

TERMS OF SALE

LUXURY AUCTION[®]



2226 Lake Shore Road,
Essex, New York 12936 (“Property”)



Thursday, October 10, 2024 at 5:00pm ET (“Auction”)

Auction held live and on-site, unless otherwise noted. Remote bidding also available globally. Inquire for details.



Selling to the Highest Bidder Without Reserve and Regardless of the High Bid Price.

Opening Bid Incentives available! Refer to the enclosed *Opening Bid Incentive form* for details.

1. BIDDER REGISTRATION. The Auction is open only to those persons who have formally registered to bid on the Property as detailed herein. The deadline for registration is Wednesday, October 9, 2024 at 5:00pm ET (“Registration Deadline”). Individuals not bidding personally but rather for or on behalf of an entity (such as a limited liability company) may be required to submit additional documentation to Platinum Luxury Auctions (“Platinum”) to complete registration. The bidder registration process is described below in Section 2, *Registration Procedure*. **Prospective bidders who do not register by the Registration Deadline will be unable to participate in the Auction. TIME IS OF THE ESSENCE!**

2. REGISTRATION PROCEDURE. Successful registration requires that a prospective bidder performs the following duties by the Registration Deadline: **a)** Initial and sign the *Luxury Auction Terms of Sale* (“Terms of Sale”); **b)** Make a refundable bid deposit of **\$50,000** (“Bid Deposit”); **c)** If applicable, complete any other supporting documents requested by Platinum (such as those related to remote bidding, Opening Bids, LLC bidders, etc.).

The signed Terms of Sale and any affiliated registration documents must be submitted directly to Platinum. The Bid Deposit can be made by electronic wire (sent to the escrow account of the escrow/closing agent listed in Section 8, *Closing*), or by bringing a certified bank/cashier’s check for the \$50,000 amount to the Auction. Bidders selecting the cashier’s check option must provide Platinum with a copy of the check (via e-mail, etc.) by the Registration Deadline. Cashier’s checks should also be made payable to the escrow/closing agent. **A personal or business check will not be accepted for the Bid Deposit.** Upon Platinum verifying bidder’s completion of items (a) through (c) listed above, the bidder shall be deemed a registered bidder (“Registered Bidder”).

On Auction day, the Registered Bidder must then present the on-site, registration clerk with the following items: **d)** A valid and current form of photo identification (e.g., driver’s license); **e)** The original cashier’s check for the Bid Deposit (if a check was used); **f)** A separate and additional blank check (for which a personal or business check is acceptable).

Upon the on-site clerk’s verification of the preceding items (d) through (f), the Registered Bidder will be officially confirmed for participation in the Auction and given a bidder’s paddle. Upon being declared the successful high bidder, the Registered Bidder’s separate, blank check will be used to complete the required purchase deposit described in Section 6, *Deposit and Payment*.

BIDDER INITIALS

3. REMOTE BIDDING. Bidders are encouraged to attend the Auction in person at the designated venue. However, remote bidding (i.e., bidding in real-time but from a location other than the designated venue) is also available globally. Those bidders who prefer remote bidding must contact Platinum in advance of the Registration Deadline for instructions on remote bidder registration.

4. AUCTION FORMAT. The Property shall be offered *Without Reserve* and will be sold to the highest bidder regardless of the high bid price. Once bidding commences, the Property will sell to the highest bidder. There is no required minimum bid. Bidders are therefore encouraged to submit all reasonable bids. Neither the Seller nor the Seller's agents or assigns may bid on the Property. Actions such as collusion, "bid rigging" and other forms of deliberate interference in the bidding process may constitute crimes that will be reported to the appropriate legal authorities. If Platinum and/or the auctioneer ("Auctioneer") suspects such actions have occurred, it may cancel and/or invalidate the results of the Auction immediately and without recourse. Contact Platinum with any questions on the Auction format.

5. AUCTION CONDUCT. Only those persons who are Registered Bidders (as detailed in Section 2, *Registration Procedure*) may bid at the Auction. Both the method of the Auction sale and calling of bids shall be at the sole discretion of Platinum and/or the Auctioneer. Both Platinum and/or the Auctioneer reserve the right to postpone the Auction or withdraw the Property from the Auction up to the moment of commencement of the Auction. The Auction does not commence until the Auctioneer formally acknowledges and accepts the first bid. All announcements made from the Auction block will take precedence over any prior materials or statements (whether verbal or written), without exception. Upon the "fall of the hammer," which marks the close of bidding, the SALE IS FINAL (subject only to these *Terms of Sale*). Should there be any dispute after the Auction, Platinum and/or the Auctioneer's record of final sale shall be conclusive.

6. DEPOSIT AND PAYMENT. The total purchase price is equal to the sum of the high bid and the buyer's premium detailed in Section 7, *Buyer's Premium* ("Total Purchase Price"). Within one (1) business day of the "fall of the hammer" - which marks the close of bidding - the high bidder must make a deposit equal to ten percent (10%) of the Total Purchase Price ("Purchase Deposit"). The high bidder's existing Bid Deposit will be made part of the Purchase Deposit.

7. BUYER'S PREMIUM. A buyer's premium in the amount of eleven percent (11%) of the Auction high bid ("Buyer's Premium") will be paid by the successful high bidder. The Buyer's Premium will be added to the Auction high bid, and the sum will equal the Total Purchase Price. **Note:** *The Buyer's Premium does not represent an "extra" cost as compared to a traditionally brokered real estate transaction. Like traditional brokerage commissions, it is instead a part of the Total Purchase Price, not an addition to it. Bidders are therefore encouraged to formulate their bids by accounting for the Buyer's Premium as a part of their gross, offered price. Contact Platinum with any questions on the Buyer's Premium.*

8. CLOSING. Closing and transfer of the Property must occur within thirty (30) calendar days of the Auction date. TIME IS OF THE ESSENCE! Closing shall occur without contingency and is not subject to the buyer obtaining financing. The buyer will be responsible for all closing costs, including: a) all stamp, documentary, "Mansion" and/or other transfer taxes; b) deed recording; c) survey fees, if applicable; d) title search and insurance; e) lien search; f) association estoppel fees; and g) homeowner's association application or transfer fees (as applicable). Real estate taxes, association fees, and water/sewer charges will be prorated as of the closing date. The escrow and closing agent for this transaction shall be: Hover & Mackowski, PLLC; Atten: Jason S. Hover, Esq.; 56 Marion Avenue, Saratoga Springs, New York 12866; Off: 518.640.4290; jason.hover@hoverandmackowski.com; www.hoverandmackowski.com (collectively, "Closing Agent").

9. PROPERTY CONDITION | TITLE. The Property is being offered and sold in its "AS-IS / WHERE-IS" condition, with no guarantees or warranties whatsoever. Bidders are solely responsible to verify any information they deem important to the purchase of the Property, and are encouraged to personally inspect the Property prior to Auction. Platinum, the Auctioneer, listing broker, Seller and their collective agents and subagents assume no liability for any errors or omissions in any advertising or promotion of the Property, whether written, oral or otherwise stated. Notwithstanding the foregoing, the Seller warrants that marketable title to the Property shall be transferred to the buyer "free and clear," subject only to any easements, reservations, rights of way or restrictive covenants of record (as applicable), provided they do not make title unmarketable.

10. AUCTION PURCHASE CONTRACT. A commonly acceptable contract for the sale and purchase of real property in Essex

County, New York shall be tailored for the Auction and to conform to the Terms of Sale. The tailored purchase contract will be combined with the Terms of Sale and any other addenda/exhibits (as applicable), and such collective documents shall form the Auction sale and purchase contract ("Auction Purchase Contract"). The Auction Purchase Contract shall be available for review by all prospective bidders in advance of the Auction. Bidders are encouraged to request and review the Auction Purchase Contract. The successful high bidder agrees to sign the Auction Purchase Contract immediately after the Auction. The terms of the Auction Purchase Contract are not negotiable before, during or after the Auction, nor are they subject to any approval or review period by buyer's attorney or any other, third-party attorney. In the event any portion of the Auction Purchase Contract conflicts with these Terms of Sale, **these Terms of Sale, these Terms of Sale shall unequivocally prevail.**

11. BUYER'S AGREEMENT | TERMS OF SALE. By completing the Terms of Sale as part of the registration process, bidder hereby acknowledges it has entered into a binding agreement with Platinum whereby bidder agrees to perform as stipulated herein. Such performance requires that bidder - should it become the Auction's high bidder and therefore, the buyer - signs the Auction Purchase Contract and successfully closes on the Property as instructed herein. Any deviation by bidder from these Terms of Sale will therefore constitute a breach of bidder's agreement with Platinum, for which Platinum may seek relief or remedy using all available legal methods, including but not limited to pursuing a default by bidder (as such term is defined in Section 12, *Default*).

12. DEFAULT. Should the buyer not comply with the Terms of Sale and, as a result, fails to close on the sale of the Property (collectively, "Default"), the buyer shall forfeit and Platinum shall retain as initial damages - whether directly or on behalf of Seller - buyer's entire Purchase Deposit. Further, Platinum, the Auctioneer and/or Seller may also pursue all legal remedies related to buyer's Default.

13. PROPERTY PREVIEWS. Bidders are encouraged to preview the Property. Refer to the Property preview schedule (listed on the Property's page on Platinum's website, within the *Luxury Auction Bidder's Brochure* and/or in various promotional materials). Real-time, remote previews (e.g., guided smartphone tours) may be available for those bidders unable to visit the Property in person prior to Auction. Contact Platinum with any questions on Property previews.

14. BROKER PARTICIPATION INVITED. Any licensed real estate agent representing the successful high bidder is eligible for a commission, apportioned from the Auction Buyer's Premium, equal to **two percent (2%) of the high bid price**, provided the agent completes the following tasks: **a)** Acts as **the sole, procuring cause** of the successful high bidder (this includes the agent escorting the bidder during its first preview of the Property); **b)** Properly **registers the high bidder using Platinum's Bidder Broker Form** (available separately, upon request); **c)** Attends the Auction with the high bidder (unless agent has a written, excused absence from Platinum in advance of the Auction, and/or if the bidder is bidding remotely). **Bidder Broker Forms MUST be delivered to Platinum by the Registration Deadline.** E-mail completed forms to: inquire@platinumluxuryauctions.com. Any agent acting as a principal in the purchase of the Property cannot receive a commission. Any and all commissions are paid only upon successful transfer of title and closing of the Property.

15. BIDDER'S BROCHURE | PROMOTIONAL ITEMS. All information contained in the *Luxury Auction Bidder's Brochure* or in any other materials promoting the Auction/Property was derived from sources deemed reliable but is not guaranteed. Prospective bidders should perform their own due diligence.

16. RECORDING | PRIVATE SALE. **The Auction is a private sales event and is at minimum subject to the same standards of discretion as a directly or traditionally brokered sale of real property in Essex County, New York.** No party is authorized to record or report on the Auction in any manner (including "live streaming," posting messages/images/videos to social media accounts, or similar actions), whether during or after the Auction, without exception. The use of cellular phones, smartphones, "iDevices," tablet computers or any other audio or video recording device is absolutely prohibited during the Auction. Notwithstanding the foregoing, Platinum may record the Auction using audio/video equipment to create a formal record of the bids.

17. AGENCY DISCLOSURES | PLATINUM MARKS (LUXURY AUCTION®). Property listed and offered for sale by principal brokerage Adirondack Premier Properties Berkshire Hathaway HomeServices (Lic#10991226273). Listing agents Margie Philo (Lic#10311207277) and Justin McGiver (Lic#10401339290). Platinum Luxury Auctions LLC is a foreign limited liability company in the state of New York (DOS ID#5276437), and a Licensed New York Real Estate Brokerage (Rep. by Traylor R. Lesnock; Lic#10491207962).

The terms "Luxury Auction(s)," "Platinum Luxury Auctions," and "Luxury Real Estate Deserves a Luxury Auction," along with their affiliated marks, are registered trademarks owned exclusively by Platinum (collectively, "Platinum Marks"). The Platinum Marks are not to be copied or reproduced by non-Platinum parties without express permission.

IMPORTANT NOTE: The Property is subject to bids and/or to sale prior to Auction. This Auction also features an Opening Bid Incentive Program ("OBIP"). A bidder who Submits an Opening Bid can earn a substantial discount to its Auction purchase price! Refer to the enclosed *OBIP Form* for details.

BY SIGNING BELOW, I signify that I have read, and that I shall comply with, the Terms of Sale in their entirety.

BIDDER SIGNATURE

BIDDER PRINT NAME

DATE (MM/DD/YYYY)

POTENTIAL SAVINGS

CONFIDENTIAL OPENING BID INCENTIVE



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Essex, New York 12936 (“Property”)



Thursday, October 10, 2024 at 5:00pm ET (“Auction”)

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8%

An Opening Bid creates the opportunity for a **substantial reduction** in the Total Purchase Price, equal to 8% of the amount of the Opening Bid.

EXAMPLE OPENING BID

\$2,000,000

REDUCTION TO TOTAL PURCHASE PRICE

\$160,000

The following information further explains the Opening Bid Incentive program and its terms:

A. An Opening Bid is strictly confidential, and is known only to the bidder putting forth the Opening Bid and to Platinum Luxury Auctions (“Platinum”). Opening Bids are not shared with other bidders.

B. The act of putting forth an Opening Bid does not commence the bidding for the Auction. The Auction is a live, real-time bidding event that does not occur until **Thursday, October 10, 2024 at 5:00pm ET.** While Opening Bids must be submitted by the Registration Deadline and prior to the Auction, they do not become “live” until the Auction bidding has commenced.

C. An Opening Bid is binding on behalf of the bidder putting forth the bid. A bidder may not retract or reduce its Opening Bid once it is put forth via this form. Once the Auction bidding process has commenced, the Opening Bids become “live,” and may be put forth in the course of the bidding by the bidder who submitted the Opening Bid, by the Auctioneer or by Platinum.

D. An Opening Bid **is not required to participate in the Auction. It is an option available to bidders who want to maximize their purchase savings.** If the Auction’s high bidder did not put forth an Opening Bid, that high bidder would not earn any reduction to its Total Purchase Price. The high bidder would instead pay the standard Buyer’s Premium - 11% of the Auction high bid amount - which is added to the Auction high bid to form the Total Purchase Price. If, however, the Auction’s high bidder did put forth an Opening Bid, that high bidder will reduce its Total Purchase Price by eight percent (8%) of the amount of its Opening Bid.

EXAMPLE: Applying the Opening Bid Incentive...

If “Bidder A” (below, left) and “Bidder B” (below, right) **each have the same Auction high bid*** of \$3m, **Bidder A would pay \$160,000 less than Bidder B to purchase the property**, because Bidder A has a \$2m Opening Bid while Bidder B did not put forth any Opening Bid. Bidder A’s \$2m Opening Bid reduces its Total Purchase Price by \$160,000 (i.e., 8% of \$2m), by way of subtracting the \$160,000 amount from the Auction Buyer’s Premium. Refer to the tables, below.

BIDDER A		
Auction High Bid		\$3,000,000
Auction Buyer’s Premium	+	\$330,000
LESS Reduction Amount	-	\$160,000
Total Purchase Price	=	\$3,170,000

BIDDER B		
Auction High Bid		\$3,000,000
Auction Buyer’s Premium	+	\$330,000
LESS Reduction Amount	-	NONE
Total Purchase Price	=	\$3,330,000

**Note: An Auction cannot conclude in a “tie” between two (2) equal bids. One (1) high bidder must prevail. This hypothetical situation is used to most easily illustrate the price difference created by the Opening Bid incentive.*

Contact a Platinum associate for assistance in selecting your Opening Bid, if necessary.

I, _____ (“Bidder,” print name at left) hereby put forth an Opening Bid in the amount of \$ _____, which will create a savings of \$ _____.

By signing below, I signify my complete comprehension of, and agreement to, all terms herein.

BIDDER SIGNATURE

DATE (MM/DD/YYYY)