



ALASKA PREMIER AUCTIONS & APPRAISALS LLC  
1310 W. International Airport Road, Anchorage, Alaska 99518  
Phone: 907.570.7050 Email: Info@AlaskaPremierAuctions.com

## REAL ESTATE AUCTION TERMS & CONDITIONS

### 1. AGREEMENT:

This agreement outlines the sale of Real Property at public auction on behalf of the Owner or Representative hereafter called Seller, Alaska Premier Auctions and Appraisals LLC hereafter called Auctioneers, and the individuals executing this Terms & Conditions Contract, hereafter called Buyer for the property located at **811 Nelchina Street, Anchorage, Alaska 99501**. This real estate transaction will be facilitated in partnership with RE/MAX Dynamic Properties hereafter called Listing Brokerage.

### 2. TERMS OF AUCTION:

**Address:** 811 Nelchina Street, Anchorage, Alaska 99501

**Open House:** Saturday, August 29th, 2020 from 10am AKDT to 2pm AKDT

**Live Auction Date:** Saturday, August 29th, 2020 at 2pm AKDT

**Expected Closing & Recording Date:** Wednesday, September 30th, 2020

**Earnest Money Deposit:** \$5,000; Due no later than 24 hours after auction close.

**Non-Refundable Deposit:** \$5,000; Due no later than 24 hours after auction close.

**Deadline for Final Payment:** Monday, September 28th, 2020 at 6pm AKDT

**Financing:** CASH-ONLY. NO FINANCING. NO CONTINGENCIES.

The auction will be held online for three weeks until the live public outcry auction on Saturday, August 29th, 2020 at 2pm AKDT. The auction will be broadcast with live video through our website [AlaskaPremierAuctions.com](http://AlaskaPremierAuctions.com) and our company Facebook page. You can bid online through our bidding platform, in person at the property on the day of the auction, or by proxy bid through an offer with a real estate agent. Bidding for the property opens on Friday, August 7th and will go LIVE at 2pm on Saturday, August 29th. This date may be subject to change at the Auctioneers discretion and COVID-19 restrictions.

We are accepting cash-only for this sale and no offers will be accepted until conclusion of the auction. The property is sold "as-is, where-is" and the seller will not be doing any repairs. The sellers did not live in the property and have waived both property and lead paint disclosures. We have provided a brand new As-Built Survey and sourced an inspection for the property. These documents and other relevant documents are available for download on our website or on Alaska MLS. Before you bid on the property, make sure to do your due diligence. It's important that you are well versed in the property and feel comfortable in purchasing it if you are the winning bidder. You may have independent contractors inspect the property at any time a mutually agreeable time, or by appointment, up to 72 hours before midnight on the day of the auction. If you choose not to procure your own inspection(s) up to 72 hours before midnight on the date of the auction then you accept ours as true and good and you agree in writing to waive an inspection.

The winning bidder will be required to submit a Non-Refundable Deposit of \$5,000 AND \$5,000 Earnest Money within 24h after the auction closes. The remaining balance of the Total Purchase Price is due within 30 calendar days of the auction closing. The Non-Refundable Deposit will be credited towards the total purchase price of the property at closing. If the transaction fails to close and record due to any fault of the Buyer, known or unknown, the Non-Refundable Deposit will be awarded to the Auctioneers.

If interested in purchasing the property, please convey your interest using one of the following three methods:

- Register and bid online through our bidding platform
- Register in-person at the property on the date of the auction
- By proxy bid through a written offer with a real estate agent

To register for this auction, you may register online on our website at [AlaskaPremierAuctions.com](http://AlaskaPremierAuctions.com). To have your registration approved, you must participate in a quick phone interview with one of our Auction Managers to determine your availability of funds, plus your intent to bid in the auction and purchase the property. We will be taking in-person registrations on location on the day of the auction from 10am AKDT to 1pm AKDT at the same time as the property preview. In person registration on the day-of is on a first come, first serve basis. **REGISTRATION CLOSSES AT 1PM AKDT SATURDAY, AUGUST 29TH, 2020.**

You are encouraged to review the Purchase and Sale Agreement prior to bidding. You may wish to consult with a licensed real estate broker, attorney or contractor prior to making any bid.

Questions about the auction process? Call Listing Licensee & Auction Manager **Abigail McLagan** at **907.308.0282** to learn more about the auction process or with any specific questions about this property.

The other Auction Managers approving registrations are:

**Dan Newman**

Founder & Auctioneer

907.720.2700

**Nick Cline**

Partner, Lead Appraiser & Auction Manager

907.242.1850

**Thank you for your interest in our first-ever real estate auction! Best of luck on your bids!**

### 3. REGISTRATION:

- a. To register for this auction Buyer must accept online or sign a physical copy of these Terms & Conditions.
- b. Bidder registration is approved on a case by case basis with one of our Auction Managers.
- c. Auctioneers reserve the right to deny service to anyone for any reason.
- d. Be prepared with a form of government issued identification such as Driver's License, Passport, etc.
- e. Be prepared with Proof of Funds. Valid Proof of Funds include Cashier's Check written to yourself, or guaranteed funds from any financing institution.
- f. All registration information the Buyer provides shall be current, complete, and accurate.
- g. All bidders are responsible for any bids placed under their bidder accounts and passwords. The security of bidder information is the responsibility of the bidder. Bidders must notify Auctioneers company if they believe that their bidder account and password have been compromised.
- h. Any Licensee wishing to be compensated in relation to this sale **MUST** submit a formal offer in writing to the Listing Licensee on behalf of their client for the client's highest and best bid, or Maximum Bid. Deadline for offers to substantiate Licensee involvement is 24 hours before the live portion of the auction. **Deadline Is Friday, August 28th at 2pm AKDT.**
- i. No offers will be entertained from Buyers who have not signed these Terms & Conditions.
- j. Online and over the phone registration will take place until registration closes on the day of the live portion of the auction.
- k. In-person registration will take place on location the day of the live portion of the auction from 10am AKDT to 2pm AKDT. In-person registration is on a first come, first serve basis.

### 4. TOTAL PURCHASE PRICE:

- a. The **Hammer Price** is the numerical value of the final bid placed and accepted by Auctioneers.
- b. A **10% Buyer's Premium** in relation to the Hammer Price will be charged to the Buyer above and beyond the Hammer Price.
- c. The **Total Purchase Price** is to be determined by the highest and best bid plus the 10% Buyer's Premium.
- d. The **Final Payment** is to be determined by the Total Purchase Price less Earnest Money Deposit and Non-Refundable Deposit, plus any applicable prorations, escrow fees, or other applicable closing costs.

### 5. PURCHASE TERMS:

- a. **Buyer is required to submit TWO certified checks within 24 hours of the auction closing.** Both of these checks **MUST** be made out to RE/MAX Dynamic Properties. Funds will be held in a trust account with the Listing Brokerage.
- b. **Buyer must submit an Earnest Money Deposit of \$5,000.** Earnest Money is refundable in case of fault of the Seller or withdrawal of the property by the Auctioneers, and other conditions as outlined by the Alaska Real Estate Commission.
- c. **Buyer must submit a Non-Refundable Deposit of \$5,000.** The Non-Refundable Deposit will be credited towards the Total Purchase Price of the property at closing. If the transaction fails to close and record due to any fault or non-performance of the buyer, known or unknown, the Non-Refundable Deposit will be awarded to the Auctioneers. This deposit is only refundable in case of fault of the Seller or withdrawal of the property by either the Seller or Auctioneers.
- d. The remainder of the Total Purchase Price is due no later than 30 calendar days after the auction closes. **The Deadline for Final Payment is: Monday, September 28th, 2020 at 6pm AKDT.**

## 6. PAYMENT:

- a. The currency for the auction is \$USD.
- b. Earnest Money Deposit and Non-Refundable Deposit must be certified checks or cashier's checks drawn on a financial institution located in the State of Alaska, made payable to RE/MAX Dynamic Properties.
- c. The Final Payment may be made with a personal check, money order, interbank electronic transfer, certified check or cashier's check drawn on a financial institution located in the State of Alaska, made payable to the chosen Title Company.
- d. There is no Sales Tax within the Municipality of Anchorage. If the Buyer's Brokerage is based in the Matanuska-Susitna Valley Borough, or any other borough located within Alaska that has sales tax, the purchase may be subject to Sales Tax. Additionally the purchase may be subject to Sales Tax in the Buyer's state or country of residence. All Sales Tax is the sole responsibility of the Buyer.

## 7. COMMISSION:

- a. The entirety of the commission due to the Listing Brokerage, Selling Brokerage (if any), and Auctioneers is to be covered by the 10% Buyer's Premium. Seller is not responsible for any portion of the commission. Recall that Total Purchase Price = Hammer Price + 10% Buyer's Premium. The commission schedule is as follows:

### **Commission out of the 10% Buyer's Premium:**

- 3% to Listing Brokerage
- 3% to Selling Brokerage (if any)
- 4% to Auctioneers (7% if no Selling Brokerage)

### **Commission with consideration of the Total Purchase Price:**

- 2.73% to Listing Brokerage
- 2.73% to Selling Brokerage (if any)
- 3.64% to Auctioneers (6.37% if no Selling Brokerage)

- b. If the Listing Licensee is on both sides of the transaction, there is variable rate commission as follows:

### **Variable Rate Commission out of the 10% Buyer's Premium:**

- 4.5% to Listing/Selling Brokerage
- 5.5% to Auctioneers

### **Variable Rate Commission with consideration of the Total Purchase Price:**

- 4.095% to Listing/Selling Brokerage
- 5.005% to Auctioneers

## 8. CLOSING COSTS:

- a. To be paid by Seller: **Owner Title Insurance**
- b. To be paid by Buyer: **Tax Registration, Brokerage Fee (by way of Buyer's Premium)**
- c. To be split evenly by Seller and Buyer: **Recording Fee, Escrow Closing Fee, Attorney Doc Prep Fee**
- d. Buyer must come prepared to pay the **prorated value of the Property Taxes** based on the date the transaction closes and records.

## 9. CLOSING & RECORDING:

- a. Sale of Real Property in Alaska is closed in Escrow with a Title Company. Immediately following conclusion of the auction, Buyer is required to complete Purchase and Sale Agreement, Bill of Sale, and all other documents outlined below in Section 15: Documents & Disclosures in addition to submission of Earnest Money Deposit of \$5,000 AND Non-Refundable Deposit of \$5,000 within 24 hours.
- b. The Final Payment is due no later than 30 days following the auction closing. The Final Payment shall be paid out to the chosen Title Company.
- c. Earnest Money Deposit and Non-Refundable Deposit shall be deposited into a trust account with the Listing Brokerage.
- d. The transaction is complete with Recording and transfer of the Deed.
- f. Possession will be granted only after Closing & Recording. **NO EXCEPTIONS.**

## 10. PREVIEW:

- a. The property may be viewed by appointment with the Listing Licensee **Abigail McLagan 907.308.0282** or with a licensed agent to unlock SentiLock Lock Box present at the property.
- b. There will be an Open House preview on the day of the auction for four hours preceding the beginning of the closing of the auction. **Open House: Saturday, August 29th, 2020 from 10am AKDT to 2pm AKDT**

## 11. INSPECTION:

- a. Buyer shall have the right, at Buyer's expense, to have a licensed contractor(s) or other qualified professional(s) to further inspect and investigate the subject property at a mutually agreeable time, or by appointment, up to 72 hours before midnight on the day of the auction with the Listing Licensee present.

- b. Any inspection(s) or contractor estimates must be submitted to the Auctioneers.
- c. Buyer may not withdraw a bid because of any discovery during or in relation to an inspection(s). The Buyer must be prepared before placing a bid.
- d. If you choose to not have an inspection done up to 72 hours before midnight on the day of the auction then you agree to complete a Waiver of Inspection.
- e. In the course of your inspections, if the property is damaged by the Buyer or their chosen contractors, Buyer will be liable for all costs of repair and any related damage.

#### 12. REPAIRS & UPGRADES:

- a. The Seller will not pay for any repairs or upgrades. **NO EXCEPTIONS.**

#### 13. APPRAISAL:

- a. Buyer may choose to have an appraisal done at their own expense at any mutually agreeable time, or by appointment time up to 72 hours before midnight on the day of the auction with the Listing Licensee present.
- b. If the Buyer procures an Appraisal, it must be submitted to the Auctioneers.
- c. Buyer may not withdraw a bid because of any discovery in relation to an appraisal. The Buyer must be prepared before placing a bid.

#### 14. BUYER RESPONSIBILITIES:

- a. **It is the Buyer's sole responsibility to verify all property information and inspect the property as they see fit.** It is the Buyer's responsibility to perform any inspections they deem pertinent to the purchase of the property to their satisfaction prior to bidding, including but not limited to review of posted inspections, disclosures, and/or a personal on-site inspection. You are recommended to independently verify all information you deem important. The property is scheduled to have one or more open houses, and/or private showings upon request. Alaska Premier Auctions and Appraisals LLC assumes no liability for errors or omissions in these disclosures or any other property listings or advertising, promotional or publicity statements and materials.
- b. Buyer agrees to execute and deliver all documentation and submit funds in an efficient and timely manner.
- c. Buyer agrees to not withdraw any bid or offer, including offers in writing with a Purchase and Sale Agreement. Buyer agrees they will not retract or lower their offer in any way. A bid on the property constitutes a legally binding agreement to purchase the property for the value of the bid plus 10% Buyer's Premium.
- d. Buyer agrees to not make false or misleading claims or statements regarding their availability of funds, or their ability or interest to purchase the property.
- e. Buyer agrees to ensure their availability of funds before placing a bid.
- f. Buyer agrees to comply with all applicable laws regarding the sale of real property in Alaska.
- g. Collusion between bidders is prohibited by the Federal Anti-Trust Laws. If Auctioneers perceive attempted collusion, they may cancel the auction, ban the bidders, or seek other remedy they deem fit.

#### 15. BUYER DEFAULT:

- a. In the event the Buyer is the winning bidder, and fails to submit deposits or complete documentation in a timely manner, the Auctioneers may terminate this agreement and bring forth litigation to recover damages. Time is of the essence.
- b. In the event the Buyer is unable to complete the transaction after submitting Earnest Money and Non-Refundable Deposits, such as inability to secure funding, etc, the Buyer will forfeit the entire Non-Refundable Deposit and may lose their Earnest Money depending on circumstances.
- c. Buyer agrees to not withdraw any bid or offer, including offers in writing with a Purchase and Sale Agreement. By participating in our auction Buyer agrees they will not retract or lower their offer in any way.
- d. In the event the Buyer is unable to complete the transaction for any reason, known or unknown, the Auctioneers are entitled to damages. **NO EXCEPTIONS. BIDDING ON THE PROPERTY IS A LEGALLY ENFORCEABLE COMMITMENT BY THE BUYER TO PURCHASE THE PROPERTY.**
- e. If Buyer is found to be in violation of any of these terms herein in any way, the Auctioneers reserve the right to terminate the agreement and ban the Buyer from future participation.
- f. In the event of Buyer default, Auctioneers reserve the right to sell to the next highest qualified Buyer, or re-list the property.
- g. In the event the Auctioneers must facilitate the sale through backup bidders or re-listing the auction, the original defaulting Buyer shall be liable for the payment of any deficiency between the purchase price and all costs and expenses, the expenses of both sales, reasonable attorney's fees, commissions, incidental damages and all other charges due hereunder.
- h. In any event of Buyer Default, the Buyer will be blocked and banned from future participation in any auctions.

## 16. DOCUMENTS & DISCLOSURES:

a. Buyer must be prepared to execute all documents outlined below immediately following the conclusion of the auction. These documents can be downloaded from our website [AlaskaPremierAuctions.com](http://AlaskaPremierAuctions.com) or through Alaska MLS. **Deadline for completion is 24 hours after the auction closes.**

- **Disclosure of Information and Acknowledgement: Lead-Based Paint and/or Lead-Based Paint Hazards**
- **State of Alaska Real Property Transfer Disclosure Statement Waiver by Agreement**
- **Waiver of Property Inspection** if Buyer has not completed an inspection before 72 hours before midnight on the day of the auction.
- **Purchase and Sale Agreement**
- **Bill of Sale**
- **Conflict of Interest**

## 17. BIDDING ONLINE:

a. All bidding is open to the public. The property is available to purchasers without regard to race, color, religion, sex, familial status, national origin, or physical handicap.

b. Bidder registration must be manually approved by the Auctioneers. Approval will be on a case by case basis determined by Buyer's availability of funds and genuine intent to purchase the property. The identity of all bidders will be verified, bidding privileges are provisional, and if complete verification is not possible, Auctioneers reserve the right to reject the registration and bidding activity is subject to termination. Auctioneers reserve the right to refuse service to any bidder or reject any bid for any reason.

c. Auctioneers reserve the right to ban Buyer from bidding at any time, for any reason.

d. Any person bidding on behalf of another person or entity must have a valid, legally enforceable, unexpired, Power of Attorney approved by Auctioneers before being approved to place bids.

e. The auction will be open online for bidding until the date of the auction with bid increments as outlined below. At the scheduled time for the live portion of the auction, the Auctioneer will take over the bid calling and may adjust the bidding increments at their discretion.

**f. Company Defined Online Bidding Increments: \$1 - 1,000,000+: \$1000**

g. Bid increments are subject to change during a live online auction at auctioneer's discretion.

h. During this auction process, there is a chance that you will be outbid. If you have the bidding app, you will receive a popup notification, otherwise, you will receive an email. It is the responsibility of the Buyer to realize and maintain their desired bidding position.

i. Placing a Maximum Bid will place a bid for the next bid increment and will automatically bid for the Buyer up to the value of their Maximum Bid unless there is a reserve as outlined in below.

j. When a user places a Maximum Bid it will be placed at the reserve price if said Maximum Bid exceeds the reserve. If the Maximum Bid amount is below the reserve the bid will be placed for the full amount.

i. The MaxBid function on the online bidding platform is private to users; however, it can be seen by the Auctioneers.

## 18. LEGAL & TAX ADVICE:

a. Alaska Premier Auctions and Appraisals will not provide any legal or tax advice. Any and all disclosures to third parties are the sole responsibility of the Buyer.

## 19. CONDITIONS OF SALE:

a. All property is sold "AS IS", and ALL SALES ARE FINAL. Any condition statement given, as a courtesy to a client, is only an opinion and should not be treated as a statement of fact. Buyers are always encouraged to inspect items in person prior to bidding to make their own determinations as to condition, safety, and more. Alaska Premier Auctions and Appraisals LLC accepts no responsibility for any error or omission in regards to their statements or the statements of independent contractors.

b. Property is open to thorough public inspection by preview appointment with the Listing Licensee or with a licensed agent using the lock box located on the property. Additionally there will be an Open House on the day of the auction for four hours before the live portion of the auction begins. It is the Buyer's sole responsibility to determine condition, safety, value or any other determining factor. Alaska Premier Auctions and Appraisals LLC may attempt to describe the property in advertising, on the Internet, and at the auction but makes no representations. In no event shall Alaska Premier Auctions and Appraisals LLC be held responsible for having made or implied any warranty of merchantability or fitness for a particular purpose. Buyer shall be the sole judge of value and authenticity and may not make any contest regarding any determining factor. Buyers who participate from off-site and forego the opportunity to be present at the preview understand and acknowledge that this affects their ability to inspect the property as well as if they examined it in person.



Alaska Premier Auctions and Appraisals LLC will not be responsible for any errors or omissions in the description unless it is a material and intentional misrepresentation of the property. Buyer agrees that everything is sold as-is. **THERE ARE NO REFUNDS.**

#### 20. WARRANTIES:

- a. The Buyer warrants that they have the purchasing power and legal right to bid on the property and complete the sale.
- b. The Buyer warrants that they are committing to purchase the property by placing a bid. In the event the Buyer is unable to complete the purchase for any reason, known or unknown, the Non-Refundable Deposit will be forfeit and awarded to the Auctioneers. By bidding at the auction, you represent, warrant and agree that you have inspected the property to your satisfaction and that you have made your bid after having relied solely upon your own independent investigation and/or analysis of third parties' inspection, appraisal and evaluation of the property and the facts and circumstances related thereto.
- c. Alaska Premier Auctions and Appraisals LLC is providing Internet auction bidding as a service to Bidder. Bidder acknowledges and understands that this service may or may not function correctly the day of the auction. Under no circumstances shall Bidder have any kind of claim against Alaska Premier Auctions and Appraisals LLC or anyone else if the Internet service fails to work correctly before or during the timed online auction. Alaska Premier Auctions and Appraisals LLC will not be responsible for any missed bids from any source. Internet bidders who desire to make certain their bids are acknowledged should use the website feature and leave their maximum bid 24 hours before the auction ends.

#### 21. WITHDRAWAL:

- a. Alaska Premier Auctions and Appraisals LLC reserves the right to postpone, withdraw, or cancel this auction at any time, for any reason.
- b. In the event a Buyer must retract their bid, they must pay to the Auctioneers the difference in value between the Buyer's bid and the next highest bidder's bid. **NO EXCEPTIONS.**

#### 22. TERMINATION:

- a. If the transaction fails to close and record due to any fault of the Buyer, known or unknown, they will forfeit the entire Non-Refundable Deposit and may lose their Earnest Money depending on circumstances.
- b. If the transaction fails to close and record due to any fault of the Seller or Auctioneers, known or unknown, the Buyer will receive their Non-Refundable Deposit and Earnest Money Deposit in full.

#### 23. DISPUTES & MEDIATION:

- a. Earnest Money Disputes: Buyer and Seller agree that, in the event of any controversy regarding the earnest money held by Broker, the Broker may: a) Make the determination as to the cause of the failure of this transaction and distribute the earnest money accordingly after giving notice to Listing Broker, or b) Require the parties to execute an agreement for the release of the earnest money, in which case the earnest money shall be distributed in accordance with such agreement. If the parties are unwilling to execute an agreement for the release of earnest money, the parties shall submit the matter to mediation as provided below, and if mediation fails, the broker may file an interpleader action in a court of competent jurisdiction requesting the court to determine the distribution of the earnest money. Broker shall be entitled to an award from the earnest money of full reasonable attorneys' fees and costs. c) In the event the Broker makes a determination as to the cause of the failure of the transaction and distributes the Earnest Money accordingly, the parties hereto agree to indemnify and hold the Broker harmless from any and all claims, liabilities or losses that either party may incur as a result of the Broker's decision.
- b. Mediation: If a dispute arises relating to this transaction, between or among Buyer and Seller, and is not resolved prior to or after recording, the parties shall first proceed in good faith to submit the matter to mediation. Costs to be shared by mutual agreement between or among the parties. Unless otherwise agreed in mediation, the parties retain their rights to proceed to arbitration or litigation. If the parties have not agreed to mediation within 30 days from date of original dispute, it will be assumed that they do not wish to mediate the dispute and the Broker will act accordingly.

#### 24. GOVERNING LAW & VENUE:

- a. This agreement is governed by and construed in compliance with the domestic laws of the State of Alaska without giving effect to any choice-of-law or conflict-of-law provision or rule (whether of the State of Alaska or of any other jurisdiction) that would cause the application of the laws of any jurisdiction except the State of Alaska. All disputes related to this agreement shall be resolved in a court of law located in Anchorage, Alaska.

#### 25. INDEMNIFY:

- a. Buyer agrees to indemnify and save harmless the Auctioneers and their employees, agents, successors, or assigns, against any and all claims, injury, loss, liabilities, damages, demands, action or cause of action whatsoever in any manner arising from this auction or privately negotiated sale; before, during, or after the auction.

**26. BINDING:**

**a. Parties agree that this agreement shall be binding upon the undersigned and their respective heirs, administrators, executors, powers of attorney, trustees, agents, receivers, successors, and assigns, etc. If there is more than one party described as Buyer herein, the obligations imposed by this agreement shall be joint, and several. If any term of this agreement is determined by a court to be unenforceable, the remainder of this agreement shall not be affected. The terms & conditions of this agreement shall survive settlement or lack thereof.**

**27. ACKNOWLEDGEMENT & ACCEPTANCE:**

**a. This written agreement constitutes the entire agreement between the parties and no modification of this agreement shall be effective unless made in writing and signed by both Buyer and Auctioneers. Buyer has read the foregoing agreement, agrees to, and understands the responsibilities, obligations, and conditions thereof. Buyer acknowledges receipt of a copy of this agreement and attached schedules, if any.**

**YOUR SIGNATURE WHETHER ELECTRONIC OR HAND-WRITTEN CONSTITUTES ACKNOWLEDGEMENT AND ACCEPTANCE OF ALL TERMS HEREIN.**

**Thank you for your interest in our first-ever real estate auction! Good luck on your bids!!**

**Buyer 1 Signature:**

**Date:**

\_\_\_\_\_

\_\_\_\_\_

**Buyer 2 Signature:**

**Date:**

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