

# Tennessee, Kentucky, and Virginia Multi-Parcel Auction

## Buyer's Information

### ARE YOU A GOOD CANDIDATE TO PURCHASE IN A REAL ESTATE AUCTION?

How can you know if the auction process is right for you? Here are 11 important items every buyer needs to consider.

1. Have you resolved the specific reasons why and what you want to purchase? Exactly why do you want to own real estate? Beware of getting caught up in the excitement of the moment and losing sight of your purpose.
2. Have you done, or, are you prepared to do your homework well in advance of the auction day? Be sure to; determine which properties interest you the most; list these properties in order of priority; thoroughly inspect each one; do not rely solely on the salient material provided; consider your financial limitations; decide upon the maximum number of properties you are prepared to purchase and the top dollar you are willing to pay.
3. Are you emotionally prepared for the excitement and the rapid fire bidding process?
4. Do you have confidence in the sponsoring broker and his staff's professionalism and standard's of ethics? Does he have the resources, experience and a long standing favorable reputation in his market? Has he offered you good advice and council? Although he is a representative of the seller, can he be trusted to treat you fairly and above board? Has he adequately explained in detail just how the multi-property auction works? Are you confident approaching him with your questions and concerns and do you feel comfortable that you will get clear and honest answers?
5. Have you used market guidelines to determine a value range for each property of interest? Decide what each property is worth to you, and, why. Know your top dollar before bidding starts.

6. Are you aware that a 10% (11% for on-line buyers) buyer's premium will be added to your successful bid price to determine your contractual purchase price?
7. Have you made all the necessary financial arrangements well in advance of auction day? Remember the sale is scheduled to close within 30 days of the sale.
8. Are you prepared to come up with the additional earnest deposit funds the day of the auction just in case you decide to purchase more than one property?
9. You should be prepared to establish a friendly relationship with the seller at the auction. The seller may become a cherished friend.
10. Are you convinced that the auction process establishes the fairest, most accurate market value of your purchase?

If you answered yes to at least eight of these questions, you are definitely a good candidate to purchase real estate at auction.

Your satisfactory resolution of these issues will allow you to walk away from the closing table with confidence. This is the feeling your sponsoring broker wants to share with you for a long time to come.