

## ARTESIA AUCTION

### REMOTE BIDDING AGREEMENT AND ESCROW INSTRUCTIONS

This REMOTE BIDDING AGREEMENT AND ESCROW INSTRUCTIONS ("Agreement") is entered into \_\_\_\_\_, 2009 by and between Intellimarket™ ("Auctioneer"), agent for Starpointe Artesia Condominiums, LLLP ("Seller"), and the undersigned Registered Bidders, who will make bids via the Internet or telephone to the auction computer center ("Remote Bidder"), and sets forth the terms and conditions under which Auctioneer will offer the 43 Condominiums and 5 Brownstones at Artesia (collectively referred to as Home or Homes) for auction bidding via the Internet or by telephone, to which the Remote Bidder agrees as a condition for participation in the Auction.

#### (1) Eligibility

Except as otherwise noted all the Terms and Conditions of the Artesia Auction are hereby incorporated and are part of this REMOTE BIDDING AGREEMENT AND ESCROW INSTRUCTIONS.

Registration and pre-qualification with Sellers Preferred Mortgage Lender, is required to participate in the Auction and to become eligible to submit bids via the Internet or telephone to the auction computer center.

Remote Bidder will deposit Good Funds at the Artesia Auction Office prior to Auction Day, sign the REMOTE BIDDING AGREEMENT AND ESCROW INSTRUCTIONS and a PIC will be issued to the Remote Bidder at that time.

#### (2) Auction Day

On Auction Day, Remote Bidder's will submit their bids by telephone or from their computer over the Internet. Remote Bidders may make bids on all of the Homes during the course of the Auction. Remote Bidders qualified to purchase one Home may be the high bidder on only one Home at any given time. In the event such a Remote Bidders holds the high bid on one Home, the Auction computer will NOT accept a bid submitted on a second Home.

Offers, which meet the following conditions, will be accepted on Auction day.

- Offers must be submitted by a Registered Bidder.
- Offers must be submitted with a verified Bidder Number.
- Offers must be a minimum of \$3,000 higher for the Condominiums and \$5,000 higher for the Brownstones than the previous high bid for a Home.
- Bids must be rounded to the nearest \$1,000 increment. Any bid submitted that is not rounded to the nearest \$1,000 increment, will be automatically rounded up by the computer to the next highest \$1,000 increment.

#### (3) Remote Bidding

Depending on the technological limitations of the auction venue, Remote Bidders will bid either by telephone or via the Internet.

- Remote Bidders submitting bids by telephone will be given a telephone number to call to submit bids on Auction day, and a PIC will be issued, when the REMOTE BIDDING AGREEMENT AND ESCROW INSTRUCTIONS are signed and Good Funds are on deposit at the Artesia Auction Office. Telephone bidders will be able to watch the Auction live over the Internet and will be

provided with a website address and required to test their computer system for compatibility prior to Auction day. Telephone bidders will be provided the Auction website address before the Auction commences on Auction day. A bidding assistant will stay on the telephone with the Remote Bidder during the auction to submit telephone bids.

- Remote Bidder submitting bids by Internet will be required to have Internet Bidder training by a bidding coach by telephone; a Internet Bidding Instruction booklet; and the opportunity to practice Internet bidding prior to the Auction. Remote Bidders submitting bids by Internet will be given training information when the REMOTE BIDDING AGREEMENT AND ESCROW INSTRUCTIONS are signed and Good Funds are on deposit at the Artesia Auction Office.

#### (4) Winning Bids

If Remote Bidder has the high bid ("Winning Bid") on a Home when the auction ends, the Purchase Contract, Receipt for Deposit and Escrow Instructions and all other required purchase documents ("Purchase Documents") will be sent via Federal Express to Remote Bidder on December 14, 2009.

Having previously deposited "Good Funds", Remote Bidder must execute, deliver and deposit the following with First American Title Insurance Company ("Escrow Holder") on or before December 18, 2009:

- The Purchase Documents; and
- The balance of a 3% deposit on the Purchase Price of the Home purchased.

Remote Buyer's Good Funds will be automatically delivered to Escrow Holder following the Auction. In the event Remote Bidder does not execute, deliver and deposit the Purchase Documents and the balance of the 3% deposit by December 10, 2009, Remote Bidder hereby authorizes and instructs Escrow Holder to release to Seller, as liquidated damages, the Good Funds deposited by the Remote Bidder.

If a Remote Bidder does not place a Winning Bid, Good Funds will be returned to the Remote Bidder within 48 hours following the Auction.

All sales are subject Seller's ability to transfer fee title to the Home. Seller cannot represent or warrant his ability to do so, as all transfers are subject to approval and order by the Court. All sales must close on or before January 12, 2010, unless extended by the Seller in writing, which shall be at the sole and absolute discretion of Seller. Seller shall pay, as its closing charges the recording fees, owner's policy of title insurance premiums, and Seller's portion of the Escrow Fee. Remote Buyer agrees to pay as its closing charges (i) fees for drawing and recording any other document necessary on Buyer's part, (ii) lender's title insurance premiums, (iii) city and county documentary transfer taxes, (iv) Buyer's portion of the Escrow fee or the Escrow termination charge, (v) all costs related to purchase financing, (vi) Buyer's closing costs which may vary according to lender, and (vii) all associated HOA contributions per CC&R's. All Buyers will be required to pay prorated real property taxes and assessments.

#### (5) Important Information

Important information regarding the property and certain documents must be thoroughly reviewed prior to the Auction.

Visit the Artesia Auction Office or [www.AuctionArtesia.com](http://www.AuctionArtesia.com) to review the following Purchase Documents: (a) Purchase Agreement and Escrow Instructions and Addenda; (b) Preliminary Title Report; (c) State of Arizona Department of Real Estate Final Subdivision Public Report; (d) Supplemental Disclosures; (e) Declaration of Covenants, Conditions and Restrictions For Artesia; (f) Condominium Plan; and (g) Articles and Bylaws and other Association Documents. Other documents and disclosures will also be available for review.

Terms and Conditions of the Artesia Auction, as well as Remote Bidding Agreement and Escrow Instructions, Telephone Bidding Instructions for Registered Bidders and Internet Bidding Instructions for Registered Bidders provide complete rules for participation in the Auction and should be reviewed carefully prior to the Auction.

**Registered Bidders are advised that there are certain risks involved with participating in the Auction remotely rather than in person at the Auction site. Those risks include, but are not limited to communication failures or interruptions, causing the Remote Bidder to receive information later than would be received by participants at the Auction site, or not at all, human error in inputting information transmitted over the Internet or telephone and otherwise, and the inability to accurately gage the momentum of the procedure. The Seller and its agents are not responsible for any loss or damage caused by the above described incidents or that could have been avoided if the Remote Bidder had attended the Auction in person rather than participating remotely.**

**Registered Bidders who participate in the Auction by submitting bids remotely, release the Seller and its agents from any actual or potential claim, known or unknown, which the Remote Bidder may have against Seller or its agents due to Remote Bidder participating in the Auction remotely rather than in person.**

Agreed and Accepted:

Dated: \_\_\_\_\_, 2009

\_\_\_\_\_  
Remote Bidder

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Address to which Purchase Documents will be delivered

\_\_\_\_\_

Seller: Starpointe Artesia Condominiums, LLLP

By: \_\_\_\_\_