

AUCTION CONTRACT TO BUY AND SELL REAL ESTATE

This Auction Contract to Buy and Sell Real Estate ("Contract") is entered into this 25th day of January 2024 (the "Effective Date") by and between Urban Renewal Agency of City of Mountain Home, Idaho ("Seller") and Naindama ("Buyer"). Buyer and Seller may each be individually referred to herein as a "Party" or together, the "Parties" as context may require.

1. PROPERTY. Seller agrees to sell and Buyer agrees to purchase that certain real property more particularly described on EXHIBIT "A" attached hereto, commonly known as 195 N 2nd E. Street, Mountain Home, ID 83647 together with all easements, rights, and appurtenances thereto (the "Property").

2. CLOSING. The closing of the purchase and sale of the Property shall take place on or before the date that is thirty (30) calendar days after the Effective Date, or such earlier date agreed to by the Parties ("Closing Date"). The closing shall take place at Alliance Title & Escrow, located at 1715 American Legion Blvd, Mountain Home, ID 83647 ("Escrow Agent"). Possession of the Property and the Property keys shall be transferred to Buyer at the closing.

3. PURCHASE PRICE AND TERMS. The purchase price of the Property is ~~Two Hundred Forty One Thousand Five Hundred~~ (\$ 241,500) which is the aggregate of the highest bid price made at the auction, which was \$ 230,000.00 ("Highest Bid Price") plus the Buyer's Premium, as set forth below, which is \$ 11,500.00 (collectively "Purchase Price"). The Purchase Price shall be payable in collectible U.S. Dollars as follows:

* **(a) Earnest Money.** Buyer shall deposit "Earnest Money" in the amount of ~~THIRTY FOUR thousand five hundred~~ Dollars (\$ 34,500.00) * on or before the day that is three (3) days after the Effective Date with Escrow Agent. The Earnest Money is non-refundable to Buyer, except in the event of Seller's uncured default, and applied to the Purchase Price at the closing. * THIRTY SIX THOUSAND TWO HUNDRED TWENTY FIVE DOLLARS

* (\$ 30,225) Buyer Initials: N n 1-25-24

(b) Payment of Balance of Purchase Price. The balance of the Purchase Price after credits, adjustments and pro-rations, shall be paid by Buyer at the time of closing by cashier's or certified check or by wire transfer or other immediately available funds acceptable to the Escrow Agent.

4. BUYER'S PREMIUM. Buyer shall pay a fee of Five Percent (5%) of the Highest Bid Price at closing (the "Buyer's Premium"). Buyer acknowledges that this fee shall be paid to Escrow Agent at closing, who shall then pay the fee to Bottles Real Estate Auctions, LLC, an Idaho limited liability company ("Listing Broker"). This fee does not create an client-agency relationship between Buyer and the Listing Broker.

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5. **NO FINANCING CONTINGENCY.** This Contract is NOT contingent upon Buyer obtaining financing.

6. **NO TITLE CONTINGENCY.** This Contract is NOT contingent upon Buyer's review or approval of any title report of the Property. Buyer acknowledges and agrees that it had the opportunity to review a preliminary title report provided by Escrow Agent prior to the Auction.

7. **INSPECTION.** Buyer acknowledges that Buyer was and is responsible for making a thorough inspection of the Property at its own expense, as well as thoroughly researching any information available about the Property and its surroundings, prior to the date of this Contract. Prior to signing this Contract, Buyer acknowledges that Buyer or any designee was afforded the right to have an inspection(s) of the physical condition of the Property at Buyer's expense. This Contract is NOT contingent upon any further inspections by Buyer.

8. **TRANSFER OF TITLE.**

(a) **Deed.** Subject to tender or payment of the Purchase Price at closing as required herein and compliance by Buyer with the other terms and provisions hereof, Seller shall, at closing, execute and deliver a good and sufficient Special Warranty deed to Buyer conveying the Property free and clear of all taxes except the general real property taxes and assessments for the year of closing not yet due and payable, if any; and except (i) all matters of record, (ii) those rights, if any, of third parties in the Property not shown by the public records, (iii) any building, zoning, subdivision and other land use laws, code, ordinances and regulations and any non-compliance therewith, (iv) any matters that an accurate survey or inspection of the Property would have revealed; and (v) those exceptions created by Buyer.

(b) **Leases.** Notwithstanding anything herein to the contrary, Buyer acknowledges that a portion of the Property is currently leased by two (2) tenants on a month-to-month basis. Seller shall have no obligation to terminate such leases prior to the Closing Date. If such leases are still in place on the Closing Date, Seller shall assign and Buyer shall assume such leases in accordance with an Assignment and Assumption Agreement, the substantial form of which is attached hereto as EXHIBIT B.

9. **PAYMENT OF ENCUMBRANCES.** Any encumbrance, including delinquent taxes and assessments, if any, required to be paid shall be paid at or before closing by Seller from the proceeds of this transaction or from any other source.

10. **DISCLAIMER.** BUYER ACKNOWLEDGES AND AGREES THAT THEY HAVE BEEN INFORMED AND UNDERSTAND THAT SELLER MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO ANY ASPECT, FIXTURE OR CONDITION OF THE PROPERTY INCLUDING, WITHOUT LIMITATION, THE EXISTENCE OF HAZARDOUS WASTE OR MATERIALS THEREON, OR THE SUITABILITY OF THE PROPERTY FOR BUYER'S INTENDED USE, TO BUYER BEYOND THOSE EXPRESSLY PROVIDED IN THIS CONTRACT.

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Buyer acknowledges that Seller has made no representations of any material fact concerning the Property beyond those expressly provided in this Contract, that Buyer has had an adequate opportunity to inspect and investigate the Property; and, that Buyer has made a thorough independent examination and inspection of the Property, and is relying solely upon its own examination and inspection thereof. Buyer further acknowledges that Seller has made no representations or warranties as to whether the boundary lines of the Property are accurate, nor any representation as to the number of acres or the number of square feet or frontage of the Property. Buyer has had an adequate opportunity to examine and inspect the boundaries of the Property and will make their own determination as to acreage, square footage, and/or frontage, and whether the location of improvements and boundaries are accurate and is purchasing the Property in reliance upon their own determination thereof and regardless of whether or not said location of improvements and boundaries are accurate. Seller makes no warranty or representation with respect to the legal description as may be used herein. Buyer acknowledges further that Seller is not responsible or liable to obtain or provide a survey of the Property to Buyer. Accordingly, buyer is purchasing the Property "AS IS, WHERE IS."

11. CLOSING COSTS, DOCUMENTS AND SERVICES. Buyer and Seller shall pay their respective closing costs and all other items required to be paid at closing, except as otherwise provided herein. Buyer and Seller shall sign and complete all customary or reasonably required documents at or before closing. Fees for closing services shall be shared equally by Seller and Buyer. Any sales and use tax that may accrue because of this transaction shall be paid when due by Buyer. Any fees and costs assessed by any home owner's association or similar association to which the Property is subject, including but not limited to transfer fees, set up fees, administrative fees, a fee for the issuance of the association's statement of account, utility hookup or transfer fees, or any other such fees and costs, shall be paid when due by Buyer.

12. PRORATIONS. The following shall be prorated to the Closing Date, except as otherwise provided:

(a) **Taxes.** Personal property taxes, if any, and general real estate taxes and assessments for the year of closing, based on the most recent assessment;

(b) **Other.** Water, sewer and any other utility charges associated with the Property.

(c) **Final Settlement.** Unless otherwise agreed in writing by Seller and Buyer, the prorations set forth herein shall be final.

13. CONDITION OF, DAMAGE TO PROPERTY. Except as otherwise provided in this Contract, the Property shall be delivered in the condition existing as of the date of this Contract, ordinary wear and tear excepted. In the event the Property shall be damaged by fire or other casualty or shall fail prior to closing, in an amount not to exceed ten percent (10%) of the Purchase Price, Seller may, but shall not be obligated to, repair the same before the Closing Date. In the event such damage or failure is not repaired or replaced with a unit of similar size, age and quality or an equivalent credit (less insurance proceeds to be received by Buyer covering such

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repair or replacement) within said time or if the damages exceed such sum, this Contract may be terminated at the option of Buyer. Should Buyer elect to carry out this Contract despite such damage or failure, Buyer shall be entitled to a credit for all the insurance proceeds paid from such damage or failure to the Property, not exceeding, however, the Purchase Price.

14. RECOMMENDATION OF LEGAL AND TAX COUNSEL. By signing this Contract, Seller and Buyer acknowledge that their respective brokers have advised each of them that this Contract has important legal consequences and has recommended the examination of title and consultation with legal and tax or other counsel before signing this Contract.

15. DEFAULT AND REMEDIES. Neither Party will be deemed to be in default under this Contract unless the non-defaulting Party first provides the defaulting Party with a written notice of default (which notice will reasonably describe the alleged default) and a period of five (5) business days to cure the default.

(a) **Closing Default by Buyer.** In the event Buyer defaults in the performance of its obligations to close hereunder, Seller may, AS ITS SOLE AND EXCLUSIVE REMEDY TERMINATE THIS AGREEMENT AND IMMEDIATELY RECEIVE ANY NON-REFUNDABLE EARNEST MONEY AS LIQUIDATED DAMAGES FOR BUYER'S FAILURE TO CLOSE. THIS REMEDY SHALL BE IN LIEU OF ALL OTHER REMEDIES FOR SAID DEFAULT BUYER. BUYER AND SELLER EACH AGREE THAT IN THE EVENT OF A BUYER CLOSING DEFAULT, THE DAMAGES TO SELLER WOULD BE EXTREMELY DIFFICULT AND IMPRACTICABLE TO ASCERTAIN, AND THAT THEREFORE, IN THE EVENT OF SUCH A BUYER CLOSING DEFAULT, ANY NON-REFUNDABLE EARNEST MONEY SHALL SERVE AS LIQUIDATED DAMAGES FOR SUCH CLOSING DEFAULT BY BUYER.

(b) **Closing Default by Seller.** In the event Seller defaults in the performance of its obligations to close hereunder, Buyer may AS ITS SOLE AND EXCLUSIVE REMEDY TERMINATE THIS AGREEMENT AND IMMEDIATELY RECEIVE A REFUND OF ITS NON-REFUNDABLE EARNEST MONEY AS LIQUIDATED DAMAGES FOR SELLER'S FAILURE TO CLOSE. THIS REMEDY SHALL BE IN LIEU OF ALL OTHER REMEDIES FOR SAID DEFAULT BY SELLER. BUYER AND SELLER EACH AGREE THAT IN THE EVENT OF A SELLER CLOSING DEFAULT, THE DAMAGES TO BUYER WOULD BE EXTREMELY DIFFICULT AND IMPRACTICABLE TO ASCERTAIN, AND THAT THEREFORE, IN THE EVEN OF SUCH A BUYER CLOSING DEFAULT, ANY NON-REFUNDABLE EARNEST MONEY SHALL SERVE AS LIQUIDATED DAMAGES FOR SUCH CLOSING DEFAULT BY SELLER. Upon termination of this Contract pursuant to this paragraph, and the payment of all sums due hereunder, the parties shall have no further rights or obligations under this Contract, except those that expressly survive termination.

(c) **Other Defaults.** Subject to the notice and cure provisions, if either party defaults in the performance of any of its material obligations under this Agreement other than the

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obligation to close, the non-defaulting party shall have such rights and remedies as are available at law or in equity.

16. ATTORNEYS' FEES. In the event either Party initiates or defends any legal action or proceeding in any way connected with this Contract, the prevailing Party in any such action or proceeding (in addition to any other relief which may be granted, whether legal or equitable), shall be entitled to recover from the losing Party in any such action its reasonable costs and attorneys' fees (including, without limitation, its reasonable costs and attorneys' fees on any appeal).

17. ADDITIONAL PROVISIONS. This Contract contains the entire agreement of the Parties regarding the subject matter hereof.

18. MODIFICATION, SURVIVAL. No subsequent modification of any of the terms of this Contract shall be valid, binding upon the Parties, or enforceable unless made in writing and signed by the Parties. Any obligation in this Contract that, by its terms, is intended to be performed after termination or closing shall survive the same.

19. BROKER. Seller and Buyer each represent and warrant to the other that except for Bottles Real Estate Auctions, LLC, which is representing Seller ("Seller's Broker"), and Miguel Ramirez ("Buyer's Agent"), which is representing Buyer, that neither of them have employed nor associated with any other broker or agent in connection with this transaction. Seller, pursuant to a separate agreement with Seller's Broker, has agreed to pay a commission in connection with this transaction. Seller and Buyer each hereby agree to indemnify and defend the other against any and all commissions, finder's fees or other fees or any claim therefore by any broker in connection with this transaction claiming through the indemnifying Party.

20. CONSTRUCTION. In construing the provisions of this Contract and whenever the context so requires, the use of a gender shall include all other genders, the use of the singular shall include the plural, and the use of the plural shall include the singular.

21. AGENCY REPRESENTATION. Buyer and Seller understand and agree that Miguel Ramirez is involved in this transaction on behalf of Buyer and that Bottles Real Estate Auctions, LLC, an Idaho limited liability company, is involved in this transaction on behalf of Seller, and that no other broker or agent was the procuring cause of the transaction contemplated by this Agreement.

REPRESENTATION CONFIRMATION: Check one (1) box in Section 1 below and one (1) box in Section 2 below to confirm that in this transaction, the brokerage(s) involved had the following relationship(s) with the BUYER(S) and SELLER(S).

Section 1:

MM Buyer 1-25-24 Date
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- A. The brokerage working with the BUYER(S) is acting as an AGENT for the BUYER(S).
- B. The brokerage working with the BUYER(S) is acting as a LIMITED DUAL AGENT for the BUYER(S), without an ASSIGNED AGENT.
- C. The brokerage working with the BUYER(S) is acting as a LIMITED DUAL AGENT NONAGENT for the BUYER(S), and has an ASSIGNED AGENT acting solely on behalf of the BUYER(S).
- D. The broker working with the BUYER(S) is acting as a NONAGENT for the BUYER(S).

Section 2:

- A. The brokerage working with the SELLER(S) is acting as an AGENT for the SELLER(S).
- B. The brokerage working with the SELLER(S) is acting as a LIMITED DUAL AGENT for the SELLER(S), without an ASSIGNED AGENT.
- C. The brokerage working with the SELLER(S) is acting as LIMITED DUAL AGENT for the SELLER(S), and has an ASSIGNED AGENT acting solely on behalf of SELLER(S).
- D. The brokerage working with the SELLER(S) is acting as a NONAGENT for the SELLER(S).

Each Party signing this document confirms that he or she has received, read and understood the Agency Disclosure brochure and has elected the relationship confirmed above. In addition, each Party confirms that the brokerage's agency office policy was made available for inspection and review.

EACH PARTY UNDERSTANDS THAT HE OR SHE IS A "CUSTOMER" AND IS NOT REPRESENTED BY A BROKERAGE UNLESS THERE IS A SIGNED WRITTEN AGREEMENT FOR AGENCY REPRESENTATION.

Responsible and Listing Broker: Bottles Real Estate Auctions, LLC

Selling Broker:

CENTURY 21 SOUTHERN
IDAHO REALTY

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IN WITNESS WHEREOF, the Parties have executed this Contract as of the Effective Date

BUYER: Naihao Ma


Buyer

Date: January 25, 2024

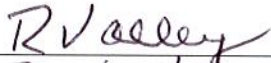
Address: _____

Phone No.: _____

Fax No.: _____

Email: _____

SELLER: Urban Renewal Agency of City of Mountain Home, Idaho

By: 
Name: Randy Kelley
Title: URA chair

Date: 1-25-24

Address: PO Box 1150
Mountain Home, ID 83647



 Buyer 1-25-24 Date
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EXHIBIT "A"

DESCRIPTION OF THE REAL PROPERTY

Lots 13 and 14 in Block 2 of Mountain Home Original Townsite, Mountain Home, Elmore County, Idaho, according to the official plat thereof on file and of record in the office of the County Recorder of Elmore County, Idaho.

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EXHIBIT B

ASSIGNMENT AND ASSUMPTION OF LEASES

THIS ASSIGNMENT AND ASSUMPTION OF LEASES ("Assignment") is entered into effective _____, 202__ (the "Effective Date"), by and between _____ (the "Assignor") and _____ (the "Assignee").

A. Assignor and Assignee are parties to that certain Real Estate Purchase and Sale Agreement, dated _____, 202__ ("PSA"), providing for the purchase and sale of that certain real property known as +/- _____ acres in _____ County, ID legally described on the PSA (the "Property").

B. Assignor, is a party to (1) that certain written Leases by and between Assignor and _____, set forth on **Exhibit A** attached hereto and incorporated herein and (2) that certain oral month-to-month Leases by and between Assignor and _____ (together the "Leases"), which Leases affect the Property.

C. In connection with the conveyance of the Property, Assignor desires to assign the Leases to Assignee, and Assignee desires to accept and assume the Leases from Assignor, pursuant and subject to the terms and conditions hereinafter set forth.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Assignment.** As of the Effective Date, Assignor: (a) assigns, transfers, and conveys to Assignee all of Assignor's right, title, and interest in and to the Leases; and (b) delegates to Assignee all of Assignor's obligations, duties, and liabilities under the Leases from and after the Effective Date.

2. **Assumption.** As of the Effective Date, Assignee accepts the foregoing assignment and delegation by Assignor and agrees to assume and be bound by all of the terms of, and to undertake all of the obligations, duties, and liabilities of Assignor contained in, the Leases from and after the Effective Date to the same extent as if Assignee were a party to the Leases. Assignee hereby agrees and confirms that it shall be a party to the Leases and all references to such Assignor in the Leases shall refer to Assignee.

3. **Mutual Indemnification.**

i. **Indemnification by Assignor.** Assignor shall indemnify, defend, and hold Assignee harmless from and against any, and all liabilities, claims, costs, damages, judgments, expenses (including without limitation reasonable attorneys' fees), and proceedings of any kind whatsoever arising out of or relating to the Leases prior to the Effective Date.

ii. **Indemnification by Assignee.** Assignee shall indemnify, defend, and hold Assignor harmless from and against any, and all liabilities, claims, costs, damages, judgments,

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expenses (including without limitation reasonable attorneys' fees), and proceedings of any kind whatsoever arising out of or relating to the Leases on and after the Effective Date.

4. **Binding Effect.** The provisions of this Assignment shall be binding upon, and shall inure to the benefit of, the successors and assigns of Assignor and Assignee, respectively.

5. **Counterparts.** This Assignment may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute a single instrument, and shall be effective upon execution of one or more of such counterparts by each of the parties thereto.

IN WITNESS WHEREOF, the Parties have executed this Assignment effective as of the Effective Date.

[SIGNATURE PAGES AND EXHIBIT(S) TO BE ATTACHED TO FINAL FORM]

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Rv Seller 1-25-24 Date