

SAMPLE REAL ESTATE AUCTION
TERMS AND CONDITIONS OF AUCTION SALE
Month/Day/Year Auction

Market Realty, Inc. and associated Auctioneer have a contract with _____, to offer for sale at public auction the real property located at _____. The property is selling subject to owner's confirmation on auction day, but is subject to prior sale. The properties may be offered separately and together to determine which way they will realize the highest price. Some properties may be offered with Seller financing, with approved credit. Buyer **MUST** furnish Seller a credit report from www.freecreditreport.com ,or any other reputable credit reporting agency, **7 days prior to sale date, in order to get approved for Seller financing.**

A. Property Inspection

- 1) It is the Purchaser's sole responsibility to: a) perform all inspections (legal, environmental, economic or otherwise) of the Property and to be satisfied as to its condition prior to bidding; b) review all property information and due diligence materials; c) independently verify any information they deem important including information available in public records; and d) inquire of public officials as to the applicability of and compliance with land use and environmental laws, zoning, building and health & safety codes and ordinances and any other local, state or federal laws and regulations.
- 2) All information contained in the auction brochure and all promotional materials, including, but not limited to, photographs, directions, acreage, square footage, dimensions, zoning, maps used for promotion, environmental conditions, taxes, etc., was provided by or on behalf of the Seller and is believed to be correct; however, neither the Seller nor the Auctioneer makes any promise, representation, guarantee, or warranty as to the accuracy or completeness of such information. There is no obligation on the part of Seller or Auctioneer to update any information. Purchaser and Purchaser's broker shall be responsible for verifying all acreage and square footage amounts through public records.

B. Buyer's Premium

There will be a Ten Percent (10%) Buyer's Premium paid by the Purchaser to Market Realty, Inc. upon bid acceptance..

C. Down payment/Deposit

A minimum of 20% down payment at time of contract for Seller financing option or 10% down payment for cash sale. All other terms of the contract remain the same.

D. Bidder Registration

- 1) **Bidders must register and receive a bidder's number in order to bid on the Property.** This number must be presented when the bidder is declared the winning bidder. In order to bid you must present cashier's check made payable to the bidder (self) in the amount of: **\$5,000**

Cashier's check will be required at registration to bid on the real estate on Auction Day.

- 2) Upon being declared the final successful confirmed bidder, the Purchaser will be required to pay a down payment in the amount equal to ten percent of the contract price if cash sale and twenty percent if Seller financed. The first **AMOUNT** (SEE ABOVE) will be in the form of the cashier's check and the balance of the ten percent or twenty percent may be paid by a personal or company check. Payment will be made to the title company on Auction Day.
- 3) The Purchaser shall immediately pay the required down payment to the title company on Auction Day and shall execute and deliver a completed Auction Real Estate Sales Contract together with all related Addenda for the Property at the Auction. The fully executed Sales Contract shall control all terms and conditions of the sale and constitute the entire agreement between the Purchaser and the Seller. In the event of any conflict between these Terms and Conditions of Sale and the Terms and Conditions of such Sales Contract, the Terms and Conditions of the Sales Contract shall prevail. **NO CHANGES TO THE TERMS AND CONDITIONS OF THE SALES CONTRACT WILL BE PERMITTED. PURCHASER WILL BE REQUIRED TO ENTER INTO THE SALES CONTRACT "AS IS" ON AUCTION DATE.**
- 4) Any person bidding on behalf of another person or entity must have a valid, legally enforceable, unexpired, recordable Power of Attorney approved by Seller prior to the auction. If a Purchaser is bidding on behalf of a corporation, the bidder shall be individually bound until the bidder presents a corporate resolution prior to closing.
- 5) If for any reason the Purchaser fails or refuses to deposit the required funds or to execute the Sales Contract immediately after being confirmed the winning bidder, the Seller reserves the right to declare the bidder's rights forfeited and may re-sell the Property.

D. Closing

Closing will be scheduled on or before (**usually 30-45**) days after date of auction and the down payment shall be in U.S. Funds and shall be held in a non-interest bearing account by the title company pending completion of necessary closing procedures, after which the Purchaser shall be granted possession of the Property subject to any matters contained in the Title Commitment and the Auction Real Estate Sales Contract.

E. Licensed Buyer Broker Guidelines

Upon the Closing of the transaction contemplated herein, Auctioneer shall be paid a commission pursuant to a separate written agreement between Auctioneer and Seller. If a Buyer's Broker is properly registered with Market Realty, Inc. according to the Buyer Broker Guidelines, then at Closing, the Buyer's Broker shall be paid a commission of one and a half percent (**2%**) of the high bid price as specified in the Real Estate Auction Sales Contract. If for any reason whatsoever (including the default of any party hereto), the Closing hereunder does not occur, then no commission shall be due and payable to Buyer's Broker. To qualify for a commission, the buyer's broker must register the prospect, using the Buyer Broker Registration Form provided by Market Realty, Inc. There will be no exceptions to the

guidelines and no oral registrations will be accepted. No broker will be recognized that is participating as a principal, buyer or partner in the purchase.

F. Disclaimer

- 1) Personal on-site inspection of the property is recommended and bidders are advised to independently verify all information they deem important. This Property is being sold “As-Is, Where-Is” and with “All Faults”. The Seller, Market Realty, Inc., and Auctioneer have not made, do not make and will not make, and hereby disclaim, any representation or warranty, whether expressed or implied or statutory, whether oral or written, with respect to the Property, including, without limitation, any warranty as to its value, condition, acreage, square footage, suitability, merchantability, marketability, operability, zoning or subdivision regulations, mineral rights, environmental condition or fitness for a particular use or purpose. No Guarantees are given as to the availability of utilities or accesses, or the permitted or allowable uses of the Property.
- 2) Neither the Seller, its attorneys, any broker, nor the Auctioneer, shall be liable for any relief including damages, rescission, reformation, allowance or adjustments based on the failure of the Property, including, but not limited to, amount of acreage, square footage, zoning, and environmental condition to conform to any specific standard or expectation, or any third party documents or information.

G. Auctioneers Agency Disclosure

The Auctioneer is acting exclusively as the agent for Seller in this transaction and is to be paid a fee by Seller pursuant to a separate written agreement between Seller and Auctioneer. The Auctioneer is not acting as agent in this transaction for the buyer. Any third party broker is not a subagent of Auctioneer.

H. Equal Opportunity Clause

All bidding is open to the public. The Property is available to qualified purchasers without regard to a prospective Purchaser’s race, color, national origin, religion, sex, familial status, or physical handicap.

I. Miscellaneous

- 1) All decisions of the Auctioneer are final as to the methods of bidding, disputes among bidders, increments of bidding, and any other matters that may arise before, during, or after the auction. Seller reserves the right to deny any person admittance to the Auction or expel anyone from the Auction who attempts to disrupt the Auction.
- 2) Property is subject to prior sale.
- 3) All announcements made Auction Day supersede any prior oral or printed statements. The Seller reserves the right to announce additional Terms and Conditions of the sale prior to or during the course of the Auction.
- 4) The associated Auctioneer holds a personal auctioneer license with the Texas Department of Licensing & Regulation and Market Realty, Inc. holds a Real Estate Broker license with the Texas Real Estate Commission.

AUCTIONEERS FOR THIS AUCTION ARE SELLING AGENTS ONLY AND MAKE NO REPRESENTATIONS CONCERNING THE PROPERTY WHATSOEVER.

Agreed and Accepted by Buyer.

Buyer Signature

Date