

SANDERS AUCTIONS

- “Northeast Kansas’ Leading Real Estate Auction Company”



**GRIFFITH & BLAIR
AMERICAN HOME**

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Jim Sanders, Associate Broker/Auctioneer is a 4th generation Kansan. He graduated from Kansas State University in 1970 and received a degree from the Superior School of Auctioneering, in Decatur IL in 1972. Jim became a licensed Real Estate Broker in 1986 and having earned the GRI designation, he has attended many advanced training sessions sponsored by the National Auctioneers Association as well as Local and State Realtor Associations.

Over the years, he has handled auctions in 12 different states selling agricultural and industrial equipment, purebred livestock, business and personal assets in addition to real estate. Clients include several state and federal agencies, among HUD, SBA, and FmHA. He has sold assets for the Bankruptcy Courts in 3 states. Other Clients include banks, estates, National asset managers, relocation companies and trusts. Whether selling a tract of land for the state of Kansas, investment property, or the family home, Jim's experience, education and knowledge creates a professional reputation built on performance.

STATISTICS SINCE 1986!

1006 Properties have been offered at Auction, **839** sold and closed in excess of **\$43.2 Million** in Volume!

**AN AVERAGE SUCCES RATE OF
89%**

Q. What are the different types of Real Estate Auctions available to me?

A. Essentially there are 3 types of auctions.

ABSOLUTE AUCTION (or auction without reserve)

1. The property is sold to the highest bidder, regardless of the price.
2. Since a sale is guaranteed, buyer excitement and participation are heightened.
3. Generates maximum response from the market place.
4. Many sellers, including financial institutions and government agencies have begun to use this method more frequently.

MINIMUM BID AUCTION

1. The auctioneer will accept bids at or above a published minimum price. This minimum price is always stated in the brochure and advertisements and is announced at the auction.
2. Reduced risk for seller as the sales price must be above a minimum acceptable level.
3. Buyers know they will be able to buy at or above the minimum.
4. The seller may, however, limit interest in the auction to only those buyers willing to pay the minimum bid price, and therefore it must be low enough to act as an inducement rather than a hindrance.

RESERVE AUCTION (an auction subject to Confirmation)

In this scenario, the high bid is reduced, in effect to an offer not a sale. A minimum bid is not published, and the seller reserves the right to accept or reject the highest bid within a specified time -- anywhere from immediately following the auction up to 72 hours after the auction concludes. Sellers predetermine the price at which the property will be sold and are not obligated to confirm a sale other than at a price that is entirely acceptable to them. The main disadvantage of a Reserve Auction is that prospective buyers may not invest the time and expense of due diligence when there is no certainty they will be able to buy the property even if they are the highest bidder.









Why Sell Real Estate at Auction?

***Speedy Process, Quick Turnaround**

An auction is immediate. It happens during a set time and is completed during that time.

It's quick and efficient.

You Set the Time and Place of Your Sale

It's as simple as that. You work
with Auction Brokers to
schedule what works best for
you.

You Know Exactly When Your Property Will Be Sold

There's no wondering whether or not your property will sell, it will be determined the day of the auction!

Comprehensive Marketing of Your Property

Part of conducting an auction is marketing it to the general public to get as many people there as possible through direct mail, the internet, news print and our comprehensive buyers list of over 1,500!

Buyers Come Prepared to Buy

Auction goers come with money in their wallets, pockets and hands and are prepared to come home with property. It's a seller's delight. For real estate auctions this is especially advantageous because buyers must qualify to buy through a deposit of cash, or a cashier's check.

No Negotiations

There is no haggling over price. The auction method is quick and efficient. When people bid, they make a commitment to buy the property !!

Competitive Bidding

Auctions motivate buyers to perform.

People get caught up in the competitiveness of the bidding and many times this drives the price of items higher. To some it's like a game, and they want to win at all costs (or hopefully for you, at high costs!) And did you know that 9 times out of 10, an auction brings in the fair market value, if not more, for any item put across the auction block?

Exciting Atmosphere

There's no more exciting atmosphere than an auction. Crowds of people competing for property, combined with that lively auction chant creates that **GREAT AUCTION ATMOSPHERE!**

Auctions Work Well in Both Good and Bad Economic Times

People love auctions,
because they love sales.
Statistics show, in a good or
bad economy auctions
remain a steady force in
marketing REAL ESTATE!

INITIAL CONSULTATION WITH SELLER

Determine if an auction is right for the seller and the property

Determine which type of auction is best for seller

Discuss Marketing Plan

Agree on the terms and conditions of the auction and sign necessary contract

Seller pays a non-refundable marketing fee upon signing the Auction Services Contract

THE NEXT 3-8 WEEKS: MARKETING CAMPAIGN AND PROPERTY DISCLOSURE

Launch the marketing campaign for the property at auction

Preliminary Title Search is done on the property

Schedule property open houses (if applicable)

Prospective buyers can inspect the property

Prospective buyers can register to bid prior to the auction.

PRE-AUCTION: ITEMS PRIOR TO AUCTION DAY

Online bidding registration must be completed and approved

Any bidder represented by a third party must be approved

Broker representing a bidder/buyer must complete registration form which must be signed by both the broker/agent and buyer/bidder.

AUCTION DAY

Registered bidders are prepared to bid live, online or by telephone

All announcements made on auction day take precedence over previously printed materials

Auctioneer opens the bidding

Successful Bidder signs sales reads and signs sales contract.

Successful bidder's earnest money is usually a minimum of \$2,500 or 10% of the sales price, whichever is greater, and the buyer understands the earnest money is non-refundable if they refuse or cannot close. Seller signs the Sales contract .

CLOSING

Closing occurs within 15 to 30 days after the Auction Day, time frame determined by sellers

Needs and time frame.

From Auction Day to Closing, there are no further negotiations or contingencies.

How To Buy Real Estate at Auction

Inspect the property prior to the day of the auction

Remember that real estate at auction is sold “as is, where is”, with no inspection contingencies placed on the subsequent sales contract. It is the responsibility of the purchaser to inspect the property as well as perform any due diligence prior to the sale. Inspection dates and times will be clearly spelled in the auction terms and conditions available prior to each auction.

Determine prior to the auction the price that you are willing to pay for the property

In some cases a buyer's premium is added to the winning bid in order to arrive at the Total Purchase Price, which is the same as the Contracted Selling Price. For example, if a 10% Buyer's Premium is set forth in the Terms and Conditions of a particular auction and the winning bid is \$100,000, the Total Purchase Price and subsequent Contracted Sales Price would be \$110,000. Be sure to read the Terms and Conditions of each individual auction.

Ensure that funding arrangements are in place prior to the auction

Remember that auction sales contracts are not contingent upon obtaining financing. Ensure that funding is in place prior to the auction. Each auction is different, but most auctions require the winning bidder to place a nonrefundable deposit on the day of the auction of anywhere from \$2,500 to 10% of the winning bid, whichever is greater. Usually deposits are paid in the form of personal or company check or some form of certified funds. The deposit will be applied to the purchase price at closing. See the Terms and Conditions for complete details.

Arrive at the auction site on Auction Day.

Arrive at least 30 minutes prior in order to complete bidder registration in time for the auction. Please ensure you have a picture ID with current address information. You will also sign an acknowledgement during registration that you have read and understand the **TERMS AND CONDITIONS OF THE SPECIFIC AUCTION.**

Ensure that you have the required non-refundable deposit with you.

Our auctions will accept a personal check for the earnest money deposit, should you be the winning bidder. If you choose to, feel free to provide the auctioneer with your opening bid. Ask the Auction staff any last minute questions that you might have on the property. Bid during the auction by raising your bidder's number. It is your responsibility for the auctioneer and his staff to see and understand that you are bidding.

If you are the winning bidder you will sign a sales contract immediately after the auction and make the earnest money deposit. At that time a closing date will be scheduled to occur no later than 30 days from the auction date.

One of the things I remember the most from my time at Superior Auction School in 1972 was stated by World Famous Livestock Auctioneer Paul Good, Van Wert, Ohio, who was an instructor at the school:

“REMEMBER, THE PURPOSE OF AN AUCTIONEER IS TO CREATE TEMPORARY INSANITY”

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