

May 2019

OPENN NEGOTIATION CONTRACT PREPARATION – SOUTH AUSTRALIA

Set out below are instructions for correctly preparing the documentation for an Openn Negotiation, and an explanation of the Openn Negotiation Sales Process generally.

Listing and Contract Preparation

1. The Vendor and Agent agree and execute the standard Agency Agreement and attach and agree to Annexure A (Agreement to use Openn Negotiation)
2. On the Agency Agreement, alongside 'manner of sale and vendors acceptable price', the Agent should mark the 'other' box and input the following text:

The Vendor agrees the sale is to be conducted by way of auction by means of the Openn Negotiation method as referred to and set out in Annexure A (Agreement to use Openn Negotiation)

8. MANNER OF SALE AND VENDOR'S ACCEPTABLE PRICE:

Vendor's Acceptable Price \$

Vendor(s) please note clause 7.2 and sub-clause 7.2.7.

Note: The Vendor must state the selling price sought by, or acceptable to them expressed without any qualifying words or symbols as a single figure at the time of making this Agreement (section 20(1)(b) Land and Business (Sale and Conveyancing) Act 1994). The Agent is not permitted to advertise or represent the likely selling price of the Property at less than the Agent's estimated selling price or the Vendor's acceptable price, whichever is the higher (section 24A(2) of the Land and Business (Sale and Conveyancing) Act 1994).

A sales agency agreement for the sale of residential land by auction may not be varied by increasing the selling price sought by or acceptable to the Vendor: Section 20(5a) of the Land and Business (Sale and Conveyancing) Act 1994.

- PRIVATE TREATY** advertised at:
- Single Figure \$ OR
- Range \$ to \$ OR
- No Price Representation to be quoted

- PUBLIC AUCTION** advertised at:
- Single Figure \$ OR
- Range \$ to \$ OR
- No Price Representation to be quoted

to be held at *the Property

on / / 20 at *am/pm

Note: The reserve price is to be specified in writing by the Vendor prior to the auction. The reserve price **must not**, at any time before or during the auction, be set at an amount exceeding 110% of the selling price sought by, or acceptable to, the vendor as indicated above. Section 24J(1)(ba) of the Land and Business (Sale and Conveyancing) Act 1994.

- TENDER** closing / / 20 at *am/pm
- REGISTRATION OF INTEREST** closing / / 20 at *am/pm

Other (specify)

(* Delete as applicable)

3. The Vendor and Agent sign the standard Agency Agreement as usual and Annexure A
4. The Agent arranges to conduct the searches and organises all the necessary documentation to market and launch the property.

Securing Qualified Bidders

1. A prospective buyer can become qualified to bid on the property by going to www.openn.com.au or downloading the Openn Negotiation App and placing a pending bid. A pending bid is like an opening bid and can be lower than what they think the property is worth;
2. To qualify a bidder, the agent needs the bidder to complete and sign the **Buyers Authority to Bid and Terms of Use**.
3. The Agent should provide and or make available all of the necessary documentation as required by legislation for an auction
4. The Agent will discuss the documents with the Buyer. If the Buyer has any amendments in respect of the proposed terms outlined on the Contract for Sale of Land, those amendments should be listed in the Offer Terms (Clause 5) of the **Buyers Authority to Bid and Terms of Use**. Once complete, the Bidder should sign the document.
5. Once agreed the Seller(s) sign the **Buyers Authority to Bid and Terms of Use**
6. The Bidder may be confirmed as a Qualified Bidder and their bid accepted on the App, provided the Agent is in receipt of:
 - a. **Buyers Authority to Bid and Terms of Use** signed by the Bidder;
 - b. All documents in compliance with the Land and Business (Sale and Conveyancing) Act 1994 SA

Execution and Exchange of the final Contract

1. Pursuant to the both the Bidder's and Seller's agreement on the **Buyers Authority to Bid and Terms of Use**, the Qualified Bidder who has become the Buyer and the Seller appoint:
 - a. The Auctioneer to complete the Contract of Sale on behalf of the Buyer;
 - b. The Auctioneer to execute the Contract for Sale and Purchase of Land on behalf of the Buyer;
 - c. The Vendor's Agent/Auctioneer to organise the execution of the Contracts by or on behalf of the Vendor, and to distribute fully signed and dated copies to the parties

Yours faithfully