

REAL ESTATE TERMS AND CONDITIONS

Sole Rosso Winery

LOCATION OF PROPERTY: 2158 Old Milton Hwy, Walla Walla, WA, 99362

1. **SALE:** The Property will be sold via a U.S. Bankruptcy Auction, United States Bankruptcy Court for the Eastern District of Washington, which will be held at 3:00 PM Pacific on Wednesday September 13th, 2017 at <https://unitedcountryscs.hibid.com/>.
2. **BIDDER PACKAGES:** An informational packet relating to the properties may be obtained by prospective bidders by contacting 214-945-4556 or info@united-scs.com. Bidder Packages are not designed to replace the bidder's responsibility of conducting their own due diligence with respect to the properties. It is solely a source of information which has been gathered and designed to help Bidders with the inspection and information process.
3. **BROKER PARTICIPATION:** A THREE PERCENT (3%) Buyer's Broker commission (based on High Bid) will be paid to any properly licensed real estate Broker who 1) registers prior to the end of the auction AND 2) represents a winning buyer, which successfully closes on each property. All commissions (including Buyer's Broker Fees) shall be paid out at closing. To qualify for a Buyer's Broker Commission, the real estate Broker must be a licensed real estate broker or agent in the state of Washington, who is not prohibited by law from being paid such commission and has completed the required Buyer's Broker Registration form provided by the auction company. Please refer to the form for additional details regarding registration deadlines for brokers and agents.
4. **PROPERTY CONDITION:** The information given in this auction is subject to inspection and verification by all parties. No liability for its accuracy, errors or omissions is assumed by the Seller, Auctioneer or its Agent(s). Any information contained in the listing and all related materials are subject to the Terms and Conditions of the Auction Real Estate Sales Contract and Bidders will accept all terms of the Auction Real Estate Sales Contract without any amendment upon Seller's acceptance of a high bid. The properties are being sold "AS IS, Where Is" with all faults. Bidder's complete and thorough inspection of the properties is highly recommended prior to placing bids at the auction. Any or all of the properties listed may be withdrawn or modified without notice at any time.
5. **AUCTION PROCEDURE.** The Auction shall be a disclosed reserve auction, meaning the minimum opening bid will be \$350,000 and the first bid will meet reserve and no other approvals shall be necessary to enter into contract with the buyer. All Qualified Bidders shall be entitled to make any subsequent bids. Subsequent bids shall be in increments of \$5,000. The Auctioneer may reduce or increase the incremental bidding at his discretion. Bidding at the Auction shall continue until no further bids have been placed and the highest bid (the "Successful Bid") has been submitted by a Qualified Bidder (the "Successful Bidder"). If a bid is placed in the final three minutes of the auction, the auction shall be extended three minutes, in order to allow time for additional bidding activity. The Auctioneer reserves the right to modify the bidding increments or announce at the Auction additional procedural rules for conducting the Auction in the exercise of its business judgment.
6. **REGISTRATION:** Bidders will be required to register online prior to the auction starting. Auction terms and conditions will be presented online for ALL bidders to review prior to bidding. The Seller and Auctioneer reserve the right to refuse admittance to or expel anyone from the auction activities who may create a distraction from the auction, bid rigging, canvassing, soliciting or other reasons deemed necessary by the Auctioneer. Registered bidders must allow reasonable and sufficient time for the bidder

qualification process, including providing financial documents and required deposits which are outlined below.

7. **QUALIFYING TO BID:** Registered bidders will be asked to show proof of their financial ability to close. Financing is not a contingency of the sale. The Auctioneer may require a bank statement, a brokerage statement or a financial institution letter showing sufficient funds to close on the purchase up to the amount that you plan to bid.
8. **REQUIRED DEPOSIT(S) TO BID:** All registered bidders will be required to deposit funds to bid at the auction. A \$5,000 deposit is required.

A registered bidder may deposit the funds in two ways:

- a. The deposit may be placed in the Real Estate Broker's escrow account by wiring the sufficient funds. Wiring instructions will be provided upon request. The wire must be received prior to the Auctioneer approving the bidder to bid in the auction and may take up to 5 business days.
 - b. Bidders may present a cashier's check to the Real Estate Broker. Cashier's checks should be made to United Country – Walla Walla Homes & Land. If registering prior to the auction, cashier's checks may also be delivered to Darel Tetz at the United Country Strategic Client Services office located at 615 S College Ave, College Place, 99324. Contact the office prior to delivering the check at 214-945-4556.
9. **BIDDER DEPOSIT:** For any bidders who are not the high bidder, a return wire will be initiated within 48 business hours following the completion of the auction.
 10. **HIGH BIDDER REQUIREMENTS:** Immediately following the close of the auction, the high bidder will be required to place (10%) ten percent of the total contract price down as earnest money and sign an Auction Real Estate Sales Contract without any amendment or revision thereto. The bidder registration deposit will be immediately transferred to the title company and the high bidder will be expected to send the remainder of the 10% to the title company within 24 hours of the auction closing. For online bidders, the remainder of the 10% down payment shall be wired to the Auctioneer immediately. The balance of the total contract price shall be due from the buyer at closing. **Electronic signatures will be collected for online bidders using DocuSign for the Auction Real Estate Sales Contract and must be completed immediately following the auction.**
 11. **FINANCING:** The sale is not contingent on Buyer's ability to obtain financing. Buyers should arrange for their financing prior to the auction up to the amount that you plan to bid.
 12. **CLOSING:** Closing shall be on or before Thirty (30) days following the date of the auction. Possession shall be delivered to the buyer at closing. All escrow monies and the closing shall be held at Columbia Title Company. Their address is 5 East Main Street, Walla Walla WA 99362. Buyer may purchase at Buyer's expense an Owner's Title Insurance Policy covering the described properties, in the amount of the total contract price and Seller shall transfer title with a Special Warranty Deed. All monies bid/or paid in this auction shall be in U.S. currency.
 13. **TAXES:** The current year's Property Taxes shall be prorated between Seller and Buyer at Closing based upon the amount of taxes for the prior year. All unpaid taxes for prior years, if any, shall be the responsibility of Seller. Buyer shall assume the payment of taxes for the year of Closing and all subsequent years.
 14. **EASEMENTS AND LEASES:** Sale of said properties is subject to any and all easements of record

and any and all leases.

15. **AGENCY:** United Country Strategic Client Services, LLC and United Country – Walla Walla Homes & Land, LLC and its Agents, Representatives, Auctioneers and Employees are Exclusive Agents of the Seller.
16. **TECHNOLOGICAL ISSUES:** The auction website and/or technology may, from time to time, not operate as intended, at normal speed, with full functionality, or at all. In our sole discretion, the auction website and/or technology may cease to operate for any amount of time, and limitations upon the functionality or use of the Website by the end user may result. Any decision to cease the activity of the Website is solely at the Auctioneer's discretion. The Auctioneer assumes no responsibility for any technological issues that may occur before or during the auction. If buyers have a concern with the potential technology issues and its functionality, the Auctioneer highly recommends the bidders to attend the onsite auction.
17. **SALE FREE AND CLEAR OF LIENS, CLAIMS AND CONDITIONS:** The Property will be sold free and clear of all liens, claims and encumbrances, but subject to: comprehensive land use plans, zoning, restrictions, prohibitions and other requirements imposed by governmental authority; restrictions and matters appearing on the plat or otherwise common to the subdivision; outstanding oil, gas and mineral rights of record without right of entry; unplatted public utility easements of record; taxes for year of Closing and subsequent years; and assumed mortgages and purchase money mortgages, if any; provided, that there exists at Closing no violation of the foregoing and nothing preventing use of the Property for residential purposes.
18. **DISCLOSURES:** The information provided in this auction is subject to inspection and verification by all parties. No liability for its accuracy, errors or omissions is assumed by the Seller, Auctioneer or its Agent(s). Any information contained in the listing and all related materials are subject to the terms and conditions of the Auction Purchase and Sale Agreement. The properties are being sold "As Is, Where is" with all faults. Bidder's complete inspection of the property is highly recommended prior to placing any bids at the auction. Any announcements made on auction day will take precedence over all printed materials. Any of the properties listed may be withdrawn or modified without notice at any time. The Seller and Auctioneer reserve the right to refuse admittance to or expel anyone from the auction activities who may create a distraction from the auction, bid rigging, canvassing, soliciting or other reasons deemed necessary by the Auctioneer. All monies bid and/or paid in this auction shall be in U.S. currency.

AUCTION CONDUCTED BY

United Country - Strategic Client Services, LLC

Auctioneer: Bret P. Richards, CAI

WA Auctioneer # 2969

info@united-scs.com

214-945-4556

United Country – Walla Walla Homes & Land

Broker/Agent: Darel Tetz

WA Broker # 24582