



## TYPES OF LAND AUCTIONS

### **ABSOLUTE AUCTION**

Once the auctioneer begins bid calling, the property will sell to the highest bidder regardless of the sales price.

#### Advantage

- Buyer participation is maximized.
- Buyers are more motivated to do the due diligence and attend the auction.
- True market values are determined.

#### Disadvantage

- Seller uncertainty of value

### **SELLER RESERVE AUCTION**

The seller has the right to accept or reject offer on the property.

#### Advantage

- Seller protects the property's value

#### Disadvantage

- Buyers are hesitant to bid, believing that the seller will not accept the price.
- Cost to seller if bid prices are not accepted

*"The success of any auction is a direct reflection on the effectiveness of an intense and targeted marketing campaign, coupled with feet on the ground preparation and a computer system that motivates ALL buyers of ALL sizes of tracts to compete."*