

The Iowa auction is a bid down auction that allows ties. You are bidding on the percentage of the tax lien against the property. Bidding starts at 100% and cannot go lower than 1%.

To bid there are two numbers, the direct bid and the proxy bid. If the auction goes below your proxy bid you will no longer be in the auction for that parcel. The winning percentage is always the lowest direct bid.

Example 1:

- Bidder A – Direct bid=100% Proxy bid=50%
- Bidder B – Direct bid=75% Proxy bid=1%

This auction will close at 75%. Since both bidders are still in there will be a random selection.

Example 2:

- Bidder A – Direct bid=100% Proxy bid=80%
- Bidder B – Direct bid=75% Proxy bid=1%

This auction will close at 75%. Since bidder A only went down to 80% the auction goes to Bidder B.

Example 3:

- Bidder A – Direct bid=100% Proxy bid=80%
- Bidder B – Direct bid=75% Proxy bid=1%
- Bidder C - Direct bid=100% Proxy bid=1%

This auction will close at 75%. Since bidder A only went down to 80% the auction goes to a random selection between Bidder B and Bidder C.