

AUCTION PURCHASE AND SALE AGREEMENT FOR MARYLAND

Property Address

This Auction Purchase and Sale Agreement (this "Agreement") is made by and between the undersigned owner ("Owner") and the undersigned Buyer ("Buyer").

Owner is the owner of real property and improvements (the "Property") described in the advertisement (the "Advertisement") attached as Exhibit A; if the Advertisement identifies more than one property to be sold at auction, then Exhibit A shall specify the Property purchased hereunder. Owner engaged Alex Cooper Auctioneers, Inc. ("Alex Cooper") to conduct a public auction of the Property, and Buyer is the successful bidder at such auction.

Now, therefore, in consideration of the premises and promises herein contained, the parties agree as follows:

1. Purchase and Sale.

a. Sale of Property; Purchase Price. Owner agrees to sell and convey, and Buyer agrees to purchase, the Property upon the terms and conditions herein set forth. The Property is sold in fee simple, or subject to a ground rent, as specified in the Advertisement. The purchase price ("Purchase Price") for the Property, being the amount bid by Buyer at the auction sale on the date hereof plus a five percent (5%) Buyer's Premium, is

\$ _____

b. Deposits. Upon execution of this Agreement, Buyer shall make an earnest money deposit (the "First Deposit") as specified in the Advertisement. That amount necessary (the "Second Deposit") to bring the total deposit (the "Deposit", being collectively the First Deposit and the Second Deposit) up to the total amount or percentage specified in the Advertisement shall be paid to Alex Cooper in its office on or before the date specified in the Advertisement, in the form of cash, cashier's check or certified check. The Deposit shall be held in escrow by Alex Cooper in a non-interest bearing account. The Deposit shall be applied to the Purchase Price at Closing, and the Deposit, net of all amounts due by Owner to Alex Cooper, shall be paid to Owner at Closing.

c. Balance of Purchase Price. At the Closing, Buyer shall pay the Purchase Price, less the Deposit, in immediately available U.S. funds.

d. Default in Payment. If payment of Deposit or the Purchase Price is not paid within the specified periods or in the manner herein specified, the Buyer shall be in default, any Deposit paid will be forfeited by Buyer to Owner, and the Property may in Owner's sole discretion be resold at the risk and expense of the defaulting Buyer. If Owner does not resell the Property at the defaulting Buyer's risk, the Deposit shall constitute liquidated damages and Buyer shall be deemed to have agreed that the Deposit is a fair and reasonable amount to be retained by Owner as agreed and liquidated damages in light of Owner's removal of the Property from the market and the costs incurred by Owner, and shall not constitute a penalty or forfeiture. Owner is not required to accept any back-up bid nor is it obligated to negotiate with any back-up party. If Owner shall default under this Agreement prior to Closing or refuse or fail to convey the Property, the successful bidder's sole remedy therefore shall be either (1) to terminate this Auction Purchase and Sale Agreement and have the Deposit returned, or (2) seek the specific performance of this Agreement. In no event shall Alex Cooper be liable to the successful bidder for any default of the Owner.

2. Closing. Payment of the Purchase Price and the consummation of the transaction contemplated by this Agreement is called the "Closing." The Closing shall occur within the time period specified in the Advertisement, and shall be held at the office of Buyer's title company.

3. Auction Sale Terms and Conditions. The parties agree that the terms and conditions established by Alex Cooper for real estate auction sales shall apply to this transaction, which terms and conditions are attached hereto and incorporated herein by reference as Exhibit B. **BUYER ACKNOWLEDGES THAT THIS AGREEMENT AND SUCH TERMS AND CONDITIONS ARE POSTED ON ALEX COOPER'S WEBSITE AT (WWW.ALEXCOOPER.COM/SALETERMS.PDF), AND THAT BUYER HAS HAD AN ADEQUATE OPPORTUNITY TO REVIEW THE SAME BEFORE THE AUCTION AND BEFORE EXECUTING THIS AGREEMENT. BUYER ACKNOWLEDGES THAT IT HAS HERETOFORE CONDUCTED ANY AND ALL DUE DILIGENCE AND THAT IT IS PURCHASING THE PROPERTY "AS IS" "WHERE-IS", SUBJECT TO**

ANY AND ALL VIOLATION NOTICES OR REQUIREMENTS NOTED OR ISSUED BY ANY GOVERNMENTAL ENTITY; THIS AGREEMENT IS NOT CONTINGENT UPON ANY INSPECTIONS OF THE PROPERTY, OF ANY LEASES PERTAINING TO THE PROPERTY, OR OTHERWISE. THE TERMS AND CONDITIONS CONTAIN FURTHER DISCLAIMERS, WAIVERS, TERMS AND CONDITIONS, ALL OF WHICH ARE INCORPORATED AS PART OF THIS AGREEMENT.

4. Title. At Closing, Owner shall convey good and marketable title, subject to all easements, covenants, restrictions, or other declarations or agreements of record, or which may be observed by an inspection of the Property; provided that Owner shall discharge any mortgages, deeds of trust, tax liens, judgments, mechanic's liens or other monetary encumbrances against the Property. Buyer expressly assumes the risk that matters of record, and/or matters which may be observed by an inspection of the Property, and/or zoning laws, may restrict or prohibit the use of the Property for the purposed intended by Buyer. If Owner is unable to convey title as above specified, then Owner shall have the option to extend the Closing Date by thirty days or for such longer period as Owner and Buyer may agree to in writing (the "Title Extension Period"), during which period Owner may seek to cure title matters; if Owner declines to extend the Closing Date or is unable to cure title matters during any Title Extension Period, then this Agreement shall be terminated and the Deposit returned to Buyer in which event there shall be no further liability or obligation on either of the parties hereto. In the event that there is a Title Extension Period and the Advertisement specifies that interest accrues on the Purchase Price from the date of the auction through the Closing Date, interest shall accrue through last day preceding the commencement of the Title Extension Period but not during the Title Extension Period. In the event that there is a Title Extension Period and the Advertisement specifies that Closing adjustments are to be as of the date of the auction, then Closing adjustments instead shall be made as of the last day preceding the commencement of the Title Extension Period.

5. Closing Costs and Prorations.

a. The cost of all documentary stamps, recordation taxes and transfer taxes, relating to the conveyance of the Property shall be paid by Buyer; provided, however, that if the Property is improved residential real property, and if Buyer is a first time Maryland homebuyer as defined in MD Tax Property Code §13-203(b), as from time to time amended, who will occupy the Property as Buyer's personal residence, then Seller shall pay the state transfer tax of 0.25% to the extent required by law. Any and all other costs of settlement, including, but not limited to, fees or costs for title examination, title insurance, recording fees, notary fees and lien and judgment reports shall be paid by Buyer. Except as otherwise specifically provided in this Agreement, each party shall bear its own costs in performing its obligations under this Agreement including, without limitation, its own attorneys' fees.

b. The following items pertaining to the Property are to be prorated or adjusted in accordance with Exhibit A, Advertisement, and thereafter assumed by Buyer: any ground rent, special assessment liens, sewer charges, and operating or utility charges actually collected, billed, or paid as of the date of Closing; real and personal property taxes; utilities; casualty and liability insurance premiums; rental, additional rental and any other charges under all leases. All prorations and Closing adjustments shall be made on the basis of a 365 day calendar year. All such prorations and adjustments shall be subject to post-Closing adjustments as necessary to reflect later relevant information not available at Closing and to correct any errors made at Closing with respect to such apportionments; the party receiving more than it was entitled to hereunder shall reimburse the other party hereto in the amount of such overpayment within thirty (30) days after receiving written demand therefore. Rents received from tenants at the Property after Closing shall be applied first on account of rent due for the month in which the Closing shall have occurred, or the immediately preceding calendar month. Additional sums received shall be next applied to rents due for periods after the Closing until current, and any remaining sums received shall be applied thereafter to amounts due for periods preceding the Closing. Owner reserves the right to receive from Buyer all rentals received after Closing and applicable to periods preceding the Closing together with refunds received after the Closing of any sums paid by Owner prior to Closing. Notwithstanding the foregoing, such apportionments shall be deemed final and not subject to further post-Closing adjustment if no such adjustments have been requested within ninety (90) days after Closing. The foregoing provisions shall expressly survive the Closing.

c. All security deposits held by Owner, and any interest as may be accrued thereunder in accordance with the terms of any leases, shall be delivered by Owner to Buyer at Closing.

6. Closing Documents and Matters.

a. Preparation for Closing. Within five business days following the date of this Agreement, Buyer shall engage the services of an attorney and/or title company to examine title, to prepare all documents to be executed at Closing, and to conduct Closing, all at Buyer's sole cost.

b. Financing. Buyer's obligations under this Agreement are NOT CONTINGENT upon Buyer securing any financing in the purchase of the Property. If Buyer chooses to seek financing, Buyer may do so at Buyer's sole risk and expense by submitting a mortgage application to a mortgage lender or mortgage broker within five business days from the date of this Agreement, but the failure to apply for or secure financing in the amount of time or terms desired by Buyer shall not excuse Buyer from timely performance of all obligations under this Agreement. Owner agrees to grant access to the Property for appraisals sought by Buyer, but if the Property is leased to one of more third parties Owner agrees only to request that the tenant(s) grant such access; this Agreement is not contingent upon the conduct or results of any appraisal.

c. Buyer's Deliveries. At the Closing, Buyer shall deliver or cause to be delivered the following original documents, each acknowledged and executed (as appropriate): (a) any evidence of the authority of any permitted assignee of Buyer to consummate the transaction contemplated hereby that is reasonably requested by the title company; (b) a Settlement Sheet and (c) such other documents as may be reasonably requested by the title company and which are both consistent with this Agreement and customarily executed in Maryland by a Buyer to effectuate the conveyance of real property. At Closing, Buyer shall cause to be paid to Owner the balance of the Purchase Price as herein required.

d. Owner's Deliveries. At the Closing, Owner shall deliver the following original documents, each acknowledged and executed (as appropriate): (i) a special warranty deed with covenants of further assurances; (b) an Affidavit pursuant to the Foreign Investment in Real Property Tax Act; (c) an Owner's Title Affidavit on a commercially reasonable form; (d) a Settlement Sheet; and (e) such other documents as may be reasonably requested by the title company and which are both consistent with this Agreement and customarily executed in Maryland by an Owner to effectuate the conveyance of real property.

e. Possession. Buyer shall be entitled to possession of the Property at the conclusion of Closing subject only to the matters expressly permitted by or pursuant to this Agreement.

f. Utility Deposits and Service Agreements. Effective upon Closing, Owner may notify the utility companies serving the Property of the sale hereunder and direct such companies to (i) return to Owner any deposit or deposits posted by Owner, (ii) terminate Owner's guaranty of any accounts effective on the date of Closing, and (iii) direct to Buyer all bills for services provided to the Property on and after the date of Closing. Any service contracts relating to the Property shall be terminated by Owner as of Closing, unless Buyer chooses to assume same.

7. Risk of Loss. The Property is to be held at the risk of the Owner until legal title has passed to the Buyer. If, prior to the time legal title has passed to the Buyer, all or a substantial part of the Property is destroyed or damaged, without fault of the Buyer, then this Contract, at the option of the Buyer, shall be null and void and of no further effect, and the Deposit shall be returned promptly to the Buyer; or, if Owner and Buyer so agree, the parties shall proceed to settlement and all insurance proceeds on the Property (but excluding insurance proceeds on Owner's possessions not sold hereunder) shall be assigned by Owner to Buyer.

8. §1031 Exchange. Owner may make its sale of the Property a part of a qualifying exchange of like-kind property under Section 1031 of the Internal Revenue Code of 1986, as amended. Buyer agrees to cooperate with Owner (without cost to Buyer) in the completion of such exchange, and shall execute such documents as directed by Owner in connection therewith.

9. Chesapeake and Atlantic Coastal Bays Critical Areas. Buyer is advised that all or a portion of the Property may be located in the "Critical Area" of the Chesapeake and Atlantic Coastal Bays, and that additional zoning, land use, and resource protection regulations apply in such areas. The "Critical Area" generally consists of all land and water areas within 1000 feet beyond the landward boundaries of state or private wetlands, the Chesapeake Bay, the Atlantic Coastal Bays, and all of the tidal tributaries. The "Critical Area" also includes the waters of all lands under the Chesapeake Bay, the Atlantic Coastal Bays and all of the tidal tributaries to the head of tide. Buyer has made such investigations as to "Critical Areas" as Buyer deems necessary prior to executing this Agreement. This Agreement IS NOT CONTINGENT upon "Critical Areas" inspections, permits or other "Critical Areas" approvals or issues.

10. Wetlands. If all or a portion of the Property is wetlands, the approval of the U.S. Army Corps of Engineers may be necessary before a building permit can be issued for the Property. Additionally, the future use of existing dwellings may be restricted due to wetlands. The Corps has adopted a broad definition of wetlands which encompasses a large portion of the Chesapeake Bay Region. Other portions of the State may also be considered wetlands. Buyer has made such investigations as to wetlands on the Property as Buyer deems necessary prior to executing this Agreement. This Agreement IS NOT CONTINGENT upon wetland inspections, permits or other wetland approvals or issues.

11. Miscellaneous.

a. No alteration, modification, or interpretation of this Agreement shall be binding unless in writing and signed by both parties.

b. If any provision of this Agreement or any application to any party or circumstances shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstances, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law, except that, if as a result thereof, the consideration to be paid to Owner under this Agreement is diminished in any material respect, Owner shall have the option, upon written notice to Buyer, to terminate this Agreement. If this Agreement is so terminated, Owner shall direct the Alex Cooper to return the Deposit to Buyer, and neither party shall have any liability to the other.

c. This Agreement shall be construed and enforced in accordance with the laws of the State of Maryland.

d. The captions in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement or the scope or content of any of its provisions.

e. Time is of the essence of this Agreement.

f. This Agreement may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument.

g. No failure or delay by a party to exercise any right it may have by reason of the default of the other party shall operate as a waiver of default or as a modification of this Agreement or shall prevent the exercise of any right by the first party while the other party continues to be so in default.

h. For the purpose of complying with Internal Revenue Service reporting requirements for this transaction, the Title Company shall be obligated to prepare and file the 1099-S form (and any necessary supporting documentation), and Owner and Buyer shall cooperate with any requests from the Title Company in connection therewith.

12. Notices. Any notices or requests required or permitted to be given hereunder shall be (i) hand delivered, or (ii) sent by Federal Express or similar overnight service for next business day delivery, or (iii) sent by U.S. certified mail, return receipt requested, in all cases addressed to the parties at their respective addresses set forth below their signatures to this Agreement, or, in each case to such other address as either party may from time to time designate by giving notice in writing to the other party. Notice shall be considered given as of the date of hand delivery; one business day after delivery to the overnight delivery service, or three (3) business days after the date of mailing, independent of the date of actual delivery or whether delivery is ever in fact made, as the case may be, *provided that* the giver of notice can establish that notice was given as set forth herein.

13. Provisions Regarding Alex Cooper. The following provisions are applicable to Alex Cooper as Escrow Agent. Alex Cooper shall hold and disburse the Deposit in accordance with the terms and provisions of this Agreement and shall cause the Deposit to be applied in accordance with the provisions hereof. In the event this Agreement shall be terminated by the mutual written agreement of the parties, then Alex Cooper shall pay the Deposit in accordance with written instructions directed to Alex Cooper and signed by the parties hereto authorizing Alex Cooper to disburse the Deposit in accordance with the terms and conditions of such written instructions. In the event

that Alex Cooper shall be unable to determine at any time to whom the Deposit should be paid or a dispute shall develop between the parties concerning to whom the Deposit should be paid, then, unless Alex Cooper shall have received written instructions from the parties within ten (10) days after Alex Cooper has served a written request upon the parties for instructions authorizing Alex Cooper to disburse the Deposit in accordance with such written instructions, Alex Cooper shall have the right by bill of interpleader to pay the Deposit, less the reasonable expenses of Alex Cooper, as hereinafter set forth, into a court of competent jurisdiction and interplead the parties in respect thereof, and thereafter Alex Cooper shall be discharged of any obligations in connection with this Agreement. All reasonable costs or expenses incurred by Alex Cooper because of litigation or dispute between the parties arising out of the holding of the Deposit in escrow shall be paid by the losing party and charged and assessed as court costs in favor of the prevailing party. Except for such costs or expenses, no fee or charge shall be due or payable to Alex Cooper for its services as escrow holder. The parties agree that Alex Cooper assumes no liability in connection herewith except for its gross negligence or willful misconduct. Alex Cooper is authorized to disregard any notices received by it except communications expressly provided for herein and all orders and processes of any court pertaining hereto. Alex Cooper shall not be personally liable for any act taken or omitted hereunder if taken or omitted by it in good faith and in the exercise of its reasonable judgment. Alex Cooper shall be fully protected in relying on any written notice, certificate, or other communication which it in good faith believes to be genuine.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement on the date below.

OWNER or OWNER'S AGENT:

BUYER:

_____ (Seal)

_____ (Seal)

_____ (Seal)

_____ (Seal)

Name: _____

Name: _____

Date: _____

Date: _____

Address: _____

Address: _____

Telephone: _____

Telephone: _____

Acknowledgement of Receipt of First Deposit:

Alex Cooper Auctioneers, Inc.

By _____

Alex Cooper Auctioneers, Inc.
908 York Road
Towson, MD 21204
410-828-4838

Exhibit A
Advertisement

COPY

Exhibit B
Auction Sale Terms and Conditions

1. Property Information. **THE PROPERTY SHALL BE IN "AS-IS" CONDITION** (as more fully described in the Disclaimer in Section 1313 of these Terms and Conditions), subject to any state of facts an accurate survey or personal inspection of the Property may reveal, rights of tenants and parties in possession, if any, any existing rights-of-way, easements, encroachments, restrictive covenants, matters of record, zoning regulations, governmental agency regulations, notices of violations of law or municipal ordinances, environmental conditions, leases, adverse possession, restrictions, sewer assessments, and any code violations issued or noted by any governmental entity, if applicable, and subject to water and sewer use charges and assessments, if any. No improvements or repairs to the Property are required to be made by Owner.

2. Bidder Registration. All persons or entities intending to bid must register with Alex Cooper prior to commencement of the auction and provide evidence that they are in possession of a cashier's check, certified check, or cash in the amount of the deposit stated in Alex Cooper's advertisements for the sale. Immediately upon the conclusion of the auction, the successful bidder shall pay the stated deposit to Alex Cooper by cashier's check, certified check, or cash.

3. Auction Purchase and Sale Agreement. Immediately upon the conclusion of the auction, the successful bidder must execute and deliver a completed Auction Purchase and Sale Agreement ("Auction Purchase and Sale Agreement"), in the form established by Alex Cooper, which is available for inspection prior to the auction. **ALL PERSONS INTENDING TO BID AT THE AUCTION ARE ADMONISHED PRIOR TO THE AUCTION TO REVIEW THE AUCTION PURCHASE AND SALE AGREEMENT AND EXHIBITS, AND TO CONSULT WITH LEGAL COUNSEL WITH RESPECT THERETO.** The fully executed Auction Purchase and Sale Agreement (together with all Exhibits) shall control all terms and conditions of the sale. The Closing Date shall be as specified in the Auction Purchase and Sale Agreement. No changes to the terms of the Auction Purchase and Sale Agreement will be permitted. If for any reason the successful bidder fails or refuses to deposit the required funds and/or execute the Auction Purchase and Sale Agreement immediately upon conclusion of the auction, the Owner reserves the right to declare the successful bidder's rights void, any deposit forfeited, and may auction the Property once again at the successful bidder's risk.

4. Alex Cooper's Notice Of Agency Relationship. Alex Cooper is acting as agent for the Owner in this transaction. Alex Cooper is not acting as agent for the successful bidder. Any buyer-broker is acting as an agent for the successful bidder and is not a subagent of Alex Cooper.

5. Property Inspection. In addition to the matters set forth in the Disclaimer in Section 13 of these Terms and Conditions, all bidders are advised as follows: 1) It is the bidder's responsibility to inspect the Property, the improvements located thereon and the immediate surroundings, and to be satisfied as to its condition prior to the auction, and to inquire of public officials as to the applicability of and compliance with land use laws, codes, ordinances, zoning laws and any subdivision laws and regulations, 2) Any and all materials provided by the Owner or Alex Cooper, including, but not limited to, photographs, directions, square footages, dimensions, acreages, zoning, leases, maintenance fees, association dues, taxes, dates or ages of the Property, operating statements, rental income, security deposits, etc. are believed by the Owner to be correct; however neither Owner nor Alex Cooper make any guarantee or warranty as to the accuracy or completeness of such information.

6. Open House; Property Condition. If the Property is currently occupied by tenants, it may not have been fully available for inspection. Nonetheless, the Property is sold **"AS IS, WHERE IS, WITH ALL FAULTS"** even if the successful bidder has not had the opportunity to inspect all portions of the Property or of the leases with tenants; all bidders shall take such circumstances into account in bidding at the auction and signing the Auction Purchase and Sale Agreement.

7. Terms Of Sale. The Deposit shall not be refundable except in the case of a material default by Owner under Auction Purchase and Sale Agreement. A defaulting buyer is not entitled to any surplus profits or any compensation and the sale is void.

8. Buyer's Premium. There will be a Buyer's Premium of five percent (5%) added to the high bid price to arrive at the total contract price for the Property to be paid by the successful bidder at closing. It is not a separate fee paid by the successful bidder.

9. Closing Adjustments. Closing adjustments shall be as set forth in Auction Purchase and Sale Agreement.

10. Closing. Closing provisions shall be as set forth in Auction Purchase and Sale Agreement.

11. Auction with Reserve. Unless otherwise expressly stated in auction advertisements, the Property is offered subject to a reserve. A reserve is the minimum price that the Owner is willing to accept for the Property, which may or may not be disclosed, and which may be determined or modified at any time by written or verbal communication between the Owner and Alex Cooper through the conclusion of the auction sale for the Property. It is important for all bidders to know that Alex Cooper may open the bidding on the Property by placing a bid on behalf of the Owner, and may continue to bid on behalf of the Owner up to the amount of the reserve price, either by placing consecutive bids or by placing bids in response to other bidders. Owner may make or procure bids at the auction up to the amount of the reserve price on its own behalf or through an agent, and Alex Cooper may receive such bids.

12. Acceptance and Rejection of Bids; Miscellaneous. Alex Cooper may in its sole and absolute discretion (1) cancel the auction sale at any time; (2) modify or change the terms and conditions of sale, by oral or written announcement, prior to or during the auction (and all such announcements shall take precedence over all advertisements, these Terms and Conditions, and any Property information files); (3) deny any person the opportunity to bid and expel anyone who in any way disrupts or attempts to disrupt an auction; (4) accept or reject, on Owner's behalf, any back-up bid in the event any Buyer defaults. All decisions of Alex Cooper are final as to the methods of bidding, disputes among bidders, increments of bidding, priority of bidders and any other matters that may arise before, during or after the auction. Ground Rent: If the Property is subject to a ground rent, then Buyer is advised that if said ground rent is not timely paid, the reversionary owner of the ground rent may bring an action of ejectment against Buyer pursuant to Section 8-402(c) of the Real Property Article, Annotated Code of Maryland (as amended). As a result of such ejectment action, the reversionary owner of the ground rent may be discharged from the lease and obtain title to the property in fee. . If neither the auction contract nor the advertisement attached thereto as Exhibit A disclose the ground rent, then the parties agree to reduce the purchase price by any reversion price for the ground rent provided in the lease creating the ground rent; or if such lease does not provide a reversion price then by the annual ground rent amount capitalized at the rate of 4% if the lease creating the ground rent was executed prior to April 6, 1888, or 6% if the lease creating the ground rent as executed after April 5, 1888 and prior to July 1, 1982, or 12% if the lease creating the ground rent was executed on or after July 1, 1982.

13. DISCLAIMERS.

a. **THE PROPERTY IS IN "AS IS, WHERE IS, AND WITH ALL FAULTS" CONDITION, WITH ALL EXISTING DEFECTS (PATENT AND LATENT). THE SUCCESSFUL BIDDER SHALL BE DEEMED TO ACCEPT ALL FAULTS OF THE PROPERTY WHETHER KNOWN OR UNKNOWN, PRESENTLY EXISTING OR THAT MAY HEREAFTER ARISE. OWNER AND ALEX COOPER AND THEIR EMPLOYEES, AGENTS, CONTRACTORS, OFFICERS, AND DIRECTORS SHALL NOT BE LIABLE OR BOUND IN ANY MANNER BY ANY ORAL OR WRITTEN STATEMENTS, REPRESENTATIONS OR INFORMATION PERTAINING TO THE PROPERTY, OR THE OPERATION THEREOF, THAT IS FURNISHED BY THEM OR BY ANY REAL ESTATE BROKER, AGENT, EMPLOYEE OR OTHER PERSON. THE SUCCESSFUL BIDDER SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT OWNER AND ALEX COOPER AND THEIR EMPLOYEES, AGENTS, CONTRACTORS, OFFICERS, AND DIRECTORS, HAVE NOT MADE, DO NOT MAKE AND SPECIFICALLY NEGATE AND DISCLAIM ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTEES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OR AS TO CONCERNING OR WITH RESPECT TO:**

i. **THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO THE PROPERTY;**

- ii. THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY;**
- iii. THE PHYSICAL CONDITION OR ANY OTHER ASPECT OF THE PROPERTY, INCLUDING WITHOUT LIMITATION THE STRUCTURAL INTEGRITY OF ANY IMPROVEMENTS ON THE PROPERTY, THE CONFORMITY OF THE IMPROVEMENTS TO ANY PLANS OR SPECIFICATIONS FOR THE PROPERTY THAT MAY BE PROVIDED TO BIDDERS, THE CONFORMITY OF THE PROPERTY TO APPLICABLE ZONING OR BUILDING CODE REQUIREMENTS;**
- iv. CONSTRUCTION MATERIALS AND/OR HAZARDOUS MATERIALS, INCLUDING WITHOUT LIMITATION FLAME RETARDANT TREATED PLYWOOD (FRT), RADON, RADIUM, MOLD SPORES, UREA FORMALDEHYDE FOAM INSULATION (UFFI), SYNTHETIC STUCCO (EIFS), ASBESTOS, POLYBUTYLENE PIPING, OR LEAD BASED PAINT;**
- v. WATER QUANTITY, QUALITY, COLOR OR TASTE, OR OPERATING CONDITIONS OF PUBLIC AND/OR PRIVATE WATER SYSTEMS;**
- vi. LOCATION, SIZE OR OPERATING CONDITION OF ANY ON-SITE SEWAGE DISPOSAL SYSTEMS, OR ACCESS OR LACK OF ACCESS TO ANY PUBLIC SEWER SYSTEMS;**
- vii. THE EXTENSIONS OF PUBLIC UTILITIES BY LOCAL MUNICIPAL AUTHORITIES, EXISTENCE OR AVAILABILITY OF PUBLIC UTILITIES, AND ANY ASSESSMENTS, FEES OR COSTS FOR PUBLIC UTILITIES WHICH MIGHT BE IMPOSED BY LOCAL MUNICIPAL AUTHORITIES SHOULD PUBLIC UTILITIES BE EXTENDED OR AVAILABLE TO THE PROPERTY;**
- viii. LOT SIZE AND EXACT LOCATION;**
- ix. AIRPORT OR AIRCRAFT NOISE, PLANNED LAND USE, ROADS OR HIGHWAYS;**
- x. THE VALUE, NATURE, QUALITY OR CONDITION OF THE SOIL AND GEOLOGY; THE EXISTENCE OF SOIL INSTABILITY, PAST SOIL REPAIRS, SUFFICIENCY OR UNDER SHORING, SUFFICIENCY OF DRAINAGE, OR ANY OTHER MATTER AFFECTING THE STABILITY OR INTEGRITY OF THE LAND OR ANY BUILDINGS OR IMPROVEMENTS SITUATED THEREON;**
- xi. THE INCOME TO BE DERIVED FROM THE PROPERTY, AND THE EXPENSES OF OWNING AND OR LEASING AND OR OPERATING THE PROPERTY;**
- xii. THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH THE SUCCESSFUL BIDDER MAY CONDUCT THEREFROM;**
- xiii. THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY;**
- xiv. THE EXISTENCE OF ANY VIEW FROM THE PROPERTY OR THAT ANY EXISTING VIEW WILL NOT BE OBSTRUCTED IN THE FUTURE;**
- xv. THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, INCLUDING WITHOUT LIMITATION, THE "AMERICANS WITH DISABILITIES ACT" OR WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS, INCLUDING SOLID WASTE (AS DEFINED BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY REGULATIONS AT 40 C.F.R.. PART 261), OR THE DISPOSAL OR EXISTENCE IN OR ON THE**

PROPERTY OF ANY HAZARDOUS SUBSTANCE (AS DEFINED BY THE COMPREHENSIVE ENVIRONMENTAL RESPONSE COMPENSATION AND LIABILITY ACT OF 1980 AS AMENDED, AND REGULATIONS PROMULGATED THEREUNDER); OR

xvi. ANY OTHER MATTER WITH RESPECT TO THE PROPERTY.

b. ALL BIDDERS, HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY (WHETHER OR NOT ACCESS HAS BEEN RESTRICTED BY TENANTS), SHALL RELY SOLELY ON THEIR OWN INVESTIGATION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY OWNER OR ALEX COOPER. ANY INFORMATION PROVIDED OR TO BE PROVIDED BY OR ON BEHALF OF OWNER OR ALEX COOPER WITH RESPECT TO THE PROPERTY INCLUDING, WITHOUT LIMITATION ALL INFORMATION CONTAINED IN ANY PROPERTY INFORMATION PACKAGE MADE AVAILABLE BY OWNER OR ALEX COOPER, IS OBTAINED FROM A VARIETY OF SOURCES, BUT NEITHER OWNER NOR ALEX COOPER HAVE MADE ANY INDEPENDENT INVESTIGATIONS OR VERIFICATION OF SUCH INFORMATION AND MAKE NO REPRESENTATION AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION, AND BIDDERS ARE NOT ENTITLED TO RELY UPON SUCH INFORMATION FOR ANY PURPOSE.

c. THE SUCCESSFUL BIDDER SHALL BE DEEMED TO HAVE FULLY AND IRREVOCABLY RELEASED OWNER AND ALEX COOPER AND THEIR RESPECTIVE EMPLOYEES, OFFICERS, DIRECTORS, REPRESENTATIVES AND AGENTS FROM ANY AND ALL CLAIMS THAT SUCH BIDDER MAY HAVE OR ACQUIRE AGAINST OWNER AND/OR ALEX COOPER, THEIR EMPLOYEES, OFFICERS, DIRECTORS, REPRESENTATIVES AND AGENTS FOR ANY COST, LOSS, LIABILITY, DAMAGE, EXPENSE, DEMAND, ACTION OR CAUSE OF ACTION ARISING FROM OR RELATED TO ANY CONSTRUCTION DEFECTS, ERRORS, OMISSIONS OR OTHER CONDITIONS, INCLUDING WITHOUT LIMITATION ENVIRONMENTAL MATTERS, AFFECTING THE PROPERTY OR ANY PORTION THEREOF. THIS RELEASE INCLUDES CLAIMS OF WHICH THE SUCCESSFUL BIDDER IS AT THE TIME OF AUCTION UNAWARE OR WHICH THE SUCCESSFUL BIDDER DOES NOT SUSPECT TO EXIST WHICH, IF KNOWN, WOULD MATERIALLY AFFECT THIS RELEASE. IT IS UNDERSTOOD AND AGREED THAT THE PURCHASE PRICE HAS BEEN AGREED UPON TO REFLECT THAT THE PROPERTY IS SOLD SUBJECT TO THE FOREGOING.