



MIDSTATE AUCTIONS

STEP 5: **Attend an auction.**

Public Auctions are probably the best-kept secret in buying used cars. Even though auctions have some of the best bargains in used vehicles, few people know that they exist, and even fewer people know how to attend and successfully purchase vehicles at auctions. As a Bargain Network member, you are already a step ahead – Bargain Network has been helping members save at auto auctions for over 8 years! (This topic is so important that we've also included a special Attending Auctions tutorial as an Appendix).

While you can probably find good deals from the better dealers and private sellers, the best bargains are likely to come from auctions. According to the National Association of Public Auto Auctions, vehicles sold through auctions average between \$1,000 and \$3,000 – that's

"I went online to www.bargain.com and located auctions within 50 miles of my zip code. I went several times to the auction until I found what I needed (a 1993 Ford Taurus). Information online was very accurate. I would recommend Bargain Network to any person I know who wants to make a major purchase of any kind."

- JUAN C (INTERNET)

a lot lower than the average \$12,700 price from a franchised car dealer. Public Auctions sell used cars for almost 10 times less than the dealers! That's because many of the vehicles sold through Public Auctions are "distressed" – meaning that the sellers are trying very much to sell the vehicles quickly.

Most of this distressed auction inventory comes from bank repossessions, abandoned vehicles, financial institutions, charities, corporate liquidations and dealer trade-ins. Other auction inventory comes from the U.S. Government and local police departments – from vehicles seized from drug dealers, drunk drivers, and other criminals – to government fleet vehicles that have reached their limit for public use.

So how do you find these "hidden treasures" at Public Auctions? To start, you'll want to search for vehicles being auctioned in your area. The most direct way is to log on to your Bargain Network Motors website at www.bargain.com and do a search in the Auctions Tab.

There are, however, some important differences about an auction search that you should know:

Auction vehicles do not list a price. You never know how low the price may go!

Because there aren't as many auctions in your area as there are dealers or private sellers, you'll want to increase the distance you're willing to travel for auctions. Many of our members report finding success by searching the entire state or even going out of state.

If you don't find a vehicle matching your needs, don't worry. Many auctions are unable to list their vehicles because these "hidden treasures" often arrive the day of the auction. The auction houses don't have time to catalog all the vehicles and send it to us over the Internet. So even though a vehicle is not listed in the system, your perfect match may nevertheless be available at the auction location in your area.

To find these locations, you'll want to use your Bargain Network Motors website at www.bargain.com to search for the auction houses in your area. Visit the Auctions Tab, and you'll get the street address, phone number and often a contact name that you can use to find out when the auction is being held and what type of vehicles are being made available. Once you have the contact information, simply call the auction house to get the latest and most up-to-date listings of vehicles.

Make sure to read the Attending Auctions tutorial in the Appendix so you can bid like a pro and get the best price when you're there. One special benefit of being a Bargain Network member is that you have access to our Bargain Auto Specialists even when you're at the auction house – while you're there, give us a call at **1-800-300-6140** and we'll guide you through the auction process and make your experience enjoyable and profitable!

So, what's the most important advice in this section? Simply this – **you must go to an auction to get the most out of your membership**. Even if you plan on buying a vehicle from a dealer or private seller, you

must go to an auction before buying a used vehicle somewhere else. If you don't, you risk spending too much or missing out on these hidden treasures because the best bargains are often found at auctions.

Plus, the tools and tips available to Bargain Network members make the auction process easy, rewarding and exciting. But learn to be patient, because special bargains like these don't show up all the time. Keep checking back to search the auction vehicle listings and available auction houses. The next new listing may be your perfect vehicle at amazing bargain pricing!

Buyer Beware. What's the risk of auctions?

Some auctions may knowingly or unknowingly sell cars that have been salvaged, totaled or taken apart in some other manner. You may end up with a vehicle that is not worth the money you saved on the initial purchase, due to repair costs or other hidden costs. In addition, almost all auction vehicles are sold "as is" meaning there is no warranty and you are responsible for any repairs after the purchase.

To reduce that risk, we recommend attending auctions that belong to the National Association of Public Auto Auctions (NAPAA), an industry group that promotes the integrity and awareness of public auto auctions. Ask every auction house you call if they are a member of the NAPAA (and let them know Bargain Network sent you). Additionally, you should be even more diligent in the Inspection Step when you are buying a vehicle from Auctions.