



AUCTION AGREEMENT

(Form AMA-Standard, Revised 1/24)

This Auction Agreement (the "Agreement") is entered into effective as of _____ by and between Premiere Estates Auction Company Inc. ("PEAC") whose address is 438 Pacific Coast Highway, Hermosa Beach, CA 90254 and William Guy Spriggs Revocable Trust ("Seller") whose address is 900 Fairview Farms Road, Campobello, SC 29322 and Betina Conway agent, Blackstream Christie's International ("LISTING BROKER") whose address is 20 Overbrook Court, Suite 400, Greenville, SC, 29607

RECITALS

- A. LISTING BROKER is licensed to act as a real estate broker in the state which the below described Property is located.
- B. Seller are the owners of real property described as a single family home located at 900 Fairview Farms Road, Campobello, SC 29322 ("Property").
- C. Seller and LISTING BROKER have entered into an exclusive listing agreement dated _____ ("Listing Agreement") for the sale of the Property.
- D. LISTING BROKER is unaffiliated with PEAC.
- E. Seller and LISTING BROKER desire that PEAC auction the Property. In consideration of the mutual covenants and obligations contained herein and other good and valuable consideration, the receipt and adequacy and sufficiency of which are hereby mutually acknowledged, Seller, LISTING BROKER and PEAC hereby agree as follows:

TERMS & CONDITION

1. **EXCLUSIVE RIGHT TO MARKET AND SELL BY AUCTION.** Seller and LISTING BROKER hereby employ the services of PEAC and grant to PEAC the exclusive and irrevocable right to market and auction in accordance with the terms hereof, the Property as of the date this contract is executed. This contract expires on March 30, 2025.
2. **COMPENSATION TO PEAC.** As set forth more fully below, in consideration for its work to auction the Property, PEAC will be compensated an amount equal to 3% ("Buyer's Premium") of the Successful Bid (defined below) The LISTING BROKER and Buyer's Agent will be compensated per the terms of the Seller's listing contract with the LISTING BROKER. For clarification purposes, the Buyer's Agent commission is calculated on the successful bid amount, which excludes the Buyer's Premium.
3. **AUCTION TERMS; DATE; METHODOLOGY; SALE.**

(a) **Auction.** PEAC shall promote and conduct a sale of the Property by pre-auction, auction or post auction on the terms and conditions specified below to the person who makes the highest qualified bid for the Property being sold (the "Successful Bidder").

A "qualified bid," as that term is used herein, is made by a person who meets the requirements set forth in the auction brochure provided ("Qualified Bidder") and executes the Purchase and Sale agreement attached as Exhibit A to this Auction Agreement. The qualifications are; Proof of funds in the Buyer's name and lender approval letter.

The Successful Bidder is referred to herein as "Buyer" of the subject Property.

PEAC Auction Agreement © 2023

SELLER _____ / _____
PEAC _____
LISTING BROKER _____

The auction process shall be deemed to be successfully completed upon PEAC's and LISTING BROKER acceptance of the winning bid ("Successful Bid"). Thereafter, Seller agree to promptly execute a purchase and sale agreement and escrow instructions for the sale of the subject Property (collectively, the "Purchase and Sale Agreement") with Successful Bidder.

The Buyer's Premium, to be paid by the Buyer, shall be added to the Successful Bid amount and shall become part of the purchase price for the property. LISTING BROKER and Seller agree that any escrow instructions entered into with Buyer shall contain instructions and authorization by Seller and Buyer for payment of the Buyer's Premium to PEAC. The Purchase and Sale Agreement shall contain such additional items and conditions as may be authorized by this Agreement and agreed upon by both Seller and Buyer. If the property is sold via a South Carolina Association of Realtors "CAR", the commission paid to PEAC is 3% of the contract price.

Auction Date. Bids are due on or prior to February 13, 2025 Noon EST. (the "Auction Date").

Auction Methodology- Reserve Price - Sealed Bid format. PEAC may confirm a sale to the Successful Bidder so long as the Successful Bid equals or exceeds \$8,500,000 ("Reserve Price") at auction, Pre-Auction sale, or Post-Auction sale. The Seller has the sole right to approve a sale price which is below the Reserve Price. Bidding is conducted via Sealed Bid Contract format, the auction is not conducted live online, by telephone or at the property. Qualifying round sealed bids are due on the auction date. Bidders whose bids are the top 50% of all bids received will be notified on February 13, 2025 no later than 5pm EST they have qualified to submit their Final round sealed bids. Final round sealed bids are due February 14, 2025 noon EST. The Successful Bidder will be notified on February 14, 2025 they are the successful bidder. The listing price in the marketing materials and real estate listing websites will remain \$11,000,000 until day 51 of the marketing term, on that day the MLS listing price will be changed to \$7,750,000.

Auction Terms.

- i. The Purchase Price for the Property shall be the amount of the Successful Bid plus the Buyer's Premium. Buyer must pay the full Purchase Price in cash or loan funded at closing. With the sole exception of the credit for the Deposit described in the following subsection, no credit against the Purchase Price shall be recognized for any party, including without limitation any party who may have a lien against the Property. The Buyer's Premium shall be paid to Escrow. The payment to PEAC of the Buyer's Premium hereunder is a condition to the closing of escrow for the sale of the subject Property.
- ii. The Successful Bidder will be required to immediately provide a non-refundable deposit totaling ten percent (10%) of the Purchase Price (the "Initial Deposit"). The Initial Deposit shall be deposited upon the opening of escrow for the sale of the Property with _____ Title and Escrow Company ("Escrow Company") and shall be held pending close of escrow. The balance of the Purchase Price shall be deposited into escrow prior to Closing or in accordance with the escrow instructions relating to the sale of the Property. If escrow closes, the Purchase Price shall be disbursed by the escrow holder as provided herein, and after disbursement to PEAC and LISTING BROKER, the balance shall be disbursed as provided in the escrow instructions including any amendments thereof. Close of escrow shall occur no later than 20 days after the purchase and sale agreement has been executed by the Buyer and Seller.
- iii. At Closing, Seller shall convey Title to the property free and clear of all liens and encumbrances, save and except for the following (the "Permitted Exceptions"); any validly existing easements, rights-of-way, and prescriptive rights, whether of record or not; all presently recorded and validly existing restrictions, covenants, conditions, oil and gas leases, mineral interests, and water interests outstanding in persons other than Seller, and other instruments, other than conveyances of the surface fee estate, that affect the Property; validly existing rights of adjoining owners in any walls and fences situated on a common boundary; any discrepancies, conflicts, or shortages in area or boundary lines; any encroachments or overlapping of improvements; all rights, obligations, and other matters arising from and existing by reason of any applicable governmental district, agency or authority; any liens as to which the title insurer shall provide coverage under the terms of its policy, including any special endorsements; and current taxes will be pro-rated as of the date of closing.

SELLER _____/_____
PEAC _____
LISTING BROKER _____

iv. The property will be offered and sold on an AS-IS, WHERE IS and with all faults basis. Seller agrees to execute all other documents and disclosure statements as may be required to sell or convey title to the Property upon closing.

v. Seller shall provide a list of the personal property which will be sold with the real property.

(c) Pre-Auction Sale Terms:

If a sale of the Property is consummated subsequent to the execution of this Agreement but prior to the Auction Date ("Pre-Auction Sale"), Seller agrees that PEAC shall be paid the Buyer's Premium from the escrow proceeds. For purposes of calculating the Buyer's Premium in which the Buyer is paying, an offer to purchase the Property which is accepted by the Seller, shall be treated as the "Accepted Offer" and that any such transaction shall provide for an initial refundable deposit of 3% of the purchase price. The Initial deposit shall become non-refundable when the Buyer removes all contingencies. The buyer under a Pre-Auction offer to purchase the property which is accepted shall also be referred to as the "Buyer" herein. Seller is further advised that in order to provide that the Buyer is contractually responsible for the Buyer's Premium in a Pre-Auction Sale, the Buyer's Premium must be deducted from the gross sales price if an offer is submitted on a CAR purchase contract. Buyer's purchase terms and conditions in a Pre-Auction offer shall be provided in the WAR purchase contract. A Pre Auction accepted offer must state the buyer must remove all contingencies no later than February 4, 2025 or close escrow by that date. Seller shall provide the Buyer with a Pre-Auction offer incentive credit of \$325,000 if the Buyer submits their Pre-Auction offer no later than February 4, 2025, the Buyer's offer is accepted by the Seller and the Buyer either removes contingencies or closes escrow on or prior to February 4, 2025.

(d) Post-Auction Sale Terms

If a sale of the Property is consummated subsequent to the execution of this Agreement and no later than March 13, 2025 (Post-Auction Sale). Seller agrees that PEAC shall be paid the Buyer's Premium from the escrow proceeds. For purposes of calculating the Buyer's Premium in which the Buyer is paying, an offer to purchase the Property which is accepted by the Seller, shall be treated as the "Accepted Offer" and that any such transaction shall provide for an initial refundable deposit of 3% of the purchase price. The Initial deposit shall become non-refundable when the Buyer removes all contingencies. The buyer under a Pre-Auction offer to purchase the property which is accepted shall also be referred to as the "Buyer" herein. Seller is further advised that in order to provide that the Buyer is contractually responsible for the Buyer's Premium in a Post-Auction Sale, the Buyer's Premium must be deducted from the gross sales price if an offer is submitted on a CAR purchase contract. Buyer's purchase terms and conditions in a Post-Auction offer shall be provided in the CAR purchase contract.

4. DUTIES OF SELLER AND LISTING BROKER

(a) Seller agree to assist in preparing the Property for sale by providing or performing the following in a timely manner: furnish to LISTING BROKER and PEAC all information readily available to Seller which PEAC and LISTING BROKER determines is needed to promote the sale of the Property including surveys, legal descriptions, maps, inspection reports, appraisals, deeds, mortgages, floor plans, zoning ordinances, subdivision restrictions the Seller deems to be valuable for Buyer's due diligence. The LISTING BROKER to provide to PEAC, videos, photography, property information to market the Property.

(b) Seller and LISTING BROKER agree to furnish to PEAC within seven (7) days following execution of this Agreement, Preliminary Title Report issued by _____ Title and Escrow Company ("Title Company"). The title insurance commitment shall provide that: (i) Seller are the owners of the entire fee simple interest of the Property; (ii) Seller have good, clear, marketable and insurable title to the Property; and (iii) the title insurance company will issue a policy of title insurance on the Property to the purchasers and their mortgagees at normal rates and subject only to normal CLTA exceptions and the Permitted Exceptions.

(c) PEAC is not responsible for the security of the Property nor for inspecting the Property on any periodic basis.

(d) PEAC is not responsible or liable in any manner for personal injury to any person or for loss or damage to any person's real or personal property, including but not limited to injuries or damages caused by:

SELLER _____/_____
PEAC _____
LISTING BROKER _____

- (1) Acts of third parties (for example, vandalism or theft);
- (2) A dangerous condition on the Property; or
- (3) The Property's non-compliance with any law or ordinance

(e) _____ Title and Escrow Company, to act as funds agent and closing agent and, in that capacity, to disburse the proceeds of each sale of Property in accordance with the terms of this Agreement and such escrow instructions as shall be executed by Seller and Buyer with respect to each such Property. PEAC and LISTING BROKER will promptly cooperate with all reasonable requests in order to ensure that the sale is closed as soon as possible. Seller and Buyer shall be responsible for their own escrow and title fees and expenses as customary. The escrow, title and standard closing fees shall be split equally between Buyer and Seller and shall be disclosed as such in the MLS.

(f) Seller shall directly pay all expenses associated with the ownership of the Property from the date this Agreement is executed through the date of Closing. Expenses shall include, but shall not be limited to: water, landscaping, security services as needed, property and maintaining in full force and effect general liability or any other insurance applicable to the Property, including casualty coverage on the contents thereof.

(g) Seller shall execute standard and supplemental disclosures as may be required by applicable law in which the property is located and/or escrow or title insurer.

5. RELIANCE UPON REPRESENTATIONS SELLER.

Seller acknowledge that:

(a) PEAC is not performing any due diligence regarding the title to, condition of or deficiencies with, if any, the Property and is relying upon the Title Company, Seller's and LISTING BROKER'S representations, warranties and indemnities as provided herein.

(b) The nature and condition of the Property is not warranted nor guaranteed by PEAC or LISTING BROKER , both of whom will thoroughly disclaim the same in the Purchase and Sale agreement.

(c) Seller acknowledge that PEAC and potential buyers are specifically relying upon the representations, warranties, and documentation furnished by Seller, and the completeness and accuracy thereof. Seller further understands that PEAC, without these representations, warranties and documentation, would not enter into this Agreement nor undertake to auction the Property. The Property will be sold subject to all recorded liens and encumbrances (except for liens and encumbrances resulting from mortgages and deeds of trust which shall be removed from record prior to close), and subject to the real estate laws of South Carolina.

6. PAYMENTS TO PEAC AND BUYER'S BROKER

(a) PEAC's Buyer's Premium shall be due and payable through escrow as a condition to the close thereof and shall be deducted from the proceeds of the sale prior to closing. No funds shall be disbursed to any party without Buyer's Premium being paid to PEAC.

(b) If during the term of this Agreement and Post Auction term , PEAC or Buyer's Broker procures a ready, willing, and able Buyer(s) whose offer to purchase the Property is accepted by Seller, provided the Buyer funds escrow or completes the transaction or is prevented from doing so by Seller, PEAC and Buyer's Agent is entitled to compensation whether any escrow resulting from such offer closes during or after the expiration of this Agreement, extension and exclusion period as stated in the CAR or PEAC purchase contract.

(c) Except for the payments required to be made from escrow to PEAC as provided herein and in this Paragraph 6, in the event of a default by Buyer which results in the escrow for the sale of the Property not Closing, Seller shall have no other or further liability to PEAC.

(d) If the Property is withdrawn from sale, conveyed, leased, rented, otherwise transferred, or made unmarketable by a voluntary act of the Seller during the term of this Agreement and Post Auction term, PEAC and LISTING BROKER are entitled to compensation (commission based on the minimum bid price) whether

SELLER _____/_____
 PEAC _____
 LISTING BROKER _____

any escrow resulting from such offer closes during or after the expiration of this Agreement and post auction period.

7. CONVEYANCE OF THE PROPERTY. Through escrow Seller warrants and agrees that Seller shall:

- (a) Be in a position and will convey marketable title to Buyer;
- (b) Convey Property by Warranty Deed; and
- (c) Be responsible for the payment of Seller' share of any escrow, closing or recording costs as provided in the applicable escrow instructions.

8. MEDIATION AND ARBITRATION OF DISPUTES.

(a) Any dispute or claim in law or equity arising between the parties out of this Agreement, the Property, or any resulting transaction, Seller, LISTING BROKER and PEAC agree to first attempt, in good faith, to first participate in non-binding mediation with a mutually acceptable neutral. If the parties cannot agree on a mediator, Judicial Arbitration and Mediation Services ("JAMS") shall be used and JAMS shall select the neutral mediator. Any party who fails or refuses to mediate in good faith as required under this paragraph shall not be entitled to any attorney's fees award under this Agreement.

(b) Any dispute or claim in law or equity arising between the parties out of this Agreement, the Property, or any resulting transaction shall be decided by neutral, binding arbitration as follows:

(i) The arbitrator shall be chosen by agreement of the parties to the dispute, and shall be a retired judge or justice, or an attorney with at least ten (10) years of real estate law and arbitration experience, unless the parties mutually agree to a different arbitrator. The arbitrator shall render an award in accordance with substantive California law. The parties shall have the right to discovery in accordance with California Rules of Civil Procedure. In all other respects, the arbitration shall be conducted in accordance with the California Rule of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered into any state court. All arbitration hearings conducted under the terms of this agreement shall take place and all judicial proceedings to enforce any of the provisions of this agreement or to confirm any arbitration award shall be filed in state court.

(ii) The parties agree to be bound by the National Arbitration Association (NAA) Streamlined Arbitration Rules. Judgment upon the award of the arbitrator(s) may be entered into any state court. All arbitration hearings conducted under the terms of this agreement shall take place and all judicial proceedings to enforce any of the provisions of this agreement or to confirm any arbitration award shall be filed in state court.

(c) The following matters are excluded from arbitration: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in the under California Law; (ii) an unlawful detainer action; (iii) the filing or enforcement of a mechanic's lien; and (iv) any matter that is within the jurisdiction of a probate or bankruptcy court. The filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver or refusal to participate in mediation and arbitration.

(d) The parties agree that the limit of any and all damages (excluding the Seller's payment of Buyer's Premium and Commission due to PEAC and LISTING BROKER) which may be awarded to SELLER, PEAC and LISTING BROKER in the mediation and/or arbitration are capped at \$10,000 and are inclusive of attorney's fees.

(e) NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA RULES OF CIVIL PROCEDURE AND THE CALIFORNIA CIVIL PRACTICE AND REMEDIES CODE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY. YOU FURTHER AGREE TO WAIVE YOUR RIGHT TO A JURY TRIAL.

SELLER _____
PEAC _____
LISTING BROKER _____

(f) WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION."

(_____)

SELLER

(_____)

PEAC

(_____)

LISTING BROKER

9. LIMITATION OF LIABILITY

PEAC is not responsible for the security of the Property nor for inspecting the Property on any periodic basis.

(a) PEAC is not responsible or liable in any manner for personal and financial injury to any person and Seller and for loss or damage to any person's and Seller resulting from any act or omission including but not limited to injuries or damages caused by:

- i. Acts of third parties (for example, vandalism or theft); and
- ii. A dangerous condition on the Property; and
- iii. The Property's non-compliance with any law or ordinance; and
- iv. Buyer and registered bidders non-performance of the terms of the bidding process, execution of the purchase contract, funding of escrow and closing on the purchase of the Property.

(b) Seller agrees to protect, defend, indemnify, and hold PEAC harmless from any damage, costs, attorney's fees, and expenses that: are caused by Seller knowingly giving incorrect information to any person, not disclosing information regarding the property which would affect the property value and property condition.

Seller, LISTING BROKER and PEAC agree that in the event of a breach of this Agreement or terms defined in this Agreement, any claim for damages(excluding the Seller's payment of Buyer's Premium and Commission due to PEAC and LISTING BROKER) by SELLER shall be limited to \$10,000 inclusive of attorney's fees.

10. DISCLAIMER.

Seller acknowledge that neither PEAC nor any of its agents, employees, or representatives have guaranteed or promised that the Property, in whole or in part, shall produce a specific price or that a certain minimum price will be bid by a buyer for the property.

11. MISCELLANEOUS.

(a) Notices. All notices desired or required to be given under this Agreement by either party to the other shall be in writing and either delivered personally, delivered by a professional courier service (such as Federal Express, UPS or the like), sent by certified mail, return receipt requested, postage prepaid, and addressed to the party at the addresses set forth in the introductory paragraph, or to such other address as each respective party may designate from time to time by notice to the other.

(b) Binding Effect. This Agreement is binding upon the parties hereto and their respective successors, heirs and assigns.

(c) Severability. If any term or provision of this Agreement is held illegal, invalid or unenforceable, such illegality, invalidity or unenforceability will not affect the legality, validity or enforceability of the remainder of this Agreement.

SELLER _____/_____
PEAC _____
LISTING BROKER _____

(d) Facsimile Signatures. Facsimile signatures shall be valid as original.

(e) Governing Law. This agreement is governed by California law without regard to conflict of law principles.

(f) Counterparts. This Agreement may be executed in counterparts and treated as a single document.

(g) Integration. This Agreement constitutes the entire Agreement of the parties and may not be modified except by an Agreement.

(h) This agreement has been entered into solely for the benefit of the parties signing this agreement. The parties, by entering into this agreement, do not intend to benefit any other third party and do not intend to bestow upon any third party any rights or entitlement. The parties to this agreement do not intend to create a right in any third party to compel performance of, or to otherwise assert any rights under, this agreement.

IN WITNESS WHEREOF, the parties have agreed to the terms and conditions herein and have executed this agreement on the respective dates set forth below.

“SELLER”

William Guy Spriggs Revocable Trust

William Guy Spriggs

Signed: _____

Print _____

Date: _____

“SELLER”

William Guy Spriggs Revocable Trust

Lisa Spriggs

Signed: _____

Print _____

Date: _____

“LISTING BROKER”

By: _____

Print : _____

Date: _____

Listing Agent: _____

Print : _____

Date: _____

SELLER _____/_____
PEAC _____
LISTING BROKER _____

"PEAC"

By: _____

Print: _____

Date: _____

SELLER _____/_____
PEAC _____
LISTING BROKER _____