REAL ESTATE AUCTION FAQ'S

WHAT SHOULD I DO BEFORE PLACING A BID?

- [ ] MAKE SURE YOUR FINANCING IS IN PLACE OR HAVE CASH READY
- [ ] CREATE AN ACCOUNT (SEE "HOW TO REGISTER TO BID ON REAL ESTATE" DOCUMENT)
- [ ] VISIT THE PROPERTY, SCHEDULE INSPECTIONS AND OTHER DESIRED DUE DILIGENCE
- [ ] ONCE ALL STEPS ARE DONE, YOU'RE READY TO START BIDDING. GOOD LUCK!

WHAT IS A RESERVE?

- [ ] A RESERVE IS THE MINIMUM PRICE THE SELLER IS WILLING TO ACCEPT FOR THE PROPERTY. IF BIDDING DOESN'T MEET THAT AMOUNT, THE PROPERTY MAY NOT SELL.

WHAT IS A BUYER'S PREMIUM?

- [ ] A BUYER'S PREMIUM IS A 10% FEE ADDED TO THE WINNING BID. THIS AMOUNT BECOMES PART OF YOUR FINAL PURCHASE PRICE AT CLOSING.

  EXAMPLE:

  IF THE WINNING BID IS $100,000, THE 10% BUYER'S PREMIUM ADDS $10,000, MAKING THE FINAL PURCHASE PRICE $110,000.

WHAT DOES "AS-IS" MEAN?

- [ ] "AS-IS" MEANS THE PROPERTY IS SOLD IN ITS CURRENT CONDITION—NO REPAIRS, UPDATES, OR CHANGES WILL BE MADE BY THE SELLER.

REAL ESTATE AUCTION FAQ'S

WHAT DOES NO CONTINGENCIES MEAN?

☐ IT MEANS THE SALE ISN'T DEPENDENT ON ANYTHING—LIKE FINANCING, INSPECTIONS, APPRAISALS, REPAIRS, OR CLOSING COSTS. THE PROPERTY SELLS AS-IS, WITH NO ADDITIONAL CONDITIONS.

DO I HAVE THE RIGHT TO AN INSPECTION?

☐ YES! BUYERS CAN SCHEDULE AN INSPECTION AT THEIR OWN COST. INSPECTIONS ARE RECOMMENDED BEFORE BIDDING, BUT THE SALE IS NOT CONTINGENT ON THE RESULTS.

CAN I FINANCE THE PROPERTY?

☐ YES, YOU CAN USE FINANCING—BUT THE SALE IS NOT CONTINGENT ON GETTING A LOAN OR COVERING AN APPRAISAL GAP. IF YOU'RE THE WINNING BIDDER, YOU'RE LEGALLY REQUIRED TO COMPLETE THE PURCHASE.

CAN I USE A BUYER'S AGENT?

☐ ABSOLUTELY! BUYER'S AGENTS ARE WELCOME. JUST MAKE SURE YOUR AGENT SUBMITS AN AGENCY DISCLOSURE STATEMENT BEFORE YOU PLACE A BID.

REAL ESTATE AUCTION FAQ'S

IF I HAVE A BUYER'S AGENT, WHO DOES THE BIDDING?

- [ ] WE RECOMMEND THAT THE ACTUAL BUYER REGISTERS AND PLACES THE BIDS. HOWEVER, IF YOU'D PREFER YOUR AGENT TO BID FOR YOU, IT'S BEST TO HAVE A WRITTEN AGREEMENT OUTLINING THEIR BIDDING AUTHORITY AND ANY LIMITS.

WHAT HAPPENS IN THE FINAL MOMENTS OF THE ONLINE AUCTION?

- [ ] THE AUCTION USES AN AUTO-EXTEND FEATURE. IF A BID COMES IN WITHIN THE LAST 5 MINUTES, THE TIMER RESETS AND ADDS 5 MORE MINUTES. THIS CONTINUES UNTIL NO MORE BIDS COME IN—GIVING EVERYONE A FAIR SHOT, NO MATTER THEIR INTERNET SPEED.

WHAT IS AN UNDISCLOSED RESERVE?

- [ ] IT'S A CONFIDENTIAL MINIMUM PRICE SET BY THE SELLER. THIS AMOUNT ISN'T SHARED PUBLICLY ON THE WEBSITE OR IN MARKETING MATERIALS.

HOW DO I KNOW IF THE UNDISCLOSED RESERVE HAS BEEN MET?

- [ ] IF THE RESERVE IS MET, THE "RESERVE NOT MET" MESSAGE WILL DISAPPEAR FROM THE BID BOX.