

CONSIGNED PROPERTIES, INC. AUCTION CONTRACT
IOWA

(This is a legally binding contract. If not understood, seek legal advice.)

DATE: _____/_____/_____

Value Plus: ___ Yes ___ No

1. NAME OF AUCTIONEER FIRM: _____ **CONSIGNED PROPERTIES, INC. ("Auctioneer" "CPI"),** _____ Iowa.

2. APPOINTMENT OF AUCTIONEER: In consideration of Auctioneer's agreement to auction the property described below, and to use its efforts to find a purchaser therefore through auction, Seller (whether one or more) hereby gives Auctioneer the right for sale of real property legally described as

_____, also known as:
Address _____ City _____ State _____ Zip _____

By appointing Auctioneer as Seller's agent, Seller agrees to conduct one or more auctions for the sale of the Property through Auctioneer and to refer to Auctioneer all inquiries received in any form from any source during the term of this Agreement. Except for conducting the auction, Auctioneer shall not be responsible for any activity subsequent to the oral auction sale of the property nor shall it be personable for any marketing or open houses prior to the sale except as is specifically disclosed by Auctioneer.

3. Auctioneer will sell said property to the highest bidder at public auction on the _____ day of _____, 20____, at _____, _____ and Seller guarantees to Auctioneer the presence of said property at the auction site. Prior to the auction the Seller shall set, in writing, a reserve for the sale.

4. EQUAL OPPORTUNITY: It is unlawful to discriminate against any person in the terms, conditions or privileges of sale, purchase or lease of a dwelling or in the division of services or facilities in connection therewith because of race, color, religion, national origin, ethnic origin, familial status, sex or handicap.

5. PRICE TO INCLUDE: The Price shall include all attached equipment and fixtures, except _____

6. Seller grants unto Auctioneer the exclusive right to sell said property AS IS and WHERE IS for cash or other consideration as agreed to by the parties.

7. Seller warrants that he is the lawful owner of said property, and that he will sign the necessary instruments conveying the property free of all encumbrances. Seller agrees to furnish all titles, free and clear of all encumbrances to Auctioneer when requested prior to sale date.

8. Buyer will remit the purchase price directly to _____

_____, "Closing Agent". The Auctioneers Commission shall be _____% of the total sale price, plus an auctioneer fee of \$500.00 payable at the time of this auction contract. The fee is non-refundable to the client whether the property is withheld from the auction or otherwise. A _____% Buyer's Premium _____ will _____ will not be charged and be added to the high bid amount to become the gross sales price. The Seller shall pay commission out of closing, and the auctioneer fee of \$500.00 will be paid at time of listing. This fee shall be in addition to the other fees in this agreement. Seller may enroll the property for up to two (2) additional auctions upon the payment of a non-refundable \$250.00 auctioneer fee for each respective auction.

9. Auction marketing expenses deemed appropriate in Auctioneer's reasonable judgment shall be paid by Seller, but shall not exceed \$ _____ dollars. Any auction marketing money not used shall become a credit to the Seller at closing. If Seller revokes or violates this agreement, or prevents Listing Broker under this listing from closing the sale of this property because of existing liens, judgments or suits pending against the property, or the owners thereof, or if Auctioneer is unfairly hindered by Seller in the showing of, or advertising to sell said premises within the stated period, or if within the period or within 180 days after the expiration of this listing Seller makes sale of said premise to a CPI Registered Auction Buyer under this listing the above auction commission shall be payable and due to Auctioneer.

10. PERSONAL PROPERTY: The following personal property shall be included in the sale _____

11. SMOKE DETECTORS: Prior to closing, Seller agrees to install and maintain in working order, at Seller's expense, any smoke detectors required by law.

12. SELLER DISCLOSURE OF PROPERTY CONDITION STATEMENT: Seller represents to the Auctioneer solely for the purposes of this Auction Contract that Seller has completed the Seller Disclosure of Property Condition Statement, if required, fully and correctly to the best of the Seller's knowledge. Seller further states that all oral and written representations to Auctioneer are accurate and that there are not latent (ie. Non-apparent) defects in the Property of which Seller is aware except as disclosed in writing herein or in the Seller Property Condition Disclosure Statement.

13. SELLER'S CERTIFICATION: Seller certifies that to the best of Seller's knowledge, information and belief, the following describes the true condition of the Property: a.) All items set forth in paragraphs 8 and 12 above to be included in the sale are, and will be, in good working order on possession; b.) There are no structural defects, either latent or apparent; c.) There is no evidence of wood infestation on the Property; d.) The lower level or basement level of all structures are free from leakage or seepage of water, and e.) There are no known conditions present or existing with respect to the Property, unless provided in writing, which may give rise to create Environmental Hazards or Liabilities, and that there are no enforcement actions pending or threatened in connection therewith. Seller agrees to inform Auctioneer if any such Environmental Hazards or Liabilities are discovered during the term of this Auction Contract or any extension hereof, and to provide Auctioneer with full information with respect thereto. However, if any of the above conditions are found on the Property and it is known or discovered that any such condition existed prior to closing, Seller agrees to indemnify and hold harmless Auctioneer and Auctioneer's salespersons, employees, associate Auctioneers, cooperating Auctioneer or buyer's representative ("Auctioneer Et Al") from any and all causes of action, loss, damage or expense to which Auctioneer Et Al may be subject in connection with this paragraph. Also, Seller agrees to indemnify and hold harmless Auctioneer Et Al from any and all causes of action, loss, damage, expense, costs and attorney fees including, without limitation, any liens created on the property by actions of the Seller and any outstanding contracts affecting the property and any representations or omissions affecting the property. It is understood there will be a wood infestation inspection and Seller agrees to pay for any treatment and/or repairs required. Seller further represents that, to the best of Seller's knowledge, all the mechanical elements of the Property and the appliances being sold therewith including, but not limited to, heating, air conditioning, water heater, sewer, plumbing and electrical systems and any built-in appliances and all items set forth in Paragraphs 8 and 12 above to be included in the sale are in proper working condition until delivery of possession, or will be restored to proper working condition as of the date of buyer's possession of the Property.

14. ASSESSMENTS: Seller agrees to pay any assessments for paving, curb, sidewalk or utilities previously constructed, or now under construction, but not yet assessed. Seller ___ is or ___ is not (check one) required to pay dues to a homeowner's association or neighborhood association or similar entity. The current assessment is _____ Dollars per _____ (e.g. year, month, etc). If the Seller is aware of an increase in the association dues, the increase is known to be _____.

15. ESCROW CLOSING: Seller agrees that the closing of any sale made by Auctioneer may be handled by an Escrow Agent or Listing Broker and that the fee charged by said Escrow Agent or the Auctioneer shall be equally divided between Purchaser and Seller, unless Purchaser is obtaining a V.A. or F.H.A. loan, then cost of closing shall be paid by Seller.

16. EARNEST DEPOSIT: Earnest deposit shall be paid directly to the Listing Broker. Listing Broker shall deposit the earnest deposit in its trust account. The earnest deposit shall be a credit to the purchaser at the time of closing. Listing Broker may transfer such funds to the closing agent.

17. TITLE AND CONVEYANCE: Seller agrees to furnish a complete abstract of title certified to date of sale showing marketable title, or a title insurance commitment if necessary to complete the sale and to pay any expense incurred in perfecting the title in case the same is found defective, and convey within a

reasonable period from date of acceptance of the offer, by general warranty deed, or _____ executed by all persons having any interest therein, and clear of all encumbrances except building and use restrictions and utility easements now of record.

18. POSSESSION: Possession to be given as agreed between buyer and seller in the purchase agreement, or _____.

19. LIMITATION ON AUCTIONEER'S COMPENSATION: Auctioneer shall not accept compensation from the Purchaser, the Buyer's agent or any entity participating in, or providing services for, the Sale without the written disclosure to the Seller.

20. COOPERATING WITH OTHER BROKERS: Seller acknowledges that it has entered into a separate listing agreement with another Broker. The commission percentage payable to the Auctioneer (CPI) under this agreement under Paragraph 8 will be paid off the top of that commission. The undersigned other Broker signs below solely for the purposes of agreeing to pay that percentage off the top of its commission under its separate listing agreement. The undersigned Broker also signs below solely for the purpose of acknowledging that the balance of the commission shall be split according to industry custom between the Listing Broker and any cooperating Broker properly registered at the auction.

21. CONTINGENCY FOR BUYER FINANCING: (Please select one) _____ Property will be sold with the Buyer to have the right to have purchase contingent upon financing on the following terms; _____ Property will be sold without a contingency for the Buyer to obtain financing.

22. SIGNS AND ADVERTISING: Auctioneer is authorized to erect a "FOR SALE" sign on the Property, and otherwise reasonably advertise and promote the sale of the Property. This includes, but is not limited to, photographs and other information at the discretion of the Auctioneer, except where prohibited by law.

23. REMUNERATION: Seller acknowledges and understands that Auctioneer and/or its agents may receive financial remuneration from the sale of title insurance or other forms of insurance or products or services. Pursuant to the Real Estate Settlement Procedures Act (Regulation X), 24 CFR Part 3500, Seller acknowledges receipt of any necessary Controlled Business Arrangement Disclosure Statements.

24. RELEASE OF LOAN INFORMATION: Seller authorizes present lender to provide Auctioneer and Escrow Agent information regarding the status of loan, including but not limited to, payoff information.

_____ Lender #1 _____ Address _____

Phone # _____

_____ Lender #2 _____ Address _____

Phone # _____

Seller acknowledges being advised to review any mortgage(s) now existing on the Property with the understanding that there could be terms and conditions including, but not limited to, prepayment penalties, notice to lender of payoff, interest adjustments to the end of the month, escrow shortages, back real estate taxes, back mortgage payments and recapture clause, any or all of which may have some effect on the Seller's proceeds at the time of closing. Auctioneer and its sales associates are not responsible for obtaining such information or its accuracy. **If Seller's loan is an FHA loan secured on or before August 2, 1985, Seller understands that Seller must give written notice of payoff to the lender at least one full calendar month prior to actually paying off the loan to avoid lender's charging an additional 30 days interest.**

25. Auctioneer is acting as agent only and represents the Seller(s) in this transaction. Nothing contained shall be construed to or constitute the parties as partners. In the event it becomes necessary for either party to collect any sum or sums due through legal action, Seller(s) waives venue and agrees to pay all costs and expenses of such an action, including reasonable attorney's fees. This agreement shall bind and inure to the benefit of the parties and their respective heirs, executors, administrators, successors and assigns. Seller(s) have read this contract and understand the contents; and further represents the statements made by them as true to the best of their knowledge, and that this contract contains and sets out the entire agreement of the parties.

26. ACKNOWLEDGMENTS: For the purpose of this Auction contract, the affiliated licensee(s) signing below as "Agent" will be the specific Seller's Limited Agent, and such other affiliated licensee(s) of Auctioneer as may be assigned by Auctioneer in writing, if needed as Seller's Limited Agents. The affiliated licensee(s) named and the Seller's Limited Agents who may be appointed by the Auctioneer are collectively referred to in this Auction Contract as Seller's Agents. Seller and Auctioneer acknowledge that they have read this contract, that all information contained in this contract is true and accurate to the best of their knowledge and they have each received a copy of the executed contract.

27. TELEPHONE NUMBER CONSENT: Under federal and state "Do Not Call" laws, it may be necessary for Auctioneer to have a consent to contact you regarding real estate related business transactions. Therefore, the undersigned grants Auctioneer the right to contact the undersigned with the information listed below. The undersigned seller(s) grant Auctioneer, referring Auctioneers, title companies, mortgage companies and vendors of Auctioneer who provide real estate related services, the right to contact seller(s) at seller(s) home number which is (_____) _____ and cell numbers (_____) _____.

28. This written agreement contains the entire and only agreement between the parties, and is a contract of auction and listing agreement. Seller agrees to indemnify and hold harmless Auctioneer, and warrants to protect it from any and all claims, whatsoever, arising from this auction which are not the fault of Auctioneer. Any representations, promises, guarantees or conditions not incorporated in this agreement shall not be binding upon either party.

29. This agreement shall be governed by, and construed under, the laws of the State of Iowa. Failure to enforce any of the provisions of this agreement shall not be construed as a waiver of those provisions.

RECEIPT: Seller acknowledges a fully executed copy of this agreement. Signed this _____ day of _____, _____.

CONSIGNED PROPERTIES, INC. (CPI)

(Name of Auctioneer or Firm)

(Auctioneer Address) (Office Phone)

(City) (State) (Zip)

(Agent Name Typed/Printed) (Home Phone)

By: _____
(CPI Officer)

(Seller Name Typed/Printed)

(Seller Name Typed/Printed)

(Seller Signature) (Soc. Sec. #)

(Seller Signature) (Soc. Sec. #)

(Seller Address)

(City) (State) (Zip)

(Seller Home Phone) (Office Phone) (Office Phone)

(Seller's E-mail Address)

ACKNOWLEDGEMENT BY LISTING BROKER

This acknowledgement binds the undersigned Listing Broker to the terms of Paragraph 20 of the attached listing agreement. Specifically, the undersigned Broker acknowledges the percentage to be paid out of the listing on the property located at _____ to Consigned Properties, Inc., as well as the agreement to pay cooperating Brokers the customary split for properly registered cooperating Brokers at the auction.

(Name of Firm)

(Address) (Office Phone)

(City) (State) (Zip)

(Agent/Broker Name Typed/Printed) (Home Phone)

By: _____
(Agent/Broker Signature)