**Section 1440.260 Advertising; Auction without Reserve; Absolute Auction**

a) No advertisement or announcement for an "absolute auction" or "auction without reserve" shall include any terms or language regarding a minimum bid or minimum price.

b) No advertisement or announcement for an "absolute auction" or "auction without reserve" shall be issued unless:

1) there are no liens or encumbrances on the property to be sold other than current tax obligations, easements, or restrictions of record to any person other than the seller, unless every holder of each lien or encumbrance provides the auctioneer written evidence of a binding commitment that the liens or encumbrances shall be released immediately after the sale or at closing, without regard to the amount of the highest bid on the property or the identity of the high bidder; and

2) within the auction contract there is a binding written requirement that the seller, or agent of the seller, shall accept the highest bid, and transfer ownership of the property, without regard to the amount of the highest bid or the identity of the high bidder, and that the seller, or agent of the seller, shall not bid at the "absolute auction" or "auction without reserve", or otherwise participate in the bidding process.

(Source: Amended at 33 Ill. Reg. 7077, effective May 14, 2009)