

**GLOSSARY OF AUCTION TERMS:
PROVIDED BY BALL AUCTION SERVICE**

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Absentee Bid: This is a way that you can bid even if you cannot attend the auction in person. Check with the auction company in advance to see if this is available and how they make the bids for you. Many places allow written absentee bids, phone-in bids, and even online bidding. In **written absentee bids**, you tell them what items to bid on and how high you will go. In **phone-in bidding**, you are actually on the phone in person (typically only available on big-ticket items). **Online bidding** uses the Internet to transmit your bids. These practices vary from auction to auction so be sure to ask each auction company you deal with how they do it prior to bidding. Some absentee bids will require payment of a buyer's premium, even if the on-site bidders do not have a buyer's premium. Additionally, a credit card number or deposit is often required to place an absentee bid.

Absolute* Auction: An auction where the property is sold to the highest qualified bidder with no limiting conditions or amount. The seller may not bid personally or through an agent. Also known as an auction without reserve. (*Some auction companies use this term casually and incorrectly; when in doubt, just ask if there are any minimums or reserves on property being offered – ask “will this property sell today of regardless price?”)

“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” and “In its Present Condition.”

Bidder Number: The number issued to each person who registers at an auction. Generally a driver's license is required to receive a bidder's number.

Bidder Packet: *Typically just for real estate auctions.* The packet of information and instructions pertaining to the property to be sold at auction and presented to prospective bidders. May include aerial photographs, maps, disclosures, and a copy of the contract to be signed. Sometimes called the due diligence package.

Buyer's Premium: A percentage added on to your bid amount. Buyer's premiums are used by many auction companies as a way of sharing/covering the costs of the event. It is an amount added to the high bid in addition to the high bid and payable by the buyer. This should be in the terms and advertising for the auction.

Cashier: The person responsible for the registration, paperwork, and collection of payments at the auction.

Choice (or Bidder's Choice): A method of sale whereby the successful high bidder wins the right to choose from a grouping of similar or like-kind items/properties. After the high bidder's selection (of one or more items/properties), those are deleted from the group, and the second round of bidding commences, with the high bidder in round two then having choice of remaining

items/properties. Sometimes confused with “Times the Money.”

Clerk: Generally, the person responsible for the accounting and recording of sales at the auction.

Collusion: The unlawful practice whereby two or more people agree not to bid against one another so as to deflate value of the item. You may see bidders do this and then split the item sold. Collusion is an illegal act.

Estate Sale: The sale of property left by a person at his or her death. An estate auction can involve the sale of personal and/or real property.

Multi-Property Auction: group of properties offered through a common promotional campaign. The properties to be auctioned may be owned by one seller or multiple sellers.

Reserve: The minimum price that a seller is willing to accept for a property to be sold at auction. Also known as the reserve price. May also be referred to as “Auction Subject to Confirmation” or “Sale Contingent Upon Seller Approval.” In an absolute auction, there is no reserve price.

Ring Man: Individuals who are positioned throughout the attendees at the auction to assist the auctioneer, spot bidders and assist prospective bidders with information to help them in their buying decisions. Also known as bid assistant, bid spotter, or groundsman.

Tie Bids: When two or more bidders bid exactly the same amount at the same time and must be resolved by the auctioneer. Most auctioneers will open the bidding back up strictly between the tied bidders only and high bid will win the item.

Times the Money: A situation in which a lot has multiple items and bidding is taking place for the price per item. The final bid is multiplied by the number of items in the lot. For example, a lot that contains six chairs can be sold “so much a piece, times six.” Should the bidding close at \$50 a piece, the final selling price for the set of chairs would be \$300. Sometimes confused with “Choice” (in a choice situation, the high bidder would choose which chairs to take at \$50 a piece).

You’re In: You have the high bid.

You’re Out: Someone else has the high bid.

Want to know what another term means? Just ask! Send your email to ballauctionhelp@sbcglobal.net

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