

# TERMS AND CONDITIONS FOR THIS AUCTION

## 2017 City of Richmond Tax Delinquent & Property Sale

(Applies to Lots 1-28) – Document known as Addendum A

### Registration:

All bidders shall be required to certify, by affidavit, that he or she does not own, directly or indirectly, any real estate with an outstanding Notice of Violation under the local environmental, zoning or building code or outstanding real estate or other taxes to the City of Richmond. In the event the tax delinquent property is subject to a Notice of Violation under the Virginia Uniform Statewide Building Code, City Zoning Code or Environmental Codes, the bidder shall be required to submit a written work schedule and plan to abate all violations, which shall be approved by the appropriate department, in its sole discretion. The acceptance of the bid by the Special Commissioner shall not be construed as limiting any powers vested in the City. The successful bid is subject to confirmation by the aforementioned Circuit Court pursuant to Section 58.1-3969 of the Code of Virginia. Settlement shall occur at the time of the confirmation by the Circuit Court; otherwise Special Commissioner may forfeit deposit and avail themselves of any other legal or equitable right against the defaulting Purchaser, including costs of resale and any deficiency resulting from resale. Special Commissioner's Properties are sold subject to Court Confirmation. Successful bidders are required to provide Social Security numbers at the fall of the hammer. Additional terms may be announced at sale. **Registration will begin at 3 PM EST on Sale Day (August 23, 2017) and the sale will start at 4 PM EST.**

### Deposit Amount:

Registered bidders must present on auction day an initial deposit of \$2,500 or 20% of the Total Purchase Price, whichever is greater. (Total Purchase Price is calculated as the high bid plus the 10% Buyer's Premium). Deposit must be cash, certified or cashiers check made payable to Motleys Asset Disposition Group. The deposit may also be made by personal/company check accompanied by an irrevocable letter of guarantee with the current date on bank letterhead. *Sample Bank Letter: "This irrevocable letter of guarantee will guarantee checks made payable to Motleys Asset Disposition Group and is issued to \_\_\_\_\_ (customer's name) who is a customer of this bank. This bank will guarantee unconditional payment to Motleys Asset Disposition Group on account # \_\_\_\_\_ up to the amount of \$ \_\_\_\_\_."*

### Buyer's Premium:

A Buyer's Premium of ten percent (10%) will be added to the high bid and included in the total selling price paid by the buyer.

### Closing:

All properties are being sold subject to court confirmation. **Court hearing for confirmation is anticipated to occur on October 20, 2017. The balance of purchase price and "required documents" are due on or by close of business on September 20, 2017.** Closing is to occur after court confirmation. Upon settlement, buyer will be provided a Special Warranty Deed or a Special Commissioner's Deed upon court confirmation for the property with adjustment of real property taxes made as of the date of sale and all fees and prorated taxes to be paid by Purchaser. Risk of loss shall be upon Purchaser from time of confirmation by the Circuit Court. **TIME IS OF THE ESSENCE.**

### Broker Co-op:

A three percent (3%) Broker Participation Fee will be paid to brokers who represent the winning bidder on the property. Broker participation forms must be received 24 hours prior to auction. Please see Broker Participation Form for full details. For a Broker Participation fee to be paid & be qualified, the high bid of the property must be \$20,000.00 or higher.

### Auctioneer's Authority on Bidding Procedures and Bidding:

Bidding Procedures: Open and verbal. Announcements made on the day of the auction will take precedence over all printed material or oral statements made. (1) Method, order of sale, and bidding increments shall be at the sole discretion of the auctioneer. (2) The auctioneer reserves the right to delete or add additional properties at his discretion. (3) Auctioneer may act to protect the seller's reserve, as an agent of the seller, by bidding through the auctioneer. (4) The auctioneer may open bidding on any property below the reserve by placing a bid on behalf of the seller. (5) The auctioneer may continue to bid on behalf of the seller up to the amount of the reserve, either by placing consecutive bids or by placing bids in response to other bidders. The auctioneer shall have absolute and sole discretion in the order and conduct of the auction. The auctioneer has the authority, at his sole and absolute discretion, to deviate from, change, alter, or modify, the bidding procedures and conduct of the auction at any time including after commencement of the auction.

Bidding: All Bidding is open to the public without regard to race, color, sex, religion, or national origin. As used in these conditions of sale the term "the final bid" means the highest bid acknowledged by the auctioneer, and the term "purchase price" means the sum of the final bid and the buyer's premium. The highest bidder acknowledged by the auctioneer shall be

the buyer. The auctioneer has the right to reject any bid or raise any bid which, in his opinion, is not commensurate with the value of the property being offered. The auctioneer may advance the bidding at his absolute discretion and, in the event of any dispute between bidders, may determine the successful bidder or re-offer and resell the property in dispute. Should there be any dispute after the sale; record of final sale shall be conclusive.

Bidder's Card: All Bidders are required to have a Bidder's Number to bid. To obtain a Bidder's Number, a registration form must be filled out giving full name, address and phone number. This information must be verified by proper identification. Evidence of correct form of deposit must be made in order to register at the auction.

Bid Execution: Bids which are submitted to Auctioneer in writing or otherwise left with Auctioneer prior to an auction (Order Bids) for execution at or below a specified price shall be entertained and executed by Auctioneer for the convenience of bidders. Auctioneer shall not be responsible for failing to execute such bids or for errors relating to the execution of such bids.

Bidder's Affidavit: If you are the High Bidder for a property/item, you will be required to sign a Bidder Affidavit. A sample of the Bidder Affidavit form can be found in the Property Information Package.

Buyer's Premium: A 10% buyer's premium shall be paid by the Buyer and will be added to the final bid on the property.

Example:	High bid on property is:	\$100,000
	Add 10% buyer's premium:	<u>+ 10,000</u>
	Total on Sales Contract:	\$110,000

Closing Costs: The deed shall be prepared and acknowledged by Seller at Seller's expense and recorded at the expense of Buyer. The buyer shall pay all title searches, title insurance charges, survey expenses, usual conveyance expenses, and recordation taxes, including the Grantor's Tax. Real estate taxes, water and sewer charges, if any, will be prorated as of the date of closing.

Title: Title to the offered property shall pass to the buyer at formal settlement.

Possession: Possession shall be delivered at the time of confirmation of the bid by the Court and recordation of the deed. If said premises are tenanted or subject to a tenancy in whole or in part at the time of final settlement, possession shall be delivered subject to such tenancy.

Financing: Sale of the property is not contingent upon the buyer obtaining financing.

Acknowledgement of Code Violations: The Buyer acknowledges that by purchasing the Property he/she assumes responsibility for abatement of building, environmental, zoning or other City Code violations that may exist on the Property and agrees to contact the appropriate City Department within sixty (60) days of the purchase of the Property to provide an abatement plan for any Code violations.

Default by Buyer: Should Buyer fail to make settlement as provided in this Agreement, Buyer shall be deemed in default and the Buyer's Deposit may be retained by Seller, either on account of the purchase money or as compensation for the damages and expenses Seller has incurred, as Seller shall elect. In the latter event, Seller's and Auction Firm's liability hereunder to Buyer shall absolutely cease. In the alternative, Seller may resort to any other action or remedy in law or equity that may be available, including legal action to collect the costs of resale and any deficiency resulting from resale. Upon default by the Buyer, Seller shall forward funds paid to the Seller by the Buyer, or some portion thereof, to Motley's to satisfy any obligations owed to Motley's.

Conditions of Default: If any conditions contained herein are not complied with by the buyer, Auctioneer may, in addition to asserting all remedies available by law, including the right to hold defaulting buyer liable for the purchase price, either, a) cancel the sale, retaining as liquidated damages any payment made by such buyer, b) resell the property without reserve at public auction or privately on seven days' notice to such buyer, or c) take such other action as it deems necessary or appropriate. If Auctioneer resells the property, the original defaulting buyer shall be liable for the payment of any deficiency between the purchase price and all costs and expenses, the expenses of both sales, reasonable attorney's fees, commissions, incidental damages and all other charges due hereunder. In any event; the buyer's, earnest money deposit will be retained by Auctioneer as liquidated damages.

State Laws: The respective rights and obligations of the parties with respect to the Conditions of Sale and the conduct of the auction shall be governed and interpreted by the laws of the state in which the auction is held. By bidding at an auction, whether present in person or by agent, by written bid, telephone or other means, the buyer shall be deemed to have consented to the jurisdiction of the courts of such state and the federal courts sitting in such state.

**Real Estate Brokers/Agents/Auctioneers:** A fee equal to a specified commission calculated on the successful purchaser's final bid (not including any Buyer's Premium), will be paid (where allowed by law) to any qualified broker/auctioneer who is duly licensed in the state where the property is located, and whose properly registered client successfully buys and closes on the property. To qualify for a commission, the licensed broker/agent must first register the prospective bidder by mail or fax, (804) 232-3301 on Motley's Broker Participation Acknowledgment Form, with Motleys Asset Disposition Group, 3600 Deepwater Terminal Rd Richmond, VA 23234. Registration letters must be countersigned by the prospect and include the broker's and agent's or auctioneer's license number, identification of the property, any agency disclosure statements, the letter and participation acknowledgment form. All forms, letters and statements must be received no later than 5:00 P.M. one day (24 Hours) prior to the auction. In addition, agents/auctioneers must also attend with and register their prospects at the auction.

**Inspection:** All property is sold "As Is, With All Faults." Descriptions are provided as a service to customers only and do not constitute a warranty, either expressed or implied. Auctioneer disclaims all responsibility for physical condition. All buyers are responsible for prior inspection of properties on which they bid, and by bidding are deemed to have so inspected the property. Placing a bid on the offered property, whether in person, or by agent, by written bid, telephone bid or other means, constitutes an agreement by bidder to these conditions of sale. For residences built prior to 1978, buyer waives the right to a 10-calendar-day opportunity to conduct a risk assessment or inspection for the presence of Lead-Based Paint and/or Lead-Base Paint Hazards. Square footage dimensions and acreage are approximate and should be independently verified prior to bidding. Auctioneer, its agents and subagents, and the sellers assume no liability for errors or omissions in this or any other property listing or advertising or promotional/publicity statements and materials. Although information has been obtained from sources deemed reliable, the auctioneer makes no guarantee as to the accuracy of the information herein contained or in any other property listing or advertising or promotional/publicity statements and materials.

**Megan's Law Disclosure:** Purchaser(s) should exercise whatever due diligence they deem necessary with respect to information on any sexual offenders registered. Such information may be obtained by contacting your local police department or the Department of State Police.

Should any terms set forth in these Terms and Conditions be inconsistent with the terms of the Purchase Agreement to be executed by the successful bidder, the terms of the Purchase Agreement shall control.

**Online Bidding (When & Where Available) ONLINE BIDDING REGISTRATION AND DEPOSIT MUST BE COMPLETED BY AUGUST 18, 2017 BY 4:00 PM EST.**

Online Bidding: PRIOR TO **AUGUST 18, 2017 BY 4:00 PM EST**, bidders must do one of the following:

- Provide a MasterCard, Visa or Discover credit card with open credit of \$2,500.00 for each Property you wish to bid on. Agreeing to the terms is authorization to place a hold on a major credit card. **A 3% handling charge is to be added for all major credit cards except American Express – A 4% handling fee is to be added for all American Express cards.**
- Deliver cash, certified or cashier's check \$2,500.00 for each Property you wish to bid on, made payable to Motleys Asset Disposition Group; or
- Wire funds to Motleys Asset Disposition Group (email info@motleys.com for wire information)

**If online payment is not confirmed and processed at the time of sale, Motleys reserves the right to take that property/item back for immediate auction.**

To obtain a Bidder's Number/Username, a registration form must be filled out giving full name, address and phone number (and deposit must be received as described above). Visit motleys.com to obtain.

**If you are the highest bidder for a property/item and are using the online bidding platform to participate in the auction, you must electronically sign the contract through DocuSign within thirty (30) minutes of the hammer falling for that property/item.**

**Prior to Bidding:** All Online Bidders must complete an online bidder's sworn affidavit (a draft of the document is available in bid package), using the selected online notary service. A notary service fee will be charged and must be paid by the bidder using a credit card at the time of service.

**Bid Execution:** Bids are also accepted live / in person in addition to the Internet. Motleys is not responsible for failing to execute bids due to bidder's technological difficulties.

**Technical Problems:** Motleys has made reasonable efforts to provide for online bidding for this sale. You recognize and acknowledge, however, that technical problems with hardware, software, or internet connectivity, as well as human errors, may arise and may affect, without limitation, the sale website, our online bidding program and process, your or our internet service and access, and your connection to this sale bidding program and process. You further acknowledge that these and other technical problems may develop at any time and with or without notice. You acknowledge and agree that neither we nor the Seller is in anyway responsible for any such technical problems, and that you have no absolute or other right to be able to bid on

this sale in the event of any such technical problems. Notwithstanding the foregoing, you further acknowledge and agree that, in the event of any such technical problems, we reserve the right to postpone or cancel the sale and/or extend the bidding time for this sale and/or relist the property for sale at another time, in our sole discretion, and that our decision with regard to any such actions is and will be final. Bidders must take care in entering bids, and each Bidder will be responsible for all bids placed under the Bidder's approved registration. Once entered and recorded online, a bid is deemed to be final on behalf of the registered Bidder and may not be modified, retracted or rescinded in whole or in part.