

## AUCTION TERMS AND CONDITIONS

1. **PROPERTY TO BE AUCTIONED:** See Auction Listing Information Package.
2. **SELLER(S):** Betty Millican Hancock, Virginia Nell Millican, Mary Patricia Jackson, Jonathan T. and Mary Katherine Hancock.
3. **DATE AND LOCATION OF AUCTION:** October 20, 2018, 10:00 am at Section High School, Section , AL 35771.
4. **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 at 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 non refundable, 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 live 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 in person. If you need help bidding, please contact our office Ph #: (256)274-9487.

- 6. ORDER OF AUCTION.** Tracts will be offered as individual tracts, combinations of tracts, and as a whole. They will be bid by the acre.

A.) **Individual Tracts** - To be offered in tracts by the acre until all tracts have a high bid. The high bidder may select more than one tract but all tracts stand alone. The Auctioneer reserves the right to offer individual tracts, in combinations of tracts or as a whole, but is not obligated to do so.

B.) **Combination Tracts** - When all tracts have a high bid the Auctioneer will ask if there is interest in combining more than one tract. In the combination round, tracts must be contiguous to bid in a combination. The opening bid of any combination or complete combinations of all tracts will be 5% increase of separate bids.

C.) **Whole Tracts** - Tracts 1,2,3, & 6 will be offered as a whole. Tracts 4,5,7, 8, 11 & 12 will be offered as a whole. Finally, Tracts 1 through 12 will be offered 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 Backup 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 the auction date by the law firm of John F. Porter, III of Porter Law Group, P.C., 123 East Laurel Street, Scottsboro, Alabama 35768. Ph. (256) 574-5156. email: John@Johnporterlaw.com.
- 9. CLOSING COSTS AND PRORATIONS.** Closing shall occur at the offices of Porter Law Group, P.C. with John F. Porter III serving as the closing attorney. Delivery of the Deed shall occur at closing. Seller shall pay for preparations of deeds. All costs associated with the Closing of the transaction including the cost of an owner's title insurance binder and policy, providing coverage in the amount of the purchase price hereby shall be paid by the buyer(s). Ad valorem property taxes for the then-current tax will be pro-rated between the Seller(s) and Buyer(s) 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(s) 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(s).
- 10. CONDITION OF PROPERTY.** The property shall be sold "**AS IS, WHERE IS**" and "**WITH ALL FAULTS AND DEFECTS**". Seller(s) 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(s) and United Country shall have no duty, liability, obligation and/or responsibility to Buyer(s) or any other person or entity regarding the fitness, suitability or condition (environmental, structural or otherwise) of the property. Seller(s) 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(s) 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 through the offices of The Old Republic National Title Insurance Company. Buyer(s) must purchase Title Insurance.
- 14. DISCLAIMER.** Seller(s) 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(s) 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 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. 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(s) 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 Hampton Auction & Realty of Decatur, AL.
- 19. APPROVAL OF SELLER(S).** The sale is subject to owner confirmation on tracts 1,2,3,4,5,6, and 9 at and above \$1500/Acre. Tracts 7,8,10, 11 & 12 are selling absolute to the highest bidder regardless of the price.
- 20. CRP PARTICIPATION:** If any portion of the property is currently enrolled in the conservation Resource Program(CRP) for payments from the USDA it shall continue to be enrolled in such program until September 2020 Purchaser(s) shall execute all documents required by the USDA regarding the transfer of ownership of the CRP contract to Purchaser(s) and proration of the CRP payments from USDA from the date of closing through September 2020. No portion of the property will be eligible for CRP payments after September 2020. Purchaser(s) agree to fully indemnify Seller(s) for all costs and damages related to the Purchaser(s) failure to comply with any term or condition of the CRP program, through September 30, 2020. Tract 7 has a total of 24.8 acres enrolled in the CRP ending in September, 2020. See attached aerial view of tract 7.
- 21. SURVEY:** No survey has been performed. Tracts will be sold by deed description and records found in the office of Jackson County Revenue Commissioner. If you desire a survey it will be at buyer(s) expense. There are eleven (12) Tracts showing a combined total of 381 acres +/- . Any survey costs are at the buyer(s) expense. \* Survey provided by Dwight Hawes PLS at S & H Surveying Co., Inc. at 215 South Market Street, Scottsboro, Alabama 35768. (256)259-2210. Some tracts may require a survey due to highway division on AL Hwy 71 and County Road 408.

#### **PROPERTY INFORMATION**

- **Property Location:** The property is located in Jackson County, AL. The property has frontage on AL Hwy 71 County Roads 19, 408, 395 and 51. Auction location will be at the Section High School. The property is located in the police jurisdiction of Section, AL.
- **Property Size/Boundaries:** Tract acreage amount take from Jackson County Revenue Commissioner showing a combined total of 403 +/- acres. No adjustments will be made to sales price if a new survey is different from the current information. The property will be offered in 12 Tracts, combinations and as a whole. Please see chart, maps and surveys included.
- **Zoning:** The subject property is not subject to zoning. The majority of the property is in the Section police jurisdiction and Jackson County.
- **Utilities Information:** Sand Mountain Electric Co-op provides the electricity. No electricity of

tracts 1 & 2. Section Dutton Water Board provides the water. Sewer would be private septic system.

- **Flood Information:** A small part of the eastern boundary of tract 8 is in the FEMA Flood Plain. That information may be viewed at [alabamaflood.com](http://alabamaflood.com).
- **CRP Participation:** If any portion of the property is currently enrolled in the Conservation Resource Program(CRP) for payment from the USDA, it shall continue to be enrolled in such program until September 2020. Purchaser(s) shall execute all documents required by the USDA regarding the transfer of ownership of the CRP contract to the Purchaser(s) and proration of the CRP payments from USDA from the date of closing through September 2020. No portion of the property will be eligible for CRP payments after September 30, 2020. Purchaser(s) agree to fully indemnify Seller(s) for all costs and damages related to Purchaser(s) failure to comply with any term or condition of the CRP program, through September 2020. Tract 7 has a total of 24.8 acres enrolled in CRP ending in September, 2020.
- **CONDITION OF PROPERTY:** The property shall be sold " AS IS, WHERE IS" and "WITH ALL FAULTS AND DEFECTS". Seller(s) and United Country make no representations or warranties, express or implied, regarding the fitness, suitability or condition of the property. Seller and United Country shall have no duty, liability, obligation and/ or responsibility to Buyer(s) or any other person or entity regarding the fitness, suitability or condition(environmental, structural or otherwise) of the property. Seller(s) 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 quality of land in the property.
- **AGENCY:** United Country- Hampton Auction & Realty is acting exclusively as an agent for the Seller(s). United Country is not acting as an agent for the buyer(s) with respect to any transaction contemplated under these terms and conditions. United Country- Hampton Auction & Realty 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 Hampton Auction & Realty.
- **Information Source:** Jackson County Revenue Commissioner, Jackson County Probate Judge's web sites. All transactions sold by deed descriptions. All information is believed to be accurate but the Buyer(s) must rely on their own judgment, inspections and any public records concerning the property.

## **22. Financing provided by:**

First South Farm Credit (Clay Thornton)

320 Al HWY 75 N.

Albertville, AL 35951

Phone: (256) 878-8308

Toll-free: (800) 955-1722

Fax: (256) 891-1150