

**MAXIMUM Bid and how it works**

Example of where a maximum bid is placed that is more than the £500 minimum increment required. (Please note for higher priced properties the minimum increment could be £1,000 or even £5,000)

**EXAMPLE**

Current bid from Bidder A is £100,000 and the Bidder B places a Bid of £130,000

The bid log would look like this:

Bidder B £100,500

Bidder A £100,000

The bid log will register a temporary marker for Bidder B at £500 above the current bid only. It will not register the £130,000

The fact that Bidder B has place a bid of £130,000 will keep Bidder B ahead in the bidding stakes until £130,000 has been passed. Only Bidder B and the Hammer Price system administrator will know about the £130,000

There are full bid notifications along the way keeping bidders informed. Please note it won't utilise the maximum bid unless it needs to. The system will try to sell to the bidder as low as it can.

**NEXT**

If Bidder A then decides to put in another bid at £110,000 then the bid log would look like this:

Bidder B £110,500

Bidder A £110,000

Bidder A £100,000

Bidder A has the £110,000 registered on the bid log but Bidder B will automatically be kept ahead in the bidding because of their maximum bid of £130,000. They will have a new temporary bid marker on the bid log of £110,500

Please also note that Bidder B's previous temporary marker of £100,500 is removed from the bid log. All temporary bid markers are removed from the bid log as the bidding reaches maturity. This may look like a bidder is bidding against themselves but they are not , they are bidding against a maximum bid.

## Frequently asked questions

**Q** If in the above example my max bid of £130,000 meets or exceeds the reserve am I notified of this.

**A** No, the **RESERVE PRICE NOT MET** notice refers only to the bid log and not your maximum bid. If for example the reserve was £120,000 then because you are only heading the bid log at £110,500 then the **RESERVE PRICE NOT MET** message will stay as is.

If Bidder A then bids £119,500, you as Bidder B would automatically register on the bid log as £120,000, the message would then change to **RESERVE PRICE MET** in green.

**Q** What happens if the auction closes out and I head the bid log at £120,000 and the reserve price is met but I have a maximum bid at £130,000

**A** In this case you will secure the property (STC) at £120,000 as the reserve price is met. It will only use the maximum bid if it needs to. As stated earlier it will try to sell to you as low as it can.

**Q** What happens if the auction closes out and the reserve price isn't met

**A** In this case we will ask the vendor to consider selling to the highest bidder. If you have a maximum bid that is higher than the bid log then it is up to you if you wish us to put that forward to the vendor. At the close of the auction we will advise the highest bidder only what the reserve price was.