

UNDERSTANDING MULTI-TRACT BIDDING



A Multi-Tract Auction allows multiple tracts of real estate to be sold collectively or in any desired combination. This method of auction will offer multiple rounds of bidding allowing for bids on individual tracts, any combination of tracts, and all tracts together. The auction will begin with each tract being offered individually, followed by multiple rounds where bidders can make combinations and increase their previous bids to stay in the winning position. Bidding rounds will conclude when bidders no longer want to create new combinations or raise previous bid amounts. A digital board will be displayed to guide you through the auction process and have a clear understanding of current bid amounts.

Round 1:

- The auction will begin in offering each tract individually – typically the tracts will be offered high bidders choice.
- The high bidder is granted the right to select their choice tract or tracts. In the event that the high bidder selects multiple tracts, their bid is applied to each tract selected.
- The remaining properties are then offered for bidding and the process repeats itself until all tracts have been selected.

ROUND 1 SAMPLE DIGITAL BOARD

BIDDER #	TOTAL BID	PER ACRE	ACRES	TRACTS
35	\$350,000	\$17,500	20	1
49	\$125,000	\$8,333	15	2
18	\$175,000	\$17,500	10	3
33	\$300,000	\$10,000	30	4
87	\$200,000	\$8,000	25	5

Round 2

- Round 2 IS NOT conducted in a standard auction format. Instead, bidders can increase the bid for individual tracts or create any combination they desire of multiple tracts.
- Ringman will assist bidders with calculations to create new combinations and increase existing bids.
- Ringman will communicate bids to the auctioneer.
- As new bids are placed, the board will update to reflect current high bid amounts.
- The board will show the “leaders”, which are the current highest bids, and will show previous bids and combinations.
- The ringman can calculate and the board will show the next amount a bidder would need to place to become the high bidder.
- The auction is complete with there are no more bids or combinations presented to the auctioneer.

ROUND 2 SAMPLE DIGITAL BOARD

BIDDER #	TOTAL BID	PER ACRE	ACRES	TRACTS
Leaderboard				
79	\$490,000	\$14,000	35	1 & 2
62	\$550,000	\$10,000	55	4 & 5
18	\$300,000	\$25,000	10	3
Bidding Combinations “Out”				
35	\$350,000	\$17,500	20	1
49	\$125,000	\$8,333	15	2
33	\$300,000	\$10,000	30	4
87	\$200,000	\$8,000	25	5

**This digital board will update in-time with the most recent combinations or individual tract bids.*

Things to Note:

- “All tract” bids are accepted at any time during Round 2. If you wish to place an “all tract” bid it can be placed through a ringman.
- If you are a high bidder, but a combination bid is placed above you, that does not necessarily mean that you will not become the leader on that individual tract again at some point during the auction. **Additional bids and combinations may put you back in the lead.**
- After all bids are exhausted the auctioneer will declare the winning bidders, which could be for all tracts, combinations or individual tracts.