



JOHN DIXON
 & ASSOCIATES
 AUCTIONS • MARKETING

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<<Internal Property#>><<(REO #) >>
 <<ABSOLUTE/Reserve>>

SAMPLE AUCTION REAL ESTATE SALES CONTRACT

<<COUNTY>>, PUERTO RICO • MAY 11, 2017

As a result of the efforts of **JOHN DIXON & ASSOCIATES, INC.**, hereinafter referred to as “Auctioneer,” the undersigned Purchaser agrees to buy, and the undersigned Seller agrees to sell, all that tract or parcel of land lying and being in <<County>>, **Puerto Rico**, together with all plants, trees, and shrubbery now on the premises; together with all improvements thereon and appurtenances thereto, collectively hereinafter referred to as the “Property,” identified as tax parcel <<Tax ID>>, located at <<Contract Address>> and further described in Exhibit “A” attached hereto and made a part hereof.

The purchase price of the Property, including a ten percent (10%) Purchaser’s premium, is the lump sum (“precio alzado”) of \$ _____ and is not subject to abatements or reductions of any kind or type, for any reason whatsoever, including but not limited to the eventuality that there is a difference or variation between the actual area or size of the Property and the area for the Property that arises from the Registry of Property, any other governmental agency and/or entity, and/or elsewhere. Said amount shall be paid in cash, in full, at Closing (as such term is defined below). Purchaser’s obligation to close shall not be contingent upon Purchaser’s ability to obtain financing. Purchaser shall pay all closing costs as set forth below. For an outline of the financial terms of sale, see below.

Bidder Number	OUTLINE OF FINANCIAL TERMS OF SALE	Property Number(s)
	High Bid _____	<<Property No.>> <<(REO #)
	Purchaser’s Premium (10%) + _____	
	PURCHASE PRICE = \$ _____	
	Earnest Money - _____	
	Balance Due at Closing \$ _____	

Purchaser has paid to **Christiansen Commercial** the sum of \$ _____, as earnest money, which earnest money is to be promptly deposited into Christiansen Commercial’s escrow account and is to be applied as part payment of the purchase price at the time of Closing or as otherwise provided herein. All parties hereto agree that Christiansen Commercial may deposit the earnest money in an interest-bearing escrow account and all parties hereto understand and agree that disbursement of earnest money can occur only as follows: (a) at Closing; (b) upon written agreement signed by all parties to this contract; (c) upon court order; or (d) upon failure of Seller to execute the Deed of Purchase and Sale on or before the Closing Date (herein defined), for reasons not attributable to Purchaser, the earnest money shall be returned to Purchaser and this shall be Purchaser’s sole and exclusive remedy, Purchaser hereby waiving all other rights and remedies available at law or in equity; or (e) upon failure of Purchaser to execute the Deed of Purchase and Sale, and/or, deliver the balance of the purchase price on or before the Closing Date, the earnest money shall be paid to Seller as liquidated damages and not a penalty, the parties hereto agreeing that the damages caused by a breach of the contract are difficult or impossible to estimate accurately, the parties hereto intend to provide for liquidated damages rather than a penalty and the earnest money is a reasonable estimate of the probable loss upon a breach. If any dispute arises between Purchaser and Seller as to the final disposition of all or part of the earnest money, Auctioneer and Christiansen Commercial may, in its sole discretion, notify Purchaser and Seller in writing that Auctioneer and Christiansen Commercial is unable to resolve such dispute and may interplead all or any disputed part of the earnest money into court, whereupon Auctioneer and Christiansen Commercial shall be discharged from any further liability with respect to the earnest money deposit; or, upon fifteen (15) days written notice to the parties, Auctioneer or Christiansen Commercial may make a disbursement of the earnest money upon a reasonable interpretation of this contract. In either event, the parties hereto release and discharge Auctioneer and/or Christiansen Commercial from any claims against Auctioneer or Christiansen Commercial related to the earnest money and shall not seek damages from Auctioneer and/or Christiansen Commercial by reason thereof or by reason of any other matter arising out of this contract or the transaction contemplated hereunder.

The consummation of the transaction contemplated hereby for the purchase of the Property (the "Closing") shall take place on or before thirty (30) days from the date of execution of this contract (the "Closing Date"), at the offices of the Notary Public selected by Seller to notarize the deed of purchase and sale of the Property (the "Deed of Purchase and Sale"), or at such other location in Puerto Rico mutually convenient to Seller and Purchaser, at any time mutually agreed upon by the parties. Seller and Purchaser agree that such documents as may be legally necessary to carry out the terms of this contract shall be executed and delivered by such parties at the time the sale is consummated.

Should the Property be destroyed or substantially damaged before the execution of the Deed of Purchase and Sale, then at the election of the Purchaser: (a) the contract may be cancelled, or (b) Purchaser may consummate the sale, pay the Purchase Price, and have assigned to it all insurance proceeds, if any. This election is to be exercised within ten (10) days after Seller shall have notified Purchaser, in writing, of the casualty. If Purchaser fails to so notify Seller, this Agreement shall continue as if Purchaser had, in fact, elected the alternative provided under subsection (b) of this paragraph.

Commission is to be paid to Auctioneer pursuant to and in accordance with that certain agreement between Auctioneer and Seller regarding authorization and compensation, pursuant to the auction sales brochure relative to the subject Property, which documents are incorporated herein by reference.

Special Stipulations:

1. All real estate taxes, including, but not limited to, the temporary special taxes established pursuant to Act Number Seven (7) of the ninth (9th) day of March of two thousand nine (2009), also known as the "Special Act to Declare a State of Fiscal Emergency and to Establish a Comprehensive Fiscal Stabilization Plan to Salvage the Credit of Puerto Rico", as amended, utility fees and maintenance fees assessed and imposed upon the Property on or before the date of execution of the Deed of Purchase and Sale, which are due and payable, and correspond to periods prior to the execution of this deed, shall be for the account of Seller. All real estate taxes, utility fees and maintenance fees assessed and imposed upon the Property after the date of execution of the Deed of Purchase and Sale, attributable to any period, shall be for the account of Purchaser.
2. Sale shall be closed on or before <<Closing Date>>. Closing shall be conducted by Javier A. Feliciano Guzmán, PSC, 322 De Diego Avenue, Suite 302, San Juan, Puerto Rico, 00920-2223, (787)-625-2550. Closing Costs shall be paid as follows: The notarial fees and stamps required to be canceled on the original of the Deed of Purchase and Sale shall be for the account of the Seller. The cost of all stamps and vouchers required to be cancelled on the first certified copy of the Deed of Purchase and Sale, and all fees required for the presentation and recordation of such first certified copy in the Registry, and the costs of title reports, tax search fee and transfer tax fee, if applicable, shall be for the account of Purchaser. Title insurance shall be procure by the Purchaser, at its option, and shall be paid by the Purchaser.
3. Purchaser acknowledges he/she is familiar with any HOA Covenants and Restrictions that may encumber the Property.
4. Possession of the Property shall be granted by Seller to Purchaser on the date of Closing pursuant to the execution of the Deed of Purchase and Sale.
5. If residential property was built prior to 1978 Purchaser has received PROTECT YOUR FAMILY FROM LEAD IN YOUR HOME pamphlet and EPA and HUD Disclosure Rule pamphlet. Purchaser waives the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead based paint hazards.
6. Property is sold "as is" "where is" and "with all vices, faults and/or defects" condition and Seller makes no warranty as to any buildings, structures, easements, leases, restrictions, covenants, conditions, zoning and/or any and all other matters including those that would be revealed by a current survey or an inspection of the Property or contained in public records. Purchaser warrants that Purchaser is purchasing the Property and the contents thereof on an "as is" basis with no warranties of any kind, express or implied, either oral or written, whether of habitability, merchantability, fitness for a particular purpose, condition of improvements, environmental condition or otherwise made by Seller, Auctioneer, or any agent of Seller or Auctioneer, including but not limited to, information contained in the sales brochure or supplemental brochures and/or presentations and warranties regarding zoning matters, the ability of the Purchaser to construct new improvements, the ability of Purchaser to remodel existing improvements, the availability of zoning variances, building and demolition permits or plats of consolidation and/or subdivision. No liability for inaccuracies, errors or omissions contained in any materials provided to Purchaser is assumed by Seller, Auctioneer or any of their agents. In addition, the parties hereto acknowledge that Auctioneer is not obligated to and has not made any independent investigation of the condition of the Property. Purchaser hereby acknowledges that Seller did not design or build the structure(s) located on the Property, if any, and therefore Purchaser releases Seller, Seller's affiliates and/or parent companies, and Seller's predecessors in interest, including but not limited to Banco Popular de Puerto Rico, from any responsibility with regards to any vices, faults and/or defects in the

construction and/or design of the Property, including but not limited to apparent, latent or hidden vices, faults and/or defects, and/or for any structural and/or mechanical damage, including, without limitation, cracks, leaks, detachment of plastering, blockages of the sanitary lines and/or pipelines, power lines, etc. that may now or hereinafter affect the Property.

Likewise, Seller shall not be liable for the zoning classification of the Property or whether the structure(s) located therein, if any, comply with current or applicable zoning requirements, encroach on any other property, or whether the Property may be destined for any particular use. Purchaser expressly waives any claim or remedy it may have against Seller, Seller's affiliates and/or parent companies, and Seller's predecessors in interest, including but not limited to Banco Popular de Puerto Rico, for any condition that may affect the Property, including but not limited to the following: (i) any apparent, latent and/or hidden vices, faults and/or defects affecting the Property; (ii) accusations of any kind made by any person or entity, including but not limited to any governmental agencies or entities of Puerto Rico or the United States, regarding the Property, before or after the sale of the Property, including, but not limited to, use permits, zoning, environmental and/or easements problems; (iii) problems with boundaries, encroachments, easements, surveys or area of the Property, including variations and/or discrepancies between the actual area or size of the Property and the area for the Property that arises from the records of the Registry of Property, of any governmental agency and/or entity, and/or elsewhere; (iv) the existence, non-existence and/or condition of any structure which forms part of the Property, including but not limited to variations and/or discrepancies related to the existence and/or non-existence of any structure in the Property, from information related to the existence and/or non-existence of any structures in the Property that arises from the records of any governmental agency and/or entity, and/or elsewhere; (v) for containing hazardous substances or materials or substances, which, by law are required to be removed, contained, corrected, altered or reported to any governmental agency; (vi) demolition orders or declarations of public nuisance that have been issued against the Property by governmental entities; and (vii) existence of septic or any other type of tank, including but not limited to underground and above ground storage tanks, or wells on the Property and the conditions in which they are found.

PURCHASER AGREES AND ACCEPTS THAT THE PURCHASE PRICE OF THE PROPERTY REFLECTS THE "AS IS, WHERE IS, WITH ALL VICIS, FAULTS AND DEFECTS" CONDITION OF THE PROPERTY. PURCHASER ACKNOWLEDGES ITS RESPONSIBILITY TO PERFORM ANY PHYSICAL INSPECTION OF THE PROPERTY IT DESIRED TO MAKE PRIOR TO THE EXECUTION OF THIS CONTRACT. HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY BY ITSELF OR ACCOMPANIED BY A LICENSED PROFESSIONAL, PURCHASER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY, IF ANY, AND NOT ON ANY INFORMATION THAT MAY HAVE BEEN PROVIDED BY SELLER OR ANYTHING ELSE TO PURCHASE THE PROPERTY. PURCHASER FURTHER AGREES THAT EXCEPT TO THE EXTENT EXPRESSLY SET FORTH HEREIN, NO REPRESENTATIONS OR WARRANTIES, WHETHER EXPRESS OR IMPLIED, HAVE BEEN MADE TO PURCHASER BY SELLER AS TO THE VALIDITY, ACCURACY OR COMPLETENESS OF ANY INFORMATION REGARDING THE PROPERTY IN ANY ADVERTISEMENTS, PRESS RELEASES OR PROMOTIONAL MATERIALS WITH RESPECT TO THE SALE OF THE PROPERTY, WHICH SELLER HAS NO REASON TO BELIEVE CONTAIN MATERIAL INACCURACIES, THE CONDITION OF THE PROPERTY, ITS SUITABILITY FOR PARTICULAR PURPOSE OR USE, THE PROJECTED INCOME OR EXPENSES OF THE PROPERTY, THE STATUS OF TITLE TO THE PROPERTY OR ANY OTHER ASPECT OR ATTRIBUTE OF THE PROPERTY, AND PURCHASER IS NOT RELYING ON ANY SUCH WARRANTY OR REPRESENTATION AS A CONDITION OR INDUCEMENT TO PURCHASE THE PROPERTY. IN PARTICULAR, AND WITHOUT LIMITATION, SELLER DOES NOT EXPRESSLY OR IMPLIEDLY WARRANT THAT THE PROPERTY MEETS ANY CURRENT MUNICIPAL, STATE OR FEDERAL BUILDING CODES, ORDINANCE, LAWS OR REGULATIONS RELATIVE TO OCCUPANCY, ELECTRICAL, PLUMBING, SEWAGE, ROOF, STRUCTURE, USE OR ANY OTHER NATURE OR COMPLY WITH ANY APPLICABLE LAWS. PURCHASER ASSUMES THE COMPLETE RESPONSIBILITY TO INVESTIGATE WITH ALL APPROPRIATE GOVERNMENTAL AUTHORITIES FOR ITS INTENDED USE OF THE PROPERTY. SELLER SHALL NOT BE RESPONSIBLE FOR THE REPAIR, REPLACEMENT OR MODIFICATION OF ANY DEFICIENCIES OF THE PROPERTY PRIOR TO AND/OR SUBSEQUENT TO CLOSING. UPON CLOSING, PURCHASER SHALL BE DEEMED TO HAVE WAIVED, RELINQUISHED AND RELEASED SELLER, ITS AFFILIATES AND/OR PARENT COMPANIES, AND/OR SELLER'S PREDECESSORS IN INTEREST, INCLUDING BUT NOT LIMITED TO BANCO POPULAR DE PUERTO RICO, FROM AND AGAINST ANY AND ALL LIABILITIES OF ANY AND EVERY KIND OR CHARACTER, KNOWN OR UNKNOWN, WHICH PURCHASER MIGHT HAVE ASSERTED OR ALLEGED AGAINST SELLER, ITS AFFILIATES AND/OR PARENT COMPANIES, AND/OR SELLER'S PREDECESSORS IN INTEREST, INCLUDING BUT NOT LIMITED TO BANCO POPULAR DE PUERTO RICO, AT ANY TIME BY REASON OR ARISING OUT OF ANY LATENT OR PATENT DEFECTS OR PHYSICAL CONDITIONS, VIOLATIONS OF ANY APPLICABLE LAWS (INCLUDING ANY ENVIRONMENTAL LAWS) AND ANY AND ALL OTHER ACTS, OMISSIONS, EVENTS, CONDITIONS, CIRCUMSTANCES OR MATTERS REGARDING THE PROPERTY.

WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, PURCHASER WAIVES AND RELEASES SELLER FROM THE WARRANTY OF TITLE (“SANEAMIENTO POR EVICCIÓN”) AND THE WARRANTIES AGAINST LATENT AND HIDDEN DEFECTS IMPOSED UPON SELLERS OF REAL PROPERTY PURSUANT TO ARTICLE 1,363 OF THE PUERTO RICO CIVIL CODE. PURCHASER DECLARES AND ACKNOWLEDGES THAT IT HAS VOLUNTARILY ENTERED INTO THIS CONTRACT AND HAS AGREED TO THE WAIVER OF THE WARRANTY OF TITLE AND THE WARRANTIES AGAINST LATENT AND HIDDEN DEFECTS WITH FULL AND COMPLETE KNOWLEDGE AND CONSCIOUSNESS OF THE RISKS AND LEGAL CONSEQUENCES WHICH SUCH WAIVER ENTAILS.

At Closing, Seller will sell, assign, transfer and convey to Purchaser, and Purchaser will purchase and acquire the Property subject to any easement, lien (other than mortgage liens), imposition, encumbrance, restriction, condition, covenant or any other matter with respect to the Property that arise from the Registry of Property. Except for mortgage liens, Purchaser has no right to raise any objection to, nor does Seller have any obligation to cancel, eliminate or modify, any easement, lien, imposition, encumbrance, restriction, condition, covenant or any other matter with respect to the Property, whether of record or not, or whether evidenced by a title search, survey or otherwise.

Possession of the Property will be delivered to Purchaser at Closing subject to the rights or claims of third parties in possession thereto. All written or oral agreements for lease of the Property and contracts in effect as of the Closing shall be assigned by Seller and assumed by Purchaser. From and after Closing, Purchaser will defend, indemnify and hold harmless Seller, its affiliates, and/or parent companies, and/or predecessors in interest, from and against all claims, demands and actions arising under such leases or contracts.

7. Purchaser recognizes having had reasonable time prior to the date hereof to examine the Property. By executing this contract, Purchaser shall be deemed to have waived any adverse condition of the Property and the sale be consummated without any adjustment to price. Purchaser represents that either Purchaser or a duly authorized agent of Purchaser has inspected the property, performed all due diligence reviews which Purchaser deems necessary to determine whether to acquire the Property and verified all facts and information contained in any materials provided to Purchaser prior to executing this contract. Purchaser has not relied upon any sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Seller, Auctioneer, or others, including, but not limited to, any relating to the description of physical condition of the Property, or the dimensions of the Property or any other physical dimensions thereof, the estimated real estate taxes of the Property, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as may be specifically represented herein. Purchaser has relied on its own examination and investigation thereof. No person has been authorized to make any representation on behalf of Seller. Purchaser agrees (a) to purchase the Property without offset or any claim against, or liability to, Seller or its agents, whether or not any layout or dimension of the Property or any part thereof, is accurate or correct, and (b) that Purchaser shall not be relieved of any of Purchaser’s obligations hereunder by reason of any minor inaccuracy or error.
8. Purchaser hereby agrees to indemnify Seller, Seller’s affiliates and parent companies and Seller’s Predecessors in Interest, including but not limited to Banco Popular de Puerto Rico against, and to hold Seller, Seller’s affiliates and/or parent companies, and Seller’s Predecessors in Interest, including but not limited to Banco Popular de Puerto Rico, harmless from all claims, demands, causes of action, losses, damages, liabilities, costs and expenses (including, without limitation, attorneys’ fees and disbursements) asserted against Seller, and Seller’s affiliates and/or parent companies, or Seller’s Predecessors in Interest, including but not limited to Banco Popular de Puerto Rico or incurred by Seller, Seller’s affiliates and/or parent companies, and Seller’s Predecessors in Interest, including but not limited to Banco Popular de Puerto Rico in connection with or arising out of acts or omissions of Purchaser or Purchaser’s Representatives, or other matters or occurrences that take place after the Closing and relate to the ownership, maintenance or operation of the Property. Purchaser’s obligations under this Section 8 shall survive the Closing.
9. Seller may extend contract this contract for thirty (30) days, at its sole discretion, in writing.
10. Purchaser acknowledges that any assignments of the contract must be made in writing to John Dixon & Associates within 15 days of the date of the contract and is subject to final approval from the Seller.
11. John Dixon & Associates, auctioneer/broker, is acting exclusively as agent for the Seller. Seller shall not be responsible for any other Broker’s fees.
12. Time is of the essence.
13. All notices required or permitted under this contract shall be in writing, sent to the addresses set forth below, and shall be sent by (i) nationally recognized overnight courier, (ii) certified mail with return receipt requested and postage prepaid, or (iii) by email proved that a copy is sent in accordance with clause (i) and (ii) of this sentence.

14. This agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Puerto Rico.

This contract constitutes the sole and entire agreement between the parties hereto and no modification of this contract shall be binding unless attached hereto and signed by all parties to this agreement. No representation, promise, or inducement not included in this contract shall be binding upon any party hereto.

Signature: Purchaser or Corporate Entity

Signature: Co-Purchaser

Print Purchaser's Name

Address

City, State Zip

Daytime Telephone

Home Telephone

Email

Signature: Seller

Represented by:

Address

City, State Zip

Telephone

Signature: Auctioneer, John Dixon & Associates, Inc.