

BID TO WIN!

A BUYER'S GUIDE TO BIDDING ON REAL ESTATE AUCTIONS

WHY WOULD SOMEONE BUY AT AUCTION?

- It's a transparent way of buying property.
- The buyer will never spend more than necessary.
- In most cases, a buyer has the opportunity to inspect the property prior to auction, due to competitive bid.
- A buyer will typically experience a shorter closing process.
- It is convenient and, depending on methods used, buyers have the option to remain anonymous to the public.
- Buyers can leave their max bid allowing the bidding platform to bid on their behalf.
- Buyers can bid from anywhere from their Smart Phone.
- Buyers have a set timeline in purchasing the property.
- Buyers know they will be purchasing the property at fair market value.

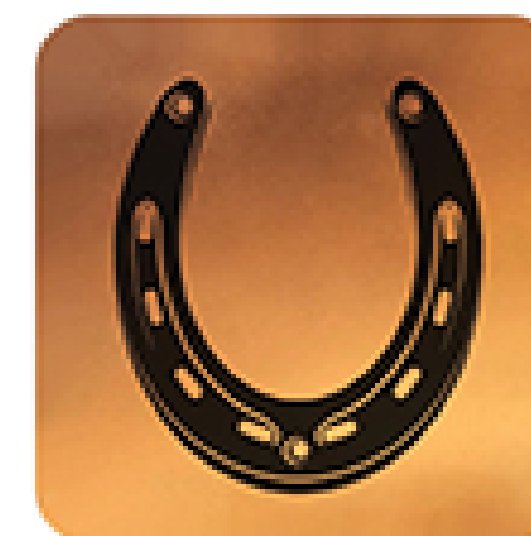
REASONS SELLERS CHOOSE THE AUCTION METHOD TO SELL PROPERTY

- Need to quickly & efficiently convert an asset into cash.
- Desire to set the terms and conditions of the sale, creating an even playing field for the buyers.
- They have a property that is in high demand.
- The seller needs to close on a property by a certain date.
- They have a unique property with limited comparables.
- Needing a fair and transparent way of reaching a selling price for all sellers.
- Fair market value is unclear and an auction will establish the fair market value.



ONLINE BIDDING PLATFORM

- Ability to register & bid from any Apple iPhone or Android Smart Phone.
- Downloadable Buck Up Auctions App.
- Sends push notifications when auction starts, ends, & anytime a bidder is outbid.
- Ability for bidders to register & bid via desktop or laptop.
- Gives bidders the opportunity to place max bids.



Scan QR code to
Download our
app today!

For Android



For Apple



IMPORTANT DOCUMENTS TO REVIEW

1) **Terms & Conditions:** All bidders will adhere to the same guidelines that are listed in the Terms & Conditions. These are the rules, specifications, and requirements to bid and enter into a contract to purchase the subject property.

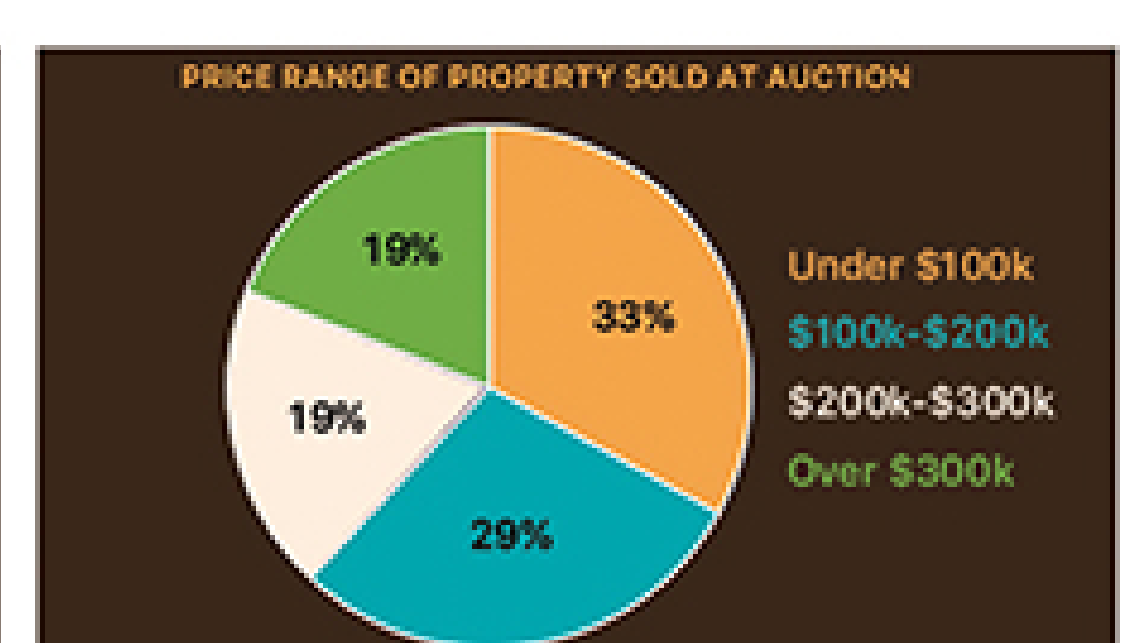
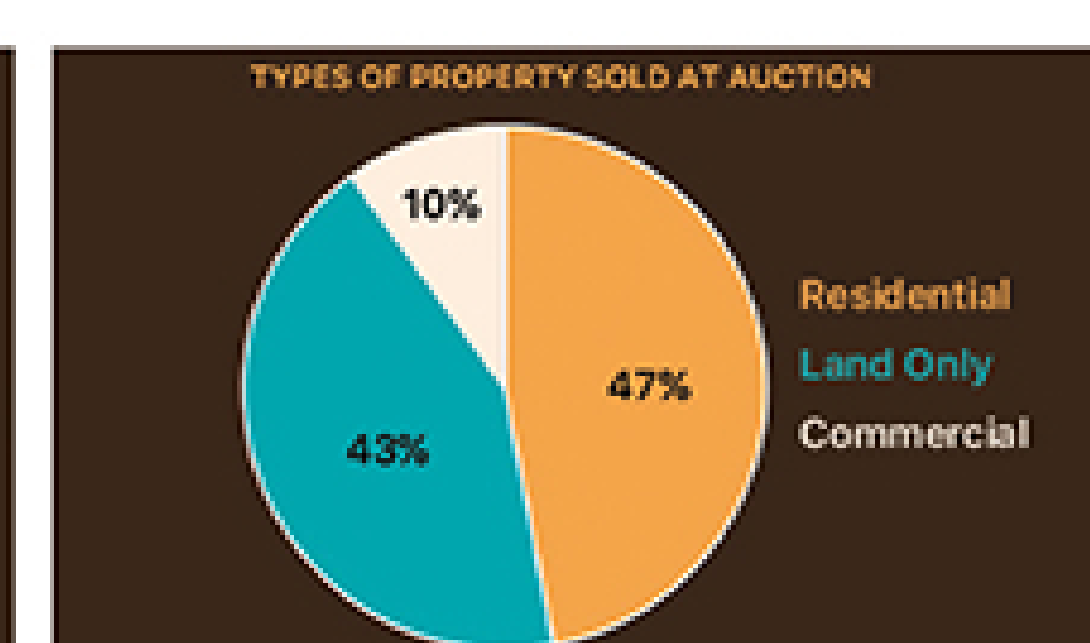
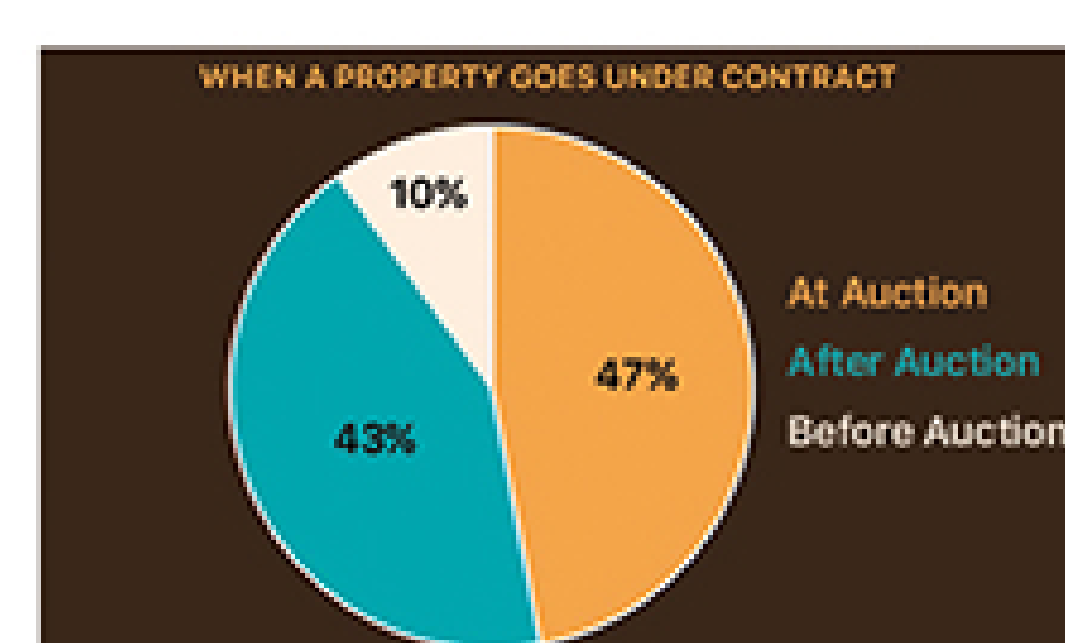
2) **Property Information Packet (PIP):** This is a packet that, typically, has all of the important information about the property.

Types of Documents That May be Included in the PIP:

- | | |
|----------------------|--|
| -Survey | -Inspection Report |
| -Deed Restrictions | -Property Updates |
| -Septic Disclosure | -Specs of Property Structures |
| -Seller's Disclosure | -Warranties Associated with the Property |

PIPs could have all or some of the documents listed above. Information may also be added or updated during the marketing window, leading up to the property auction.

BUCK UP AUCTIONS & REALTY STATS



979-421-0325

heather@buckupauctions.com • www.buckupauctions.com

P.O. Box 113, Carmine, TX 78932



COMMONLY ASKED QUESTIONS

Can a property go under contract before or after the auction, if the property does not sell?

ANSWER: Yes. A real estate broker and auctioneer have a fiduciary responsibility to present any and all offers to the client. In most cases, the seller has the right to accept, reject, or counter any and all offers, before and after auction (if the property remains available.)

What is a buyer's premium and is it always the same?

ANSWER: A buyer's premium is typically charged in the form of a certain percent of the final bid. It will be disclosed in the terms & conditions of each auction, and will be the same for ALL bidders in the auction. A buyer's premium is retained by the auction company and is typically used towards expenses associated with selling a property at auction. This amount can vary, so it is important to thoroughly read the terms & conditions.

High Bid Price \$100,000
10% Buyer's Premium \$10,000

Total Purchase Price \$110,000

If a property is selling at auction, will it sell regardless of price?

ANSWER: Auctioneers classify auction properties 1 of 2 ways:

- 1) With Reserve:** A property where the seller and auctioneer have mutually agreed that the property must reach a certain amount before it will sell. All auctions should be considered "with reserve," unless stated otherwise. All of the real estate auctions we have conducted are "with reserve" auctions.
 - 2) Absolute:** This means there is not a mutually agreed reserve price and the property will sell to the highest bidder - regardless of price.
- *If, during the auction process, you hear or see the phrase: "The reserve has been met or lifted." That means that the seller has made the decision to sell the property to the highest bidder.

BIOGRAPHY

Heather Kaspar has been a licensed auctioneer since 2011, a Realtor since 2014, & a Broker since 2020. She is a member of the National Auctioneers Association and the Texas Auctioneers Association and is a member of the National & Texas Association of Realtors. She is also a member of the Austin Board of Realtors and the Houston Association of Realtors. Heather has attended the Certified Auctioneers Institute & received the highest designation in the auction industry. She has experience in real estate, business, estate, & personal property liquidations. She executes auction & traditional real estate transactions with buyers & sellers including: commercial, residential, farm & ranch, multi-parcel, and land-only. Heather believes the auction method offers a targeted & transparent approach that holds benefits for both buyers & sellers.

VARIETY OF METHODS USED TO SELL REAL ESTATE

A combination of sale methods may be used in conjunction with the auction method to motivate the sale of the property.

Real Property - Internet Only Method: This method allows you to expose the assets to the broadest audience of bidders and reduces collusion (price depression) among bidders. All bidders abide by the set and published terms and conditions of the sale.

Real Property - On-Site Liquidation Auction Utilizing Live & Simulcast Online Bidding: This option would create an event around the property, while also opening it up to a wider audience, with simulcast online bidding. Buyers will be required to bring an earnest money deposit, disclosed in the terms and conditions, made payable to the chosen title company.

Multi Parcel Method: This method involves dividing tracts of land into smaller tracts, then allowing bidders to bid on individual tracts, combinations of tracts, and the entire property. This method allows the buyers to participate in an auction that otherwise, they would not be able to, due to the amount of land being offered & limited financial resources. This method is also referred to as multi-par.

Sealed Bid Method: A sealed bid auction is a type of auction process in which all bidders submit sealed bids to the auctioneer by a set day and time. The bidders will not know how much the other auction participants have bid. All submitted bids will be reviewed by the published deadline. The highest bidder is then contacted with the next steps.

Traditional Marketing Method: At this brokerage, the property will be marketed traditionally on Austin & Houston Multiple Listing Services, Texas Listing Service (TXLS), Loopnet, CoStar, Commgate, and HorseProperties.net (if applicable). With the traditional method, offers are negotiated as they are received.



HEATHER KASPAR
Buck Up! Enterprises, LLC. Owner
Buck Up Auctions & Realty
Licensed Auctioneer TXL 17037
Real Estate Broker | TXL 645562

   **979-421-0325**

heather@buckupauctions.com • www.buckupauctions.com
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