



BUYER & BUYER AGENT GUIDE

TO THE AUCTION PROCESS

A Simple Overview of How the Process Works

“WELCOME”

At Sellers Reserve, our auction platform is designed to create a transparent, competitive, and highly efficient buying environment.

Contrary to common misconceptions, modern real estate auctions are not distressed sales or “foreclosure-style” events. In fact, many of the finest homes are now sold through auction because the process creates:

- Greater transparency;
- Clear timelines;
- Genuine competition;
- Serious buyers;
- Faster decision making;
- Stronger negotiation environments.

Most importantly:

“Everyone sees where they stand...”

WHY DO BUYERS LIKE THE AUCTION PROCESS?

1. You Know the Seller is Serious

One of the biggest frustrations buyers face in traditional real estate is uncertainty:

- Sellers not fully committed;
- Endless negotiations;
- Unrealistic pricing;
- Delayed decisions;
- Properties sitting stale on the market.

With auction:

- The seller has committed to a defined sale campaign;
- There is a clear timeline;
- The seller is prepared to make a decision;
- You know exactly when the property will be sold.

“That certainty creates opportunity”

2. You Compete on Equal Terms

Every buyer has:

- The same opportunity;
- The same access to information;
- The same timeline;
- The same ability to bid.

There are no hidden negotiations behind closed doors once the auction begins.

“The process is transparent and competitive”

3. You Can Buy Premium Property Without Overpaying

Auction campaigns are designed to generate strong buyer interest and allow the market to determine value in real time.

As a buyer:

- You decide your limit;
- You bid only what you are comfortable paying;
- You can clearly see competing interest;
- You remain fully in control of your bidding decisions.

Many buyers appreciate the fairness and clarity of this process compared to prolonged back-and-forth negotiations.

HOW DOES THE AUCTION PROCESS WORK?

STEP 1. REVIEW THE PROPERTY

Prior to auction, buyers are encouraged to:

- Attend open homes;
- Review disclosures and reports;
- Conduct inspections;
- Speak with lenders;
- Seek legal or professional advice if desired.

This is your opportunity to complete all investigations before auction day.

“All the information you need, ready to go from day one”

STEP 2. REGISTER TO BID

If you wish to participate, you will register as an approved bidder.

Registration may include:

- Identification;
- Proof of funds or financing;
- Deposit verification;
- Buyer representation details (if applicable).

You will then receive a Bidder Number for the auction.

“Get in early and pick your lucky number”

STEP 3. UNDERSTAND THE TERMS

Auction purchases are generally:

non-contingent.

This simply means:

- no finance contingency,
- no appraisal contingency,
- no inspection contingency after the auction.

Accordingly:

buyers complete their due diligence BEFORE bidding.

This is one of the reasons sellers are attracted to the auction process; it creates cleaner, stronger contracts with fewer fall-throughs in a predetermined timeline.

Importantly:

buyers may still obtain financing: the purchase is simply not contingent upon financing approval after the auction.

“Serious sellers, looking for serious buyers!”

STEP 4. AUCTION DAY *(try not to be nervous!)*

The auctioneer will:

- explain the process,
- open the bidding,
- guide bidding increments,
- announce the current high bid,
- maintain orderly proceedings.

Bidding may occur:

- in person,
- online,
- by phone,
- through approved representation.

The environment is designed to be competitive, transparent, and exciting.

“Get ready to celebrate...”

STEP 5. RESERVE PRICE

Most Sellers Reserve auctions are:

Reserve Auctions.

This means:

the seller has set a confidential minimum price they are prepared to accept.

Once bidding reaches or exceeds the reserve:

the property may be declared “ON THE MARKET.”

At that point: the highest bidder generally secures the property.

“No better sound than the gavel coming down”

STEP 6. SUCCESSFUL BIDDER

If you are the successful bidder:

- the property is declared sold; YAY!!!
- the contract becomes binding immediately;
- purchase documents are executed;
- the deposit is processed through escrow.

The transaction then proceeds toward closing in accordance with the agreed terms and timeline.

COMMON QUESTIONS

“Can I still get financing?”

Yes. Most buyers still obtain financing.

However, financing approval must be arranged prior to bidding because the purchase is not contingent upon loan approval after the auction.

“Can I inspect the property first?”

Absolutely, and you should.

All inspections and due diligence should be completed before the auction.

“What happens if I am not the successful bidder?”

Your deposit check (if applicable) will be returned or destroyed in accordance with the registration procedures.

“Can my agent represent me?”

Yes, most definitely. Buyer agents are welcomed and encouraged to participate in the process. Agents that work with Sellers Reserve are super collaborative.

Agents may:

- register buyers,
- advise clients,
- attend inspections,
- assist with due diligence,
- bid on behalf of clients where properly authorized.

“Why do sellers choose auction?”

Because the process is clean & straightforward. Additionally, it can:

- create urgency,
- generate competition,
- reduce time on market,
- improve market engagement,
- reduce conditional contracts,
- produce stronger negotiating environments.

“Serious sellers love the Sellers Reserve approach; Once they understand it!”

FINAL THOUGHTS

The Sellers Reserve auction process is designed to create:

- transparency,
- momentum,
- fairness,
- and genuine market competition.

Our goal is not simply to “run an auction.”

Our goal is to create the strongest possible environment for buyers and sellers to come together with confidence, clarity, and certainty.

We encourage all buyers and agents to:

- ask questions,
- review documentation,
- conduct investigations,
- and fully understand the process before participating.

We look forward to assisting you throughout the campaign and auction process.

Thank you for your participation...

Michael Mahon | CEO & Founder

Sellers Reserve | Auction Marketing & Training Platform

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