

**“ONLINE BIDDING” REAL ESTATE
AUCTION TERMS AND CONDITIONS**

REGISTRATION:

Proper and complete online registration is required to bid. All bidders must provide valid contact information including full name, address, phone number, and email address to register. A credit card (MC, Visa or Discover) is also required and will be validated before bidding access is granted, but is not a recognized form of payment for the earnest money deposit or purchase price. To be fully approved for bidding a potential bidder must communicate over the phone or email with a Cates Auction & Realty Co. representative. By registering, all bidders acknowledge having read and agree to be bound by the Auction Terms and Conditions. Bidders may register prior to, or during the bidding period. At registration bidders are given the option of receiving emails confirming their individual bids and/or when they are outbid.

ONLINE BIDDING:

All bidding in this auction is being conducted online. (If you need assistance placing a bid or prefer to submit a bid in person, please call our office for assistance at 816-781-1134) To place a bid, bidders have the option to bid in one of three ways 1) bid the current asking price, 2) bid a specific amount or 3) create a maximum bid. The “maxbid” or SET MAX” feature allows a bidder to enter their maximum bid. This authorizes the system to only bid the smallest acceptable bid increment on the bidder’s behalf when they have been outbid and only up to their maximum bid. The benefit of this feature is to provide you, the bidder with an easier way to bid by not having to login and manually bid each time you have been outbid. In the case of an auction with reserve, if the maximum bid entered is less than the reserve, the system will place the bid at the bidder’s maximum bid. If the reserve has been met or it is an auction without reserve, the system will only bid the smallest acceptable bid increment on the bidders behalf when they have been outbid and only up to their maximum bid. This auction utilizes a “Soft Close” feature that automatically extends the bidding time if a bid is received in the last 2 minutes of the auction. These extensions will continue until 2 minutes have lapsed without any bidding activity, at which time the auction is concluded. The benefit of these extensions is to provide an even playing field for all bidders.

BUYER'S PREMIUM:

A buyer's premium of the greater of \$2,500 or ten percent (10%) of the high bid shall be added to the high bid and included in the total purchase price to be paid by the successful bidder(s).

Sample calculation --	High bid	=	\$100,000
	Buyer’s Premium	=	<u>\$ 10,000</u>
	Total purchase price	=	<u>\$110,000</u>

FINANCING:

Financing is not a contingency of sale in this offering. Therefore, it is strongly recommended that potential bidders ensure in advance that they are able to obtain the necessary financing to close the transaction and provide a pre-approval letter from their lender.

CONTRACT SIGNING:

At the conclusion of the auction the Winning Bidder will be notified and receive an email and/or phone call confirming their winning bid status. In this or a subsequent email the Winning Bidder will receive a link to sign all documents electronically along with wiring instructions for

submitting the required earnest money deposit to the named title company. Should the electronic processes described above be unavailable, alternative arrangements will be made. In any event, the contract signing and deposit payment process must be completed by close of business on auction day. A Winning Bidder whose documents and deposit are not received within the required time frame is subject to paying a liquidated damages amount equal to the down payment (charged to the credit card used at registration) and will not be allowed to bid in any future auctions. Please note that property-specific purchase contracts are available prior to the auction end date and reviews of such documents should be undertaken PRIOR to bidding. All final bids are subject to Seller's reserve unless advertised otherwise. Any property with a high bid exceeding the Seller's reserve will be declared "sold" by the Auctioneer. In instances where the seller's reserve was not met in the auction, the signed contract and accompanying deposit will be presented to the Seller for approval, which shall be given or denied in the Seller's sole discretion within 5 business days of the auction. If approval is denied, all documents and the deposit will be returned immediately.

EARNEST MONEY DEPOSIT:

The Winning Bidder shall be required to make an earnest money deposit equal to five percent (5%) of the total purchase price. This deposit must be received by 5:00 pm CST by wire transfer (or by certified funds), on the auction end date. Winning Bidder(s) whose documents and deposit are not received within the required timeframe are subject to paying a liquidated damages amount equal to 10% of the total purchase price (in addition to any other damages allowed or permitted by law). Auctioneer reserves the right to charge such liquidated damages amount to the Winning Bidder(s) credit card used at registration and not allow the bidder to bid in any future auctions.

CLOSING:

The Winning Bidder shall close within 30 days of the auction end date, unless stated differently in the Purchase Agreement.

EVIDENCE OF TITLE:

Seller shall furnish at seller's expense an Owner's Policy of Title Insurance in the amount of the total purchase price and shall execute a warranty deed conveying the real estate to the buyer(s).

REAL ESTATE TAXES & ASSESSMENTS:

2022 taxes are to be prorated as of the closing date.

EASEMENTS AND LEASES:

Sale of said property is subject to any and all easements of record and any and all leases.

AGENCY:

Cates Auction & Realty Co., Inc. and its representatives are Exclusive Agents of the Seller.

BROKER PARTICIPATION:

A commission of 3% of the high bid (unless a different percentage is stated in the property's MLS listing) is offered to all participating properly licensed Brokers. This commission will be paid at closing to the Broker representing the Winning Bidder, who has completed, returned and met the terms of the Broker Participation Agreement. This agreement is available on our website

and must be completed and returned prior to the Broker's bidder placing a bid and no later than 48 hours prior to the auction end date.

DISCLAIMERS AND ABSENCE OF WARRANTIES:

The information in the auction advertising was obtained from sources believed to be accurate, but is subject to verification by all parties relying on it. All sketches, dimensions, square footage, acreage amounts, etc. are approximate. No liability for its accuracy, errors or omissions is assumed by the Seller or the auction company. All bidders are responsible for conducting their own inspections, investigations, inquiries and due diligence concerning the property. The property is being offered on an "AS IS", "WHERE IS" basis and no warranty or representations, expressed or implied, is made by the Seller or the auction company. All information contained in the advertising and all related materials are subject to verification by all parties and the terms and conditions outlined in the purchase agreement. The Auctioneer reserves the right to bid on behalf of the Seller up to, but not beyond the Seller's reserve (if applicable). This property is available for and subject to sale prior to the auction end date.

We hope you enjoy bidding in this online auction!