



EASY STEPS TO CREATE YOUR ONLINE AUCTION

(WE SUGGEST YOU PRINT A COPY OF THIS DOCUMENT AS REFERENCE
WHEN BUILDING YOUR AUCTION WEBPAGE.)

The *Never Lose a Listing*® program was specifically designed to allow real estate professionals, like you, to build an auction webpage to conduct their own auction marketing campaign. By utilizing our proven online auction platform, this program delivers an alternative, yet effective marketing solution to sell a variety of properties from commercial and industrial buildings, raw land to luxury homes, REOs and short sales.

For the most part, your auction on the Freedom Realty Exchange website, FRE.com, will be business as usual, including the negotiation of your listing agreement with your client, property research, MLS upload, advertising and public relations, prospect/buyer relations and closing supervision. The biggest difference will be utilizing auction techniques to attract buyers and your actual point of sale will be on the FRE auction website.

Assuming that you have basic computer skills, you should be able to build your entire auction webpage, as well as upload property images and documents, in less than 20 minutes.

To start building your auction webpage, be sure that you are signed into your account on FRE.com, then click on the **Create a New Auction** button, select the type of property; Residential, Commercial or Land and then follow the simple steps.

Build Auction: Info

All auctions in the *Never Lose a Listing*® program adhere to the Minimum Bid/Unpublished Reserve format. This means that your client has the right to accept, reject or counter the highest bid if it doesn't meet the set reserve price which is also the list price.

- **Time zone:** select the time zone of where the property is located.
- **Est. Bid Deadline:** This is the final date and time that buyers can submit their bids. Our system sets the bid deadline for the first Thursday approximately 45 days for commercial properties and 29 days residential properties from the launch of your auction. This date will update automatically once your auction goes "live" on the



website. The bid deadline will be set at 5:00 PM in the time zone where the property is located.

Over the years, we've found that 45 days and 29 days respectively is ample time for prospective buyers to conduct their due diligence, visit the property and place their initial sealed bids. If you need to modify this date, please contact the FRE Auction Support team.

- **List Price:** This is the current list price for the property, as stated in your Listing Agreement with the Seller. It will be the unpublished reserve price in the auction and is the price at which the Seller is contractually obligated to sell the property. This value is **NEVER** disclosed to the public.
- **Suggested Value:** This number serves as a reference point for buyers as to the property's value. This price is automatically set at 20% higher than the list price.
- **Bid Deposit:** This is the amount of earnest money a bidder must submit to escrow, along with a completed bid form, in order for their initial bid to be considered valid. Our system automatically sets the bid deposit based on the following table:

List Price		Bid Deposit Required
FROM	TO	
\$0	\$249,999	\$1,000
\$250,000	\$499,999	\$5,000
\$500,000	\$999,999	\$10,000
\$1,000,000	\$1,999,999	\$20,000
\$2,000,000	\$3,999,999	\$20,000
\$4,000,000	\$9,999,999	\$50,000
\$10,000,000	\$50,000,000+	\$100,000

- **Minimum Bid:** This number is the most important factor of your auction. The minimum bid attracts the attention of the market and sends the message that your Seller is highly motivated to sell the property. To eliminate a common pitfall of setting the minimum bid too high and not attracting market attention or initial bids, our system requires that you set the amount to 30-70% of the list price.



- Bid Increment:** During online bidding, this number is the minimum amount a bidder must place above the current bid to be accepted by our system. Example: If the current high bid is \$450,000, and the bid increment is \$5,000, then the next bid would need to be at least \$455,000 in order to be considered valid. Our system automatically sets this value according to the following table:

List Price		Bid Increment
FROM	TO	
\$0	\$49,999	\$1,000
\$50,000	\$99,999	\$2,500
\$100,000	\$249,999	\$5,000
\$250,000	\$499,999	\$10,000
\$500,000	\$999,999	\$25,000
\$1,000,000	\$4,999,999	\$50,000
\$5,000,000+		\$100,000

- Broker Participation:** You have the option of offering a commission to a broker/agent who represents the winning bidder. This amount is a percentage of the eventual final sales price. If you select value from the drop down menu, our system will automatically generate a Broker Participation document explaining the requirements for a buyer's broker to qualify for the commission, and it will be automatically uploaded to the Documents section of the Auction Profile page.

The following section provides specific details about the property. This information will appear on the Property Profile page. Most of this section is self-explanatory, but a few of the categories are explained below.

Broker of Record

Input the Broker of Record for this property; name, license number and license state. This is the same broker and license number that currently appears on the listing agreement for the property.



Contact Information – Primary Contact

This contact information will appear on the Auction Profile page and is visible to all visitors on the website. The Primary Contact will receive calls and emails from prospective buyers and must be affiliated with the listing broker. You can also upload your company logo.

Property Data

- **APN#:** If you have the property's tax assessor/ property number, you could add it here.
- **MLS#:** This is the MLS number generated by your local MLS service.
- **City, State, Zip Code, County**

Property Basics

- **Square footage**
- **Lot size**
- **Bed / Bath/ Year Built** (Residential properties only)

Describe the Property

- **Short Description:** There is a 200 character limit, so just a few lines of text as a brief summary of the property. This information will also appear on your marketing flyer generated by the system for you to use in advertising your auction.
- **Detailed Description:** This will appear on the Auction Profile page to give prospects as much information about the property, surrounding area, etc.

Property Features (Residential properties only)

This section is similar to an MLS listing where you will select specific features and attributes of the property.

Viewing Schedule (Residential properties only)

It is required that at least three (3) open houses are conducted during the auction campaign. This section allows you to set the day, time and add any comments.

If you have a commercial property and would like to set up a viewing schedule, please contact the Auction Support team for assistance. The default message in this section of the Auction Profile page reads as follows;



If you would like to tour this property, please complete and submit the Temporary Access Agreement located in the Documents section.

You will need a registered account and be 'Signed In' to view and download the document.

Once you have submitted the agreement, contact the Property Representative to set up an appointment.

Property Documents

At this step in the process you will upload due diligence documents and required property disclosures for prospective buyers to download and review. PDF is the only acceptable format. Be sure to provide as much documentation as possible because informed and knowledgeable buyers are willing to place higher bids. Below is a recommended list of the documents you should provide;

- Purchase and Sale Agreement
- Preliminary Title Report
- Home Warranty Information
- HOA Information
- Utility Information
- Seller's/State Disclosures
- Subdivision Public report
- CC&R's, Articles of Incorporation, Bylaws (if applicable)
- Flood Zoning
- Access Easements
- Location Map
- Environmental Reports

Note: The system will not allow you to continue to the next step in the builder until you upload at least 1 document.

Standard auction documents such as Terms and Conditions of Sale, Draft Purchase Agreement, Auction Addendum and Escrow and Title information will automatically be uploaded by the system and cannot be amended or removed.

Upload Property Photos

Uploading photos of the property, aerial shots and maps to the Property Profile page is easy. Be sure that they are high quality images, in JPG format only and no larger than 8MB. Once you have uploaded the images, you can then sort them by using our simple "drag and drop" tool.

Please note: The first image will be the default photo displayed on your webpage and also on the marketing flyer automatically generated by our system.

Purchase Auction Signage

Signage will be the most cost-effective marketing tool in your auction campaign. On average, over 60% of your bidders will become aware of your auction because of the onsite and offsite signage, and since the auction is conducted on the Internet, our customized signage is designed to serve two distinct purposes;



- Direct interested prospects to your Auction Profile page
- Lead local traffic to your Open House

For Commercial/Land properties: the signs are a vinyl banner offered in two different sizes; 4'x8' or 4'x4' and can be ordered in any quantity. These sizes were chosen because they are the most commonly used in the industry, and further their design allows for an easy installation to cover existing signs already placed on the property. You can also customize your sign by entering the text you would like to have on the sign and it will appear instantly on the sample sign to the right. The web address (URL) at the bottom of the sign is unique and will direct prospects directly to your own auction webpage. If you would like to include your logo on the 4'x8' banner, please select "Yes" in the appropriate dropdown menu and one of our Auction Support team members will contact you.

For Residential properties: the specialized auction signage package will serve as both onsite signage to remain on the property for the duration of the auction and directional arrows to use on days when you will conduct your open houses. The package consists of the following items:

- Two (2) 18"x24" double-faced, onsite AUCTION signs
- Six (6) 18"x24" double-faced, directional/arrow OPEN HOUSE signs
- Eight (8) metal "H" sign stakes

Auction Preview

Once you have completed your signage purchase, you can either click the **Submit** button or go back to any previous builder steps such as Add Documents, Add Photos, etc. to edit/add anything further to your auction webpage. To preview your Auction Profile page, click on the **Preview Auction** button to how the page will look to the public.

Submit Your Auction

After you have carefully reviewed your Auction Profile page to ensure that all information is accurate, the property photos display correctly, and the documents can be downloaded, click the **Submit For Approval** button. This will send your auction to the FRE Auction Support team for review and final approval, while freezing the editing capabilities on the auction webpage. If there are any issues or questions, a member of the FRE Auction Support Team will contact you directly.



Before your auction can go “live”, you need to go back to your Auction Dashboard, locate the property under Pending Approval and click the **Download Addendum** button to access the Auction Addendum document. This required document must be executed and submitted along with a copy of the Listing Agreement, prior to the launch of your auction campaign.

SEND THESE DOCUMENTS TO:

Email: NLLauction@lfc.com

Fax: 949-706-9994

Once the above documentation has been received and validated by the FRE Auction Support team, your auction will go “live” on FRE.com and you will be notified by email, usually within 48 hours.

If you have any technical questions while building your auction webpage, please contact the FRE Auction Support Team at 800-966-0665 or NLLauction@lfc.com.

Our hours of business are Monday through Friday from 9:00 AM – 6:00 PM Pacific Time.

WARRANTY

LFC Marketing Services, Inc. is a member of the LFC Group of Companies, which includes LFC Internet Marketing, Inc. doing business as LFC.com, FRE.com, LFC Communications, Inc. and Republic Escrow Corporation.

LFC Marketing Services, Inc. warrants on behalf of itself and all members of the LFC Group of Companies, that no officer, director, employee, agent, consultant or representative shall during the term of your listing agreement interfere with your relationship with the Seller regarding the listed property nor approach or solicit the Seller, its officers, directors, employees, agents, consultants or representatives regarding the property.