REAL ESTATE SALE TERMS AND CONDITIONS
September 1, 2016

1. CONDITIONS OF SALE: The terms and conditions for this sale are set forth in the Purchase and Sale Agreements which will be executed by successful bidders at the auction. Copies of the Purchase and Sale Agreements are available for inspection prior to this event by contacting Western Real Estate Auctions LLC (referred herein as WREA or Broker).

2. AUCTION PROCEDURE: The property is owned by Adam and Nancy MacHugh and will be offered in a single auction tract in such a style that all bids remain open until the auctioneer declares the bidding closed. The selling price shall be determined by competitive bidding at the auction. **A 10% BUYER’S PREMIUM WILL BE ADDED TO THE HIGH BID(S) TO DETERMINE THE TOTAL CONTRACT SELLING PRICE(S).** Should any dispute arise between bidders, the Auctioneer shall have the right to make the final decision to either determine the successful bidder or to re-sell the property that is in dispute. The auction will be recorded and if any dispute arises following the auction, the Auctioneer's sales records shall be conclusive in all respects.

3. BIDDER REGISTRATION: This Auction is for registered bidders and their guests. **ALL BIDDERS, prior to receiving a bid number, must provide sufficient evidence to the Broker that they have adequate funds and/or financing to close on the offered property.** Bidders must register their name, address, and telephone number with the registration clerk, providing photo I.D. (i.e. driver's license); and the **$20,000 bidder deposit** in cashier's check or PRE-APPROVED company or personal checks made payable to Cascade Title Company. All checks not endorsed by successful bidders will be returned to providers at the close of the auction. Bidder registration will begin at 1:00 p.m. at the Walter Clore Wine & Culinary Center, 2140 Wine Country Road, Prosser, WA 99350. The Seller and/or Broker reserve the right to refuse admittance to or expel anyone from the auction premises for interference with the auction activities, nuisance, canvassing or any other reasons.

4. TERMS: Cash at closing no later than October 5, 2016

5. EARNEST MONEY: At the conclusion of the auction the high bidder for any given parcel will be required to deposit with the Broker as an initial earnest money deposit, a sum equal to ten percent (10%) of the the Sale Price for the property. The bidder deposit will be credited against the purchaser’s Earnest Money Deposit obligation under the Purchase & Sale Agreement. Broker will accept cash or pre-approved personal checks as payment of the earnest money deposit.

6. RIGHT TO ACCEPT OR REJECT: This property is being offered for sale subject to seller acceptance. Seller reserves the right to accept or reject any and all offers for any reason, however, the sole purpose of this auction is to sell the properties. Please come prepared to purchase this tract at auction.

7. RESERVE PRICE: This auction tract has a Reserve Price the Seller of this property has established an unpublished minimum selling price. The starting bid is not the Reserve Price. In order to become the winning bidder for the Property, a bidder must meet or exceed the Reserve Price and have the highest bid, and such highest bid must be accepted by the Seller (“see Right to Accept or Reject”). Except where prohibited by law, the Auctioneer may open bidding on any Property by placing a bid on behalf of the Seller and may further bid on behalf of the Seller, up to the amount of the Reserve Price, by placing successive or consecutive bids for a Property, or by placing bids in response to other Bidders. If no bidders meet the Reserve Price, the Seller is under no obligation to sell the Property. The Seller may withdraw a Property at any time prior to the announcement of the completion of the sale by the Auctioneer. Auctioneer is not acting as an agent for any bidder in any capacity, and is acting exclusively as the Seller’s agent.

8. PROPERTY INFORMATION: Property information packages are available, containing a copy each of the Purchase and Sale Agreement, Preliminary Title Report, Plat Map, and Law of Real Estate Agency by contacting Western Real Estate Auctions at (509) 297-9292.
9. **CLASSIFICATION:** Currently in Open Space, Buyer shall execute a notice of classification continuance at or before the time of Closing. Failure to execute a notice of classification continuance requires the county assessor to reassess the property’s taxable value and retroactively impose additional taxes, interest and penalties which Buyer shall pay.

10. **CONFIRMATION OF BID:** Successful bidder will execute a “Confirmation of Bid” immediately upon award of the right to execute an offer to purchase as announced by the Auctioneer. Successful bidder must then complete the Purchase and Sale Agreement.

11. **ENVIRONMENTAL DISCLAIMER:** Seller and WREA do not warrant or covenant with Buyer(s) with respect to the existence or nonexistence of any pollutants, contaminants, or hazardous waste prohibited by federal, state or local law or claims based thereon arising out of the actual or threatened discharge, release, disposal, seepage, migration or escape of such substances at, from or into the demised premises. Buyer is to rely upon it’s own environmental audit or examination of the premises.

12. **CLOSING:** The sale transactions must close no later than October 5, 2016 unless extended in writing by the Seller with possession given at closing. Sales shall be closed by Cascade Title Company, 8203 W Quinault Avenue, Ste 10, Kennewick, WA 99336.

13. **CLOSING COSTS AND PRORATIONS:** Purchasers of the property shall pay all closing costs including, but not limited to, title insurance premiums, survey fees, if any, excise tax, if any, recording fees, escrow fees, and sales or use tax, if any. Seller will pay elinquent assessments, if any. 2016 real estate taxes will be prorated at closing.

14. **ADDITIONAL TERMS AND CONDITIONS:** All dimensions and descriptions are approximations only based on the best information available and are subject to possible variation. Bidders should inspect the property and also review all of the pertinent documents and information available at Western Real Estate Auctions as each bidder is responsible for evaluating the property and shall not rely upon the Seller or WREA. The Seller or WREA or their agents assume no liability for errors or omissions. The property herein is being sold subject to federal, state and county laws, ordinances and regulations which may affect the property and its use, including all conditions, restrictions and limitations and other matters of record. The property is being sold on an “AS IS, WHERE IS” basis and without any warranties or representations, expressed or implied. No claim will be considered for allowance, adjustment or recision based upon failure of the property to correspond to any particular standard or exception. Broker, at his sole discretion, reserves the right to accept a personal check from a pre-qualified bidder in-lieu of a cashier’s check. Seller and/or WREA have the right to postpone or cancel the auction, in whole or in part, to add or delete properties, at their sole discretion, and to modify or add any terms and conditions of sale and to announce such modifications or additional terms and conditions either prior to or at the auction. Announcements made at the auction will take precedence over printed matter.

15. **AGENCY DISCLOSURE:** Western Real Estate Auctions is representing the Seller and will be paid by the Seller. Each purchaser will be required to acknowledge such agency.

16. **SELLER’S PERFORMANCE:** The seller has agreed to the terms of the sale as published. However, the Broker makes no warranties or guarantees as to the Seller’s performance. All properties are being offered for sale to qualified purchasers without regard to the prospective purchaser's sex, race, color, religion or national origin.

17. **FAILURE TO CLOSE:** In the event that the successful bidder fails to close for any reason, the Earnest Money shall be non-refundable and Seller shall have default rights as forth in the Purchase and Sale Agreement.

18. **CHATTEL PROPERTY:** The sale of this real estate does not include any chattel property.

19. **INDEMNITY AND RELEASE OF ALL CLAIMS:** Buyer will release and fully indemnify Seller against any and all claims resulting out of the possession, occupancy, or control of the property after the Buyer takes possession of the property.

20. **Auction Tract is being sold by legal description, not acres.**