

# AUCTION AGREEMENT

THIS AGREEMENT, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_, hereinafter referred to as "Seller" (which term shall mean Seller, Seller's successors, personal representatives, and assigns), and \_\_\_\_\_, hereinafter referred to as "Auctioneer" (which term shall mean and include the Auctioneer, Associate Auctioneer, Auction firm, successors or assigns).

RECITALS: The Seller desire to engage Auctioneer to sell certain property at public auction and the Auctioneer accepts such engagement;

Therefore, for valuable consideration the receipt and sufficiency of which is hereby acknowledged by both parties, the Seller appoints the Auctioneer his/her exclusive agent and grants unto the Auctioneer the exclusive listing and exclusive right to sell at public auction, the following described \_\_\_\_ Real Estate \_\_\_\_ Personal Property.

DESCRIPTION OF PROPERTY TO BE SOLD: The property to be sold consists of \_\_\_\_\_ located at \_\_\_\_\_ (address), \_\_\_\_\_ (city or town), County of \_\_\_\_\_, State of \_\_\_\_\_, Property to be sold: \_\_\_\_\_

A complete description of the property to be sold is attached to this contract and is identified as Exhibit(s) \_\_\_\_\_.

1. The Auctioneer agrees, as its own expense:
  - A. To prepare an advertising program for marketing the subject property by using brochures, newspapers, signs, posters or other such media in a manner as the Auctioneer considers in the best interest of the auction, for the purpose of soliciting prospective bidders and buyers;
  - B. To schedule a public auction to be held on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, at \_\_\_\_\_.
  - C. To engage or provide experienced and qualified auction and clerical personnel, and the necessary equipment to properly conduct the auction;
  - D. To conduct the auction at the time and place specified with the objective of obtaining the highest price possible for the property being offered; and
  - E. To comply with all provisions of law relating to the conduct of this auction.
2. The Seller agrees, at its own expense:
  - A. To provide the Auctioneer information so that a detailed description of the property to be sold can be promptly and accurately prepared.
  - B. To prepare promptly, a complete list of credits and the approximate amount owed to each creditor.
  - C. To give the Auctioneer the specific authority to pay all lien holders and creditors out of the proceeds of the auction.
  - D. To be present at the auction, or have a representative present who shall be familiar with the property to be sold, and to make known at the proper time any hidden defect in any property being sold or any incorrect statement of the Auctioneer.
  - E. To neither sell nor further encumber any of the described property after the date of execution of this agreement without express written consent of the Auctioneer.
  - F. To execute all deeds, bills of sale, title papers or other instruments of conveyance with the usual warranties to the highest valid bidder at the auction.
  - G. To pay to the Auctioneer a commission of \_\_\_\_\_ percent (%) of the highest bid obtained on the property upon completion of the auction and to pay clerical fees, other personnel and other expenses upon completion of the auction. Recognizing that the Auctioneer shall incur expenses and that its business reputation may be damaged by any failure or refusal of the Seller to convey the herein described property to the highest bidder under the agreed terms, it is hereby agreed that in such event the Seller shall be liable unto the Auctioneer in liquidated damages for the full amount of what the commission would be had the sale been consummated, or a fee of \$\_\_\_\_\_, and the Seller shall indemnify and save harmless the Auctioneer from any further loss, cost or damage which the Auctioneer may incur as a result of the Seller's failure or refusal to convey.
  - H. Seller authorizes Auctioneer, as seller's agent, to collect from the successful bidder and retain an additional amount of \_\_\_\_\_% of the successful bid price for each item of property sold.
  - I. To pay the advertising: The advertising estimate is \_\_\_\_\_; if the actual advertising costs exceed 120% of the advertising estimate, the Auctioneer shall pay any amount in excess of 120% of the advertising estimate unless the Seller agrees in writing to pay the actual cost.
  - J. To authorize the Auctioneer to conduct:
    - \_\_\_ An Absolute Auction (defined as an auction where the highest valid bid shall be accepted and title passes from Seller to Buyers).
    - \_\_\_ A Reserve Auction (defined as an auction where a minimum is set in writing and any bid received above the minimum converts the sale to an Absolute Auction). The minimum bid that is acceptable to the Seller is \$\_\_\_\_\_. Reserve bid may be revised lower up to one (1) hour prior to the auction, but minimum bid shall not be increased.
  - K. To authorize the Auctioneer to accept payment for purchases at the auction and all proceeds from the auction shall be held in the Auctioneer's trust or escrow account. The Auctioneer shall within a reasonable time, make full settlement and payment of the proceeds to the Seller less Auctioneer's commission, expenses and other authorized charges after the checks have cleared.
  - L. To authorize the Auctioneer to make a search of the title to the real estate and/or personal property being offered at the auction at the Seller's expense.
  - M. To indemnify and hold the Auctioneer harmless from any and all claims and demands from any person, firm or corporation (including court costs, attorney fees, and the like) brought for any reason not attributable to Auctioneer, and the Auctioneer shall have no liability or obligation to the Seller or any other person, firm or corporation with respect to said auction sale of Seller's property, except as specifically set forth in this Agreement.

- N. To charge the Seller with any legal costs that are necessary to collect any commission, fees or expenses that are due to be paid to the Auctioneer.
- O. To release the Auctioneer and his employees of any liability for merchandise which is accidentally broken or stolen. The Seller understands that every care will be taken in the transfer of merchandise during preparation and sale of the property.
- P. To charge the Auctioneer with the responsibility to comply with all laws, rules, regulations and policies imposed by the State and Federal governments and to produce and attach to this contract any and all disclosures and other documents necessary to comply with said laws, rules, regulations and policies.
- Q. The Seller covenants and agrees that the Seller has good title and the right to sell, and that the property is free from all encumbrances except as follows:

**IF NONE**, write none \_\_\_\_\_.

Item	Mortgage/Lien holder	Address	Approximate Unpaid Balance

R. Other: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have read this Agreement and fully understand the contents of said Agreement and have executed the same on the day and date first above written.

ATTACHMENTS: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Signed: _____	Signed: _____
Auctioneer	Seller
Name _____	Name _____
Auction License No. _____	Address _____
Address _____	_____
_____	Phone _____
Phone _____	

**ADDENDUM-ADVERTISING**

Advertising Costs \$ \_\_\_\_\_  
 Advertising Estimate \$ \_\_\_\_\_

Seller agrees to pay \_\_\_\_\_, the actual advertising costs.

Dated: \_\_\_\_\_, 20\_\_\_\_.

Signed _____	Signed _____
Auctioneer _____	Seller _____