

HOW TO BID AT THE AUCTION

THIS IS A LIVE AUCTION EVENT

This property will be offered in a series of auctions. The dates, times and locations are available on the auction web site: www.interstateauction.com or www.svniac.com. The website is the official source for information about the auctions. Each home will be offered in a live, open-outcry auction conducted by professional auctioneers. The auctions will be held at the homes at the scheduled times published on the auction website. Each auction will be a separate event.

FAMILIARIZE YOURSELF WITH THE BIDDING PROCESS

The process will be similar to live auctions you may have seen on television. Automobile auctions conducted by Barrett Jackson are featured on the Speed Channel. Antique auctions are often featured on PBS on the Antique Roadshow. Live auction events are exciting and entertaining, and give buyers an opportunity to interact with the auctioneer and bid assistants. If you have never attended or participated in a live auction event, you may want to attend one of our upcoming auctions or watch one on television or over the internet. Interstate Auction Company will review the rules for bidding at the auction prior to the start of the auction.

**AUCTION SCHEDULE FOR SATURDAY, SEPTEMBER 14, 2013:
THE AUCTIONS WILL START PROMPTLY AT THE SCHEDULED TIMES.
THE HOMES WILL BE OPEN 1 HOUR PRIOR TO THE START OF THE
AUCTION FOR INSPECTION AND BIDDER REGISTRATION.**

10:00 am EST: 311 N. Georgia Ave, Etowah, TN 37331

11:30 am EST: 115 Peach Street, Athens, TN 37303

3:30 pm EST: 1795 Whitehouse Rd, Greeneville, TN 37745

5:00 pm EST: 244 Ridgecrest Rd, Jonesborough, TN 37659

INSPECT THE PROPERTY

The property will be sold “As Is” with all faults and without any warranty. The seller will not be responsible for making any repairs or replacements. All bidders are required to inspect the property prior to bidding. Open house inspection dates are shown for each home on the auction website. The homes will also be open for inspection 1 hour prior to each auction. You may also hire an inspector or listing agent to help you with the process. If you utilize an inspector or buyer’s real estate agent, you will be responsible for any compensation to your inspector and/or agent. Interstate Auction Company will not pay inspectors or share a commission with your agent.

INSPECTION SCHEDULE FOR FRIDAY, SEPTEMBER 13TH:

10:00 am to 12:00 pm: 311 N. Georgia Ave, Etowah, TN 37331

1:00 pm to 3:00 pm: 115 Peach Street, Athens, TN 37303

10:00 am to 12:00 pm: 1795 Whitehouse Rd, Greeneville, TN 37745

1:00 pm to 3:00 pm: 244 Ridgecrest Rd, Jonesborough, TN 37659

REVIEW ALL THE INFORMATION ON THE WEBSITE

The official auction website is the central source for information for the properties being auctioned. You should review all the information on the websites prior to bidding. Information is being added and changed when necessary. It is important to check the website for the latest available information. Copies of the purchase and sale contracts and other important information is available on the website.

REGISTRATION

When you arrive at the auction, you will be asked to register. During registration you will need to show a picture ID to verify your identity. You will be asked to sign the Terms & Conditions / Bidder's Affidavit document featured on the auction website. This document confirms that you understand and agree to the terms and conditions of the auction. When you have completed the Bidder's Affidavit, you will be given a bid card with a bid number on it. This is your official ticket to bid and buy the property offered in the auction. The bid assistants will introduce themselves and be available to help answer questions about the bidding process and the property being auctioned. If you have any questions, please find a member of the auction crew and get your information from them, not other bidders who will be competing with you later during the auction. The bid assistants may ask you for an opening bid to start the auction. You are not required to provide an opening bid. The decision is entirely up to you.

ANNOUNCEMENTS

The auctioneer will introduce the auction team, and review the terms, conditions and rules of the auction, just prior to the start of the auction.

BUYER'S PREMIUM, PURCHASE PRICE AND DOWN PAYMENT

A 10 percent buyer's premium will be added to the high bid to arrive at the purchase price. For example, if the high bid is \$100,000 the buyer's premium would be \$10,000 and the purchase price would be \$110,000. Keep this in mind as you bid during the auction. The required down payment is 10% of the purchase price. In this example, the buyer would be required to make a down payment of 10% of the \$110,000 purchase price or \$11,000. This \$11,000 will be applied to the \$110,000 purchase price. The balance of the purchase price (\$99,000) is due at closing.

ABSOLUTE AUCTION

"Absolute Auction" means that the seller is willing to sell for the high bid regardless of the price, provided that the auctioneer has opened the bidding and a bid has been recognized by the auctioneer.

BIDDING DURING THE AUCTION

After the announcements, the auctioneer will open the bidding. Relax. Our experienced team won't take your bid if you are simply yawning, stretching or waiving to a friend. If a mistake is made, simply let us know immediately and we will resume with the previous bid. The bidding will start with any bids received prior to the auction. Normally, we have several bids at the start. The actual bidding normally takes 3 to 4 minutes per property. The auctioneer will be calling the bids with an auction chant. The chant varies by

auctioneer, but normally includes the current bid, some filler words and the next bid the auctioneer is asking for. For example, the chant might sound like: “We have ninety thousand, anybody bid ninety one, now ninety one, let me see ninety one, how about ninety one thousand?” The bid will be somewhat slower than you might hear at a tobacco or wholesale car auction, but will be about the same as what you might hear in an antique, collectable car, or art auction on television. If you have any difficulty understanding what the bid is, ask your bid assistant. The best way to bid is to hold up your bid card so the auctioneer and bid assistants can see it. If you have established eye contact with the auctioneer or bid assistant, you may also nod, or verbally affirm a bid. Don’t wait until the last second to place your bid, because it could easily be missed and not counted. Once the auctioneer cries “sold” the auction is over. We will give each bidder a fair chance and ample time to make their bidding decision. Bidding in an auction can be very competitive. When properties are being auctioned, bidders are trying to win and get the best possible price. A lot of equity is at stake. When you are the high bidder and everyone else stops bidding against you, and the auctioneer ends the auction, you have won the bidding. The best way to win the bidding is to convince other bidders that you are prepared to go the distance to win and fully intend to be the high bidder. The best way to signal that you intend to win is to open the bidding at a reasonable level. When a bid is made above yours, bid quickly to immediately reestablish yourself as the current high bidder. This shows your strength as a bidder and puts the pressure on the other bidder. Bidders will frequently watch each other for signs that the other bidder is near their personal limit. Being hesitant in your bidding is a sign that you have reached your limit. This often encourages the other bidder to go a little higher. We recommend that you set some limits for yourself prior to the auction, and bid vigorously until you reach your personal limit. When the bidding has ended, the auctioneer will announce that the auction is over. At that point, we record the high bidder’s number and the 2nd high bidder’s number. If you are the 2nd high bidder, you are under no obligation, but we may contact you if the high bidder does not consummate the purchase.

CONCLUSION OF THE AUCTION

After the bidding has been concluded, the auction company will fill in the high bid, the buyer’s premium, and the purchase price. The high bidder will sign the auction purchase and sale agreement and make the required down payment. We will provide the high bidder with a copy of all documents. The seller will have 2 full business days to sign the auction purchase and sale agreement. A signed copy of the Auction Purchase and Sale Agreement will be sent to the purchaser as soon as it is available.

CLOSING

The purchaser will have 30 days to consummate (close) on the purchase. This is a cash sale and is not dependent upon financing from any sources. You may use financing, but your purchase is not contingent upon you being able to get financing. The purchaser will be required to pay the entire purchase price, which includes the buyer’s premium, at closing. Credit will be given for the down payment. Taxes will be prorated at closing. The seller will pay the real estate commission. The seller will not attend the closing. Documents will be couriered to the seller for execution. All closing costs, including courier fees, will be paid by the purchaser. The purchaser is responsible for arranging the

closing for this sale. The seller will be represented by a law firm that will handle the seller's side of the transaction. The seller will pay their law firm's fees for representing them at closing. The buyer may use their own attorney or the seller's attorney to conduct the closing. Contact information and a fee schedule for the seller's attorney are posted on the auction website.

POSSESSION OF THE PROPERTY

Possession of the property will be given to the purchaser at closing. Purchaser may not work on or maintain the property or show it to potential buyers or tenants until after the sale has closed.