

SEALED BID PROCESS, TERMS & CONDITIONS

Note: These terms, conditions, and provisions shall be incorporated into the Contract for Sale and Purchase of the Property, Upon Sellers' acceptance of bid(s)

1. Bids shall be submitted on the offer form included in this bid package. There are separate forms for each tract of the Sellers' property. The fully executed bid and deposit must be received by Broker by **5:00 PM CST TUESDAY, NOVEMBER 17, 2015**.
2. Bids shall be deemed as "offers to purchase" the property, as described herein, and shall remain open and in full force and effect until **5:00 PM CST, TUESDAY, NOVEMBER 24, 2015** unless amended or withdrawn by bidder prior to that date. Amendment and/or withdrawal of any bid shall be in writing, signed by bidder and delivered to Broker in the same manner as the original bid was delivered, prior to **5:00 PM CST, TUESDAY, NOVEMBER 17, 2015**
3. All bids and all other information contained in the bidder's submission to Broker shall be kept confidential by Sellers and Broker.
4. Sellers reserve the right to accept or reject any and all bids.
5. Upon decision by Seller, as to acceptance of any bid, Sellers' Broker shall then inform the successful bidder(s) and proceed with sale of the property to said party (parties). Broker shall also notify all non-successful bidders of the result of their bid.
6. Upon acceptance of any bid, Sellers shall execute a formal written acceptance of the said bid, and thereupon the bid as accepted shall become a contract between the Sellers and the successful bidder, legal and binding, and the accepted bid amount shall become the agreed-upon purchase price. The said formal contract shall be executed by the parties on the Harris Real Estate Purchase Contract, a sample copy of which is contained in this Bid Package.
7. The contract between the Sellers and successful bidder shall not have any contingencies for financing, and Buyer shall have made all such financial arrangements prior to submitting any bid. Failure of Buyer to obtain appropriate financing will result in the loss of the deposit for the bidder. The five percent (5%) deposit will be deposited upon Sellers' acceptance of their bid. This deposit is non-refundable if bid is accepted by Sellers and Buyer chooses not to perform.
8. Upon acceptance of Sellers, the Buyer must increase the total deposit to fifteen percent (15%) of the accepted purchase price, which Broker shall deposit into his Escrow Account, at First Kentucky Bank in Mayfield, KY. Said down payment shall be credited to Buyer's account at closing.
9. Closing shall take place on or before December 31, 2015 with written execution of purchase contract between Buyer and Seller.
10. Sellers shall provide good, clear, marketable title to the Buyer(s) by General Warranty Deed(s). Deed shall be made in the name of the successful purchaser, as shown on the Bid Form, unless Broker is otherwise instructed in writing by purchaser no less than ten (10) days prior to closing.

11. Closing costs shall be as follows:
 - a. **SELLER** shall pay for the preparation of the deed to the property.
 - b. **SELLER** shall pay for the transfer tax stamps or other documentary stamps to be affixed thereto.
 - c. **BUYER** shall pay for closing fees and all other costs necessary for **BUYER** to assure himself as to the sufficiency of the title.
 - d. **SELLER** will pay for the pre-auction title exam completed by Jason Howell, Attorney At Law. **BUYER** will be responsible for the cost of any additional title exam and/or title insurance premiums.
 - e. **BUYER** shall pay for recording the deed.
 - f. **BUYER** shall pay for the preparation and recording of any mortgage, or other document prepared, in order to secure any indebtedness on the subject real estate.
 - g. **The closing transaction will be handled by Jason Howell, 603 Main Street, Murray, KY 42071**
12. A new survey has been completed by Dennis Looper Surveying. Property is being sold “by the boundary” and NOT “by the acre”. Any additional survey of the property at any time shall be responsibility of Buyer(s).
13. **BUYERS PREMIUM.** As is noted on the bid form, the buyer shall be responsible for a **SIX (6%) PERCENT Buyers’ Premium** added to the Bid as shown on the bid form. Bidders should therefore be aware of this Buyer’s Premium as they calculate their desired bid amount.
14. There is currently not a crop on the property. Buyer will have immediate planting privileges following the closing with deed.
15. Seller will pay all 2015 ad valorem taxes. Buyer shall be responsible for all 2016 and all future year’s ad valorem taxes on the property.
16. Property will be sold bare and empty. No non-real estate items are being conveyed with the sale. Any debris left on the property shall be the responsibility of the Buyer.
17. Current amounts supplied are believed to be correct as of the contract date, but are not warranted/guaranteed by Seller or Broker/Auctioneer.
18. Time is of the essence in this sealed bid process, and in the resulting contract for sale and purchase of the property, if any.
19. **DISCLAIMER AND ABSENCE OF WARRANTIES:** The property is being sold on an “AS IS, WHERE IS” basis, and no warranty or representation, either express or implied, concerning the property is made by the Seller or Auction Company. Each potential bidder is responsible for conducting his or her own independent inspections investigations, inquires, and due diligence concerning the property. The information contained within is believed to be accurate but is subject to verification by all parties relying on it. No liability for its accuracy, errors, or omissions is assumed by the Seller or the Auction Company. All sketches and dimensions are approximate. Except for any express warranties set forth in the sale documents, purchaser(s) assumes all risks thereof and acknowledges that in consideration of the other provisions contained in the sale documents, Seller and the Auction Company make no warranty or representation, express or implied or arising by operation of law, including an warranty of merchantability or fitness for a particular purpose of the property, or any part thereof, and in no event shall Seller or the Auction Company be liable for any consequential damages. The Seller and Auction Company reserve the right to preclude any person from bidding if there is any question as to the person’s credentials, fitness, etc. Seller, Broker, Auctioneer, and agents of these entities shall be held harmless.

BIDS should be mailed via USPS, FedEx or UPS to Sellers' Broker, at the following address:

Michael Harris, Broker/Auctioneer
Kenneth Harris, Broker/Auctioneer
Harris Real Estate & Auction
3855 State Route 45 N
Mayfield, KY 42066

For further information, please contact Broker as follows:

Office: 270-247-3253
Michael Harris Cell: 270-970-0200
Kenneth Harris Cell: 615-477-5055
Fax: 270-247-3230
Email: harrisauctions@bellsouth.net

PROPERTY DESCRIPTION

On the waters of the Mississippi River: Beginning at a stake on the bank of said river corner to a 325 acre tract of land heretofore sold by E.C. Meacham; thence down the river with the meanderings thereof South 37 East 96 poles; South 26 East 64 ½ poles to a point in Willow Creek; thence with the meanderings of said creek with the center thereof North 45 East 9 ½ poles; North 65 East 4 poles; North 25 East 8 poles; North 4 West 4.4 poles; North 25 East 5.8 poles to the M & O Railroad right of way; thence with the meanderings of said creek North 36 West 38.2 poles; North 40 East 4 poles; North 14 West 22 poles; North 20 East 15 poles; North 14 West 22 poles; North 20 East 15 poles; North 3 West 19 poles to the right of way of Illinois Central Railroad Company; thence continuing with said creek North 35 East 18 poles; North 24 West 27.8 poles to a point in Willow Creek, corner to Graves; thence with Graves' line South 89 ½ East 124 poles to a stake, corner to Graves, black oak pointer; thence with Graves' and Dunlap's line North 3 East 66 ½ poles to a stake with black oak pointer in Mrs. Cocke's line; thence with her line North 89 ½ West 69.8 poles to an elm bush, corner to 325 acre tract aforesaid; thence with said tract South 57 East West (sic) 162 poles to the beginning containing 95 acres. **EXCEPT ABOUT 7 ACRES** constituting the right of way of the Illinois Central and GM & O Railroad Companies; and **also EXCEPT** a strip of land lying along and adjacent thereto on the East side of the Illinois Central Railroad Company (said strip being 200 feet wide) which was heretofore conveyed to the Commonwealth of Kentucky for a Highway, said strip extending across the above described tract of land. Subject to all other easements, restrictions, covenants and right of ways of record.

BID FORM

Tract # 1 – 48.91 Acres

I (we) the undersigned, do hereby offer the following for Tract 1 as described in this Bid Package:

- a) The bid price for the tract(s) referred to above is \$ _____.
- b) The terms of the sale include a 6% Buyer’s Premium of \$ _____ to be added to the final bid and included in the Contract price.
- c) When (a) and (b) are added together the purchase contract price for the tract(s) is \$ _____.
- d) A five percent (5%) in the amount of \$ _____ is enclosed by certified funds in this bid package.

I (we) understand that this bid is a legally binding offer to Sellers, and shall remain in full custody and effect until Tuesday, November 24, 2015 at 5:00PM CST unless amended or withdrawn, in writing, prior to that date and time.

I (we) understand that any such amendment or withdrawal shall be in writing and signed by bidder, and shall be delivered to Sellers’ Broker, in the same manner as this bid/offer is delivered.

I (we) understand the 5% deposit will be non-refundable if Seller accepts my bid.

I (we) further understand that should Sellers accept this bid/offer within the time stated, i.e. prior to Tuesday, November 24, 2015, that upon said acceptance, a legally binding contract is in full force and effect, and that I (we) will be legally obligated to execute a formal, written contract on the form as contained in the Bid Package, and to purchase the real estate according to the terms and conditions of this bid, and the terms and conditions as stated in this Bid Package, all of which terms and conditions shall be incorporated into the formal, written contract for the Sale and Purchase of Real Estate, upon Sellers’ acceptance of this Bid.

This _____ day of _____ 2015

BIDDER SIGNATURE

PRINTED NAME

BIDDER SIGNATURE

PRINTED NAME

COMPANY NAME

(If this bid is accepted by Sellers, Deed will be made in the name(s) as shown above, unless otherwise instructed in writing no less than 10 days prior to closing.)

Tract # 2 - 1.02 Acres & Tract # 3 – 19.45 Acres

I (we) the undersigned, do hereby offer the following for Tract 1 as described in this Bid Package:

- a) The bid price for the tract(s) referred to above is \$ _____.
- b) The terms of the sale include a 6% Buyer’s Premium of \$_____ to be added to the final bid and included in the Contract price.
- c) When (a) and (b) are added together the purchase contract price for the tract(s) is \$_____.
- d) A five percent (5%) in the amount of \$_____ is enclosed by certified funds in this bid package.

I (we) understand that this Bid is a legally binding offer to Sellers, and shall remain in full custody and effect until Tuesday, November 24, 2015 at 5:00PM CT unless amended or withdrawn, in writing, prior to that date and time.

I (we) understand that any such amendment or withdrawal shall be in writing and signed by bidder, and shall be delivered to Sellers’ Broker, in the same manner as this bid/offer is delivered.

I (we) understand the 5% deposit will be non-refundable if Seller accepts my bid.

I (we) further understand that should Sellers accept this bid/offer within the time stated, i.e. prior to Tuesday, November 24, 2015, that upon said acceptance, a legally binding contract is in full force and effect, and that I (we) will be legally obligated to execute a formal, written contract on the form as contained in the Bid Package, and to purchase the real estate according to the terms and conditions of this bid, and the terms and conditions as stated in this Bid Package, all of which terms and conditions shall be incorporated into the formal, written contract for the Sale and Purchase of Real Estate, upon Sellers’ acceptance of this Bid.

This _____ day of _____ 2015

BIDDER SIGNATURE

PRINTED NAME

BIDDER SIGNATURE

PRINTED NAME

COMPANY NAME

(If this bid is accepted by Sellers, Deed will be made in the name(s) as shown above, unless otherwise instructed in writing no less than 10 days prior to closing.)

Tract # 4 – 9.82 Acres With Mooring Rights

I (we) the undersigned, do hereby offer the following for Tract 1 as described in this Bid Package:

- a) The bid price for the tract(s) referred to above is \$ _____.
- b) The terms of the sale include a 6% Buyer’s Premium of \$ _____ to be added to the final bid and included in the Contract price.
- c) When (a) and (b) are added together the purchase contract price for the tract(s) is \$ _____.
- d) A five percent (5%) in the amount of \$ _____ is enclosed by certified funds in this bid package.

I (we) understand that this Bid is a legally binding offer to Sellers, and shall remain in full custody and effect until Tuesday, November 24, 2015 at 5:00PM CT unless amended or withdrawn, in writing, prior to that date and time.

I (we) understand that any such amendment or withdrawal shall be in writing and signed by bidder, and shall be delivered to Sellers’ Broker, in the same manner as this bid/offer is delivered.

I (we) understand the 5% deposit will be non-refundable if Seller accepts my bid.

I (we) further understand that should Sellers accept this bid/offer within the time stated, i.e. prior to Tuesday, November 24, 2015, that upon said acceptance, a legally binding contract is in full force and effect, and that I (we) will be legally obligated to execute a formal, written contract on the form as contained in the Bid Package, and to purchase the real estate according to the terms and conditions of this bid, and the terms and conditions as stated in this Bid Package, all of which terms and conditions shall be incorporated into the formal, written contract for the Sale and Purchase of Real Estate, upon Sellers’ acceptance of this Bid.

This _____ day of _____ 2015

BIDDER SIGNATURE

PRINTED NAME

BIDDER SIGNATURE

PRINTED NAME

COMPANY NAME

(If this bid is accepted by Sellers, Deed will be made in the name(s) as shown above, unless otherwise instructed in writing no less than 10 days prior to closing.

BID FORM

Tracts # 1, 2, 3 & 4 – 79.20 Acres

I (we) the undersigned, do hereby offer the following for Tract 1 as described in this Bid Package:

- a) The bid price for the tract(s) referred to above is \$ _____.
- b) The terms of the sale include a 6% Buyer’s Premium of \$ _____ to be added to the final bid and included in the Contract price.
- c) When (a) and (b) are added together the purchase contract price for the tract(s) is \$ _____.
- d) A five percent (5%) in the amount of \$ _____ is enclosed by certified funds in this bid package.

I (we) understand that this bid is a legally binding offer to Sellers, and shall remain in full custody and effect until Tuesday, November 24, 2015 at 5:00PM CST unless amended or withdrawn, in writing, prior to that date and time.

I (we) understand that any such amendment or withdrawal shall be in writing and signed by bidder, and shall be delivered to Sellers’ Broker, in the same manner as this bid/offer is delivered.

I (we) understand the 5% deposit will be non-refundable if Seller accepts my bid.

I (we) further understand that should Sellers accept this bid/offer within the time stated, i.e. prior to Tuesday, November 24, 2015, that upon said acceptance, a legally binding contract is in full force and effect, and that I (we) will be legally obligated to execute a formal, written contract on the form as contained in the Bid Package, and to purchase the real estate according to the terms and conditions of this bid, and the terms and conditions as stated in this Bid Package, all of which terms and conditions shall be incorporated into the formal, written contract for the Sale and Purchase of Real Estate, upon Sellers’ acceptance of this Bid.

This _____ day of _____ 2015

BIDDER SIGNATURE

PRINTED NAME

BIDDER SIGNATURE

PRINTED NAME

COMPANY NAME

(If this bid is accepted by Sellers, Deed will be made in the name(s) as shown above, unless otherwise instructed in writing no less than 10 days prior to closing.)