting a tender for a property, make sure you register your interest formally with a Barfoot & Thompson salesperson. That way, if there is any change of circumstance your salesperson will be able to contact you.

Buying before the tender date

Contact your salesperson for further details.

Before submitting a tender you need to:

- Have read and understood the tender documents.
- Insert any conditions or variations to the settlement date you want to add into the tender document. Barfoot & Thompson salespeople have a range of standard clauses to cover common situations, but you may wish to seek assistance from your solicitor.
- Understand that you are legally bound by your tender as soon as it is accepted.

Tips

- Tender documents are different from normal Sale and Purchase Agreements, so you may wish to seek legal advice before submitting your tender.
- If you are planning to make a conditional offer based on finance, or selling a home, you may want to think about organising finance or bridging finance so you can make your offer unconditional. This will make your offer a lot more attractive for the seller.

More questions? Your Barfoot & Thompson salesperson has the answers.