



Proponent Testimony before the Senate Agriculture Committee
House Bill 480 – Multi-Parcel Auctions
Ohio Auctioneers Association
Darren Bok, United Real Estate and Auction Company
November 27, 2018

Chairman Hackett, Vice Chair Hoagland, Ranking Member O'Brien and members of the Senate Agriculture Committee, my name is Darren Bok. I am a licensed Ohio auctioneer, owner of United Real Estate and Auction Company in NW Ohio, and President of the Ohio Auctioneers Association (also known as the OAA). I am here today on behalf of the OAA and its nearly 400 members to provide testimony in support of HB 480 regarding multi-parcel auctions.

House Bill 480 is a simple, but important bill that clarifies Ohio law to specifically allow multi-parcel auctions in our state.

What is a Multi-Parcel Auction?

For purposes of my testimony, I am providing an overview of the multi-parcel process for real estate, but it is important to note that multi-parcel auctions are often utilized for many different types of personal property sales.

Multi-parcel real estate auctions, specifically, allow buyers to bid on any single tract or combination of tracts or parcels to obtain the highest fair market value for the seller; while providing the greatest benefit for the buyer. This method allows auctioneers to offer a variety of assets by the individual parcel, groups of parcels or as a whole and to sell the asset in the way that will generate the highest dollar value for their clients while satisfying the needs of a wide range of customers. The majority of these auctions are conducted as absolute auctions (without reserve) and will not interrupt the flow of commerce in the auction industry nor will it build any barriers into the industry.



Why Multi-Parcel Auctions?

Multi-parcel auctions work well for buyers who want to bid on more than one parcel of land. The buyer selects the parcels that they are interested in owning.

Multi-parcel auctions are interesting because a potential buyer gets the opportunity to combine any or all tracts in any grouping throughout the entire auction. He or she can also post new bids on any single tract/parcel bid or combination bids already posted.

With multi-parcel auctions, everyone participating can choose what they want to try to buy and the price is ultimately set by the bidders. Everyone looks at a large board to check each tract/parcel's high bid – and whether or not they're currently “winning” it.

Unlike other auctions, it may not make sense to wait to bid at the end of the auction. It is actually recommended that a buyer have a strategy before the multi-parcel auction starts, and bid early, defending their position rather than trying to take it from someone else.

Other interesting facts about multi-parcel auctions:

- No one is knocked out of bidding at any time;
- A buyer can combine any or all tracts in any grouping throughout the entire auction, as well post new bids on any single tract bid or combination bids already posted;
- At any time a buyer can look at the lots displayed on large boards and see the high bid and who currently has control of a particular tract; and
- Since everyone who is participating in the auction event can choose which property they want to buy and the price is ultimately set by the bidder, everyone has the same opportunity to buy regardless of the other bidders' possible wealth or bidding strength.



We would like to thank Rep. Hill for sponsoring this important legislation and Chairman Hackett and this committee for your consideration.

We appreciate the opportunity to provide testimony on HB 480 and, on behalf of the Ohio Auctioneers Association; we urge your favorable support. I am happy to answer any questions at this time.