

TERMS AND CONDITIONS OF SALE

Luxury Waterfront Home

2123 Lake Heather Way, Hoover, Shelby County, AL 35242
Live Auction Thursday, August 15th, 2019 at 1:00 pm (CT)

TARGET AUCTION & LAND COMPANY, INC. (“Auction Company”/“Auctioneer”) has a contract with **LEO HUANG** (Hereinafter referred to as the “Seller”), to offer at auction a Luxury Waterfront Home in Lake Heather Estates located at 2123 Lake Heather Way, Hoover, Shelby, County, AL 35242 (“Property”). The Property will be offered at Absolute Auction selling to the highest bidder with no minimum, no reserve.

THE PROPERTY IS BEING SOLD AS-IS AND WITH NO CONTINGENCIES

A 10% BUYER’S PREMIUM WILL BE ADDED TO THE WINNING BID TO DETERMINE THE TOTAL CONTRACT PRICE

ORDER OF SALE:

- 1. Registration begins at 12:00 pm (CT) – a Registration Fee of \$10,000.00 is required to register and bid.**
- 2. Auction begins at 1:00 pm (CT).**

1. TERMS OF SALE

- A. **A registration fee of \$10,000.00 is required to register to bid.** For those who are not the Purchaser, the registration fee will be promptly refunded (see Section 5).
- B. This is a CASH SALE with a TEN PERCENT (10%) down payment based on the Total Contract Price for the Property due auction day. The remaining balance is due at closing within 30 days. The Contract for Sale & Purchase (“Sales Contract”) shall be executed on auction day immediately after being declared the winning bidder (“Purchaser”). The registration fee of the Purchaser will be applied toward the required down payment. This sale is not contingent upon the Purchaser’s ability to obtain financing. No credit cards will be accepted.
- C. A 10% Buyer’s Premium will be added to the final bid to determine the Total Contract Price paid by the Purchaser.
- D. Any person bidding on behalf of another person or entity must have a valid, legally enforceable, unexpired, Power of Attorney approved by Auctioneer before the being approved to place bids.
- E. By submitting a bid in the name of a business entity or corporation, the individual submitting the bid must have the authority to bid and enters into a guaranty agreement whereby s/he personally guarantees payment of the bid amount.
- F. If for any reason the Purchaser fails or refuses to execute the Sales Contract and/or deposit the required funds immediately after being confirmed the Purchaser, the Seller reserves the right to declare the bidder’s rights forfeited and may resell the property and retain the registration fee. If for any reason the Purchaser fails or refuses to complete the transaction as defined herein, the down payment will be forfeited.
- G. No personal property, furnishing, or equipment will be conveyed with the real estate. However the furnishings are being sold separately.
- H. Possession of Property will be at closing.
- I. The Registration Fee will be forfeited should Purchaser not perform as outlined herein.
- J. SURVEY: The property will be selling by existing legal description and has not been surveyed for the auction. Should Purchaser desire any survey work, it will be at Purchaser’s option and expense, and will not affect the closing. If a survey shows a greater or lesser amount of acreage, the Sales Contract price will not be adjusted.

2. PROPERTY DISCLOSURES

- A. The Property is selling subject to all matters contained in the Title Commitment (which is available for review) including all restrictions, zoning, rights-of-way, easements of record, and any other items of record.
- B. Seller will convey all mineral, gas or oil rights applicable to the Property owned by Seller, if any.
- C. The Property is being sold unfurnished.
- D. Existing built-in appliances will remain.
- E. The property is selling “AS IS, WHERE IS”.

Purchaser(s) Initials _____ Seller(s) Initials _____

- F. The Property is selling subject to the Declaration of Protective Covenants for Lake Heather Estate, as well as any addendums, guidelines, rules and regulations, etc. HOA dues are \$3,100.00 per year and have been paid in full for 2019 and will be prorated at closing.

3. PROPERTY INFORMATION

- A. The Property will be conveyed by Warranty Deed free and clear of all liens and encumbrances subject to the terms and conditions relating to such liens and encumbrances contained in the Sales Contract and the Title Commitment.
- B. The Property is selling “AS IS, WHERE IS” and the SALES CONTRACT IS NOT CONTINGENT upon, any state of facts an updated survey or personal inspection of the Property may reveal, any existing or proposed rights-of-way, prior reservation or conveyances, restrictive or protective covenants, easements, encroachments, rights or claims of parties in possession, zoning, building codes, permits, governmental agencies regulations, environmental conditions (including but not limited to wetlands, riparian, or littoral rights), flood zones, zoning or subdivision regulations, hazardous materials, water rights or water access, mineral rights or reservations, leases or tenancies, and subject to all title exceptions as set forth in the Title Commitment.

4. PROPERTY INSPECTION

- A. It is the Purchaser’s sole responsibility, before bidding, to 1) inspect the Property and the immediate surroundings, and to be satisfied as to its condition prior to bidding; 2) review all Property information; 3) independently verify any information deemed important including, but not limited to, information available in public records; and 4) inquire of public officials as to the applicability of and compliance with land use laws, zoning, building codes, health, sanitary, safety and fire codes, any environmental laws and regulations, and any other local, state or federal laws and regulations.
- B. All information contained in any and all promotional materials, including, but not limited to, square footages, acreage, dimensions, zoning, maps, taxes, income, etc., was provided by the Seller and is believed to be correct; however, neither the Seller nor the Auction Company makes any guarantee or warranty as to the accuracy or completeness of such information. Neither the Seller nor the Auctioneer is required to update any information.
- C. Any work performed by a potential bidder or on behalf of a potential bidder is solely at the expense and responsibility of the potential bidder.
- D. Purchaser and/or Purchaser’s Agent/Broker shall bear the responsibility to confirm all information relevant to the Property prior to bidding.

5. BIDDER REGISTRATION & BIDDING DETAILS

- A. This is a LIVE Auction and all bidding will be done onsite at the Property located at 2123 Lake Heather Way, Hoover, AL 35242.
- B. **The bidder is required to submit a registration fee of \$10,000.00** in the form of a certified or cashier’s check from a U.S. bank made payable to Target Auction Escrow Account onsite auction day to obtain a bidder number and bid on the Property. **Should you not be the Purchaser, your registration fee will be immediately returned.**
- C. The Purchaser must pay the required TEN PERCENT (10%) down payment (based on Total Contract Price) to Target Auction Escrow Account auction day in the form of a personal or company check from a U.S. bank. The \$10,000 registration fee shall be deposited into Target Auction Company’s Escrow Account and will be applied toward the ten percent (10%) down payment.
- D. Any bid/offer made by a bidder shall be binding on the bidder.
- E. The Purchaser shall execute and return to Auction Company a completed Sales Contract on auction day, together with all related Exhibits for such Property. The fully-executed Sales Contract (together with all related Exhibits thereto) shall control all Terms and Conditions of Sale and constitute the entire agreement between Purchaser and Seller. NO CHANGES TO THE TERMS OF THE SALES CONTRACT WILL BE PERMITTED. PURCHASER WILL BE REQUIRED TO ENTER INTO THE SALES CONTRACT “AS IS” ON AUCTION DAY.

6. CLOSING

- A. **Closing shall be scheduled on or before Monday, September 16th, 2019.** Target Auction & Land Company, Inc. shall deposit, in their Escrow Account, the down payment until closing of the Property. Closing will be completed by Halbrooks & Allen, LLC located at #1 Independence Plaza, Homewood AL 35209, Bill Halbrooks 205-871-0780 bill@halbrooksalen.com. It is the Purchaser’s responsibility to schedule your closing. **Deadline to close is on or before Monday, September 16th, 2019.**
- B. The proceeds due from the Purchaser at closing shall be in shall be in the form of a certified or cashier’s check or confirmed wire transfer from a U.S. Bank, sent to Halbrooks & Allen, LLC.
- C. **Seller** will pay for preparation of the deed, title exam/commitment, prorated taxes and HOA fees. **Purchaser** will be required to pay all other closing cost, including but not limited to, survey fees, recording fees, attorney’s fees, wiring fees, title insurance and loan/financing fees, if any, etc. All taxes and HOA fees will be prorated to day of closing. Title Insurance is available at the Purchaser’s option and expense.

D. If Purchaser is obtaining a loan to finance the Property purchase, Purchaser agrees not to use any lender that restricts the selling agent’s fees, commission, or any expense money that is due Auctioneer. It is the Purchaser’s responsibility to inquire in advance of loan application/commitment with lender about any fee restriction to the Seller’s agent. This sale is not contingent upon Purchaser’s ability to obtain financing.

7. DEFAULT

It is agreed by all parties that in the event the Purchaser fails to close and pay his/her balance when due, Seller and Auction Company reserve all rights allowed by law and the Sales Contract, including a suit for damages, specific performance or cancellation of the transaction, with the Seller to retain the Registration Fee and Down Payment. In the event of any breach of the terms of this Agreement by Purchaser, escrow agent is expressly authorized and instructed to disburse the Down Payment without the requirement of any further writing or agreement of the Seller and/or Purchaser. Any action taken after Purchaser’s default shall be solely at the Seller’s option with all costs incurred by Seller being paid by the Purchaser. If any legal action is required to enforce this agreement, or to collect any fees or costs earned or advanced pursuant thereto, the Seller or Auction Company shall be entitled to recover any and all costs of such action, including, but not limited to, the expenses and court costs of the action and a reasonable attorney’s fee. This agreement shall be interpreted under the laws of the State of Alabama and the venue and jurisdiction for any action filed in relation to this agreement shall be in the state courts sitting in Shelby County, Alabama.

8. AUCTIONEER’S AGENCY DISCLOSURE

The Auctioneer is acting exclusively as the agent for the Seller in this transaction and is to be paid a fee by the Seller pursuant to a separate written agreement between Seller and the Auction Company. The Auctioneer is not acting as an Agent in this transaction for the Purchaser. Any third party Buyer Broker is not a Subagent of Auction Company.

9. DISCLAIMER

- A. Personal on-site inspection of the Property is recommended and bidders are advised to independently verify all information they deem important. This Property is being sold “as is, where is” and “with all faults”. The Seller, Auctioneer, and/or Auction Company have not made, do not make and will not make, and hereby disclaim any representation or warranty, whether expressed or implied or statutory, whether oral or written, with respect to the Property, including, without limitation, any warranty as to their value, condition, suitability, merchantability, marketability, operability, tenant ability, habitability, zoning or subdivision regulations, income, mineral rights, environmental condition, soil condition, sink holes or percolation, compliance with any building code, safety and health codes, or other governmental agency rules or regulations, or fitness for a particular use or purpose. No guarantees are given as to the availability of utilities or accesses or the permitted or allowable uses on the Property.
- B. Neither the Seller, its attorneys, any broker, nor the Auction Company shall be liable for any relief including damages, rescission, reformation, allowance or adjustments based on the failure of the Property, including, but not limited to, amount of square feet, acreage, zoning, and environmental or hazardous conditions to conform to any specific standard or expectation, or any third party documents or information.

10. EQUAL OPPORTUNITY CLAUSE

All bidding is open to the public. The Property is available to qualified Purchaser(s) without regard to race, color, religion, sex, familial status, national origin, or physical handicap.

11. AUCTIONEER’S NOTE

- A. All decisions of the Auctioneer are final as to the methods of bidding, disputes among bidders, increments of bidding and any other matters that may arise before, during, or after the auction. Auctioneer reserves the right to deny any person to participate in the auction or expel anyone from the auction whom attempts to disrupt the auction.
- B. All announcements made auction day supersede any prior oral or written statements. The Seller reserves the right to add to or delete all or a portion of the Property prior to commencement of the bidding, by gavel of Auctioneer, for that lot or portion of the Property, before or at the auction. Auction Company may, at its discretion, change or modify any part of the Sales Contract or terms of sale at any time prior to execution of Sales Contract without further notice to any bidder or Purchaser.

12. LIABILITY

ALL PERSONS WHO ATTEND THE SALE OR VIEW PROPERTIES DO SO AT THEIR OWN RISK. NEITHER THE SELLER AND/OR TARGET AUCTION COMPANY NOR ANY OTHER PERSON CONNECTED WITH THE SALE ASSUME ANY LIABILITY LEGAL OR OTHERWISE, FOR ANY ACCIDENTS WHICH MAY OCCUR. TARGET AUCTION COMPANY IS ACTING AS SELLING AGENT ONLY.

13. SIGNATURES

Electronic Signatures and Facsimiles shall serve as valid authority for this document and all documents pertaining thereto.

14. COUNTERPARTS

This contract may be executed in counterparts, each of which is deemed an original and together constitute one document.

By signing below, each Purchaser(s) and Seller(s) acknowledge that: this ‘Exhibit A’ consists of four pages, has read and understood same; these terms are made a part of the CONTRACT FOR SALE AND PURCHASE.

Executed by Purchaser(s) on August 15th, 2019

Executed by Seller on August 15th, 2019

PURCHASER

LEO HUANG

PURCHASER