

CALIFORNIA TERMS AND CONDITIONS – FORECLOSURE AUCTION LIVE SALE

Please note that by participating in an Auction (as hereinafter defined) you hereby agree to be bound by these terms and conditions (the “Agreement”) between you and Altisource Online Auction, Inc. (“AOA”) and any third-party auctioneer engaged by AOA (collectively, “Auctioneer”, “us”, “our” or “we”). We may change the terms of this Agreement from time to time. The final terms of this Agreement will be posted at the Auction and available on the day of the Auction and on Hubzu (as hereinafter defined). You hereby agree that you are solely responsible for keeping apprised of any updates to the Agreement. All announcements made at the Auction shall supersede all printed materials or prior oral statements.

1. Fees and Services.

- (a) **Creditor’s Auction Fee.** Auctioneer is acting exclusively as independent auctioneer engaged by Creditor in this transaction and is to be paid a fee by Creditor pursuant to a separate written agreement between Creditor and Auctioneer. Auctioneer is not acting as agent in this transaction for the buyer. There will be no buyer’s premium to be paid to Auctioneer. There shall be no real estate brokers involved or nor real estate brokerage commissions as part of any Auction except as expressly advertised. You and Auctioneer are independent contractors, and no agency, partnership, joint venture, employee-employer or franchiser-franchisee relationship is intended or created by this Agreement.
- (b) **Creditor’s Right to Bid.** Auctioneer, in its capacity as auctioneer reserves the right to bid on behalf of Creditor or any other secured parties in any amount, including any amount equal to the credit amount due to Creditor or any secured party (inclusive of fees and expenses).
- (c) **Auctioneer.** Auctioneer shall conduct the Auction in accordance with all applicable state and local laws.

2. Eligibility and Your Responsibilities.

- (a) **Who Can Bid at Auctions.** Our services are available only to individuals and entities who can form legally binding contracts under applicable law. Without limiting the foregoing, our services are not available to minors or to temporarily or indefinitely suspended members. If you do not qualify, please do not bid at the Auction.
- (b) **Acknowledgment.** If requested by Auctioneer prior to, at or following the Auction, you agree to execute an acknowledgment form provided by Auctioneer stating that you have had a chance to review this Agreement, understand its terms and voluntarily agree to be bound by such terms. Following the Auction, the Highest Bidder shall be required, if requested by Auctioneer, to execute a bid confirmation form.

3. Hubzu is a Venue. Certain properties for auction may have been marketed prior to the Auction on Hubzu or its Affiliated Websites. By accessing Hubzu, you agree to be bound by the terms and conditions of Hubzu as posted on Hubzu. Hubzu acts as a venue to market real properties in a variety of ways. Hubzu is not involved in the actual transaction between buyers and sellers. As a result, Hubzu has no control over the truth or accuracy of the advertisements or the ownership interest in the marketed property.

4. Bidding and Buying.

- (a) **Your Intent to Purchase.** Bidding on a property indicates your intent to purchase that property and is considered a legally binding offer to purchase the property, which offer remains open until the Buyer fulfills the obligations under these Terms and Conditions. As a Buyer, you are obligated to complete the transaction if you submit the Highest Bid. **NOTWITHSTANDING THE FOREGOING OR ANYTHING IN THIS AGREEMENT, THE BUYER IS NOT ELIGIBLE TO RECEIVE ANY BENEFIT FROM THE AUCTION OF A PROPERTY UNLESS THE BUYER STRICTLY COMPLIES WITH ALL TERMS OF THIS AGREEMENT AND APPLICABLE LAW.**
- (b) **Payment.** The Highest Bidder may be required to provide Auctioneer with government-issued identification and have the ability to pay the bid amount due in the form of cash or a cashier’s check immediately upon sale, unless applicable law provides additional time for payment. Cashier’s checks should be made payable to yourself and endorsed to the party designated by Auctioneer for highest bids. Auctioneer may require the Highest Bidder to complete an IRS Form 8300 if cash payment is provided in an amount equal to or greater than \$10,000.00. In the event a Highest Bidder does not have sufficient funds available to pay the bid amount due, the sale may be revoked and Auctioneer may immediately re-auction the Property. **DO NOT BID ON PROPERTIES IF YOU DO NOT INTEND TO PAY THE FULL AMOUNT DUE IN A FORM OF CASH OR CASHIER’S CHECKS**

IMMEDIATELY UPON THE CONCLUSION OF THE SALE UNLESS APPLICABLE LAW PROVIDES ADDITIONAL TIME FOR PAYMENT. Any person who fails to consummate a purchase after submitting the Highest Bid may be barred from participating in future sales or bidding on our sites. By making a bid on a property, you agree to be bound by the conditions of sale included in the marketing so long as those conditions of sale are not in violation of this Agreement or unlawful under applicable law. Bids cannot be withdrawn by the Buyer once placed. Additionally, if you, as a Bidder or Buyer, fail to complete the transaction, you may be in breach of contract and subject to legal claims by the Creditor, and/or other parties to the transaction, including but not limited to AOA and its parent companies and affiliates.

(c) Title. Because the property will be transferred to Buyer through foreclosure, trustee's sale pursuant to a power of sale under a deed of trust, power of sale under a mortgage, sheriff's sale or similar action, Buyer acknowledges that Creditor's sole responsibility shall be to relinquish all rights it has to the property as of sale and assist in the transfer of title by such foreclosure action. Creditor shall have no other obligations and shall not incur any additional expenses, liabilities or provide supplement documentation.

(d) Deposits / Proof of Funds. For certain properties, you may be required to provide a proof of funds documentation or make a cash deposit prior to the Auction. By providing proof of funds documentation or depositing cash, you represent that any document is a bona fide proof of funds and that its contents are true and correct in all respects and that you have all rights to any cash deposit and such funds were not obtained via fraud or other unlawful means.

5. Property Status; No Warranties:

(a) Property Status. **ALL PROPERTIES MARKETED FOR AUCTION, INCLUDING ALL SPECIAL ADVERTISEMENTS, ARE FOR SALE WITH NO EXPRESS OR IMPLIED GUARANTEES OR WARRANTIES WHATSOEVER BY CREDITOR, AUCTIONEER OR THEIR RESPECTIVE AFFILIATES UNLESS REQUIRED BY LAW.** Without limiting any other provision of this Agreement, you acknowledge and agree that you are bidding for a property and, if you are the purchaser acquiring the property in its present state and condition as of the date you submit the bid, with all defects, both patent and latent, and with all faults of the property whether known or unknown, presently existing or that may thereafter arise. Furthermore, the property is subject to all terms and conditions set forth on the property's details page (including any linked pages containing additional information) and any other terms and conditions specified by the Creditor for the property. You acknowledge and agree that the Creditor, Auctioneer and their respective affiliates have not made, do not make and, moreover, specifically negate and disclaim any representations, warranties, promises, covenants, agreements or guarantees of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to the property. The Property will not be made available for inspection.

(b) Foreclosure; Redemption Rights. You acknowledge that title to any property offered at an Auction may be subject to court approval of foreclosure, expiration of bid periods or a mortgagor's or taxing authority's right of redemption. Additionally, any property acquired pursuant to an Auction may be subject to any or all of the following: (i) any loan reinstatement, payoff, or other pre-sale arrangement with the beneficiary to the underlying deed of trust to satisfy the default, (ii) any court ordered or statutory restraint of sale arising out of bankruptcy, probate, divorce, receivership, or other court proceedings involving any person claiming a legal or equitable interest in the property, or (iii) any other claim by those persons obligated on the debt that may render the sale void or voidable, including but not limited to claims of insufficient notice.

(c) Buyer Responsibilities; Further Assurances. Buyer agrees that ownership of the property may subject Buyer to municipal costs and the undertaking of required remedial actions including, without limitation, paying past due and future expenses on any property related to taxes, water, sewer, survey costs and homeowner association dues and curing defects associated with any property not otherwise extinguished by the foreclosure sale pursuant to state and local laws. Buyer agrees (i) to furnish to Auctioneer or Creditor such further information, (ii) to execute and deliver to each other such other documents, and (iii) to do such other acts and things, all as Auctioneer or Creditor may reasonably request for the purpose of transferring title to any property to Buyer and carrying out the intent of the Auction.

6. Indemnity. You agree to indemnify and hold Creditor, Auctioneer and (as applicable) each of their respective parent companies, subsidiaries, affiliates, officers, directors, agents, and employees, harmless from any claim or demand, including a claim for attorneys' fees, made by any third party due to, or arising out of, your breach of this Agreement or the documents it incorporates by reference, or your violation of any law or the rights of a third party.

In furtherance of the foregoing, you agree that no agent or broker shall be due a commission. You agree to indemnify and hold Creditor, Auctioneer and (as applicable) each of their respective parent companies, subsidiaries, affiliates, officers, directors, agents, and employees, harmless from any claim or demand, including a claim for attorneys' fees, made by any agent or broker claiming to be owed commissions from any Auction based on your direction or engagement.

7. Limitation of Liability. Except as prohibited by law, you agree to hold the Creditor and us (including our subsidiaries, affiliates, officers, directors, agents, and employees) harmless for any damages or injury caused by, including but not limited to, any failure of performance, error, omission, interruption, defect, delay in operation of transmission, computer virus or online failure.. IN NO EVENT WILL OUR COLLECTIVE LIABILITY, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY AUCTION EXCEED THE AMOUNT YOU HAVE PAID TO US OR TEN DOLLARS, IF YOU HAVE NOT HAD ANY PAYMENT OBLIGATIONS TO US, AS APPLICABLE.

8. Legal Compliance. You shall comply with all applicable local, state, federal and international laws, statutes, ordinances and regulations regarding your use of Hubzu and its Affiliated Websites and your bidding on, marketing, purchase, solicitation of offers to purchase, and sale of property.

9. General.

(a) Miscellaneous Provisions. If any provision of this Agreement is held to be invalid or unenforceable, such provision shall be struck and the remaining provisions shall be enforced. Headings are for reference purposes only and in no way define, limit, construe or describe the scope or extent of such section. This Agreement sets forth the entire understanding and agreement between us with respect to the subject matter hereof. Auctioneer reserves the right to refuse service to anyone for any reason; provided, that Auctioneer shall not discriminate based on race, color, religion, gender, national origin, familial status or disability.

(b) Disputes. This Agreement shall be governed by and construed in accordance with the laws in the state where the Auction is located; provided, however, all parties agree that any and all disputes, brought in the United States, arising from your participation in any Auction or you use of Hubzu or its Affiliated Websites will be resolved solely in the United States Northern District of Georgia, Atlanta Division.

(c) Intellectual Property Notice. Altisource, Hubzu, the Hubzu logo and all other marks identified herein, and on referenced and incorporated agreements, are trademarks or service marks of AOA or its affiliates. These marks may be registered with the United States Patent and Trademark Office and Intellectual Property Offices of other countries.

(d) Class Action Waiver. ANY DISPUTE RESOLUTION PROCEEDINGS WILL BE CONDUCTED ONLY ON AN INDIVIDUAL BASIS AND NOT IN A CLASS OR REPRESENTATIVE ACTION, OR AS A NAMED OR UNNAMED MEMBER IN A CLASS, CONSOLIDATED, REPRESENTATIVE OR PRIVATE ATTORNEY GENERAL LEGAL ACTION. YOUR PARTICIPATION IN ANY AUCTION AND ACCESS AND CONTINUED USE OF HUBZU SIGNIFIES YOUR EXPLICIT CONSENT TO THIS WAIVER.

10. Other Terms & Conditions:

The provisions of this Section 10 apply only to any Auction for real property located in the State of California.

California Credit Bids. In accordance with applicable law, the beneficiary under the deed of trust may place a bid or bids (directly or through Auctioneer) during the Auction called a "credit bid." Such credit bids are made pursuant to California Civil Code §2924h(b) and can be made up to the total amount due the beneficiary including the Trustee's fees and expenses. The "Opening Bid" is an initial credit bid to be placed at the auction, but does not represent the maximum credit bid that may be placed on behalf of the beneficiary.

ATTACHMENT NO. 1

Defined Terms to Agreement

DEFINED TERMS

As used in this Agreement, the terms below have the following meanings:

“Affiliated Websites” means affiliated websites of Hubzu.

“AOA” has the meaning assigned to such term in the opening paragraph to this Agreement.

“Auction” is a live sale in which an Auctioneer will receive bids for the sale of a parcel of real property.

“Auctioneer” has the meaning assigned to such term in the opening paragraph to this Agreement.

“Bidder” means a person who places a bid or offer on a property at an Auction.

“Buyer” means a person who places the Highest Bid on a property at an Auction.

“Creditor” means a person or entity who has marketed a property for Auction based on lien rights arising from an unpaid debt owed to such person or entity by the owners of such property.

“Highest Bid” means the highest bid on a property at the conclusion of the time limit for the Auction. A Bidder with the Highest Bid shall be required to purchase the property pursuant to this Agreement.

“Highest Bidder” means the person or entity that places the Highest Bid. Being the Highest Bidder, however, does not guarantee the Highest Bidder ownership of the property. The Highest Bidder must be able meet all terms and conditions of this Agreement.

“Hubzu” means the Hubzu® website (www.hubzu.com) and its related marketing services and tools.

“Starting Bid” indicates the nominal opening bid at the beginning of an Auction.