

REAL ESTATE

PRELIMINARY TERMS AND CONDITIONS OF SALE

Online Auction: Hidden Meadows Golf Course Selling in 2 Tracts or an Entirety

13000 Old Cove Rd., Northport, Tuscaloosa County, Alabama

Bidding ends Thursday, July 11th, 2019 at 1:00 p.m. CT

TARGET AUCTION & LAND CO., INC. ("Auction Company"/"Auctioneer") has a contract with **Alabama Golf Management Group, Inc.**, (Hereinafter referred to as the "Seller"), to offer at auction a golf course known as "Hidden Meadows Golf Course", a club house pool facilities and equipment shed situated on 195± Acres ("Property"), located at **13000 Old Cove Rd., Northport, Tuscaloosa County, Alabama**. The property will be sold with a reserve, subject to Seller approval.

OFFERING:

The two tracts will be offered individually as an Entirety.

1. **North Tract consists of:** All Property related to the Hidden Meadows Golf Course that lies on the North side of Shamblin Road (128± Acres) and includes the Club House, Driving Range, Swimming Facilities and Equipment Shed.
2. **South Tract consists of:** All Property related to the Hidden Meadows Golf Course that lies on the South side of Shamblin Road (67± Acres).
3. **The Entirety consists of:** The North Tract & South Tract on 195± Acres, Club House, Driving Range, Swimming Facilities and Equipment Shed.

The Auctioneer and Seller reserve the right to sell the property in any manner they so desire. Individual purchases are to be considered as singular transactions and are not contingent upon the sale of any other properties.

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

BIDDING IS AVAILABLE BEGINNING THURSDAY, June 27TH, 2019 AT 1:00 P.M. (CT)

A \$10,000 registration fee will be required to bid.

1) TERMS OF SALE

- A) This is a CASH SALE with a TEN PERCENT (10%) down payment (based on the Total Contract Price) for the Property due no later than July 12th, 2019 at 4:00 p.m. (CT). The balance of the purchase price is due at closing within 30 days. The Contract for Sale & Purchase ("Sales Contract") must be executed and returned to Auction Company on auction day. This sale is not contingent upon Purchaser's ability to obtain financing. No credit cards will be accepted.
- B) A \$10,000.00 registration fee will be required to bid. This registration fee must be received by Auction Company prior to being approved to bid.
- C) A 10% (TEN PERCENT) 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 Auction Company before being approved to place bids.
- E) By submitting a bid in the name of a business entity or corporation, the individual submitting the bid has 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 high bidder fails or refuses to execute the Contract for Sale & Purchase ("Sales Contract") and/or deposit the required funds as outlined above in Item A, the Seller reserves the right to declare the bidder's rights forfeited and may resell the property.
- G) The Real Estate Contract is not subject to any Personal Property or Equipment. However; there is equipment and personal property that Seller will convey to the Purchaser of the Entirety or the North Tract.
- H) Possession of property will be at closing.

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

- I) SURVEY: The property has not been surveyed for the Auction. The property will be conveyed by existing legal description. 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 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, rights-of-way, easements of record, and any other items of record.
- B) If the Property sells individually, the Purchaser of the North Tract will have access and use of the lake and pumps on the South Tract. It will be the expense of the Purchaser of the North Tract to maintain lake and pumps. The Purchaser of the South Tract agrees to give Purchaser of the North Tract access for maintenance and repairs.
- C) Seller currently has a lease with Yamaha Golf-Car Company/Yamaha Financial Services for the lease of 40 Fleet Cars. The Purchaser of the Entirety or Purchaser of the North Tract will be required to assume this Lease. The monthly payments are \$2,160.00 per month and expires in January 2021.
- D) If Purchaser elects to keep the course open, Seller will transfer the prorated Golf Memberships, Pool Memberships and Cart Leases/Fees at closing. Purchaser agrees to honor all memberships. In the event the Purchaser elects to close the course, Seller will rebate prorated fees to members.
- E) No guaranty or representation is made regarding any individual part of the property's ability to pass a perc test.
- F) Seller will convey all mineral, gas or oil rights applicable to the Property owned by Seller, if any.
- G) No food, liquor licenses or permits will convey with the sale.
- H) Portions of the property may be/are located in a flood zone.
- I) The website domain and name rights for the course and clubhouse will convey to the Purchaser of the Entirety or the North Tract.
- J) The property is selling "AS IS, WHERE IS".

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" and any 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 real property and the immediate surroundings, and to be satisfied as to their 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, etc., was provided by the Seller and is believed to be correct; however, neither the Seller nor the Auctioneer make 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.

Purchaser and/or Purchaser's Agent/Broker shall bear the responsibility to confirm all information relevant to the Property prior to bidding and/or for verifying all acreage and square footage amounts through public records.

5) BIDDER REGISTRATION & BIDDING REQUIREMENTS

- A) To register for online bidding, the bidder must (1) must complete the required online registration found on the Property's bid page on www.targetauction.com. (2) wire/deliver the required funds to [Equity Title Company](#). **A registration fee of \$10,000 is required** (plus any wire transfer fee). Should you not be the Purchaser, your registration fee will be returned.

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- B) Bidder must be approved by Auction Company.
- C) Any bid/offer made by the bidder shall be binding on the bidder.
- D) Purchaser must wire/deliver the required TEN PERCENT (10%) down payment (based on Total Contract Price) to H [Equity Title Company](#) by 4:00 p.m. (CT) the next business day. The \$10,000 registration fee will be applied toward the ten percent (10%) down payment.
- E) The Purchaser shall execute and deliver to the 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 CONTRACT WILL BE PERMITTED. PURCHASER WILL BE REQUIRED TO ENTER INTO THE CONTRACT "AS IS".
- F) **MaxBids** that are placed on the online bidding platform are private; however they can be seen by Auctioneer. Auctioneer reserves the right to bid on behalf of the Seller (on reserve auctions) up to the reserve amount. Seller has the right to modify the reserve at any time.

6) CLOSING

- A) **Closing shall be scheduled on or before Monday, August 12th, 2019.** The balance of the Total Contract Price is due at closing. The closing will be completed by [Equity Title Company located at 700 Towncenter Blvd, suite 4, Tuscaloosa, AL 35406, contact Angie Woods, 205-561-1347 or \[angie@equitytitleco.net\]\(mailto:angie@equitytitleco.net\)](#). It is the Purchaser's responsibility to schedule your closing. **Deadline to close is on or before Monday, August 12th, 2019.** [Equity Title Company](#) will act as closing agent and will issue the owner's and lender's title insurance policies.
- B) The proceeds due from the Purchaser at closing shall be delivered to [Equity Title Company](#).
- C) **Seller** will pay for preparation of the deed, title exam/commitment and prorated taxes. **Purchaser** will be required to pay all other closing cost, including but not limited to, title insurance policy, survey fees, recording fees, attorney's fees, wiring fees and loan/financing fees, if any, etc. All taxes will be prorated to day of closing.
- 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 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 Tuscaloosa 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

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

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 the 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 SELLERS 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 THE 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, Purchaser(s) and Seller(s) acknowledge this ‘Exhibit A’ consists of four pages, has read and understood same and is made a part of the CONTRACT FOR SALE AND PURCHASE.

Executed by Purchaser on July 11th, 2019

PURCHASER

Executed by Sellers on July 11th, 2019

SELLER:
ALABAMA GOLF MAGAGEMENT GROUP, INC.

BY: _____
WILL S. PRICKETT, JR.
ITS: PRESIDENT

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