

SOUTHEASTERN MULTI-PROPERTY AUCTION

EXCLUSIVE RIGHT TO AUCTION AGREEMENT

In consideration of the mutual covenants and obligations contained herein, and other good and valuable consideration, the receipt, adequacy and sufficing of which are hereby mutually agreed upon, _____ (herein known as the "owner(s)" whose address is _____ street, _____ city, _____ state, _____ zip, _____ residence, _____ mobile, _____ business, _____ fax, _____ e-mail, and United Country, Joe B Williams & Associates, Inc., Joe B Williams, Broker-in-Charge, herein known as the "sponsoring broker" whose address is 263 Hampton Street, Walterboro, South Carolina 29488, (843)549-2314, office, (843) 893-6881, cell, (843) 549-1934, fax, (843) 549-2478, residence, www.jwilliams@walterboro-sc.com, e-mail, www.prox-bid.com/walterboro-sc, www.rogersaucton.com, www.walterboro-sc.com, www.uc-auctions.com and www.unitedcountry.com, websites, in association with, Michael Rogers, Owner and President, and Broker-in-Charge, United Country – Rogers Auctioneers, Inc., herein known as the "auctioneer", whose address 2148 Henderson Tanyard Road, Pittsboro, North Carolina 27312, SCFL #3919, (919) 545-0412, herein collectively with sponsoring broker, and with the owner(s) known as the "parties" agree as follows: whereas the owner(s) may or may not have entered into an exclusive right-to-sell agreement, and, whereas the owner(s) is desirous to take advantage of the sponsoring broker's every resource to sell, the parties acknowledge that dual agreements may exist simultaneously with acknowledged terminations and automatic reinstatements, for the common purpose of selling the subject property to the best advantage of the owner(s).

PARTIES HELD HARMLESS

The parties acknowledge and agree that there shall be no conflict of interest between the parties and/or concurrent real estate and auction contracts and hold each other harmless in the event a conflict may arise. The parties understand that there may be an anomaly in state law and MLS rules and regulations as to the conventional method of marketing real estate and the auction method concerning the publication of the owner's sale price. The parties acknowledge that the use of simultaneous listing agreements is intended to sell the owner(s) subject property within the framework of the law, and, under no circumstances do the parties intend to avoid,

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break, change, or alter the law, either local, state, or federal.

The parties acknowledge and understand that the terms and conditions of sale, contained in a contract-for-sale is a stand alone contract that may or may not comply with the terms and conditions of this or other active listing agreement.

AGREEMENT TO SELL AT AUCTION AND PROPERTY DESCRIPTION

Therefore in consideration of the mutual covenants and obligations contained herein, and other good and valuable consideration the receipt adequacy and sufficiency of which are mutually acknowledged, the parties enter into this agreement for the purpose of offering at auction and selling the owner(s) property described as:

tax map # _____, deed book _____, page # _____, plat book _____, page # _____, located in _____ county, at _____, state.

LISTING TERM AND RIGHT TO TERMINATE

The parties agree the term of this agreement shall begin on the date the parties sign this document and the owner(s) have paid the marketing fee, described below, and that it shall terminate on the day of closing for the sale of the subject property, the time of receipt of written notification to terminate by the sponsoring broker from the owner(s), or, June 30th, 2009.

PERSONAL PROPERTY

Unattached personal property is specifically excluded from this agreement unless described, listed, and mutually agreed upon to be sold in a written attached addendum.

COMMITMENT TO SELL

When a buyer is found for the subject property, the owner(s) agrees to enter into a written contract-for-sale form provided by the sponsoring broker, which is a sales document sanctioned by the South Carolina and National Association of Realtors, and, containing customary terms and conditions of sale. A sample copy of the aforementioned contract-for-sale shall be made available to the owner(s) by the sponsoring broker upon request.

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AGENCY

The sponsoring broker agrees to cooperate, at his discretion, with reputable licensed buyer and seller representatives. The owner(s) acknowledges that the sponsoring broker is acting exclusively as a representative of the owner(s) in this transaction unless the owner(s) agrees in writing to an alternative form of representation. The owner(s) further acknowledges that the sponsoring broker has provided information explaining the meaning of agency as it applies to a real estate transaction under the laws of the State of South Carolina.

RELIANCE UPON REPRESENTATION

The owner(s) acknowledges that the sponsoring broker is relying upon complete and accurate information supplied by the owner(s). The owner(s) further acknowledges that if the sponsoring broker were not supplied with such reliable information, the sponsoring broker would not enter into this agreement to auction.

SELLER’S DESCRIPTION AND PROPERTY DEFECTS DISCLOSURE

The owner(s) warrants that, to the owner’s knowledge, there are no material defects, hidden, or obvious, in or on the property, which have not been disclosed to the sponsoring broker in writing. The owner(s) further warrants that the owner(s) has reviewed and completed a seller’s property disclosure statement, as required by South Carolina Code of Laws, as amended, Section 27-50-10, and et. seq., attached as part of this agreement. An owner(s) who knowingly violates or fails to perform any duty prescribed by any provision of this article or who discloses any material information that he knows to be false, incomplete, or misleading may be liable for damages, attorney fees, and court cost. The owner(s) further agrees to defend, indemnify, and hold harmless the sponsoring broker from liability of attorney’s fees, court costs, and claims arising from misinformation presented to, or omitted from the sponsoring broker by the owner(s). The owner(s) agrees to disclose any known defects of the subject property which are not readily ascertainable upon viewing the subject land, improvements, and to hold the sponsoring broker harmless for any liabilities or damages arising from such defects. The owner(s) understands and agrees that the sponsoring broker has fully met the requirements of Section 27-50-70 of the South Carolina Code of Laws, as amended.

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AUTHORITY TO OBTAIN INFORMATION

The owner(s) hereby authorizes anyone having a lien of any nature against the subject property to disclose complete information about such lien to the sponsoring broker and/or the closing agent.

AUCTION METHOD

The owner(s) authorizes the sponsoring broker and the auctioneer to offer the subject property for sale at auction in any manner (such as, high bidder's choice) which in their professional judgment is most likely to produce the best result for the owner(s).

AUCTIONEER RETAINER FEE

The sponsoring broker assumes responsibility for providing licensed professional auctioneers to work the subject multi-property auction event, and for paying auctioneer retainer fees travel, meals, and lodging that may be charged. Therefore the sponsoring broker holds the owner(s) harmless for such charges and obligations.

AUCTION DATES FOR 2008 THROUGH JUNE 2009

The schedule below is subject to change and/or cancellation due to unforeseen circumstances beyond the sponsoring broker's control.

	<u>Date</u>	<u>Location</u>	<u>Time</u>	<u>Owner(s) Selects</u>
1 st	July 17 th , 2008	Hampton Street Auditorium	TBA	_____ (Owner(s) initial)
2 nd	October 23 rd , 2008	Hampton Street Auditorium	TBA	_____ (Owner(s) initial)
3 rd	March 26 th , 2009	Hampton Street Auditorium	TBA	_____ (Owner(s) initial)

MARKETING FEE AND MARKETING BUDGET

The owner's marketing fee is ½ of 1% of the listing sales price, but no more than \$1,000. The owner(s) understands and agrees the marketing fee when paid, shall be forfeited upon payment and nonrefundable, and will not be carried forward as credit to another auction event. The owner(s) shall not be held liable for marketing expenses incurred by the sponsoring broker. The marketing budget for each auction event shall consist of the total marketing fees specifically collected for that auction event exclusively. The sponsoring broker shall provide the owner(s) a summary of expenditures after the auction. 100% of the marketing

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funds collected for each auction event shall be expended in the promotion and production of that specific auction.

RECEIPT FOR MARKETING FEE

The sponsoring broker acknowledges receipt of the owner’s marketing fee payment for the auction event selected above by the owner(s) in the amount of \$ _____.

cash ____ money order ____ check # _____ dated _____ at _____ AM/PM

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NO CONTROL OF COMMISSION RATES AND/OR FEES

The sponsoring broker’s compensation for services rendered herein is solely a matter of negotiation between the parties, and is not fixed, controlled, suggested, recommended, or maintained by any board/association, MLS, or by any persons not a party to this listing agreement. Sub-agency compensation that may be paid by the sponsoring broker is not fixed, controlled, suggested, recommended or maintained by any board/association, MLS, or by any persons other than the listing sponsoring broker.

SPONSORING BROKER COMPENSATION

The owner(s) agrees to compensate the sponsoring broker 8% of the accepted high bid offer. As an off-set to the owner(s) obligation to compensate the sponsoring broker, a “buyer’s premium” of this exact amount shall be added to the accepted high bid offer to determine the contractual sales price as a pass through at the time of closing.

OWNER(S) RESERVE

A owner(s) reserve will be defined for the purposes of this agreement as the bid price at or above which the auctioneer is permitted to sell the subject property. The owner(s) may, choose to name a reserve price prior to the auction, choose not to name a reserve price prior to the auction, or, choose not to name a reserve price and simply accept the high bid regardless of the amount.

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- _____ a. The owner(s) agrees that the reserve price will be
\$ _____.
- _____ b. The owner(s) agrees that the subject property will be sold
subject to owner's confirmation.
- _____ c. The owner(s) agrees that the subject property will be sold
to the highest bidder.
- _____
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- _____
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- _____
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The owner(s) authorizes and obligates the sponsoring broker and the auctioneer to sell the subject property at the highest bid offer that equals or exceeds the minimum acceptable bid stated above.

PROCURING CAUSE

Should this agreement not be accompanied by the sponsoring broker's conventional exclusive-right-to-sell listing agreement and the owner(s) enters into an agreement to sell prior to the auction date, and the sponsoring broker is determined to be the procuring cause of such sale, the owner(s) agrees and obligates to compensate the sponsoring broker a commission of 8% of the contractual sales price at the time such sale closes.

SPONSORING BROKER DUTIES

The sponsoring broker agrees to perform the following:

- To conduct each auction in an honorable professional manner in accordance with accepted real estate and auction industry legal and ethical practices.
- To expend 100% of the marketing fees collected for the purpose of producing and promoting the subject auction event and to provide the seller a summary of expenditures after the auction.
- To supply potential buyers with subject property information, as provided by the owner(s) and to assist them in the purchasing process.
- To provide a suitable location and facility for each auction.
- To provide the hardware equipment and supplies necessary to conduct each auction such as: sound, video, lighting, projectors, screens, chairs, tables, telephones, telephone service, internet

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- access, copiers, faxes, computers, etc.
- To provide an adequate number of professionally trained and licensed: auctioneers; real estate agents; ringmen; recorders; bookkeepers; registrars; clerical assistants; etc.
- To provide security personnel.
- To solicit professional service vendors who offer auxiliary real estate services to be in attendance to assist buyers and sellers, such as: attorneys; bankers; outside real estate brokers; 1031 tax deferment advisors; home warranty professionals; property insurance agents; exterminators; inspectors, etc.
- To facilitate the closing process from the time an agreement to purchase is signed through the day the sale is closed.
- To obtain the proper signatures on sales documents; to deliver copies of the sales documents with earnest deposits attached to all the parties including the closing attorney, and, to assist with the closing process as may be needed.

OWNER(S) DUTIES

The owner(s) hereby agrees to perform the following:

- To provide the sponsoring broker with complete and accurate information about the subject property, such as: title insurance; verification of ownership and/or verification of authority to sell; deeds; plats; appraisal; inspections; liens; mortgages; zoning restrictions; covenants; easements; right-of-ways; rent and/or other income histories; and/or other contractual obligations; history of utilities and/or other cost and expense; etc.
- To prepare the subject property for showing, such as; keeping it presentable; neat and orderly; clean and fresh; free of trash and debris; grass cut; etc.
- To remove “For Sale” signs from the subject property other than the sponsoring broker’s and to allow the placement of signs as the sponsoring broker may deem advantageous.
- Not to negotiate separately or privately with any prospective buyer(s) without the sponsoring broker’s knowledge during the term and extension period of this agreement.

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APPROVAL OF SPONSORING BROKER TO HOLD ESCROW FUNDS

The owner(s) approves, and authorizes the sponsoring broker and a designated attorney as “escrow agent”, to hold and account for bidder and earnest deposit funds until they are applied to the purchase of the subject property.

MULTIPLE LISTING SERVICE

The owner(s) hereby agrees that the subject property may be entered into multiple listing services (MLS) of which the sponsoring broker is a member.

INTERNET MARKETING

The owner(s) agrees, that the subject property description may be placed in electronic marketing mediums including, but not limited to, various internet websites, MLS, internet data exchange (IDX) programs, or other similar services, and to share such information with other brokers.

DISCLAIMER

The owner(s) hereby acknowledges and understands that neither the sponsoring broker nor his agents, employees or representatives have guaranteed or indicated in any way that the sponsoring broker’s effort to sell the subject property, in whole or in part, will in fact result in a sale, or produce a specific sales price. This agreement contains the entire understanding of the parties and all prior understandings and negotiations have been merged. The owner(s) acknowledges relying upon any statements or representations made by or on behalf of the sponsoring broker that are not specifically set forth in this agreement.

SPONSORING BROKER PROTECTION PERIOD

The owner(s) understands, agrees and obligates that, should the subject property not sell for any reason during the term of this agreement, and, the owner(s) sells, options or conveys the subject property to any person or entity who has been provided to the owner(s) by the sponsoring broker as the, “procuring cause” 365 days after the expiration stated herein, the owner(s) shall promptly compensate the sponsoring broker a sales commission of 8% of the sales price at the time of closing.

BUYER DEFAULT

In the event the buyer defaults and/or fails to complete the purchase, the owner(s) shall be held harmless for payment of any commission that may have

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been earned and due to the sponsoring broker. Escrow funds, forfeited by the buyer(s) and properly authorized for disbursement shall be divided equally between the sponsoring broker and the owner(s) less any expenses incurred by the sponsoring broker to obtain the legal authority to disburse.

OWNER(S) DEFAULT

In the event the auction bid price exceeds the owner(s) reserve, and the owner(s) fails to close the sale for any reason, other than default by the buyer, the owner(s) obligates and agrees to promptly pay the sponsoring broker the full commission the sponsoring broker would have otherwise earned upon the closing of that sale.

MEDIATION CLAUSE

Any dispute or claim arising from this agreement, shall be submitted to mediation in accordance with the rules and procedures of the dispute resolution system of the NATIONAL ASSOCIATION OF REALTORS. Any agreement signed by the parties pursuant to the mediation conference shall be binding. This mediation clause shall survive for a period of 120 days after the date of the closing.

FAIR HOUSING

The owner(s) and the sponsoring broker agree that the subject property is offered without regard to race, color, religion, sex, handicap, familial status, or national origin and is listed in full compliance with local, state, and federal fair housing laws.

FACSIMILE

The parties agree that this agreement may be bound and communicated by use of any written and secure electronic means.

ENFORCEMENT

The parties agree that the sponsoring broker may take action to enforce this agreement or collect associated costs, fees, and damages. The owner(s) agrees to reimburse, indemnify, or pay all the sponsoring broker costs associated with enforcing this agreement or collecting costs, fees, and damages including any incidental expenses and/or attorney's fees.

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