

AUCTION TERMS & CONDITIONS - ONLINE ONLY REAL ESTATE AUCTION

139 +/- ACRES PRIME TIMBERLAND & WATERFRONT PROPERTY ON JONAQUIN CREEK – OFFERED DIVIDED IN 4 TRACTS

5000 block of Merrimon Road, Beaufort, NC 28516 – Carteret County

OnLine Bidding ENDS – Tuesday, MAY 2, 2017 beginning at 4:00 PM Eastern (subject to Extended Bidding based on bidding activity at close of auction) Please take the time to read and review the following Terms & Conditions for the Online Auction. When you register to bid you will have to acknowledge that you have read the Terms & Conditions and agree to abide by same.

Purchase and Sale Contract: Each property is offered under the specific terms provided in the Contract for Sale of Real Property (“Sale Contract”). The Sale Contract is available at www.HouseAuctionCompany.com. Click on “**View Documents +**” located near the top of the “Auction Listing” page for this Auction. Please read and review the contract thoroughly prior to bidding on any property. **If you have not read and reviewed the Sale Contract Do Not Bid.**

A credit card, Visa or MasterCard is required to register and bid.

Auction End Times: All House Auction Company Online Only Real Estate Auctions are timed events and all bidding will begin to close at a specified time. NOTE: Online Auctions are subject to Extended Bidding due to bidding activity at the closing of the Auction. House Auction Company Online Only Auctions have an **Auto-Extended Bidding Feature with “Extend All”**. Any bid placed on any property **within 10 minutes of the auction ending will automatically extend the ENTIRE auction** for 10 minutes from the time the bid was placed. This will continue until there is no bidding in the Auto-Extended time period. House Auction Company, Inc. reserves the right to decrease or adjust the auto extension time period at any time during the auction.

Example: If an auction scheduled to end at 4:00 p.m. receives a bid at 3:58 p.m. on any Tract or combination of Tracts, **then the closing time of the ENTIRE auction will automatically extend to 4:08 p.m.** The auto-extend feature will continue until no further bids are received on any property within the 10 minute time frame (or whatever the Auto-Extended time period is). House Auction Company, Inc. reserves the right to decrease or adjust the auto extension time period at any time during the auction.

Time Reduction of Auto Extend: In the event the auto-extend time period needs to be decreased House Auction Company, Inc. reserves the right to decrease the extended time amount at any time during the auction until the close of bidding. Bidders will be notified prior to time reduction by a Pop-Up Message and the Instant Message Center on the bidding page.

TERMS: At the conclusion of the auction, the successful Bidders will be emailed the Contract Package (which includes Sale Contract and related sale documents) to be properly executed and returned to House Auction Company, Inc. by email or fax. The successful bidders will deposit **15%** (fifteen percent) of the contract purchase price in the form of cashier’s check or bank wire transfer with House Auction Company, Inc. within 24 hours of receipt of the Contract Package. The entirety of the remaining balance is due at closing as stipulated in the Contract for Sale of Real Property (“Sale Contract”). Instructions for wire transfer and /or cashier’s check transmittal will be sent by e-mail to the successful bidders. Purchaser shall be responsible for all wire transfer fees.

Buyer's Premium: A 10 % Buyer's Premium will be added to the bid price to determine the contract purchase price.

Buyer's Premium Example: Bid Price: \$100,000 - Plus 10% Buyer's Premium: \$10,000 – for a Total Contract Purchase Price of \$110,000.

Contracts: Successful high Bidder (“Buyer”) must fully execute and email or fax the unaltered executed Sale Contract and related sale documents to House Auction Company, Inc. within 24 hours of receipt. Successful high bidders not executing and promptly returning their contract with earnest money deposit within 24 hours of receipt will be considered in default and subject to an Administrative Fee as defined below. All Administrative Fees are nonrefundable.

Auction Administrative Fee: In the event a winning bidder fails to submit the properly and fully executed Contract for Sale of Real Property & related sale documents and deposit the earnest money as provided in the pre-stipulated Auction Terms, the winning bidder will be charged an **Administrative Fee** of \$2,500.00 on the credit card provided at auction registration. Additional default remedies are reserved by House Auction Company, Inc. and the Seller as provided in the Auction Terms & Conditions and the Contract for Sale of Real Property. **All Administrative Fees are non-refundable.**

Bidder Verification: The identity of all bidders will be verified, bidding rights are provisional, and if complete verification is not possible, House Auction Company, Inc. will reject the registration and bidding activity will be terminated for an unverified bidder. Bidder responsibilities include, but are not limited to: Bidders agree to keep their user name and password strictly confidential, as they are responsible for ANY and ALL activity involving their account.

Outbid / Back-In Notification: During this auction process there is a chance you will be over bid by a combination bid of multiple lots. At that time you will receive an Outbid Notification. If another bidder breaks the combination by raising the bid on a parcel / tract OTHER THAN the parcel you were bidding on, you will automatically be placed back in the winning position for “your” parcel. You would then receive a Back-In Notification. Until the auction begins to close, the bidding software will notify bidders by email when they have been outbid. Bidders may also find out if they have been outbid by refreshing the individual parcel / tract information. Due to varying internet connections and speed, sometimes email notifications can be delayed. We are not responsible for the failure of any part of the bidding process or internet bidding.

Property Information & Inspection: By registering and bidding in this auction, Bidder expressly acknowledges and warrants that they have personally inspected the property, or have arranged for their agent to conduct an inspection of the property, or have waived their right to inspect the property they are bidding on, and further agree to abide by the Terms and Conditions as set forth herein. House Auction Company, Inc. (“Auctioneer”) is not responsible for any missing or incorrect information. Descriptions provided by Auctioneer are provided in good faith and are matters of opinion. It is the bidder's sole responsibility to conduct any inspections to determine the condition of the property and feasibility of bidder's intended use. By placing a bid, this creates a contractual agreement by the bidder to purchase the property at the high bid price plus Buyers Premium and any additional fees included in the closing of the real property transaction.

Title: Seller will convey to the successful Buyer(s) good and marketable title to said properties by General Warranty Deed subject only to permitted encumbrances.

Bid Confirmation: Properties are selling subject to Seller's confirmation unless advertised as Absolute.

Real Estate Taxes (property taxes) will be prorated between Seller and Buyer as of the date of closing.

Personal Property: This sale excludes all personal property located on the real property.

Survey: Tracts 1, 2, 3 and 4 will be purchased from the Preliminary Sale Map incorporated in the Contract for Sale of Real Property, entitled EXHIBIT "C", and posted on the Auctioneer's website. On the Preliminary Sale Map the distances and acreages are estimated and will be adjusted based on a final survey conducted by the designated surveyor named herein and in accordance with existing subdivision laws. Therefore, the Preliminary Sale Map is not to be relied on. Should these properties sell divided in any way, a division boundary survey will be made by Johnny J. Williams Land Surveying, 219 E. Main Street, Beulaville, NC 28518 – telephone 910-298-8272, land surveyor registered in the State of North Carolina, to perform a division boundary survey of the Property in accordance with the minimum technical requirements for the State of North Carolina and certified in favor of Purchaser and Seller. The Survey shall be subject to Seller's approval. The Surveyor will charge each respective Purchaser fifty (50) cents per linear foot on all exterior lines and twenty-five (25) cents per linear foot on all common lines between auction Purchasers of adjoining parcels. The final purchase price shall be determined by multiplying \$____/acre (contract price per acre) by the number of surveyed acres rounded to the nearest one-thousandth of an acre. Division stakes are intended for approximation use only. Actual boundary lines are to be determined by boundary field survey and may vary from field markers. It is understood that the acreage and dimensions of the tracts may vary according to actual survey. All Survey expenses will be paid by the Buyer at closing. For this fee, the surveyor will mark all property corners and provide the Purchaser with a recordable plat. This fee does not include the actual openings of the lines. The surveyor will open lines for an additional fee. As used herein, the term "surveyed acreage" means the total gross acreage of the Property without any deduction for any portion thereof located within the bounds of any roadways (except deeded roads), easements or other rights of way, including, without limitation, electric transmission lines or other utility easements. In the event either party defaults under the terms of this Sale Contract, the defaulting party shall be responsible for the survey expense. **Should the property sell as a whole, the property shall be conveyed from existing legal descriptions and no survey will be required.**

Closings: Time being of the essence, these sales shall be closed on or before November 15, 2016. All sales will be closed at the office of Beswick, Goines, Wickizer & Meeks, PLLC, 911 Arendell Street, Morehead City, NC 28557, phone: 252-726-2134. Beswick, Goines, Wickizer & Meeks, PLLC (BGWM) will charge the Buyer a closing fee of \$650.00 per closing. This fee includes conducting a cash closing, collecting and disbursing the funds, preparing the closing / settlement statements, and recording the deed. This fee does not include the recording fee charged by the Register of Deeds. If the Buyer wants title insurance, processing of any loan package, or other services, BGWM, or an attorney selected by Buyer will provide them for an additional fee. Buyer's funds required for closing must be transmitted to the closing attorney by bank wire transfer, and any related wire transfer fees paid by the Buyer. The Seller will pay for the General Warranty Deed and State of North Carolina documentary deed stamps. The Buyer will pay all other closing costs associated with this sale. With regard to bank wire transfer fees for receiving and/or sending Buyer's earnest money deposit, the Buyer will be responsible for all such bank fees. By registering and bidding in this auction, Buyer hereby authorizes the closing attorney, the parties' real estate agent(s) and Buyer's lender(s) to release and disclose any buyer's closing disclosure, settlement statement and/or disbursement summary, or any information therein, to the parties to this transaction, their real estate agent(s) and Buyer's lender(s).

Possession: Possession of the property shall be granted to the Buyer at closing.

Properties are selling subject to Seller's confirmation. Seller will convey to the successful Purchaser good and marketable title to said properties by **General Warranty Deed.**

Auction Preview / Inspections: At buyer's leisure from 8:00 AM to 6:00 PM Daily. **Broker on site:** Thursday – April 20th from 2:00 to 4:00 PM, and on Monday – May 1st from 2:00 to 4:00 PM. **Broker will be located at the Merrimon UMC church parking lot.**

Agency Disclosure: In all transactions, House Auction Company, Inc. is acting exclusively as agent for the Seller, and not as buyer's agent. At auctions with reserve, the seller and/or auctioneer reserve the right to bid. On all other auctions, auctioneer reserves the right to bid on auctioneer's behalf when permitted by law.

Special Note: These properties are selling subject to Ad valorem taxes for the current year and subsequent years, easements, leases and restrictions of record, and any local, county, state, or federal laws, ordinances, or regulations relating to zoning, environment, subdivision, occupancy, use, construction, or development of the subject property, including existing violations of said laws, ordinances, or regulations, and all other matters revealed by a current survey or an inspection of the property, and/or contained in the public records. Seller and Broker make no representation as to the availability of septic permits.

Deferred Property Tax Status: This entire property is currently enrolled in a qualified Deferred Property Tax (Land Use) savings program for real estate taxes. In the event the purchaser elects to remove their respective property from the Deferred Tax savings program or as a result of this sale their property purchased no longer qualifies for the tax savings program, the Purchaser shall be solely responsible for any additional taxes, penalties and assessments due.

Broker Participation: A Broker Participation Commission of **1.5%** (one and one-half) of the bid price is available to properly registered brokers whose prospect (bidder) purchases real estate at the auction and closes in full. A Broker Participation Form with complete instructions is available at www.HouseAuctionCompany.com. Broker must be actively licensed in North Carolina and must register their prospect 24 hours prior to client submitting a bid, using the House Auction Company, Inc. Broker Participation Form and **in accordance with the guidelines set forth.** Neither House Auction Company, Inc. nor our sellers will pay any commissions to brokers acting as principles. **Please read guidelines.**

Bidding increments:

\$1,000 - \$5,000 = \$100 increment
\$5,000 - \$10,000 = \$250 increment
\$10,000 - \$25,000 = \$500 increment
\$25,000 - \$50,000 = \$1,000 increment
\$50,000 - \$75,000 = \$1,500 increment
\$75,000 - \$100,000 = \$2,000 increment
\$100,000 - \$200,000 = \$2,500 increment
\$200,000 - \$400,000 = \$5,000 increment
\$400,000 - \$800,000 = \$10,000 increment
\$800,000 - \$1,000,000 = \$25,000 increment
\$1,000,000 or Greater = \$50,000 increment

Auctioneer's Discretion: House Auction Company, Inc. has full discretion to modify the date and time, order and details of the auction for any reason, including but not limited to technical issues, emergencies, and convenience of House Auction Company, Inc. or the Seller. We gather aggregate information from the website, which may include but is not limited to: number of page visitors, most visited pages, and any and all correspondence. House Auction Company, Inc. reserves the right to remove or cancel the bids and/or bidding rights and privileges of any party deemed not to be in the best interest of the Seller, at any time. **House Auction Company, Inc. has the sole authority to resolve any bidding disputes as they may arise.**

Server & Software Technical Issues: In the event there are technical issues related to the server, software or any other online auction related technologies, House Auction Company, Inc., MarkNet Alliance and the Seller reserves the right to extend bidding, continue the bidding, or close the bidding. The company providing the software, House Auction Company, Inc., MarkNet Alliance, and/or the Seller shall NOT be responsible for a missed bid or the failure of the software to function properly for any reason. Email notifications may be sent to registered bidders with updated information as deemed necessary by House Auction Company, Inc.

Disclaimer: House Auction Company, Inc., and the Seller have gathered this information from sources deemed reliable and believe it to be correct to the best of our knowledge. The information is being furnished to bidders for the bidder's convenience and it is the responsibility of the bidder to determine that information contained herein is accurate and complete. Any reliance on the contents shall be solely at the recipient's risk. Bidders must conduct and rely solely upon their own investigations and inspections. The property is being sold "**AS IS**" with any and all faults. Please review all information supplied and seek appropriate assistance prior to bidding. All announcements made by the Auctioneer at the auction shall take precedence over all other previous information.

NCAL #7889 & #7435