



Terms of Sale (“Terms and Conditions”, or “Terms”)

Bidder Registration. Any and all bidders must register by the Registration Deadline. Auctioneer may approve a person as a Bidder only if the person has shown a valid government-issued photo identification card, executed the signature pages of these Terms and Conditions, and completed the Bidder's Information and Registration Forms. Before being approved as a Bidder, a potential bidder must also show proof of the Initial Bid Deposit (as defined and explained below). Registration must be complete and confirmed by Auction Company prior to the Registration Deadline.

Initial Bid Deposit. Before being approved as a Bidder, a potential bidder must also show proof of an initial bid deposit in an amount equal to Three percent (3%) of the bid start price, equal to (the “Initial Bid Deposit”), in the form of a Cashier’s Check or proof of cleared funds. If bidder is not the successful bidder at Auction, the Initial Bid Deposit will be returned.

If the Bidder is the successful bidder at auction, Bidder’s Initial Bid Deposit will be applied toward bidder’s Earnest Money Deposit (as defined below).

Earnest Money Deposit. The successful bidder (“Buyer”) will be required to either:

- (i) give a minimum deposit of Three percent (3%) of the bid to start price (the “Earnest Money Deposit”) by Certified Check or via wire transfer to escrow on the conclusion of the bidding, and to pay the balance of the purchase price within Thirty (30) days after the Auction Date. Bidder’s Initial Bid Deposit will be applied toward the Earnest Money Deposit upon execution of the Purchase Agreement (as defined herein); OR
- (ii) Pay the entire purchase price by Cashier’s Check on the conclusion of the bidding.

Title will remain in the Seller until full payment has been received from the successful bidder and all funds have been verified.

Buyer’s Premium. In connection with services provided by Auction Company, a premium of Seven Percent (7%) will be added to the successful bid calculated based as a percentage of the winning bid amount.

Agreement to Close Upon Successful Bid. Bidder is agreeing to close on the Property upon having a successful bid. If Bidder is not certain that they want to purchase the Property, Bidder should not bid on the Property. If Bidder wishes to inspect the Property prior to purchase and has not done so, Bidder should not bid on the Property. Bidders must have adequate financial resources to fulfill bid commitments. If Bidder successful bids on the Property for the bid amount, immediately after being declared the successful bidder by the Auctioneer. This is binding and obligates the successful Bidder (“Buyer”) to purchase the Property notwithstanding any other representations, presumptions, documents, or anything contrary.

No Refund on Deposit. If the bid is accepted, the Deposit will not be refunded under any circumstances. The Deposit will be retained by the Seller or Auctioneer upon Buyer’s failure to complete purchase of the Property and close the sale and Seller shall be entitled to proceed in accordance with any of the terms in these Terms and Conditions.

Purchase and Sale Agreement. The successful bidder for each property shall execute a Purchase Agreement (as defined herein) for the Property immediately after

being declared the successful bidder by Auctioneer. Documentation may also be forwarded for electronic signature. Successful bidder agrees to execute the Purchase Agreement the same day as being declared the successful bidder. Copies of the Purchase Agreement are available for review prior to the Auction by contacting the Auctioneer or Auction Company. On the day of the Auction, no modification to the Agreement will be accepted.

Failure to Pay Deposit or Refusal to Execute Agreement. If Buyer fails to pay the Deposit or refuses to execute the Agreement, at Seller’s option: (i) the result of the auction sale shall be treated as invalid and the Property may at such time be resubmitted to auction at the expense of the Buyer; or (ii) Seller may affirm the Agreement or these Terms and pursue legal and equitable relief against the Buyer as they deem appropriate.

Property Purchased “AS IS” and Release of Liability. Buyer accepts the Property in "AS IS" condition at time of closing, including any hidden defects known, unknown, or even those that should have been known. All properties, including the Property, will be conveyed by general warranty deed or quitclaim deed, unless otherwise stated. **BUYER AND ANYONE CLAIMING BY, THROUGH OR UNDER BUYER FULLY AND COMPLETELY RELEASE SELLER AND AUCTIONEER AND THEIR RESPECTIVE EMPLOYEES, OFFICERS, DIRECTORS, REPRESENTATIVES AND AGENTS FROM ANY AND ALL CLAIMS THAT BUYER MAY NOW HAVE OR ACQUIRE IN THE FUTURE AGAINST SELLER FOR ANY COST, LOSS, LIABILITY, DAMAGE, EXPENSE. DEMAND, ACTION OR CAUSE OF ACTION ARISING FROM OR RELATED TO ANY CONSTRUCTION DEFECTS, ERRORS, OMISSIONS OR OTHER CONDITIONS, INCLUDING ENVIRONMENTAL MATTERS. AFFECTING THE PROPERTY, OR ANY PORTION OF THE PROPERTY. THIS RELEASE INCLUDES CLAIMS OF WHICH BUYER IS PRESENTLY UNAWARE OR WHICH BUYER DOES NOT PRESENTLY SUSPECT TO EXIST WHICH, IF KNOWN BY BUYER, WOULD MATERIALLY AFFECT BUYER'S RELEASE OF SELLER, AUCTION COMPANY AND AUCTIONEER.** Buyer understands and agrees that the purchase price has been adjusted by prior negotiation to reflect that the Property is sold by Seller and purchased by Buyer subject to the foregoing.

Notwithstanding the foregoing, Buyer acknowledges and agrees that it is the Buyer’s responsibility to undertake any legal, factual and other inquiries and investigations as the Buyer considers necessary with respect to the Property, and the Buyer hereby represents and warrants that they have executed this Agreement based solely on their own independent due diligence and investigation, and not in reliance upon any information provided by Seller, Auction Company, Auctioneer or their respective agents, employees, or representatives.

No Contingencies. Buyer acknowledges that this transaction is not subject to any financing contingency or any other contingency, including but not limited to an inspection contingency. By participating in the Auction Buyer represents to Auctioneer, Auction Company and Seller that Buyer possesses adequate financing and has done sufficient due diligence to bid on the Property and pay the amount bid and complete the sale. Further, by participating in the Auction Buyer acknowledges that Auctioneer and Seller are relying on Buyer's representation of sufficient funding. Buyer acknowledges that as a result of Buyer's participation in

the Auction, Auctioneer, Auction Company and Seller will be injured if Buyer lacks sufficient financing or if Buyer has failed to adequately inspect the condition of the Property and its value, resulting in Auction Company, Auctioneer and Seller's losses of resources used to market the property and conduct the auction.

Closing and Title. The purchase of the Property must close on or before 30 days after the auction. All prospective Bidders should consider engaging counsel of their own choosing to examine the commitment for title insurance and all matters referred to in that commitment as affecting the state of title of properties on which they intend to bid. Seller, Auction Company and Auctioneer make no warranties or representations with respect to the state of title on any of the properties, the title company, or of the correctness or completeness of the information contained in the commitment for title insurance. Unless otherwise stated, Seller shall pay all current taxes, fees or other encumbrances on or assessed against the Property up to the date of closing. Seller shall provide Buyer with title insurance.

Property Available at Auction. If multiple properties will be sold at auction, Auctioneer reserves the right to add or delete any property from this Auction or to alter the order of sale from that published in catalogs, the Internet, or elsewhere.

Property Information Furnished by Seller or Auctioneer. The information regarding the Property set forth in any advertising, websites, catalogs or any material regardless of the medium, has not been independently verified by Seller, Auction Company or Auctioneer. The accuracy of this information is not warranted in any way, including but not limited to information furnished to Buyer concerning utilities, lease Information, zoning, acreage of parcel, square footage of Improvements and all photographs. Buyer agrees they are not relying on the information provided by Seller, Auction Company or Auctioneer in deciding whether to bid on the Property and have conducted their own due diligence investigation prior to the Auction. No obligation exists on the part of Seller, Auction Company or Auctioneer to update this information. Any announcements made at the Auction take precedence over all other communications to Buyer from Seller, Auction Company or Auctioneer and shall have a legally binding effect. Seller, Auction Company and Auctioneer shall not be liable for any oral or written representation, warrants or agreements, relating to the Property (Including information appearing in the auction brochure or announcements made at the time of the auction) except those of Seller as specifically set forth in the Agreement. Buyer is solely responsible for verification of any legal description of Property. Seller, Auction Company and Auctioneer make no warranty expressed or implied as to the accuracy of the legal description of any property.

Auction. Seller is authorized to negotiate, counter, reject or accept any offers prior or on the day of the Auction. Seller is authorized to postpone, cancel, withdraw or change the date and or time of the Auction without notice and for any reason. On the day of Auction if the Buyer's bid is accepted as the successful bid, Buyer has entered into an enforceable and binding agreement and Buyer must, pursuant to these Terms and Conditions and all other documents related to this Auction, which are incorporated into this Agreement by reference, pay the applicable Deposit to immediately after the Auction has ended.

Agency Disclosure. Auction Company and all licensees employed by or associated with Auctioneer represent the Seller in the sale of the Property or any properties.

Severability. If any provision or part of a provision of this Agreement is found by a court, arbitrator or other authority of competent jurisdiction to be void or unenforceable, that provision or part of a provision is to be deemed deleted from this Agreement and the remaining provisions to continue in full force and effect.

Choice of Law and Attorney's Fees. These Terms and Conditions shall be construed in accordance with and under and pursuant to the laws of the State of California, without regard to the jurisdiction in which any such action may be instituted. The prevailing party in any dispute or controversy will be entitled to reasonable attorneys' fees and costs.

Arbitration. Any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate, shall be determined by arbitration in Orange County, California before one arbitrator. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures. Judgment on the Award may be entered in any court having jurisdiction. This clause shall not preclude parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction.