

BIDDER INSTRUCTIONS

Online Auction – Single Family Home, Memphis, TN

Bidding Closes March 15th starting at 2:00 PM ET

1. The attached Bidder Registration Form must be completed and returned to Tiffeny Cook at tcook@tranzon.com or by fax to 949.727.9022 no later than 5:00 PM ET on March 14, 2017.
2. Proof of financial ability to close the purchase must also be provided, attached to this registration form.
3. A valid credit card number must be provided on the attached form. If you are unable to provide a valid credit card, then a wire transfer/cashier's check deposit in the amount of \$1,000.00 must be posted with the auction company.
4. Once the above items are received, login credentials will be provided to the bidder.
5. Cashier's check deposits can be sent to:
Tranzon Asset Strategies
c/o Tiffeny Cook
9891 Irvine Center Drive, Suite 200
Irvine, CA 92618
Phone: 949.727.9011

We recommend that packages be sent by an overnight service that guarantees delivery and provides tracking information.

Wire transfer deposits can be sent to:

Wells Fargo Bank, N.A.
2211 Michelson Drive, Ste.200
Irvine, CA 92612
Account #:7428106111
Beneficiary: WFS, Inc. dba Tranzon Asset Strategies
Routing #: 121000248 – for domestic wires
SWIFT #: WFBIUS6S – for foreign wires

Please be sure to include your wire transfer instructions to expedite the return of the bid deposit to unsuccessful bidders.

Following the auction, bid deposits will be returned to unsuccessful bidders within 24 hours.

If you have any questions with regard to the registration process, please contact Tiffeny Cook at 949.727.9037 (direct) or tcook@tranzon.com.



Tranzon Asset Strategies
9891 Irvine Center Drive, Suite 200
Irvine, CA 92618
Phone: 949.727.9011 Fax: 949.727.9022

Terms and Conditions

1. Tranzon Asset Strategies ("Auctioneer") is conducting the Auction Sale of the real estate described as 1485 Sea Isle Road, Memphis, TN 38117, Shelby County Parcel ID 066025 00018, from case # 8:15-cv-00980 in the United States District Court, Central District of California in the matter of Capital Cove Bancorp LLC; Christopher M. Lee aka Rashid K. Khalfani. By order of the United States District Court, Robert Mosier has been appointed the Receiver for Capital Cove Bancorp LLC; Christopher M. Lee aka Rashid K. Khalfani and their subsidiaries and affiliates. The auction sale is subject to confirmation of Robert P. Mosier, Receiver ("Seller"), who is selling solely in his capacity as Receiver and the high bidder only becomes the purchaser upon confirmation and acceptance by the Seller of that bidder's bid following conclusion of the auction.
2. Bids on the real estate will be accepted only from persons ("Qualified Bidders") who (i) register with the Auctioneer prior to the Auction, and post the \$1,000.00 deposit in the form of a credit card authorization, which the Auctioneer may hold until the completion of bidding and for a reasonable period of time to allow for the release of any such deposit and/or the return of any such funds after the conclusion of the auction.
3. All sale properties will have a suggested opening bid amount and are subject to the Seller's confirmation at the conclusion of the sale.
4. Once a bid is received by the Auctioneer, advances on that bid must be made in increments at least as great as those which the Auctioneer, at his sole discretion, shall designate as being necessary to surpass the last bid acknowledged by the Auctioneer. Should there be any dispute among competitive bidders for the property, the Auctioneer may reopen bidding on the property or he may, at his sole discretion, designate one of the bidders as the "Successful Bidder". All decisions by the Auctioneer shall be final.
5. A buyer's premium of ten per cent (10%) shall be added to the Successful Bidder's high bid price and become part of the total purchase price to be paid by the Successful Bidder.
6. At the conclusion of bidding on the property, the Successful Bidder will be required to confirm its bid amount and tender its earnest money deposit in an amount equal to ten percent (10%) of the total purchase price, in the form of a Cashier's Check or wire transfer, within 24 hours or such other time as may be specified by the Auctioneer following the close of the auction.
7. If the Successful Bidder's bid is subsequently accepted by the Seller, the Successful Bidder will be required to sign a Purchase Agreement and other documentation concerning the property immediately upon the completion of the Auction. These documents will set forth the "Purchaser", the "Seller", the "Broker" if applicable, and contain the precise terms and conditions of the sale. Copies of said documents shall be available through the Auctioneer's office.
8. The sale will not be contingent upon obtaining financing and will not be extended for that purpose. Purchasers who fail to close the transaction because they do not obtain financing or any other reason will be required to release their entire deposit to Seller as liquidated damages and not as a penalty.
9. At the conclusion of bidding on the property, the Seller is unconditionally authorized to decline to confirm the sale of a property and to cancel the sale of that property to the Successful Bidder.
10. All bidders are encouraged to personally inspect the properties and documentation relating thereto. The properties are being sold "as-is, where is" with no representations or warranties whatsoever. The sales shall be subject to all existing leases. The sale is not contingent upon inspection and will not be extended for that purpose. Neither Seller, Broker nor Auctioneer makes any warranties or representations, either expressed or implied, concerning the properties included in the sale. Neither Seller, Broker nor Auctioneer shall be liable for any relief, including damages, rescission, reformation, allowance or adjustment based on the failure of the properties to conform to any standard or expectation.
11. Title is to be conveyed by Quitclaim Deed and is subject to the following: (a) current property taxes, (b) covenants, conditions and restrictions of record, (c) easements of record, (d) local, state and federal laws, ordinances or governmental regulations, including but not limited to, building and zoning laws, ordinances and regulations, now or hereafter in effect relating to the Property, and (e) the rights of tenants, as tenants only, under any leases (collectively, the "Permitted Exceptions"). Seller shall furnish Buyer at Buyer's expense a standard coverage owner's title policy showing title to the Property vested in Buyer, subject to the Permitted Exceptions. Buyer acknowledges receipt of the Preliminary Title Report and agrees to accept title to the Property subject to the Permitted Exceptions, excepting monetary liens and encumbrances which shall be eliminated by Seller prior to the Close of Escrow. If Seller is unable to furnish said Title Insurance Policy on the date set for the Close of Escrow, then Seller shall be given up to ninety (90) additional days to cure any defects and procure said Title Insurance. If Seller fails to deliver title as above, Buyer, as its sole remedy, may terminate this Contract and the Deposit shall be returned to Buyer.
12. All sales must close within 30 days unless extended by the Seller, at its option, in writing. The Seller may, for a fee, grant an extension to the closing date. Requests for extensions must be made in writing at least five days prior to the scheduled closing date. All extension requests are evaluated by the Seller on a case-by-case basis and are solely at Seller's discretion. Purchasers who fail to close in a timely manner for any reason shall be required to release their deposit(s) to seller as liquidated damages and not as a penalty. Seller retains the unilateral right to cancel escrow and retain the deposit in the event Purchaser fails to close as required by the terms of the Purchase Agreement.

13. The Purchaser will be required to pay all closing costs, including, but not limited to, document preparation fees, documentary transfer tax, recording fees, property tax proration, title fees, and closing fees.
14. Broker participation is welcomed. A referral fee of 2% of the high bid price will be paid to the licensed real estate broker whose prospect pays and closes on the property. No referral fees will be paid if the broker or a member of his/her immediate family is participating in the purchase of the property. To qualify for a referral fee, the real estate broker must: (a) be a licensed real estate broker who will abide by the National Association of Realtors Code of Ethics, (b) sign an affidavit stating his/her involvement is serving only as broker and not as a principal, (c) first register the prospect by completing the Broker Registration Agreement (available from the Auctioneer's office) and returning it by fax to 949.727.9022 or email to tcook@tranzon.com no later than 48 hours prior to the scheduled auction; and the registration form must be signed by the prospect and received before any inspection of the property by the prospect. The broker must be present at the Auction to submit the bid with their prospect. Each broker must submit a copy of the faxed or emailed form when their prospect registers for the auction. A complete registration file on all prospects will be maintained. No broker will be recognized on a prospect who has previously contacted or been contacted by the Seller or its representatives. Referral fees will only be paid upon closing and receipt of commissions by Tranzon Asset Strategies.
15. The Auctioneer reserves the right to deny any person admittance to the Auction, to postpone or cancel the Auction, to withdraw the properties from the Auction and to change any terms of the Auction or particular conditions of sale upon announcement prior to or during the course of the Auction.
16. Bidders must take care in entering bids, and each bidder will be responsible for all bids placed under the bidder's approved registration. Once entered and recorded onsite or online, a bid is deemed to be final on behalf of the registered bidder and may not be modified, retracted or rescinded in whole or in part.
17. Auctioneer has made reasonable efforts to provide for online bidding for this auction. Bidder recognizes and acknowledges, however, that technical problems with hardware, software, or internet connectivity, as well as human errors, may arise and may affect, without limitation, the Tranzon website, our online bidding program and process, bidder's internet service and access, and bidder's connection to this auction's bidding program and process. Bidder further acknowledges that these and other technical problems may develop at any time and with or without notice. Bidder acknowledges and agrees that neither Auctioneer nor the Seller is in any way responsible for any such technical problems, and that bidder has no absolute or other right to be able to bid on this auction in the event of any such technical problems. Notwithstanding the foregoing, bidder further acknowledges and agrees that, in the event of any such technical problems, Auctioneer reserves the right to postpone or cancel the auction and/or extend the bidding time for this auction and/or relist the property for auction at another time, in our sole discretion, and that our decision with regard to any such actions is and will be final.
18. The information contained in the information package is subject to inspection by all appropriate parties. No liability for its accuracy, errors, or omissions is assumed by the Auctioneer or its agents, the Brokers, Seller or its agents. Prospective bidders should independently verify any information being materially relied upon in making a purchasing decision.
19. Only the Purchase Agreement shall set forth Seller's obligations to the Successful Bidder.
20. The auction is being conducted pursuant to all local and state laws.
21. The sole and exclusive venue for any disputes involving Seller regarding or relating to any auction or sale made by auction shall be the United States District Court for the Central District of California (the "Court"). All Qualified Bidders irrevocably submit to the jurisdiction of the Court.