

REAL ESTATE SALE TERMS AND CONDITIONS

November 16 – 2010

1. **CONDITIONS OF SALE:** The terms and conditions for this sale are set forth in the Purchase and Sale Agreement which will be executed by the successful bidder at the auction. Copies of the Purchase and Sale Agreement are available for inspection prior to this event by contacting Western Real Estate Auctions, LLC (referred to herein as WREA or Broker).
2. **SALE PROCEDURE:** The property is owned by Cody and Debby Easterday, Gale and Karen Easterday (Seller) and will be offered 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. **A 10 % BUYER'S PREMIUM WILL BE ADDED TO THE HIGH BID(S) TO DETERMINE THE TOTAL SALES 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 sale will be recorded and if any dispute arises, the Auctioneer's sales records shall be conclusive in all respects.
3. **BIDDER REGISTRATION:** The sale 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 \$10,000 Bidder Deposit, in cashier's check or PRE-APPROVED company or personal checks made payable to Benton Franklin Title Company. All checks not endorsed by successful Bidders will be returned to providers at the close of the oral auction. Bidder registration will begin at 1:00 p.m. on November 16, 2010 on-site at 1816 North 20th Avenue, Pasco, Washington. The Seller and/or Broker reserve the right to refuse admittance to or expel anyone from the sale premises for interference with the event activities, nuisance, canvassing or any other reasons.
4. **TERMS:** Cash at closing no later than December 17, 2010.
5. **RIGHT TO ACCEPT OR REJECT:** This property is being offered for sale without reserve. Except where prohibited by law, the Auctioneer may open bidding by placing a bid on behalf of the Seller or pre-qualified absentee bidders, and may further bid their behalf by placing successive or consecutive bids for a Property, or by placing bids in response to other bidders. The sole purpose is to sell the properties. Please come prepared to purchase.
6. **PROPERTY INFORMATION:** Property information packages are available in print or digital form, containing a copy each of the Purchase and Sale Agreements, Preliminary Title Reports, Plat Maps, Law of Real Estate Agency, and Auction brochure by contacting Western Real Estate Auctions at (509) 297-9294.
7. **CONFIRMATION OF BID:** Successful bidder must 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 on the day of the auction.
8. **DEPOSITS:** Successful bidder will be required to provide a minimum Earnest Money Deposit of ten percent (10%) of the purchase price at the close of the real estate auction. The cashier's check Bidder Deposit(s) submitted for bidding participation will be applied to that percentage. Buyer must be prepared to issue a personal check for the balance due in excess of the Bidder Deposit made payable to Benton Franklin Title Company to complete the Earnest Money Deposit requirements.
9. **SELLER FINANCING:** If seller financing option is chosen, a down payment of 30% of the sale price will be required at closing, credited by 10% Earnest Money Deposit. Terms of the Promissory Note shall be 6.5% interest, monthly payments based on 10 year amortization with a 5 year balloon payment. The Note will be secured by a Deed of Trust on the subject property.
10. **ENVIRONMENTAL DISCLAIMER:** Seller and WREA do not warrant or covenant with Buyer(s) 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 its own environmental audit or examination of the premises.

11. **CLOSING:** Sales shall be closed by Benton Franklin Title Company, 3315 West Clearwater Avenue, Suite 100, Kennewick, Washington (Closing Agent). This sale transaction must close no later than December 17, 2010 unless extended in writing by the Seller. Buyer shall be entitled to possession of the Property being purchased as of the Closing Date unless other arrangements are made between Buyer and Seller.

12. **CLOSING COSTS AND PRORATIONS:** Seller shall pay all customary and usual closing costs paid by Sellers of Real Estate in Franklin County, Washington including Broker's fees, title insurance premiums, excise tax, one-half of document preparation, one-half of the escrow fees, and pro-ratable items. Purchaser(s) shall pay all customary and usual closing costs paid by Buyers of Real Estate in Franklin County, Washington including recording fees, one-half of document preparation, one-half of escrow fees, sales or use tax, if any, and pro-ratable items.

13. **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 properties herein are 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 rescission 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 Broker have the right to postpone or cancel the sale, 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.

14. **AGENCY DISCLOSURE:** Western Real Estate Auctions is representing the Seller and will be paid by the Seller. The Purchaser is a customer. Each Purchaser will be required to acknowledge such agency.

15. **BROKER PARTICIPATION:** A cooperating broker referral fee will be paid to the appropriately licensed real estate broker whose pre-registered prospect pays and successfully closes on Tract(s) sold in this sale. Participating brokers must follow all guidelines set by the selling Broker and be pre-registered on Company letterhead no later than 5:00 p.m. on Friday, November 12, 2010. No agent will be recognized on a prospect who has previously contacted or been contacted by the Seller or its representatives. Registered broker(s) and their client(s) must attend the Auction.

16. **FAILURE TO CLOSE:** In the event that the successful Bidder(s) fails to close for any reason, the Earnest Money shall be non-refundable and Seller shall have default rights as set forth in the Purchase and Sale Agreements.

17. **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.

18. **PERSONAL PROPERTY:** The sale of the real property does not include any personal property other than the telephone and security systems currently on site.