

BIDDING PROCESS

Shepard's Pass

This example sale will be 88.41 acres divided into 2 tracts. Please refer to the attached plat as we go through the explanation of "Sale by the Acre, High Bidder's Choice". Bidders will be bidding on a per acre price and their choice of which tract or tracts they wish to select.

We start the auction by announcing the terms and conditions of the sale followed by an explanation of the bidding process. The bidding process is the bidders will be bidding to select their choice of tract(s) and they will be bidding on a per acre price. The high bidder in the first round of bidding gets to select the tract or tracts he wishes to purchase. This bidder may select any combination of tracts up to and including both tracts. If the high bidder selects both tracts in this first round of bidding, the auction is over. At this point, we will multiply the high bidder's per acre price times the total acres plus the buyer's premium to determine the purchase price.

The more likely scenario is we will have multiple high bidders. We will use some hypothetical examples to illustrate how the process works. We start the first round of bidding, and the high bid is \$4,500 per acre. Bidder #101 selects tracts #3 which totals 45.86 acres. The posted bid for this round of bidding is \$206,370 (45.86 acres x \$4,500/ac) without the buyer's premium. We then go to a second round of bidding. The high bid in this round is \$4,000 per acre and Bidder #112 selects tract #6. The posted bid for this round is \$170,200 (42.55 acres x \$4,000/ac) without the buyer's premium.

At this point the auction is over and the high bidders listed above go to contracting. Their purchase price will be the above prices plus the buyer's premium.

Remember Tract 3 must meet the owners reserve price before it will sell

This example is for illustration purposes only. There are often variations from this process that need to be made and if so those variations will be explained to our bidders.

We hope this explanation will help you make the best possible bid.

We are The Counts Realty & Auction Group.