

AUCTION TERMS AND CONDITIONS

1. **PROPERTY TO BE AUCTIONED:** 116 Leemon Road, Falkville, AL 35622
2. **SELLER(S):** Gerald & Deborah Gurganus
3. **DATE AND LOCATION OF AUCTION:** Online Only Auction Ends August 9, 2016 at 2:00pm. Auction will be extended by five minutes for any bid placed in the last five minutes. Auction will continue to be extended until no more bids are placed.

Real Estate:

A ten percent (10%) buyer's premium will be charged and added to the Buyer's bid price to determine the purchase price for all property sold at auction. The purchase price of the property, including the buyer's premium, will be payable in cash or certified funds as follows: (a) earnest money based on ten percent (10%) of the purchase price will be payable within 24 hours or the close of the auction; and (b) the balance of the purchase price will be payable at the Closing of the sales transaction. The following is an outline of the terms of sale:

OUTLINE OF TERMS OF SALE

High Bid Amount \$ _____

Buyers Premium (10%)+ \$ _____

Purchase Price \$ _____

Earnest Money (10%)- \$ _____

Balance Due At Closing \$ _____

The Buyer's obligation to close the sales transaction will not be contingent on Buyer's ability to obtain financing. The earnest money will be nonrefundable, except as otherwise provided in the Real Estate Sales Contract, hereinafter described.

If you are the High Bidder on any of the property offered for sale, you will sign a contract at the conclusion of the online auction.

5. **CONDUCT OF AUCTION.** United Country reserves the right to post additional Terms and Conditions of the auction during the course of the auction. All bidders will be bound by announcements posted during the auction, even though a bidder may not have actually saw the posting. The Real Estate Sales Contract for the purchase and sale of the property shall represent the final terms of sale. In the event of a dispute over any matter of the Auction, United Country shall have the absolute and sole right to make the final decision to resolve the dispute and will also have the right to either accept or reject the final bids or re-open the bidding. Increments of bidding are at the direction of United Country and the Auctioneer conducting the auction. United Country reserves the right to place bids for someone who is unable to bid online. If you need help bidding, please contact our office. Employees, Agents or

Brokers of United Country may bid on the auction. Bidding will be extended by 5 minutes when a bid is received in the last five minutes of the auction. Bidding extensions will continue until there are no more bids placed. United Country employees, agents, brokers and auctioneers reserve the right to bid in this auction. United Country reserves the right to cancel auction up to the close of bidding.

- 6. ORDER OF AUCTION.** Property to be sold as a whole.
- 7. BACK-UP BIDS.** An unsuccessful bidder may make a back-up bid to purchase the property in the event of default by the high bidder. A Back-up Bidder Form for that purpose will be provided by United Country, through its representatives at the request of the unsuccessful bidder.
- 8. CLOSING.** The sale of the property shall be closed and the deed delivered on or before 30 days from execution of contract. The law firm of the seller's choice in Decatur, AL will handle the closing. The closing will be held in their office. Funds for closing will have to be wired to the attorney's office.
- 9. CLOSING COSTS AND PRORATIONS.** All costs associated with the Closing of the transaction evidenced hereby shall be paid by the buyer. Ad valorem property taxes for the then-current tax will be pro-rated between the Seller and Buyer as of the date of the Closing. All property taxes applicable to the property for prior tax years remaining unpaid at the time of the Closing shall be paid in full by Seller prior to or at the time of the Closing. Any tax arising from a change in use of the property, which results in rollback tax shall be borne by Buyer.
- 10. CONDITION OF PROPERTY.** The property shall be sold **"AS IS, WHERE IS" and "WITH ALL FAULTS AND DEFECTS"**. Seller and United Country make no representations or warranties, express or implied, regarding the fitness, suitability or condition (environmental, structural or otherwise) of the property. Seller and United Country shall have no duty, liability, obligation and/or responsibility to Buyer or any other person or entity regarding the fitness, suitability or condition (environmental, structural or otherwise) of the property. Seller disclaims any and all warranties as to the status of mineral rights affecting the property, environmental conditions, availability of utilities, zoning, accesses to the property, or quantity of land in the property.
- 11. PROPERTY INSPECTION.** It is the Buyer's responsibility to inspect the property prior to the auction. Buyer's must rely on their own information, judgment, inspections and any public records concerning the property. The failure of the Buyer to be fully and adequately informed as to the condition of the property will not constitute grounds for adjustment of the price or withdrawal of the buyer's bid for the property, or return of any earnest money paid in connection with the sale of the property.
- 12. CONVEYANCE.** Seller shall convey to the Buyer of any property sold at auction good and marketable fee simple title to such property by Statutory Warranty Deed subject only to (i) current city, state and county ad valorem taxes not yet due and payable; (ii) easements for the installation or maintenance of public utilities serving the property; (iii) easements and restrictions of record; (iv) rights of way for public roads; (v) subdivision regulations and zoning ordinances of applicable governmental entities; (vi) matters of survey, and (vii) such other matters, if any, as may be acceptable to the Buyer, all of which items collectively are the "Permitted Exceptions".

- 13. TITLE INSURANCE.** Title Insurance will be at the Buyer's expense.
- 14. DISCLAIMER.** Seller and United Country (Or United Countries associated salespersons and the closing attorneys) make no representation relative to (a) the legal and tax consequences of the purchase or ownership of the property; (b) the availability of utilities or sewer service; (c) the environmental status of the property; (d) the investment or resale value of the property; (e) the quantity of land comprising the property; (f) the status of the title of property; (g) the status of mineral rights to the property; or (h) matters of survey affecting the property.
- 15. REAL ESTATE SALES CONTRACT.** Real estate sales transactions arising out of the auction shall be evidenced and governed by the Real Estate Sales Contract attached hereto, which shall be executed by Seller and the Buyer of the property at the auction. The terms of the Real Estate Sales Contract are controlling in the event of any perceived inconsistency between its terms and any statements in these Auction Terms and Conditions or any advertisement or other material concerning the property or the auction. It is therefore recommended that all bidders carefully review the attached Real Estate Sales Contract before the commencement of the auction.
- 16. BIDDER REGISTRATION.** All bidders must register with United Country before the auction. By registering in person at our office or online bidder acknowledges receipt of the terms and conditions.
- 17. BROKER PARTICIPATION.** A qualified, duly licensed Alabama real estate broker whose prospect is the successful bidder at the auction, and who closes the sale of the property, will be entitled to receive a commission based on 2% of the prospect's opening bid for the property, excluding the buyer's premium, and 1% of the difference between the prospect's written opening bid and the prospect's successful bid for the property, also excluding the buyer's premium. To qualify for the commission, a broker must first register the prospect, using the attached "BROKER PARTICIPATION REGISTRATION FORM", printed on the broker's letterhead, mailed, faxed or hand delivered to United Country. The registration must include the signatures of the broker and prospect, the broker's real estate license number. The registration must be received by United Country at least 48 hours prior to online bidding ending. The registration must be received by United Country before the buyer registers to bid online. The buyer's first bid online will be considered their opening bid. The buyer must place their opening bid online at least 24 hours before the scheduled close of bidding. The buyer/bidder will still need to complete the online registration process. UNDER NO CIRCUMSTANCES WILL BROKER REGISTRATION BE ALLOWED ON THE LAST DAY OF BIDDING FOR THE AUCTION. In addition, to qualify for a commission, must have shown the property to the prospect before the auction, and the sale of the property to prospect must close. A BROKER CANNOT ACT AS A PRINCIPAL AND BROKER ON THE SAME TRANSACTION.
- 18. AGENCY.** United Country Auctions is acting exclusively as an agent for the Seller. United Country is not acting as an agent for the buyer with respect to any transaction contemplated under these terms and conditions. United Country has the exclusive right to list and sell the property put up for sale at the auction. All negotiations concerning the sale of the property must be conducted through United Country Four Oaks Realty.