



STATE OF IDAHO, DEPARTMENT OF LANDS – STATE LAND

REAL ESTATE AUCTION TERMS AND CONDITIONS AGREEMENT

Corbett Bottles Real Estate Marketing, LLC, an Idaho limited liability company (“Auctioneer”), **AS AGENT FOR SELLER**, the **State Board of Land Commissioners**, acting by and through the **Idaho Department of Lands (“IDL”)**, will offer the Endowment Land in today’s auction according to the following terms and conditions:

1. The Auction will be with reserve. All bids for the Endowment Land are subject to acceptance by IDL at close of auction. The winning highest bid accepted by IDL (the “Successful Bid”) must equal or exceed the appraised value of the Endowment Land.
2. All bidders at the auction must be citizens of the United States, eighteen (18) years of age or older, of sound mind, and legally competent to own and transfer real property in the State of Idaho.
3. The State of Idaho owns the Endowment Land.
4. The auction may be for the purchase of the Endowment Land in any of the following scenarios:
 - a. Endowment Land only (excluding any Personal Property owned by a current or prior lessee which may be located on the Endowment Land, as defined below).
 - b. Endowment Land that is unleased and has fixtures and improvements located on the Endowment Land owned by the State of Idaho.
 - c. Endowment Land that is vacant and unleased which has no Personal Property owned by a current or prior lessee or fixtures or improvements owned by the State located on the Endowment Land.
5. “Personal Property” as defined herein shall refer to those structures and modifications located upon the Endowment Land that are owned by the most recent Lessee or other third party and not owned by the State of Idaho, that would commonly be referred to as fixtures and improvements if the underlying real property and the fixtures and improvements thereon were owned by the same party.
6. The Endowment Land shall be sold “AS IS”, and subject to all existing easements or claims of easements, rights of way, protective covenants, zoning ordinances and applicable building codes, laws and regulations, encroachments, overlaps, boundary line disputes, and other matters which would be disclosed by an accurate survey or inspection of the premises. IDL does not guarantee the accuracy of the acreage, if any, identified in the property description.
7. A title commitment was acquired in order to demonstrate the status of title to the Endowment Land for purposes of auction. IDL obtained a title commitment (“Title Commitment”) from First American Title Company (the “Title Company”). If there is any Personal Property located upon the Endowment Land owned by a current or prior lessee, then at or prior to auction, the Title Commitment shall be free of any monetary liens and delinquent taxes and assessments. The current or prior lessee shall be required to bring all taxes and assessments and utilities incurred by lessee current at the close of escrow.

8. IDL, as an agency of the State of Idaho, is statutorily precluded from paying taxes and assessments on Endowment Land. The State cannot be taxed by any County, City or other local governmental or other quasi-governmental entities, such as a water or sewer district related to a prior lessee's use. The County or other governmental or quasi-governmental entities may show past due taxes and/or assessments relating to a prior lessee's use of the Endowment Land and are typically the personal obligation of the prior lessee. Such taxes and assessments, and the entities capable of assessing such taxes and assessments are generally identified in the title commitment. If the Endowment Land has no Personal Property thereon, then there may be taxes and assessments and utilities shown on the title commitment that were incurred by a prior lessee; as such, the Endowment Land shall be sold subject to any such tax, assessment or utilities which should be the personal obligation of a prior lessee, but nevertheless may or may not be enforceable against the Successful Bidder.
9. In addition to the liens and encumbrances shown by the Title Commitment, IDL shall disclose in a certificate of title all easements, liens or other title matters actually known by IDL that are not shown by the public records of the County in which the property is situated. A current Title Commitment for a standard owner's title insurance policy from the Title Company, together with updates from time to time, is available on the internet at www.corbettbottles.com or will be available for review at or prior to the auction.
10. The Successful Bidder may acquire a standard or extended coverage title policy and any endorsements ("Title Policy") from the Title Company at the Successful Bidder's cost. If the Successful Bidder acquires a Title Policy from the Title Company in an amount equal to the total value of the Endowment Land and the Personal Property located thereon, if any, then the title report fee in the amount of \$800 to be paid at close of auction shall be applied towards the premium for such Title Policy, and any portion of the eight hundred dollars (\$800) in excess of the said premium, if any, shall be refunded to the Successful Bidder. If the Successful Bidder fails to purchase a Title Policy from the Title Company, then the cancellation fee for failure to acquire a Title Policy shall be calculated in an amount equal to one-half (½) of what the premium for the Title Policy would have been, up to eight hundred dollars (\$800), and the difference, if any, shall be refunded to the Successful Bidder.
11. Prior to the auction, the Endowment Land and Personal Property, if any, and/or fixtures and improvements located thereon was made available for inspection and review, and the Successful Bidder certifies that all due diligence required by the Successful Bidder has been completed prior to auction.
12. Any bidder for Endowment Land that is Lake Front property that is not the owner of the Personal Property located upon the Endowment Land, nor the current lessee of the Endowment Land, upon which the bidder is bidding must present a cashier's check in the sum of fifty thousand dollars (\$50,000) in order to register to bid for any Lake Front property (the "Bid Deposit"). Bidder shall retain the cashier's check until succeeding as the Successful Bidder. If bidder is ultimately the Successful Bidder, then bidder shall provide the cashier's check to the IDL representative at the close of auction for said Endowment Land, and the funds shall be applied towards the purchase of the Endowment Land upon a successful close of escrow ("Closing") of the purchase of the Endowment Land in accordance with the terms and conditions of the Purchase and Sale Agreement ("PSA"), or forfeited to IDL if Closing fails to occur through no default of IDL.
13. Any bidder for Endowment Land that is not Lake Front property and who is not the owner of any Personal Property located upon the Endowment Land, nor the current lessee of the Endowment Land, upon which the bidder is bidding, must present a cashier's check in the sum of ten thousand dollars (\$10,000) in order to register to bid for all non-Lake Front Endowment Land (the "Bid Deposit"). Bidder shall retain the

cashier's check until succeeding as the Successful Bidder. If bidder is ultimately the Successful Bidder, then bidder shall provide the cashier's check to the IDL representative at the close of auction for said Endowment Land, and the funds shall be applied towards the purchase of the Endowment Land upon a successful Closing, or forfeited to IDL if Closing fails to occur through no default of IDL.

14. At the close of auction, the Successful Bidder shall execute a PSA, an Endowment Land Affidavit, and a Statement of Non-Collusion, forms of which can be reviewed on the internet at www.corbettbottles.com or are available for review at the auction location prior to the auction.
15. The Endowment Land Affidavit shall confirm that neither the Successful Bidder nor any third party that the Successful Bidder may represent has purchased in excess of the constitutional limitation of a total of three hundred twenty (320) acres of Endowment Land, including the Endowment Land that is the subject of this auction. If at any time it is discovered that the three hundred twenty (320) acre constitutional limitation has been exceeded, then the Successful Bidder and any third party that the Successful Bidder may represent shall forfeit any and all amounts, costs, fees, charges, and expenses of any kind paid at any time relative to the acquisition of the Endowment Land, including, but not limited to, any and all amounts, costs, fees, charges and expenses of any kind paid at the close of auction, including the amount of the Personal Property Value, and any and all amounts, costs, fees, charges, and expenses of any kind, including the Successful Bid amount for the Endowment Land paid at Closing. In addition, the Successful Bidder and any third party that the Successful Bidder may represent shall be required to reconvey to IDL upon demand all Endowment Land acquired at auction free and clear of any and all liens and encumbrances.
16. At the close of auction for each parcel of Endowment Land, the Successful Bidder shall be promptly escorted to the contract table to sign the PSA for the Endowment Land successfully bid upon, and shall be required to pay with a cashier's check or other readily available funds the equivalent of cash, an amount equal to the appraised value of any Personal Property located upon the Endowment Land or any lesser amount agreed to by the owner of the Personal Property (the "Personal Property Value"), together with all other amounts the Successful Bidder is required to pay at close of auction as set forth herein, including, but not limited to, the appropriate Bid Deposit. If the Successful Bidder fails or refuses to sign the PSA, then the Successful Bidder shall immediately pay and forfeit to IDL the Bid Deposit in the amount of \$50,000, or the Bid Deposit in the amount of \$10,000, depending upon whether the Endowment Land bid upon was Lake Front or non-Lake Front property.
17. If the Endowment Land bid upon has no Personal Property thereon, then the Successful Bidder shall pay to IDL at close of auction an additional amount equal to ten percent (10%) of the Successful Bid as a non-refundable downpayment for the Endowment Land ("downpayment"). The downpayment shall be non-refundable and forfeited to IDL if the Closing fails to occur through no fault of IDL. Also at close of auction, the Successful Bidder shall pay the following costs and fees: a) an appraisal fee for appraisal of the Endowment Land in the amount of one thousand dollars (\$1,000); and, b) a title report fee of eight hundred dollars (\$800). At Closing, the Successful Bidder shall pay an additional administration fee in the amount of five percent (5%) of the Endowment Land appraised value.
18. If the Successful Bidder is also the owner of the Personal Property located upon the Endowment Land, then the following costs and fees were paid prior to the auction: a) an "administration fee" in an amount equal to one percent (1%) of the Endowment Land appraised value as set forth in the legal notice for Endowment Land; b) an appraisal fee for appraisal of the Endowment Land in the amount of one thousand dollars (\$1,000); and, c) a title report fee of eight hundred dollars (\$800), identified above. In addition to the costs and fees described above to be paid by the Successful Bidder of

Endowment Land who is the owner of the Personal Property located upon the Endowment Land, the Successful Bidder shall pay an additional administration fee equal to four percent (4%) of the appraised value of the Endowment Land to be paid at Closing.

- 19.** If the Successful Bidder is not the owner of the Personal Property located upon the Endowment Land, then the following costs and fees shall be paid at the close of auction: a) an "administration fee" in an amount equal to one percent (1%) of the Endowment Land appraised value as set forth in the legal notice for Endowment Land; b) an appraisal fee for appraisal of the Endowment Land in the amount of one thousand dollars (\$1,000); and, c) a title report fee of eight hundred dollars (\$800), identified above. In addition to the fees described above to be paid by the Successful Bidder of Endowment Land who is not the owner of the Personal Property located upon the Endowment Land, the Successful Bidder shall pay an additional administration fee equal to four percent (4%) of the appraised value of the Endowment Land to be paid at Closing.
- 20.** If the Successful Bidder shall fail at the close of auction for the Endowment Land to promptly sign the PSA, the Non-Collusion Agreement, or the Endowment Land Affidavit, or shall fail to pay by cashier's check, or other readily available funds the equivalent of cash, the Personal Property Value, or any other applicable cost, fee or payment required herein to be paid at the close of auction, then the Endowment Land may immediately be offered or re-offered for auction on the same day.
- 21.** The PSA shall identify the Successful Bid amount for the Endowment Land, which is the purchase price to be paid by Successful Bidder at Closing, and shall also identify the price paid for the Personal Property, if any, at the close of auction.
- 22.** A date for Closing shall be established by IDL no less than thirty (30) days nor more than sixty (60) days following the close of auction.
- 23.** Upon satisfaction of all of the Successful Bidder's obligations under the PSA, including all payments due at Closing, the Successful Bidder shall receive a State Deed transferring title to the Endowment Land to the Successful Bidder, and the Successful Bidder shall also receive a Bill of Sale from Lessee transferring title to the Personal Property, if any, located on the Endowment Land to the Successful Bidder. The form of the State Deed and the Bill of Sale, if applicable, are available on the internet at www.corbettbottles.com or are available for review at the auction location prior to the auction.
- 24.** At Closing, any previous owner of the Personal Property located upon the Endowment Land that should be outbid at auction shall receive an amount equal to the appraised value of the Personal Property Value or such lesser amount agreed to by the owner of the Personal Property.
- 25.** If the Successful Bidder fails to satisfy all of the Successful Bidder's obligations in the PSA, including payment of all amounts due and owing at Closing, then the PSA shall be deemed terminated, and any and all amounts, costs, fees, charges and expenses of any kind paid at any time relative to the acquisition of the Endowment Land or the Personal Property shall be forfeited to IDL without any further action required by IDL as a reasonable estimate of liquidated damages which are otherwise difficult to determine. IDL shall then be entitled to place the Endowment Land for re-auction immediately for sale or lease, or to do anything with the Endowment Land that IDL deems appropriate in its discretion.
- 26.** IDL may cancel this auction at any time prior to IDL's acceptance of a final bid.
- 27.** In the event any term or condition set forth herein is inconsistent with any term or condition set forth in the PSA or any other document or agreement entered contemporaneously herewith, or prior to the execution of the PSA, the terms and conditions of the PSA executed by the Successful Bidder and IDL shall control.

The undersigned hereby acknowledges reading and accepting the above terms and conditions.

BIDDER:

Please Print Name _____
Address _____
City _____ ST _____ ZIP _____
PH# _____ WK PH# _____
Email Address _____
May we contact you by email? YES___ NO___
Name/Address of Property Registering for: _____

Photo I.D. (Drivers License) to be verified by auction clerk

Bidder # _____

Signature _____ Date _____
Represented by (Real Estate Agent OR Self): _____

AUCTIONEER:

Corbett Bottles Real Estate Marketing, LLC,
an Idaho limited liability company

Please tell us how you heard about us:

___ Sign ___ Realtor
___ Website ___ Newspaper Ad
___ Radio ___ Direct Mailer

By: _____

Name: _____

Other: _____

Prior to auction please email completed form to brallens@markbottles.com
Or Fax to 208-377-0035