

## Real Estate Auction Terms

October 24, 2009

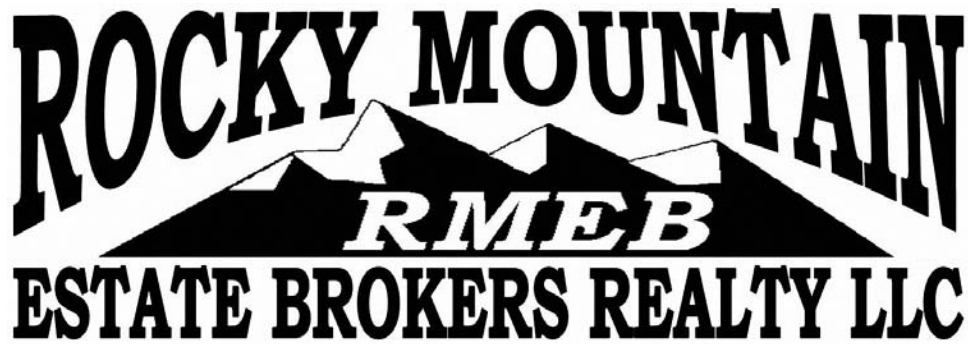
Real Property & Water Auction

11754 N County Road 15, Wellington, Colorado

1. Purchaser acknowledges that he or she has performed all due diligence required to form his or her opinion of value and made all decisions necessary for him or her to make a final decision to purchase this property. This is a non-contingent sale. The only way Purchaser will receive a refund of his or her deposit is if Seller fails to provide marketable title at closing as stated in the title insurance commitment.
2. A contract to buy and sell real property prepared by the Seller's Attorney will be used. **Purchaser agrees they have read and understand the pre-printed Contract to Buy and Sell Real Property. Purchaser further agrees to immediately execute the contract after being declared the high bidder.** This is an Absolute Auction with no minimum bid and no reserve price. Once the Auctioneer opens the bidding, this property will sell to the Purchaser or Purchasers determined, in the sole discretion of the Auctioneer, to have placed the highest qualified bid or bids on the property.
3. A deposit of \$10,000 per parcel is required to bid. This should be in the form of a cashier's check payable to Purchaser. If you intend to bid on both parcels, bring two \$10,000 checks. If, for any reason Purchaser fails to execute the contract, Purchaser's deposit will be immediately forfeited to Seller as liquidated damages and Seller may pursue all additional legal remedies available against Purchaser. After executing the contract, Purchaser's deposit will be retained and allocated under the contract as a non-refundable earnest money deposit. The remaining balance of the purchase price must be paid at closing which shall occur on or before November 23, 2009. Purchaser may extend the closing up to 15 days by making a payment, in advance, of \$100 per day for each day he or she desires the extension. If you intend to finance this property, have your financing arranged prior to the auction. The deposits of all unsuccessful Bidders will be returned immediately at the conclusion of the auction.

4. The auction will be conducted using a 10% Buyers Premium for non-internet bids. Ten Percent (10%) will be added to the hammer price to form the contract price. By way of example, and not as an indication of the purchase price or value, a bid price of \$600,000.00 will equal a contract price of \$660,000.00. The internet Buyer's Premium is 11%, rather than 10% of the hammer price.
5. One share of North Poudre Irrigation Company water will also be offered for sale. A deposit of \$2,500.00, in the form above, is required to bid on the water share. In the event the Purchaser of the water share purchases one or both parcels of real property, the water share transaction will be treated as a separate transaction and closed on or before November 23, 2009. In the event the Purchaser of the water share purchases only the water share, the remaining payment in full shall be made to Rocky Mountain Estate Brokers Realty LLC on or before November 23, 2009 at 3:00 PM MDT.
6. Seller will convey the property by General Warranty Deed free from all liens and encumbrances. Seller will pay for a title insurance policy in the amount of the purchase price. The cost of closing services shall be divided equally between Seller and Purchaser. Property taxes and all utilities will be prorated to the day of closing.
7. Purchaser has inspected the property and agrees to purchase it **AS-IS WHERE-IS. There are no contingencies for inspections, financing, appraisals, insurance or anything else.** Rocky Mountain Estate Brokers Realty LLC prepared a Bidder Information Packet. All information contained in the Bidder Information Packet was derived from reliable sources believed correct, but is not guaranteed. Purchaser should verify all descriptions, condition reports, acreage, square footage and years of construction. Purchaser shall rely entirely on his or her own judgment and inspection. It is the responsibility of the Purchaser to have any and all inspections completed prior to the Auction including but not limited to: termite, roof, structure, soils, septic, electrical, mechanical, plumbing, groundwater, flood designation, environmental, presence of asbestos, presence of lead-based paint and/or lead-based paint hazards, presence of mold or radon gas and any other desired inspection. Purchaser and his or her heirs and assigns forever waive any right to initiate legal action, object, seek reimbursement or damages or contest in any manner the condition of the subject property.
8. Purchaser acknowledges that Seller has had the property surveyed prior to the auction. Some property corners have been marked but are not guaranteed accurate. If Purchaser desires to conduct his or her own survey prior to the auction, Seller will allow Purchaser access to the property for the survey.
9. Purchaser and his or her heirs and assigns do hereby release and agree to forever indemnify against all causes of action associated with this transaction Rocky Mountain Estate Brokers Realty LLC, Robert Lee Johnson Broker, Rocky Mountain Estate Brokers Inc., David P. Whitley Auctioneer and Deborah C. Luciano. This release extends to all physical and environmental conditions of the property.

10. Purchaser agrees to forfeit all earnest money and deposits to Seller if Purchaser fails to perform under the contract.
11. Purchaser and Seller agree that faxed and emailed delivery of documents and signatures are acceptable.
12. Rocky Mountain Estate Brokers Realty LLC, Robert Lee Johnson Broker is acting as a Seller's Agent. Purchaser represents and warrants to Seller and Broker that, other than as registered with Broker prior to the sale, Purchaser has not been represented by any real estate agent or finder in connection with this transaction.
13. Purchaser hereby acknowledges receipt of all required disclosures including source of water addendum and lead based paint. Purchaser waives his or her right to conduct any lead based paint tests.
14. Announcements on the day of sale supersede all other prior communications. Purchaser consents to audio, video or photographic recording of the auction by Rocky Mountain Estate Brokers Realty LLC. Any recordings made are the property of Rocky Mountain Estate Brokers Realty LLC and may be used for advertising, marketing or other promotional purposes. This is a public auction conducted on private property. Anyone considered, in the sole discretion of Rocky Mountain Estate Brokers Realty LLC, to be disruptive or harmful to the auction process will be removed from the premises.
15. Bid Rigging is a violation of Federal law and the Sherman Anti-Trust Act. It is punishable by severe fines and jail sentences. Any attempt to influence or suppress the price at this auction will be immediately reported to the Department of Justice, the US Attorney's Office and the Federal Bureau of Investigation.



## Bidder Registration Form

October 24, 2009 Real Property & Water Auction  
11754 N County Road 15, Wellington, Colorado

Bidder Number: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Cell Phone: \_\_\_\_\_

Email address: \_\_\_\_\_

Real Property Deposit: \$ \_\_\_\_\_

Water Deposit: \$ \_\_\_\_\_

I have read and agree to be bound by all of the attached terms and conditions of the Real Estate Auction held October 24, 2009 for the property commonly known as 11754 N County Road 15, Wellington, Colorado. If I am the high bidder I agree to immediately sign the Contract to Buy and Sell Real Property and that my deposit shall apply as stated in that contract.

Agreed to this 24<sup>th</sup> day of October, 2009

\_\_\_\_\_

Signature

I acknowledge the return of my deposit. \_\_\_\_\_