

Auction Tutor Guide

This eBook brought to you by:
Buy-Ebook.com

Our site has got a great collection of the best ebooks which are sold on the Internet, but at a lower price than on any other site.

Affiliates

Earn 60% Commission On Every Sale! We sell 500+ eBooks.

As a Buy-Ebook.com Associate, we will pay you a Massive 60% referral fee for every sale that you generate. You can [sign up for FREE](#) and start making money straight away.

If you want to directly link to some ebooks related to content of your site, [get affiliate link here](#). Choose any from 500+ titles.

NOTE:

If you Would like to Offer this Ebook to Your Web Site Visitors as a FREE Download, then please do so. You can post this ebook to your web site, offer it in your newsletter, print it out as a book, give it to your friends, etc. No royalties are necessary. Give it away or offer it as a bonus with your products. You are not allowed to make any changes to it without permission.

The Author, his publishers, agents, resellers or distributors assume no liability or responsibility to any person or entity with respect to any loss or damage or alleged to be caused directly or indirectly by the use of and the advice given in this publication. It is recommended that the users of this publication seek legal, accounting and other independent professional business advice before starting a business or acting upon any advice given. This book is not intended for use as a source of legal, business, accounting or financial advice, but is distribute for information purposes only.

The Ten Most Asked Questions About Auctions

#1 -- What type of merchandise is sold at auctions ?

Almost every product that is for sale in the United States will at one time or another be available at Auctions.

This is a partial list of the most common items : Automobiles , Trucks , Vans , Buses , Jeep Cherokee , Motorcycles , (Most Vehicles are in excellent condition, with low mileage. at G.S.A. Government Auctions.) , Boats , Ships , Airplanes , Cameras , Office equipment , Computer equipment , Building Materials , Electronic Equipment, Farm Equipment , Homes , Commercial Real Estate , Bicycles , VCRs , Stereos , Power Tools, forklifts , Audio Visual Equipment , and much much more.

#2 -- Why does the government sell goods at auctions ?

All Government Agencies rotate their inventory on a regular basis. Government Agencies are mandated by law to put their surplus up for public Auction.

#3 -- Where Does All This Merchandise Come From ?

Most merchandise that ends up in government auctions is surplus. Goods that are over stocked, no longer needed, or updated. Real estate, Commercial property, and Homes are sold as surplus. When the government no longer has a use for them. Or the property was seized. Or went in to foreclosure from a loan default.

#4 -- How good are the Prices ?

The prices are varied from Auction to Auction. To get the best deals on Vehicles , Airplanes, and Boats. The G.S.A. Government Auctions, and U.S. Customs Auctions are the best to attend. To pick up TVs , VCRs , and Household goods a local Police Auction is your best bet .

#5 -- Who can attend these Auctions ?

Any one can attend. These auctions are open to the Public.

#6 -- What must I do to bid at an Auction ?

Almost all Auctions have some type of registration. You will have to show some form of identification. When you are registered you will be given a bidding number. This Number must be shown to the auctioneer when you make a bid. The auctioneer will accept bids only from registered bidders.

#7 -- Is Auction merchandise sold " as is" ?

In almost every case Auctions sell "as is".

#8 -- Can I inspect the merchandise before I bid ?

All Auctions have an inspection period. It can range from a few hours before the Auction to a day or two.

#9 -- If I buy something when can I take it home. ?

All items must be paid for in full. Before they can be removed from the Auction site. In the case of motor vehicles title will be transferred to you when they are paid for in full.

#10 -- What forms of payment can I make ?

Cash is always accepted. Cashier's Checks , and Post Office money orders , are the preferred forms of payment. Some Auctions if run by a private company will take Visa, and Master Card. Always check with the Auction to be safe.

Learn Auction Basics

Public Auction or Open Auction- An auction that anyone can attend. The auctioneer offers items for bids. All items are sold to the highest bidder.

Absolute Auction- This is the best type of auction to attend. An Absolute Auction has no reserve prices pre set. The auctioneer must accept all bids. If there is only one bid of one dollar on an item. The auctioneer must sell to that bidder.

Private Auction- Operates the same as a public auction. But the public is not invited. Bidders must be invited by the auctioneer, or his employer.

Reserve Auctions- A reserve auction is generally open to the public. The auctioneer offers items for bids with a minimum price. If that price is not reached in the bidding. That item is not sold. If the owner of the item is present at the auction. The auctioneer will ask him if he will accept the lower bid. Sometimes yes Sometimes no.

Sealed Bid Auctions- These auctions are most often conducted by mail. On your request the government will send you an "Invitation to Bid" form (for each item you wish to bid on). You must fill it out. Include a deposit (set by the auction). Then mail it to the auction by a preset cut off date. All bids will be opened at the same time , and the highest bidder wins. If you do not win the bid. Your deposit will be returned along with the results of the auction.

Spot Bid Auctions- Similar to a sealed bid auction. But you would be present at the auction site. As each item comes up for sale if you wish to bid you will write down your bid and bidder number. Insert it into an envelope. Then hand it to the auctioneer. He opens all bids. The highest bid wins.

Negotiated Sales Auctions- Bids are made before you attend the Auction .

Auction Terms You Need to Know

Absolute- As in Absolute Auction. This means that whatever is put up for sale will be sold to the highest bidder.

Example:

Say an Airplane is put up for sale and the only bid is \$100 . That's what the airplane sells for.

"AS IS"- Selling the property without warranties as to the condition and/or the fitness of the property for a particular use. Buyers are solely responsible for examining and judging the property for their own protection. Otherwise known as "As Is, Where Is" .

Bidder Number- The number issued to each person to registered at an auction.

Candle Auction Sale-A candle sale is a type of auction that uses phone mail as the method of bidding. A minimum bid or asking price will be established for a property and prospective bidders will be required to place a deposit with the State in order to participate.

Conditions Of Sale- The legal terms that govern the conduct of an auction, including acceptable methods of payment, terms, buyer's premiums, possession, reserves and any other limiting factors of an auction. Usually included in published advertisements or announced by the auctioneer prior to the start of the auction.

Buyer's Premium- An advertised percentage of the high bid or flat fee added to the high bid to determine the total contract price to be paid by the buyer.

Reserve- This means that the item for sale has a set dollar amount it must be sold for. If no one bids that amount or more. The item will not be sold. It will be set aside by the auctioneer. Set aside items are usually brought up for bidding again at the end of the auction session.

Minimum Bid- This means there is a minimum dollar amount you must bid to buy this item. A minimum bid item typically indicates a reserve on these items.

Opening Bid- When an item is offered the Auctioneer will set a price.

Example:

Who will give me 100,100,100,100. Asking for a bid of \$100 dollars. Just because an auctioneer is asking for an opening bid of a \$100 does not mean you have to bid a \$100 dollars. You can bid anything you like. If you start the bidding at \$ 20 dollars . The final bid will be much less than it would be if you started at \$100 dollars.

Half- A bid that is half what the auctioneer is asking for.

Example:

During the bidding on an item the auctioneer will reach a point when he has a bid of say \$500.

He will announce, got 500 who will give me 6 , several times and very fast. If you want to bid on the item but not \$600 . Pass your hand in front of your chest palm down . The auctioneer will give you the bid for \$550.

Upset- This applies to residential or commercial property that has been foreclosed on. The residential or commercial property can not be sold for less than the upset amount. Just like a reserve bid.

Knockdown or Hammer Price- The auctioneer will warn that he is going to knockdown on the last bid offered. Meaning he is going to sell the Item if no higher bids are offered. He will bring down his gavel and yell Sold to the bidder number that had the highest bid.

Lots- The auctioneer will tell you when he is selling items in lots. He might have 10 CD players in one lot. He will auction them all for one price. This is the best way to buy for resale . The price per unit is less than if each CD player were auctioned by it self.

Inspection- Specified date, time and place property is available for prospective buyer viewing and evaluation. Also known as a Preview.

Shills- A shill is a bidder at an auction like you with one exception. This person has no intention of buying anything. His sole purpose is to drive the bidding as high as he can without having the final bid. Shills work for the auctioneers who receive a commission on the total dollar amount

that is sold. Shills are illegal. If you see some one who bids a lot but never buys anything watch out he may be a shill. Stay away from this auction. To be fair to all the honest auctioneers It is very rare to find a situation like this.

What Government Agencies Have Auctions

U.S. Government Surplus Auctions
Defense Reutilization Marketing Office
General Services Administration Reutilization
U.S. Postal Service

U.S. Government Seized Property Auctions
Internal Revenue Service
U.S. Marshals Service
U.S. Customs Service
Small Business Administration

U.S. Government real-estate
Department of Housing and Urban Development (HUD)
Department of Veterans Affairs (VA)
Federal Deposit Insurance Corporation (FDIC)
Small Business Administration (SBA)
Internal Revenue Service (IRS)

Local Auctions
State Surplus Agency
County Tax Liens
Local Police

When Auction Day Comes

If this is your first auction try hard not to overbid

I know how you feel. You have read all the information. Discovered some items you can not live without . But remember you are still a newbie. This is the time to learn-- not plunge. Be very conservative in your bids.

The Bidding Process

The seasoned bidder , and the beginner size up the first item up for bid. Get a feel for the auction . Note the way the auctioneer starts the bidding. A good auctioneer leads the bidders. A bad auctioneer is lead by the bidders. Watch the bidders closely. If every thing is running smoothly. Try a few very conservative bids.

The Auction Catalog

Catalogs are a list of the items for sale at the auction you are attending. Each item has a lot number the auction uses to identify it. As the items come up for bid. The auctioneer will start by saying. This is lot number 5555 , and start the bidding. The items are auctioned in the order they are listed in.. The auction catalog makes a great note book. Check off the items you want to bid on , and the highest price you will pay.

Inspection Time

All public auctions set aside a time period for you to view the items up for auction. Use this time wisely. This is your only chance to closely inspect the goods. Never bid on an item without inspecting it first.

Two Heads Are Better Than One

Bring a friend . It's easy to get carried away at an auction. Having someone you trust along helps settle everything down. Especially if they know something about the items you are going to bid on.

Pay Attention

Auctions move at a very fast clip. A good auctioneer will sell an item every minute or two. Practice keeping tract of who has the bid. When you bid on an item be careful not to over bid yourself. That is probably the most common mistake a novice makes.

Auction Fever

The worst thing that can happen to you. Is to totally lose control. I have seen two bidders get mad at each other , and run the bid up to twice the retail cost of the item they are bidding on. Set the price you will pay **BEFORE THE AUCTION STARTS.**

Never Buy More Than You Can Handle

Remember at most auctions you must pay for and, remove the items the same day . Some auctions will give you more time if you make arrangements in advance. Always be aware of the auctions time frame , and stick to it.

Auction Success How Sweet it is

Take it home and enjoy it.

There is nothing in the world that feels better than knowing you made a Super Great Deal.

Knowing other people have spent three times as much money to have the same merchandise is great.

I Want to Make Some Money how do I sell all this stuff. Buying and selling goes on every day in this great country of ours. If you are just starting out. Follow this list of places to sell.

Garage Sales

Flea Markets

Ads on bulletin boards in grocery stores

Put ads up in apartment complexes, colleges, churches.

Consignment shops

Run Classified Ads

Ads in newsletters

On the internet (see my auction listings)

Word of Mouth