

Frequently Asked Questions

1. **Why would I buy a property at auction?** When you purchase a property at auction, you determine the price you want to pay. You will never pay “too much” for a property at auction as you are only one bid increment ahead of the last bidder.
2. **Am I responsible for the back taxes?** No. The Seller pays the taxes right up to the date of closing.
3. **Can I look at the property prior to the auction?** Yes, typically there will be an “open house” prior to the auction.
4. **If I am the high bidder at the auction, what happens next?** If you are the winning bidder and the “Reserve Price” is achieved, then you will sign an Auction Contract of Purchase and you will put down your deposit (typically 10%). You will then sign a copy of the Contract of Purchase and the Auctioneer will let you know that you need to close within 30 days. If you know the attorney that you will be using to conduct the Settlement, give this person’s name and address to the Auctioneer.
5. **Where does the bidding start?** The bidding starts wherever the crowd starts the auction. Generally, the auctioneer will ask for bids and then someone will raise their hand and the bidding escalates from there. On a “Reserve” Auction, the Auctioneer reserves the right to bid on behalf of the Seller until the reserve price is achieved. The Auctioneer may or may not bid depending on what the opening bids are.
6. **How do I bid?** At the auction, once you register, you will receive a bid card. To bid on a property, just raise your bid card until your bid is acknowledged either by the auctioneer or a bid assistant.
7. **How do I register?** Once you arrive at the auction, you will want to visit the registration area. You will need to show your drivers license and complete the registration form. A registration form is included in this packet. You can fill out the form prior to coming to the auction and just show your drivers license and you’ll save yourself about 10 minutes. Please fill out the form completely and let us know which mailing list you’d like to be added to.
8. **If I am the high bidder, how much of a deposit will I need to make the night of the auction.** The deposit is typically 10% of the total purchase price.
9. **May I write a personal check?** Yes. Your deposit can be a personal check as long as you have proper identification. Please note that any bad check (insufficient funds) written for greater than \$200.00 and is felony and is punishable by law. If you are not prepared to write a good check for the deposit and close within 30 days of the auction, please do not bid.
10. **How long to I have to close or until settlement?** Closing is usually within 30 days of the auction.
11. **What is an “Absolute” Auction?** An absolute auction means that there is no minimum or reserve price. The property or item will sell to the highest bidder. For example, if a piece of real estate were sold at absolute auction, it means that the property will sell to the highest bidder regardless of price.

- 12. What is a “Reserve” Auction?** A reserve auction is where the Seller has a minimum bid or reserve amount that needs to be reached before the auctioneer can state that the property can be sold. This minimum bid is kept confidential between the auctioneer and the Seller, it is not disclosed to the public.
- 13. What if I cannot close in allotted 30 day timeframe?** If you are not prepared to close in the allotted 30 day timeframe, please do not bid. The Sellers are anxious to close and you may not only lose your deposit, but you may face legal action by the Seller and the Auctioneer. *Again, if you are not prepared to close within 30 days of the auction, please do not bid!*
- 14. Can I get a loan for any of these properties?** The auctioneer does not care where you get the funds to close; however, financing is NOT a contingency of the sale. If you cannot close because you cannot get financing, you may not only lose your deposit, but you may face legal action by the Seller and the Auctioneer.
- 15. How long does the auction take?** Generally, it takes about 2-3 minutes to sell a property.
- 16. Can I just come to watch and not bid?** You are welcome to attend the auction and watch.
- 17. If I have property to sell, can I add it to one of your auctions?** Yes! Adding a property to a multi-property auction is easy. The advertising fee is very low for adding your property to a multi-property auction and your property gets great exposure! The Auctioneer can help you determine whether or not it is appropriate to add your property to a multi-property auction or do a stand alone auction just for your property.
- 18. What time to I need to arrive at the auction?** You will want to arrive at least 30 minutes prior to the auction. If you should have any questions, this is the time to ask them.
- 19. If I am the high bidder on a property, what do I need to do?** Once you are the identified as the high bidder, an auctioneer’s assistant will ask you to sign a bidder acknowledgement form where you are acknowledging the high bid plus the Buyer’s Premium. The addition of the high bid and the Buyer’s Premium equals the total purchase price. After the auction is over, you will then go over to the contract table and sign a contract and write out your check for your deposit.
- 20. What is a Buyer’s Premium?** A Buyer’s Premium is usually a percentage that is added to the high bid to determine the final price. Auction houses in New York such as Christies usually charge a Buyer’s Premium from 15% - 20% of the high bid which is then added to the high bid to determine the final price. In Virginia, Buyer’s Premiums range from 10-20%. In the case of this real estate auction, usually a 10% Buyer’s Premium is added to the high bid to determine the final price.
- 21. If I am a Realtor, can I represent my buyer and get paid a commission?** Yes. You will need to pre-register your buyer and have your buyer submit an opening bid. Please see the Broker Participation Form included in the Auction Packet and online at www.countsauction.com for instructions.

- 22. What is a Bid Assistant?** A bid assistant helps the auctioneer identify the bidders at the auction. If you should have questions, please ask the bid assistants.
- 23. Can I get a home inspection done prior to the auction?** Yes, you may schedule a home inspection to be done during the open house period. If this is absolutely not possible, please contact the Auctioneer directly so that an appointment can be made for you and your home inspector to look at the property. You will be responsible for paying your home inspector.
- 24. Are there any forms I need to complete prior to bidding?** Yes. You will need to complete a Bidder Registration Form which is included in this packet or you can wait and complete the form once you arrive at the auction. You will be given a copy of the TERMS of the auction. You will then get a bid card which you will raise to identify that you are bidding. Do not lose your bid card as it identifies you the night of the auction.
- 25. What is a Special Warranty Deed?** A Special Warranty Deed is a deed in which the grantor warrants, or guarantees, the title only against defects arising during the period of his or her tenure and ownership of the property and not against defects existing before that time.
- 26. Can I get title insurance?** Yes. You may purchase an Owner's Titles Policy. Please see your closing attorney about purchasing title insurance. The Auctioneer may have already done a title search and obtained a title binder from a title insurance company. If this is the case, you may be able to save a few dollars and time by having your attorney purchase the title binder from the company the Auctioneer used. Usually, the title binder has been purchased through a large title insurance company such as Lawyers Title (LandAmerica) or Southern Title.
- 27. How can I be notified of upcoming auctions?** You can request to get on the Auctioneers's mailing list by simply registering to do so at the Auctioneer's website or by calling the auctioneer directly.