

AUCTION GUIDE



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Our Mission

As an alternative strategy to traditional brokerage, an Auction provides consumers the opportunity to engineer a creative and customized approach. This is designed to empower clients to achieve their goal of closing a property sale in an accelerated and expedient fashion. Seaport Auction employs proprietary valuation techniques that pinpoint the fair market value of each individual property first, and strategically positions the initial offering price significantly lower. This incentivizes buyers to become bidders that recognize a bargain value. In turn, sellers reap the benefits of rapid and substantial interest in their property, from qualified and motivated investors that drive the offering price dramatically upward in a short period of time. This creates a windfall of opportunity for all parties by serving the mutual interests of a sales transaction, facilitating the timely conveyance of ownership.

Why Auction?

The thought of an auction within the real estate industry often evokes images of foreclosure and tax sales associated with delinquency. This projects unsavory opinions and perceptions that consumers typically reject. On the other end of the spectrum, auctions are also commonly associated with multi-million-dollar estates that paint a picture of “Lifestyles of the Rich & Famous” that we may feel is out of our reach. While these examples may be accurate in their own context, there is far more to the auction process than meets the eye. By overlooking this alternative, we may be needlessly leaving money on the table.

Traditional Real Estate brokerage is, and will likely remain, a baseline approach to the purchase and sale of all real estate. Bearing this in mind, it is merely one method within a host of unrealized options we have at our disposal. After all, a traditional Real Estate Brokerage is also known as a “Dutch Auction” that begins with a higher initial asking price and over time, reduces this amount until consumer demand is created and an agreed-upon sale occurs. Conversely, an “English Auction” turns the status quo on its head and approaches this very same sale from the other side of the

transaction, beginning with a significantly lower initial asking or “bid” price. This showcases bargain value to buyers and investors, stimulates sharp demand, and generates a stream of offers from multiple bidders that drive the offer price upward. Once a winning bid is awarded, an agreed-upon sale occurs.

The Disparities Between Brokerage and Auction

Brokerage	Auction
Price high, wait, reduce price	Price low, create demand, Increase offer
<i>Open-ended</i> timeframe of sale	Established bidding period/end date.
Financing, appraisal, inspections terms	Cash buyers, no contingencies
Sale/Closing contingencies to be met	Cash sale, close in 30 days.

Under the guidance of an Advisory Approach to Valuation, Auction can become your pivotal remedy that circumvents the flaws of traditional brokerage, aka “Dutch Auction”. Pending the necessary level of due diligence and research findings, it presents the opportunity to think outside the box and capitalize on the advantages we have the ability to create proactively. Time and experience grant us the opportunities to challenge conventional wisdom and ask bigger questions.

Seller FAQs

How much will it cost me to auction my property?

A \$500 marketing platform fee upfront.

Placed in the proper context: how much can it save you to auction your property? The auction play allows qualified sellers to position, market, and sell their properties within 30–45 days free of all inspections, appraisals, contingencies & remedies. This expedites the sales process and minimizes carrying costs while maximizing the number of buyers bidding the price upward over a predetermined and closed-end time frame.

What types of properties do you auction?

Any property that meets the Two-thirds Rule. This is predicated upon analysis of the PROPERTY, the MARKET in which it is located, as well as the specific condition of the SELLERS FINANCES. If 2 of these 3 are met, Auction is generally a viable and effective mode of sale.

How long will it take to auction my property?

Once a property goes live on the market, the Auction process typically requires **30–45 days** to close.

Do I need a real estate agent?

This is a matter of preference. Seaport Auction is ready, willing, and able to work directly with sellers, or partner with listing agents within a collaborative effort that focuses all resources on serving the client exclusively.

Why should I choose to auction instead of selling traditionally?

The traditional approach may be the right fit for some. Not all properties are Auction candidates. For suitable Auction candidates, the advantages include

- Maximizing sale price through a competitive bidding process.
- Free of all roadblocks encountered in the traditional approach in the form of contingencies, inspections, and remedies that slow the process.

- Closing of sale within 30-45 days, minimizing carrying costs that help you as the Seller, put more money back in your pocket.

Agent FAQs

What types of properties do you help sell?

All candidates, residential or commercial, that meet the two-thirds rule criteria are eligible to be sold at auction. Each potential applicant is properly vetted to make sure that an auction is the proper course of action. This typically serves as a means of providing sellers (and their agents), a plan-B that circumvents the trappings of a traditional brokerage.

Will I still receive a commission when the Auction is used for my client?

Yes, you still represent your client. Seaport facilitates the auction proceeding. You are able to provide your client with a fresh solution and still get your commission.

How long does the Auction process take?

Once the necessary due diligence is performed, the process is typically completed within 30-45 days of closing.

What is the agent's role in the Auction process?

The agent maintains the same relationship with the client. Seaport facilitates the Auction process on behalf of the agent. The agent remains the conduit to their client, in service to the original contracted commitments. Seaport's mission is centered around empowering agents to deliver results to their clients.

What type of clients, or properties, are right for Auction?

The rule of thumb to determine if Auction is the best marketing strategy is the Two-Thirds Rule. This involves analysis of the market, property, and seller situation. Generally, if two of the three parts (market, seller, property) lean towards the auction, then the auction should be offered to the seller as a sales option.

Suitable Auction candidates exist in scenarios that offer attractive opportunities related to the Price/Value of the individual property, favorable market conditions conducive to this method of sale, all confirmed by the specific needs and preferences of the seller's current situation. The proper analysis is a subjective approach that factors in all concerns and checks off at least 2 of these 3 boxes.

Buyer FAQs

How do I view the property in person before bidding?

Simply request a showing through your agent. If you are unrepresented, contact Seaport directly to schedule a showing at your convenience.

Can I work with my real estate agent if I purchase the property at auction?

Yes. If you are actively represented by an agent, they serve as your representation much like that of a traditional sale.

What must I provide to be eligible to bid on a property?

Register on the online bidding platform at <https://seaportauctions.bidwrangler.com/>. Once you have completed the registration process, a 5% Buyer's Premium is due in

the form of wire transfer, ACH direct debit, or a certified bank check. Upon receipt of said funds, buyers are officially approved to actively bid in the Auction proceeding.

How long does it typically take to close once the winning bid is awarded?

The Auction process dramatically accelerates the closing time frame. Once the winning bid is awarded, an executed purchase & sale agreement is due within 5 business days. Closing typically occurs within 21-30 days of the delivery of the said contract, based upon the buyer's time preference.



Reach out to us for more information

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Group Qualifications to be your Guide: B.S. Real Estate & Urban Economics (UConn) MBA, Former Appraiser, Graphic Designer, Social Media Expert, Top 1% of Agents, Commercial & Investment Certified, Auctions, Licensed in CT and RI.