



Deposit Taken_____ Returned_____

Bidder Number_____

REGISTRATION CONTRACT

IMPORTANT - READ CAREFULLY. ALL SALES WILL BE CONSIDERED SOLD AND FINAL

ALL BIDS ARE SUBJECT TO A 10% BUYER'S PREMIUM. The buyer's premium is added to the winning bid and is payable as part of the total purchase price.

LIVE AUCTION Villa Montane #C4, Beaver Creek CO 81657

September 10, 2009 at 2:00 PM

BE PREPARED TO BID AND BUY!

TERMS OF SALE – DEFINITIONS:

Auction Property Owners are auctioning for sale the properties commonly referred to as Villa Montane #C4, Beaver Creek, Eagle County, Colorado, 81657; Further herein Owners are referred to as "Sellers".

Live Auction is the sequential calling or taking of bids by the Auctioneer, Nicholas Varzos, from the audience of Registered Bidders conducted at the Auction Properties.

Auctioneer is Nicholas Varzos, herein referred to as Auctioneer who holds licenses issued by the appropriate cities and municipalities.

Registered Bidders are all persons who complete, sign, and acknowledge acceptance of this Registration Contract (the "Contract") and any other terms of the Auction as established by the Auctioneer, and who present at the time of registration and prior to bidding an Initial Deposit of twenty-five thousand dollars (\$25,000.00). Registered Bidders are referred to as "Bidders".

Initial Deposit is CASH OR CASH EQUIVALENT INSTRUMENT earnest money, in the amount of twenty-five thousand dollars (\$25,000) payable to himself, Land Title Guarantee Company, or the Auctioneer. It must be delivered to the Auctioneer at the time of registration and in all cases before the Auctioneer's first call for bids. The Winning Bidder agrees to forfeit all claims to the Initial Deposit for the particular Auction Properties won upon announcement by Auctioneer of the Winning Bidder's identity. The Initial Deposit shall be credited against the Winning Bidder's purchase payment. At that moment, the Initial Deposit will become non-refundable

Additional Cash Deposit is that amount equal to ten percent (10%) of the Hammer Price less the twenty-five thousand dollars (\$25,000.00) Initial Deposit. The Additional Cash Deposit must be deposited into the Closing Company within twenty-four hours (24 hrs) of the announcement of the Winning Bidder's identity by the Auctioneer.

Hammer Price is the amount of the Winning Bidder's highest and final bid as cried "SOLD!" by the Auctioneer at the conclusion of the Auction.





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Buyer's Premium is ten percent (10%) of the Hammer Price and is added to the Hammer Price which constitutes the Total Purchase Price of the Auction Properties.

Balance of Cash Payment is the amount needed to close, not including closing costs.

Closing shall be on or before October 9, 2009, or as otherwise set forth in the Purchase Agreement.

Calendar Day includes Saturdays, Sundays and legal holidays.

Total Purchase Price is the Hammer Price of the Winning Bidder plus the Buyer's Premium.

Sealed Bids – Absentee Bidders shall be qualified Registered Bidders who submit qualified Sealed Bids including the Initial Deposit and all auction registration paperwork, signed and delivered prior to the Auctioneer's first call for bids at the Live Auction. The Auctioneer, at his sole discretion, may accept or reject any Absentee Bidder's Sealed Bid.

Winning Bidder will be declared solely by the Auctioneer. The Winning Bidder may be the highest final Bidder's Amount at the Live Auction, the highest qualified Sealed Bid as solely disclosed by the Auctioneer immediately following the Live Auction, or the highest final Bidder's amount submitted by a qualified Registered Bidder from the internet during the Live Auction to be held at the Auction Properties.

Purchase Agreement means the Auction Real Estate Purchase and Sales Agreement provided to the undersigned Registered Bidder with this Auction Contract, the receipt and approval of which the undersigned acknowledges by his signature below.

Purpose of the Auction is to sell the Auction Properties to the highest final Bidder on behalf of the Sellers.

Highest bid may be determined by one of the following mechanisms:

- 1) Live Auction, called verbally before duly Registered Bidders, at the Auction Properties, by the Auctioneer. Note: All claims, protestations, arguments, conflicts, disputes, or similar will be subject to the final and sole decision of the Auctioneer, Nicholas Varzos.
- 2) Absentee auction, by Sealed Bid, submitted from duly Registered Bidders, prior to the start or opening of the Live Auction called verbally by Auctioneer, Nicholas Varzos.
- 3) Webcast – live internet auction room bidding, telephone and cable-TV, by duly Registered Bidders, approved prior to the start or opening of the Live Auction called verbally by the Auctioneer, Nicholas Varzos.

NOTE: The highest bid submitted on a timely basis, as decided by the Auctioneer, Nicholas Varzos, shall be the winning bid. The Winning Bidder shall also be known as the Buyer. The Buyer has specific obligations to timely execute the Purchase Agreement and timely deliver the Additional Cash Deposit and the Balance of the Cash Payment herein described. It is the purpose of this Auction to sell the Sellers' Properties, for the highest price attainable in a competitive bidding arena.





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At the end of the Live Auction, as called verbally by the Auctioneer on September 10, 2009, any Sealed Bids submitted by Absentee Bidders for such Auction Properties shall then be opened. Upon reviewing the Sealed Bids, Auctioneers shall announce the apparent highest qualified bidder to become the Buyers of the particular Auction Properties upon full cash payment of the bid offer within the time herein noted.

Should the highest Bidder fail to execute the Purchase Agreement or deliver the Additional Cash Deposit or the Balance of the Cash Payment as required herein, or fail in any way to perform any other purchase and payment obligation of his bid, then the second highest bidder, as determined by the Auctioneer, and subject to the Sellers' sole approval, shall become the new Buyer of the Sellers' Auction Properties, subject to their ability to execute the Purchase Agreement and pay the full cash payment of their offered bid within the herein noted time. Such second highest bidder shall execute a Purchase Agreement and Back-Up Addendum as required herein.

Winning Bid shall be the Amount cried "Sold" as the Hammer Price by the Auctioneer, Nicholas Varzos or disclosed by the Auctioneer after reviewing the sealed and duly registered Absentee Bids.

All sales herein are considered final and binding upon the Buyer. The total Purchase Price of the Auction Properties is NOT contingent on any terms of fulfillment by the Sellers other than the delivery of marketable title to the Buyer as described herein. The Auction Properties to be SOLD AS-IS and WITH ALL FAULTS, IF ANY, except as may otherwise be set forth in the Purchase Agreement. Buyer represents and warrants that he has used due diligence to secure professional third party reports and physical inspections of the Auction Properties, at Buyer's sole expense, relating to the condition, value, usefulness, size, aptness, correctness, fitness, terms, or description of the Auction Properties, PRIOR TO BIDDING.

ADDITIONAL DEPOSIT AND EXECUTION OF PURCHASE AGREEMENT

Winning Bidders present at the Live Auction must proceed to the contract area within twenty minutes (20) after the announcement cry of "SOLD" to sign the Purchase Agreement and any related purchase documents. If the Winning Bidder does not present himself to the contract area within twenty minutes (20) after the announcement cry of "SOLD" by the Auctioneer, the Winning Bidder may be subject to forfeiture of his Initial Deposit for such Auction Properties subject to the Auctioneer's discretion. Winning Bidders must deliver the Additional Cash deposit in immediately available funds to the Closing Company prior to 2:00 p.m. (MST) on September 11, 2009. In the event the Winning Bidder fails to execute the Purchase Agreement or fails to deliver the Additional Cash Deposit strictly in accordance with the terms of this Contract, the Winning Bidder forfeits all of his Initial Deposit of twenty-five thousand dollars (\$25,000.00), and Winning Bidder releases the Initial Deposit to the Sellers and Sellers are free to dispose of the Auction Properties to the next highest bidder or the person of Sellers' choice.

The first twenty-five thousand dollars (\$25,000.00) must be paid in CASH or CASH EQUIVALENT INSTRUMENT. Personal checks and Bank Credit Cards will not be allowable for the purchase price unless prior approved by Auctioneer.





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PRORATION OF FEES:

The Buyer will be required to pay all typical closing costs associated with real property sales in Eagle County, the State of Colorado, pursuant to the provisions of the Purchase Agreement.

PURCHASE CONTRACTS

The Auction Properties will be sold pursuant to the terms and conditions of this contract and the Purchase and Sales Agreement. Title to the Auction Properties will be conveyed to the Buyer only after the entire purchase price has been paid in full. In the event any provision of this contract conflicts with the provision of the Purchase agreement, the terms and conditions set forth in the Purchase Agreement, once fully executed by Buyers and Sellers shall prevail.

Buyers may NOT assign contracts to third parties.

CONDITIONS OF SALE

The highest bid shall be considered an agreement to buy and is final. Buyers acknowledge that the Auction Properties are being sold at public auction, and are subject to all existing covenants, conditions, restrictions, reservations, exploration rights, easements, rights of way, assessments, zoning, Public Report Covenants, and all other land use restrictions.

Sellers do WARRANT that:

- (1) Title to the Auction Properties is merchantable
- (2) There are no monetary liens on the Auction Properties other than assessments or bonds, if any.
- (3) There are no Trust Deeds on the Auction Properties unless disclosed in this document or attachment.
- (4) Properties tax bills, which become delinquent before or on the sale date, will be paid by the Sellers. Properties tax bills, which become delinquent after the sale date, will be the responsibility of the Buyer.

Sellers DO NOT WARRANT and assume NO LIABILITY for any of the following:

- (1) Zoning, building codes, subdivision regulations, or any other land use restrictions. Local Planning Building Department and Safety Department or other professionals should be contacted.
- (2) Bonds for water, utilities, sewer and street improvements, association fees and/or any city or county assessments, which are to be assumed by the Buyer over and above the sales price. Sellers' warranties are limited to these expressed warranties. If at any time the Buyer discovers a breach of warranties, or any other breach by Sellers, the Sellers' liability shall be limited to: -

- (1) Rescission and cancellation of the sale, and a refund of all monies paid towards the purchase, including fees, paid by the Buyer at the time of purchase, or
- (2) Sellers have the option to cure the defect at Sellers' expense. However, if the defect is covered by title insurance, the Buyer shall pursue the claim with the title insurer instead of the Sellers. If the sale is rescinded after conveyance of the Auction Properties to the Buyer, the Buyer shall execute and deliver a valid deed conveying title back to the Sellers in the same condition in which it was received. Sellers shall not be responsible for Buyer's incidental or consequential expenses. Warranty shall not extend to any third party.





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- (3) Auctioneer or Sellers, for any reason, may cancel the Auction prior to the taking of the first bid with no penalty or cost from Bidders. All Bidders' deposits will be returned immediately.

TRANSFER OF TITLE

The Sellers warrant that title to the Auction Properties is, on the date of sale, free of all recorded monetary liens except as disclosed in the title report made available by Sellers to Bidders. By his signature below, the undersigned acknowledges receipt of the CC&R's and all Home Owner Association Rules & Regulations for the Auction Properties, and further acknowledges his approval of the title described therein. In the event that a typographical error exists in the legal descriptions, Assessor's Parcel Numbers, or parcel sizes, the Sellers may correct the error and proceed with the recording or re-recording.

PROPERTIES INSPECTION

Look before you buy! Prospective bidders are required to inspect the physical condition and investigate the suitability of the Auction Properties prior to making a bid. Bidders must conduct and rely solely upon their own investigation of the Auction Properties and not any information provided by the Sellers, the Auctioneer, the Brokers or any third party. By his signature below, the undersigned acknowledges that he has investigated the physical and environmental conditions of the Auction Properties and the operative and proposed governmental laws and regulations to which the Auction Properties are or may be subject and shall accept the Auction Properties, if a Winning Bidder, solely upon the basis of his review and investigation. The undersigned assumes the risk that adverse physical and environmental conditions may not have been revealed by his own investigation. The undersigned further acknowledges that neither the Sellers, Auctioneer or any Broker, nor their agents and employees or other persons acting on their behalf, have made any representation or warranty of any kind in connection with any matter relating to the condition, value, fitness, or zoning of the Auction Properties upon which Bidder has relied directly or indirectly for any purpose, and any such warranty, except as may be set forth in the Purchase Agreement, is hereby disclaimed. Failure of a Buyer to be fully informed on the condition of the Auction Properties will not constitute grounds for any claim adjustment or right to cancel sale.

All the information contained herein and on our maps has been obtained from sources deemed reliable, but is not guaranteed, and may be incomplete or in error. The Sellers DO NOT WARRANT the accuracy thereof. Auctioneer has made no independent investigation of any information provided, and assumes no responsibility for the providing of or absence of any information, whatsoever, or for the accuracy thereof. The Sellers reserve the right to deny any person admittance to or expel anyone from the auction site for any reason, including: for interference, nuisance, canvassing or solicitation.

Auctioneer, or Seller, may cancel auction, sell the property prior to auction, or change the terms of the Auction prior to 2:10 p.m. (MST) on September 10, 2009 with no prior notification. Bidders hold Auctioneer and Seller harmless from any costs or damages from such cancellation, withdrawal, or pre-auction sale.

The Auction will not commence for any reason prior to 2:15 p.m. (MST) on September 10, 2009 when the Auctioneer asks for and receives the first bid and subsequently asks for an advance on that received bid.



