

BIEDERMAN REAL ESTATE — AND AUCTIONEERS —

AUCTIONS MEAN ACTION!!!

Auctions allow for a smooth and time specific transaction that puts the seller in control. Our team will go to work to bring the highest possible price for the property encouraging high energy, competition and spirited bidding. The following information will outline the auction process and describe how Biederman Real Estate and Auctioneers can help achieve your goals.

High Visibility Focused Promotions

Marketing promotions are uniquely designed to create maximum impact in the marketplace for a given property. Custom marketing programs are tailor-made to leverage the most effective combination of public relations campaigns, telemarketing, direct solicitations, internet access and utilizing the local multiple board of realtors services. For every property offered at auction a Bidder's information packet is assembled to provide detailed information insuring a Buyer's confidence.

Types of Auctions

- **Absolute or No Reserve:** An Absolute or No Reserve is the type of auction in which the property for sale will be sold regardless of price, which in our opinion is the most profitable and successful outlet. From the seller's perspective, advertising an auction as having no reserve price can be desirable because it potentially attracts a greater number of bidders due to the possibility of a bargain. If more bidders attend the auction, the belief is a higher price might ultimately be achieved because of heightened competition from bidders.
- **Published Minimum Bid:** A published minimum bid auction is not unlike a reserve auction. Where the published minimum bid varies is that the reserve on the property becomes public knowledge. The key to the success of this method is finding a minimum price that is desirable to potential buyers as well as maintaining an adequate price margin to the seller.
- **Reserve Auction:** A reserve auction is an auction where the item for sale may not be sold if the final bid is not high enough to satisfy the seller. The reserve price may be fixed or discretionary, also known as seller confirmation. In the latter case, the decision to accept a bid that is under the reserve is to be confirmed by the seller, who may accept or reject a bid that is marginally below it. A reserve auction is safer for the seller but tends to discourage potential buyers interested in the property.

Online Auctions

Biederman Real Estate and Auctioneers has recently partnered with an online auction resource known as Proxibid. Proxibid offers the safest online Marketplace for high-value and specialized assets. They offer the industry's most sophisticated fraud prevention solutions, including a fully-staffed risk management team responsible for dispute resolution and eliminating fraudulent activity. And Proxibid is 100 percent PCI compliant—sell in our Marketplace and know customer data will be protected. Being staffed 7 days a week they are available for assistance and troubleshooting for prospective buyers.

A large online network allows for maximum exposure of the property.

- **Visibility:**
They market your property to more than 3 million site visitors each month.
- **Growth:**
More than 10,000 new buyers join the Proxibid Marketplace monthly!
- **Access:**
Buyers registered from 190 countries across 14 unique categories.

When it comes to investing in real estate, knowledge is power. Having the ability to quickly and easily view information about the property before making an investment decision is becoming more critical than ever before. According to a recent report by Jones Lang LaSalle, the United States now ranks as the world's most transparent real estate market. It also reveals that the recovering real estate market has prompted a renewed focus on transparency improvements following the financial crisis in 2008 and 2009. Online auctions help address this demand by allowing any and all interested buyers to view and download due diligence materials from anywhere in the world with an internet connection. The more informed the buyer, the more likely they are to bid.

Why Sell at Auction?

Any and all types of real estate are able to be sold at auction!

- **Property is Sold for Cash at True Market Value:** This includes minimal seller involvement and no contract contingencies. The final bid price is set by the market and a properly promoted auction will provide competition to insure Top Dollar Results. Any and all types of real estate are able to be sold at auction!
- **Accelerated Marketing Strategy:** All marketing and promotional mechanisms of a sale are leveraged and concentrated into one specific time window, opposed to the length of an average listing period which may be months or even longer.
- **Specific Marketing for Individual Properties:** Many properties tend to be overlooked in a traditional marketing advertisement that may contain other various properties. With this approach, the subject property is the sole focus of the advertisement.

- **Growth in Real Estate Auction Sales:** Since the financial crisis in 2008 the world of real estate has been nothing short of a roller coaster ride. According to the National Auctioneers Association, auctions have increased approximately 10% a year since the early 2000s. And in 2011, the dollar volume of commercial real estate properties sold via auction increased 33% over the previous year.
- **Time Efficient Sales Mechanism:** The sale will be consummated on a specific date. Auctions bring all interested parties into one place at the same time for a single purpose, to determine who will pay the most for the property. All interested parties are forced to make a “decision”. Getting an interested person to act is the most difficult thing for a private treaty broker to do.
- **Competitive Marketplace:** Auctions provide true market value by offering competitive bidding. The auction method of marketing creates a form of competition that cannot be duplicated by private treaty. Each bid reinforces the market value of the property. This affirmation of value encourages other participants to continue bidding. Within all of us is a tremendous need to win. In a traditional real estate sale the buyer satisfies this need by negotiating the seller down. In an auction the buyer can only win if he outbids all other bidders thus bringing competition, enthusiasm and excitement.
- **Maximum Exposure of Property:** Auctions can put more people across your door in two weeks than you could see throughout an entire listing period. By using local multiple listing systems and direct mail BUYER AGENTS will be informed, encouraged and compensated for their participation, therefore insuring all potential buyers can become involved in the auction process. A new market of prospective buyers becomes aware that the property is available and listing time is limited to the date of the auction.
- **Property Sold “As Is”, No Contingencies:** An attractive feature to Sellers is that auction contracts have no contingencies and closing dates are normally thirty to forty-five days following the auction. The property is sold in “As Is” condition with the buyer having full responsibility for any inspections. Financing conditions are very rarely part of a real estate auction, potential bidders must register before bidding and are screened by Auctioneer’s staff for their ability to meet contract requirements.
- **Seller Pays No Commission:** A buyer’s fee will be added to the final bid price. In auctions, the buyer's fee is a percentage additional charge on the hammer price of the item that must be paid by the eventual purchaser. It is charged by the auctioneer to cover administrative expenses.

Reasons for an Auction

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| <ul style="list-style-type: none"> • Time Limitations(Usually Sold & Closed within 60 Days of Initial Contact with Auction Company) | <ul style="list-style-type: none"> ▪ Estates |
| <ul style="list-style-type: none"> • Lack of Traditional Listing Success | <ul style="list-style-type: none"> ▪ Bankruptcy ▪ Foreclosure |
| <ul style="list-style-type: none"> • Partnership Dissolutions(Marital or Professional) | <ul style="list-style-type: none"> ▪ Tax Planning |

Duties of the Auctioneer

- Inspect Property to Evaluate Sales Potential at Auction
- Provide Employment Agreement Outlining Commissions and Costs
- Prepare Marketing Plan with Cost Estimates
- Prepare and Place Advertising; Print Media, Direct Mail, Internet, Local Board of Realtors Multiple Listing Service
- Provide for Broker Cooperation
- Provide Periodic Client Updates
- Conduct Auction
- Execute Buyer Contract and Collect Earnest Money Deposit
- Provide Statement of Accounting
- Provide Continuous and Personal Support up to and through Property Closing and Deed Transfe

Auction Success

With over 40 years of combined experience, Biederman Real Estate and Auctioneers can convert high pressure financial situations into productive, seamless financial solutions.

Sales Experience; Product Knowledge and Valuation

Biederman Real Estate and Auctioneers Personnel are highly respected individuals in the real estate and auction field with years of cumulative experience and success. Upon the first meeting with prospective clients, the expertise of our people is fully evident. During initial consultations overall objectives are discussed to immediately determine if an auction is the right approach to marketing and selling a property. From determining who makes the property's best buyer, how to effectively inform the marketplace of the property's merits to explaining the benefits of an accelerated marketing program and the intricacies of the auction process, the expertise and professionalism of our representatives assures potential clients that Biederman Real Estate has earned its status as a leader in the real estate and real estate auction industry.

Biederman Real Estate and Auctioneers is a full service company dedicated to providing our clients and customers with excellent, timely service executed with KNOWLEDGE, EXPERIENCE, and INTEGRITY. We can help you sell your Kentucky horse farm, residential property, or commercial property. We will always strive for full customer satisfaction when representing our clients. Please contact us today to discuss our Real Estate and Auction services.

We Get It Done!!!

