

# **TERMS AND CONDITIONS**

## **REGISTRATION**

Registration is required in order to bid at the Auction and there is no fee to register. In order to register for the Auction, please go to [www.hathawayauctions.com](http://www.hathawayauctions.com) and download the Registration Form or call to have a registration form faxed to you. Your Registration Form should be received no later than two (2) business days prior to Auction day. Hathaway Auction contact information is listed below.

Hathaway Real Estate Services  
Attn: Auction Registration,  
198 Spotnap Road #B5, Charlottesville, VA 22911.

You may also fax in your registration forms to:  
FAX: 949.313.1227.

Telephone questions and help. Please Call:  
PHONE: 434.295.3278

Upon arriving at the Auction, you will be required to confirm your registration subject to meeting the minimum requirements stated below:

1. Verification that you have in your possession Cash or a Cashier's Check (made payable to yourself) of no less than Ten Thousand Dollars (\$10,000) for the Property you intend to purchase.
2. Winning Bidders choosing to use third-party financing must present at the Auction a written, pre-approval letter from their lender of choice, in the minimum of the full amount they intend to finance.

## **DUE DILIGENCE**

YOU SHOULD PERSONALLY INSPECT THE PROPERTY YOU ARE INTERESTED IN PURCHASING. EACH PROSPECTIVE PURCHASER AGREES TO MAKE ITS BID AFTER HAVING MADE AND RELIED SOLELY ON ITS OWN INDEPENDENT INVESTIGATION, INSPECTION, ANALYSIS, APPRAISAL AND EVALUATION OF THE PROPERTY AND THE FACTS AND CIRCUMSTANCES. EACH PROSPECTIVE PURCHASER ASSUMES ALL RISKS AND COSTS ASSOCIATED WITH ANY SUCH INSPECTION. YOUR INSPECTION SHOULD INCLUDE A THOROUGH PHYSICAL INSPECTION OF THE PROPERTY DURING THE OPEN HOUSE DATES. EACH PROPERTY IS BEING SOLD "AS IS, WHERE IS, AND WITH ALL FAULTS", WITH NO GUARANTEE OR WARRANTY WHATSOEVER. NO SALE WILL BE CONTINGENT UPON INSPECTION OF THE PROPERTY AFTER THE AUCTION. NO PROPERTIES WILL BE OPEN FOR INSPECTION OR ACCESS AFTER THE AUCTION UNTIL CLOSING HAS OCCURRED. PLEASE BID ACCORDINGLY.

## **DOCUMENTS**

Prospective purchasers are advised to visit the Auction website at [hathawayauctions.com](http://hathawayauctions.com) in order to thoroughly review (a) the Purchase Agreement, (b) disclosure documentation (if any) and (c) other pertinent information (if any). Such documents ("Property Information Packages") may also be available at the Properties during the open houses, and shall be available at the Auction locations on the date of the Auction.

Exclusion/Disclaimer of Warranty. Neither Seller nor Auctioneer makes any representations or warranties as to the accuracy or completeness of any information contained on-line at the Auction website, in the Auction brochure or in the Property Information Packages available at the Property and/or the Auction.

## **BIDDING AND BUYING AT THE AUCTION**

### **Reserve Price.**

All Properties have a Reserve Price, meaning the Seller of each Property has established an unpublished, minimum selling price. The starting bid is not the Reserve Price. In order to become the Winning Bidder for a Property, a Bidder must meet or exceed the Reserve Price and have the highest bid. If no bidders meet the Reserve Price, the Seller is under no obligation to sell the Property.

### **Buyer's Premium.**

The total purchase price will include a buyer's premium equal to three and a half percent (3.5%) of the winning bid amount. Therefore, the actual total purchase price on the Auction day (and at the closing) is equal to the winning bid amount plus three and a half percent (3.5%). The Total Purchase Price does not include other amounts payable by the Buyer during closing, such as escrow/closing/attorney fees, property taxes, insurance, etc.

### **Bidding and Winning.**

The bidder card given to you at the outset of the Auction upon qualifying as a Bidder shall be used by you during the Auction to bid on Properties. To purchase a particular Property at the Auction, one must be acknowledged by the Auctioneer as the Winning Bidder. Winning Bidder shall immediately thereafter sign the purchase contract. If a Winning Bidder refuses to execute the purchase contract within ten (10) minutes of Auctioneer's acknowledgment of the winning bid, then Auctioneer or Seller can declare the Winning Bidder to be in default. In such event, the Winning Bidder's bid shall be null and void and Auctioneer and Seller shall have absolutely no further liability or obligation to that Bidder. Furthermore, Auctioneer reserves the right to immediately put the Property back up for sale at the Auction.

### **Payment of Deposit and Remaining Balance.**

Upon executing the Purchase Agreement, as its initial Earnest Money Deposit, Winning Bidder shall be required to pay \$10,000. The Earnest Money Deposit must be paid by Cash or a Cashier's Check. All monies will be immediately deposited with Partners Escrow and Title in the city of Charlottesville, Virginia on the first available business day. The balance of the Total Purchase Price, along with all other costs and/or fees, must be

paid as required in the Purchase Agreement.

### **Closing.**

All sales are expected to close with the designated escrow company or closing agent no later than thirty (30) days after the date of the Auction unless extended (see Extensions below). Winning Bidders shall be required to pay customary and normal closing costs, including, but not limited to, closing/escrow/attorney fees, recording fees, normal prorations, lender's title insurance premium and fees, loan fees, document preparation fees, all documentary transfer taxes customarily imposed on buyers, and Homeowner's Association fees, if applicable.

### **Cancellation/Liquidated Damages.**

If Winning Bidder fails to comply with any of the foregoing, or subsequently defaults under the Purchase Agreement, the sale may be canceled by the Seller and the Buyer shall be required to pay damages as set forth in the Purchase Agreement. The seller may, at its option retain the earnest money deposit as liquidated damages.

### **Closing Extensions.**

In certain cases, the Auctioneer and Seller may grant an extension of the closing date, the terms and conditions of which are set forth in the Purchase Agreement. This fee **WILL NOT** be credited towards the Total Purchase Price. All extension requests are evaluated by the Auctioneer and Seller on a case-by-case basis and may be granted or denied in their sole and absolute discretion.

### **FINANCING YOUR PURCHASE**

Auction sales **WILL NOT** be contingent upon financing, nor will the closing be extended for that purpose. Winning Bidders intending to use cash to complete their purchase must provide Seller, on the Auction day, with proof of sufficient funds to cover the entire transaction (i.e. bank statement and/or investment statement for stocks/bonds).

### **BROKER/AGENT PARTICIPATION**

We invite real estate broker and agent participation. A two and a half percent (2.5%) commission, based on the winning bid amount, will be paid to Brokers/Agents (i) who have duly registered as a "Registered Broker/Agent" at least twenty-four (24) hours prior to the start of the Auction, (ii) who personally check in on auction day with their client, and (iii) whose client(s) successfully purchase the Property and close the transaction. **THERE WILL BE NO BROKER/AGENT REGISTRATION PERMITTED ON THE DAY OF THE AUCTION.**

### **GENERAL AUCTION INFORMATION**

Announcements made by the Auctioneer or its announcer at the Auction shall supersede and take precedence over all prior oral or written terms and conditions – including these Terms and Conditions. In the event of a dispute among Bidders, the Auctioneer shall make the sole and final decision to either accept the final bid or to re-offer and resell the Property in dispute.

**Bidder has read, understands and acknowledges the terms and conditions as shown by signature below.**

Bidder # \_\_\_\_\_

x \_\_\_\_\_ Print Name \_\_\_\_\_ Date \_\_\_\_\_

Sample