

**TERMS AND CONDITIONS OF SALE**

*Purchase Terms for*

569.15± Acres at Guntersville Lake  
Bishops Mountain Road and Seeley Road  
Grant, Marshall County, AL  
Thursday, March 17th, 2022, at 11:00 am CT

- ❖ TARGET AUCTION & LAND CO., INC. (hereinafter referred to as “Auction Company”/”Auctioneer”)
- ❖ Hambrick Hollow, LLC (hereinafter referred to as “Seller”)
- ❖ 569.15± Acres in Marshall County, Alabama with Parcel Identification Numbers: 11-06-14-0-001-001.000, 11-06-13-0-001-002.000, 11-01-12-0-000-001.000 and 10-03-07-0-000-031.000 (hereinafter referred to as “Property”)

**THE PROPERTY IS BEING SOLD AS IS, WHERE IS WITH ALL FAULTS AND WITH NO CONTINGENCIES.**

**A TEN PERCENT (10%) BUYER’S PREMIUM WILL BE ADDED TO THE HIGH BID PRICE TO DETERMINE THE TOTAL CONTRACT PRICE.**

**1. TERMS OF SALE**

- A. The Property will be offered through a live and online auction with a reserve, subject to Seller’s approval. Online bidding opens March 7<sup>th</sup> and concludes at the live event on Thursday, March 17<sup>th</sup>, 2022, at 11:00 am CT. Registration for the live event will begin at 10:00am CT.
- B. The live auction will be conducted from the Hampton Inn located at 14451 Hwy 431 South, Guntersville, AL 35976.
- C. The Property will be offered as an entirety and bid by the acre.
- D. Bidder registration is required for this auction to bid. No advance registration amount is required.
- E. A ten percent (10%) buyer’s premium will be added to the high bid price to determine the total contract price paid by the winning bidder (“Purchaser”).
- F. The Contract for Sale & Purchase (“Sales Contract”) shall be executed on auction day immediately after being declared the winning bidder (“Purchaser”).
- G. This is a CONTINGENCY-FREE SALE with a ten percent (10%) down payment based on the total contract price for the Property due from the Purchaser as follows: **Online:** No later than 4:00 pm CT on Friday, March 18th,2022 and **Live:** Due immediately following the auction. The down payment will be held in a non-interest-bearing escrow account by Target Auction Company. Wire instructions will be provided. The remaining balance is due at closing on or before Monday, April 18, 2022.
- H. This sale is not contingent upon the Purchaser’s ability to obtain financing.
- I. No credit cards will be accepted.
- J. If for any reason the Purchaser fails or refuses to execute the Sales Contract and/or deposit the required down payment funds immediately after being confirmed the Purchaser as outlined herein, the Seller reserves the right to declare the bidder’s rights forfeited and may resell the property. Seller reserves the right to seek specific performance.
- K. No changes to the Sales Contract or the Terms and Conditions of Sale will be permitted. The fully-executed Sales Contract (together with all related Exhibits thereto) shall control and constitute the entire agreement between Purchaser and Seller.
- L. By submitting a bid and/or executing the Sales Contract in the name of a business entity or corporation, the individual doing so has the authority and enters into a guaranty agreement whereby he/she personally guarantees payment of the bid amount.
- M. In the event of a conflict with the Sales Contract and the Terms and Conditions of Sale, the Terms and Conditions shall control the provision in conflict.
- N. All documents will be in English. If an interpreter or translator is deemed necessary to translate any documents or information, it is the Purchaser’s sole responsibility. All currency will be in U.S. dollars.
- O. The Property is selling AS IS, WHERE IS WITH ALL FAULTS AND WITH NO CONTINGENCIES. It is the Purchaser’s sole responsibility to be satisfied with the Property and verify any information deemed important PRIOR to bidding. All information is believed to be correct. However, neither Auction Company nor Seller make any representations or warranty of any kind regarding the Property.
- P. Possession of the Property will be at closing.
- Q. Property will be conveyed by Warranty Deed free and clear of all liens and encumbrances subject to the terms and conditions relating to such liens and encumbrances contained in the Sales Contract and the Title Commitment (posted online for review).

Purchaser Initials \_\_\_\_\_

Seller Initials \_\_\_\_\_

**2. PROPERTY DISCLOSURES**

- A. Tennessee Valley Authority (TVA) owns and controls the shoreline boundary between the lake and the Property up to the 600’ contour. Any improvements under the 600’ contour, if allowed, must have written consent from TVA. It is the Purchasers responsibility to inquire about zoning, restrictions, and requirements with TVA prior to bidding. TVA’s shoreline is zoned Sensitive Resource – Zone 3. Please contact TVA at 256-571-4280 with any questions.
- B. Seller will convey all mineral, gas, or oil rights applicable to the Property owned by Seller, if any. However, according to the Title Commitment, mineral and mining rights have been reserved.
- C. Portion(s) of the Property may or may not be located in a flood zone.
- D. A powerline easement runs along the southern portion of the Property as shown on survey and aerials.
- E. It is the Purchaser’s responsibility to verify with any governing agency regarding requirements, guidelines, permits or regulations for any portion of the Property within its jurisdiction.
- F. No guaranty or representation is made regarding any individual part of the property’s ability to pass a perc test.
- G. Timber Appraisal: The Seller had a Timber Appraisal completed in 2019 estimated approximately 501± harvestable acres reflecting a value of \$992,500. Since that time, Seller has select cut approximately 30-40 acres after the appraisal was completed. Neither Seller, Auction Company nor Forest Management Specialist, Inc. guaranties or warrants the accuracy of the Timber Appraisal (posted online for review and is for informational purposes only). It’s the responsibility of Purchaser to value the timber PRIOR to bidding and if Purchaser wishes to have the timber appraised, it will be at the Purchasers option and expense and will not affect the closing. If an updated timber appraisal shows a greater or lesser amount of value, the Sales Contract price will not be adjusted.
- H. Survey: The Seller had a survey completed in August of 2018 by Alabama Geomatics, INC. (posted online for review) and Seller will not perform any further survey work. The property will be selling by existing legal description. Should the Purchaser or Purchaser’s lender desire any additional survey work, it will be at Purchaser’s option and expense, and will not affect the closing. If an updated survey shows a greater or lesser amount of acreage, the Sales Contract price will not be adjusted.

**3. CLOSING**

- A. **Closing must be completed on or before Monday April 18, 2022. This is the closing deadline.** Closing will be completed by Clark Partington, Attorneys at Law, 125 East Intendencia Street, 4th Floor, Pensacola, Florida 32502. Contact Charles F. James 850-436-6466, cjames@clarkpartington.com.  
**It is the Purchaser’s responsibility to contact the closing agent and schedule closing.**
- B. The proceeds due from the Purchaser at closing shall be by cashier’s check (from U.S. bank) or confirmed wire transfer prior to closing and sent to Clark Partington, Attorneys at Law. Wire instructions will be provided.
- C. **Seller** will pay for the preparation of the deed, title exam/commitment, any municipality assessments. Ad valorem taxes will be prorated to the closing date.
- D. **Purchaser** will pay all other closing cost, including but not limited to survey fees, recording fees, attorney’s fees, wiring fees, loan/financing fees, if any, etc., and ad valorem taxes prorated to the closing date.  
Title Insurance is available at the Purchaser’s option and expense.

**4. UPDATES and CORRECTIONS**

It is the sole responsibility of the Purchaser to check for any updates or corrections prior to the end time of the auction.

**Any updates, revisions, additions, deletions, or corrections to these Terms and Conditions of Sale will be added here:**

- A. Section 2 PROPERTY DISCLOSURES, Item D was updated to: A powerline easement runs along the southern portion of the Property as shown on survey and aerials.
- B. Section 2 PROPERTY DISCLOSURES, Item B was updated to: Seller will convey all mineral, gas, or oil rights applicable to the Property owned by Seller, if any. However, according to the Title Commitment, mineral and mining rights have been reserved.
- C. Correction to original advertising: Tennessee Valley Authority (TVA) owns and controls the shoreline boundary between the lake and the Property up to the 600’ contour.

**5. WIRE TRANSFERS**

A transaction fee will apply to all funds transferred via wire.

**6. DEFAULT**

- A. It is agreed by all parties that in the event the Purchaser fails to close and pay the balance when due, Seller and Auction Company reserve all rights allowed by law and the Sales Contract, including a suit for damages, specific performance or cancellation of the transaction, with the Seller to retain the down payment. In the event of any breach of the terms of this agreement by Purchaser, the Seller will declare the Purchaser in default and Purchaser agrees that the escrow agent is expressly authorized and instructed to disburse the down payment without the requirement of any further approval or agreement from the Seller or Purchaser. Any action

Purchaser Initials \_\_\_\_\_

Seller Initials \_\_\_\_\_

taken after Purchaser’s default shall be solely at the Seller’s option with all costs incurred by Seller being paid by the Purchaser. If any legal action is required to enforce this agreement, or to collect any fees or costs earned or advanced pursuant thereto, the Seller or Auction Company shall be entitled to recover any and all costs of such action, including, but not limited to, the expenses and court costs of the action and a reasonable attorney’s fee.

B. Closing/escrow agent shall disburse the Purchaser’s down payment to the Seller after the receipt of Seller’s written certification that the Purchaser’s Sales Contract has been terminated by reason of said Purchaser’s failure to cure a default in performance of Purchaser’s obligations herein. Closing/escrow agent may act in reliance upon any writing, instrument, or signature which it, in good faith, believes to be genuine, may assume the validity and accuracy of any statements or assertions contained in such writing or instrument and may assume that any person purporting to give any writing, notice, advice or instruction in connection with the provisions hereof has been duly authorized to do so. Closing/escrow agent shall not be liable in any manner for the sufficiency or correctness as to form, manner of execution, or validity of any written instructions delivered to it, nor as to the identity, authority, or rights of any person executing the same. The duties of closing/escrow agent shall be limited to the safekeeping of the down payment and the disbursement of same in accordance with the written instructions described above. Closing/escrow agent undertakes to perform only such duties as are expressly set forth hereto, and no implied duties or obligations shall be read into this agreement against closing/escrow agent.

**7. AUCTIONEER’S AGENCY DISCLOSURE**

The Auctioneer is acting exclusively as the agent for the Seller in this transaction and is to be paid a fee by the Seller pursuant to a separate written agreement between Seller and the Auction Company. The Auctioneer is not acting as an Agent in this transaction for the Purchaser. Any third party Buyer Broker is not a Subagent of Auction Company.

**8. EQUAL OPPORTUNITY CLAUSE**

All bidding is open to the public. The Property is available to Purchaser(s) without regard to race, color, religion, sex, familial status, national origin, disability, sexual orientation or any other factor protected by federal, state or local law.

**9. SIGNATURES and COUNTERPARTS**

Electronic signatures and facsimiles shall serve as valid authority for this document and all documents pertaining thereto may be executed in counterparts, each of which is deemed an original and together constitute one document.

**10. ACKNOWLEDGEMENT**

Purchaser acknowledges that he/she has read and understands the (1) Real Estate Online Bidding Terms, and (2) these Terms and Conditions of Sale.

**By signing below, each Purchaser and Seller acknowledge that this ‘Exhibit A’ consists of three pages, has read and understands same; these terms are made a part of the CONTRACT FOR SALE AND PURCHASE.**

**Executed by Purchaser on March 17th, 2022**

**Executed by Seller on March 17th, 2022**

**PURCHASER:**

**SELLER: HAMBRICK HOLLOW, LLC**

**X DO NOT SIGN – EXAMPLE ONLY**

**BY:**

**X \_\_\_\_\_**

**BY: HARRELL DOWNEY  
ITS: MANAGING MEMBER**

**X \_\_\_\_\_**

**BY: TAMMY DOWNEY  
ITS: MEMBER**

Purchaser Initials \_\_\_\_\_

Seller Initials \_\_\_\_\_