

Bidders Advantage

How it works / Frequent questions

Bidders Advantage is not an auction – it is a transparent online bidding platform with every bid immediately visible. This eliminates the frustration of buyers and buyer agents and enables a level field.

- Parameters of the sale, including the starting bid and final sales date are known up-front.
- Every interested buyer can remain involved and engaged until the final sale, never left to wonder if they have over- or under-bid.
- Terms of the sale are the same for all bidders:
 - There is a 5% platform premium added to the final purchase price to offset fees associated with the process
 - Buyer co-op remains at 3%.

PRIOR TO BIDDING or PLACING YOUR BUYERS OFFER- Very easy process

Complete all items on the action list below by **12:00 p.m. EST** on your desired day of but no later than day of bidding as noted on the Bidders Advantage website.

1. Buyer must “Register for Event” at BiddersAdvantage.com. This confirms buyer acceptance of all bidding terms and conditions and takes less than a minute.
2. The buyer’s licensed agent should forward information/documentation to info@biddersadvantage.com. Each buyer-reviewed document should be initialed to indicate understanding/acceptance. *(Note: If the buyer does not have an Agent, this information can be forwarded independently).*
 - a. **Signed Agency** to confirm co-op relationship (unless there is no Agent).
 - b. **Signed Residential Property Disclosure** (and Lead Based Paint if applicable)
 - c. **Proof of adequate funding address specific pre-approval** (*not pre-qualification letter*) including proof of appraisal gap (5% platform premium), which will be added to sales contract price.
 - i. If paying in cash, this requires Proof of Funds for the purchase price plus 5% platform premium.
 - ii. If financing, this requires a Loan Approval Lender (not pre-qualification) from the mortgage company *plus* Proof of Funds for Appraisal Gap.

For assistance with pre-approval financing, both professionals listed below are familiar with the Bidding Advantage process and requirements:

- Sue Reichard – The State Bank and Trust : 614-395-4150
- David Arocho of NFM Lending 614-657-1167
- Mike Bardash Union Home Mortgage (614) 562-9520
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APPROVAL TO BID

- The listing agent will review provided documentation and grant approval to use the online bidding process.
- Buyers will receive notification of acceptance and access to bidding for any property that meets their selected property criteria.
- Agents on record will also be contacted to confirm registration.
- Technical and agent support is *not available* after 12:00 p.m. EST on the final day of bidding.
 - Buyers are strongly encouraged to login into their account prior to this time to confirm bid details and identify any issues or bidding questions which may require assistance.

PROPERTY LISTINGS

- Each Bidding Advantage property listing has specific sales terms and conditions. Please review prior to bidding.
- Buyers can still view properties in-person. However, this is limited to stated Open House dates unless another time is requested and approved.

BIDDING – Online or Paper offers are accepted.

- All homes are offered without a published minimum bid.
- Seller reserves the right to:
 - reject or accept any and all bids
 - withdraw the property prior to the conclusion of online bidding .Once the minimum bid has been reached, the site will notify buyers.
- Buyers can choose how to place bids:
 - Individual bids can be manually input online at any time prior to the sale close.
 - An auto-bidding process is also available which allows a buyer to choose a highest acceptable offer. The system will automatically place the lowest acceptable bid initially and then increase the bid up as competitive bids are received.
 - Auto-bids will activate immediately and continue until each buyer's highest offer has been met.
 - Once an auto-bid amount is placed, it cannot be changed (either up or down).
 - However, if the buyer wants to *increase* the high bid amount, a new auto-bid can be placed online to super-cede the first auto-bid.
- One hour before the sale closes, a “soft notification gavel” text will be sent to all buyers. Of course, real-time bids can be followed at any time when logged into the system.
- To prevent last second bidding and provide all interested buyers an opportunity to compete, Bidders Advantage uses a **Bidding Auto Extend** function:
 - Any bid placed within three minutes of the original sale closing time will automatically extend the bidding time by another three minutes.
 - This allows other bidders an opportunity to respond.

- Bidding will remain open until three minutes have passed without any additional bid submissions.
- If a buyer does not want to use the online platform for their offer, an offer can be presented on paper and will be uploaded as a “house bid”..

END OF SALE / CONTRACT

- Following submission of all online bids, the seller can reject all bids or select a winning bid.
- The seller may forgo the highest financed bid in order to accept a cash bid at a lesser amount instead.
- The selected buyer’s Agent (or the winning independent buyer without an Agent) will receive a **purchase contract**.
 - This contract must be returned within two hours of receipt with digital signature.
 - Failure to meet this deadline gives the seller the right to withdraw the contract and offer the property to someone else.
 - If you do not have an Agent, a Homes that Click licensed agent will prepare the Purchase Contracts and any addendums for you.
- **Earnest money** must be submitted within one business day after acceptance of the purchase contract.
 - The cashier check amount should be sent to the seller-designated escrow agent.
 - Earnest money is non-refundable only if the buyer fails to close.
- Once the contract is signed by all parties, the process will proceed like a traditional real estate transaction per the contract terms.
- If you are the selected bidder but back out of the deal without a signed Purchase Contract, there will be an \$500 withdrawal penalty as outlined and accepted as part of your online registration.
 - An invoice for this amount will be forwarded to you. Future use of Bidders Advantage will be denied until payment is made in full.

CONTRACT PURCHASE PRICE

Fees required to use the Bidders Advantage online platform will be added to the winning bid amount to determine the **final Purchase Price**. High bid + Premium=Contract purchase price

- This applies even if you submit a contract without use of the online bidding process.

Please keep this in mind when determining an acceptable final bid amount.

Seller Selected Winning Bid

+ 5% Platform Premium (based on final bid amount)

+ Any Applicable Technology Fee (0.0015 or \$150 per \$100,000)

This is not always a required fee. See individual Property listing.

= Final Contract Purchase Price

INDEPENDENT BUYERS

Working with a licensed real estate agent is not required to use Bidders Advantage.

- If you have questions about the online bidding process or any of the terms and conditions, we are available to discuss with you and answer your questions.
- If you do not have an agent but want representation, you have option to work with a Homes that Click Agent.

This document is intended only as an overview of the Bidders Advantage process. Please review all Bidding Terms & Conditions, as well as details of each property listing.

Questions? Please contact Deb Harr at 614-268-7653