

# How The Final Bidding Works & The Rules

## How the Bidding Process Works



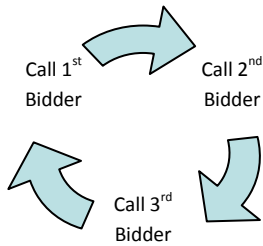
Getting involved in the bidding process is simple. **You DON'T have to be pre-approved for a loan and the bid can be withdrawn at anytime.** To get involved simply leave your contact information with the open house agent with the best phone number to be reach when the final bidding begins (please ask host for date and times).

Here's how the final round robin bidding process works. **We will conduct several rounds in this manner until there is only one bidder left.** We call the top bidder and let them know the bidding had begun. Then we call the other bidders one after the other. Here are the options the bidders have when we contact them.

Each time you receive a call you have one of two options:

1. Raise your current above the highest bidder by at least \$500 to stay in the bidding.
2. Retire from the bidding process.

## **Final Round Robin Bidding Process**



We will offer the home to the highest/best bidder at his or her highest bid price.

If the highest/best bidder does not meet the conditions of the terms-of-sale or fails to provide credible ability to purchase the home – the home will immediately be offered to the next highest/best bidder at his or her final bid price.

This is an open bidding process and we will tell anyone what the highest bid is at any time.

Every bidder will have the opportunity to top the current bid until highest & best bidder is established. The sellers have sole and absolute discretion to determine highest and best bid.

The highest/best bidder gets the home at his or her highest bid price.

## **Bidding Rules**

This is a sale with a Minimum Reserve.

All bids placed at the open house are not legally binding and can be withdrawn at any time. After the final bidding process is over a winning bidder will be determined. They will fill out an agreement with the price and terms agreed upon Monday after the open house.

If the highest and best bidder does not meet the conditions of the terms-of-sale or is unable to get financing to purchase the home – the home will immediately be offered to the next highest/best bidder at his or her final bid price.

The homeowners and buyers have the right to decide not to execute a contract (acceptable to the owner) at any time before an agreement has been signed. This is a sale with a Minimum Reserve. Owner may or may not accept offers below a set Reserve price. Back-up purchase agreements will be taken.

# ***Terms of Sale***

**Final Agreement:** On Monday, the day after the sale, an agreement will be filled out between the homeowner and the winning bidder. At the time of filling out an agreement the buyer will provide an earnest money deposit, which will be held in an escrow account. The purchase agreement will be in the form of the standard AAR Real Estate Purchase Contract and such contract shall govern all rights, duties and obligations of the parties. Terms of this contract shall supersede any terms to the contrary contained herein. If the winning bidder fails to sign the purchase agreement and deposit the earnest money by the end of Monday, the day after the sale, will disqualify that bidder. If the winning bidder is disqualified, the next highest bidder has the opportunity to buy the home at their final bid price (as long as it is acceptable by the sellers).

**PURCHASER QUALIFICATION:** Bidders must provide a pre-qualification letter from lender of their choice for the home, if applicable, within 24 hours of finalizing the agreement. Proof of the buyer's ability to pay the purchase price, and/or qualify for financing, must be in the form of a signed LSR (Loan Status Report) as this is part of the AAR Residential Real Estate Purchase Contract. Purchaser should plan on conducting the closing within 30 days and no longer than 45 days from the open house.

Should the winning bidder fail to show their ability to pay the purchase price, or meet the requirements for deposit and financing proof, or prove unable to close this sale within the specified period, the owner reserves the right to terminate their agreement and offer the property to the next highest and best bidder under the same stipulations. Until an agreement is completed, the owner reserves the right to reject any or all bids and terminate the sale process at any time without explanation to any potential buyer.

**CLOSING COSTS:** Buyer shall pay all normal buyer closing costs and seller shall pay all normal seller closing costs as outlined in the residential real estate purchase contract. Seller may pay all or some buyer closing costs if negotiated, but is not required to do so. Buyer has 10 days to conduct inspections for the home just like any other real estate transaction and all other contingency periods as outline in real estate contract shall prevail.

**SALES INFORMATION/POSTPONEMENT/CANCELLATION:** Owner, in its sole and absolute discretion, hereby reserves the right to postpone or cancel the sale for any reason or no reason whatsoever. In any event the sale may be cancelled altogether or postponed to an alternative weekend. Notice will be given to all, so we encourage you to call leaving your name and phone number specifically for this purpose. This is a sale with a Minimum Reserve. Owner may or may not accept offers below the Reserve price.