

AUCTION

BUYER'S PROSPECTUS

RICHLAND COUNTY ND FARMLAND

Wednesday, November 21, 2012 10:00 AM

**Auction Location: Steffes Auctioneers Arena
2000 Main Avenue East, West Fargo ND**



**N1/2SW1/4,
Section 14-134-49,
Abercrombie
Township,
Richland County
North Dakota
79.84+/- FSA
cropland acres**

**SEE
DETAILS
INSIDE!**

SYLPHA LEE—OWNER



STEFFES AUCTIONEERS REAL ESTATE MARKETING
2000 Main Avenue East, West Fargo, ND 58078-2210
(800) 726-8609 (701) 237-9173
Scott Steffes ND81—Brad Olstad ND319—Rodney Steffes, Auction Coordinator
www.steffesauctioneers.com

TERMS & CONDITIONS

The Terms and Conditions of Sale are set forth upon this page in this Buyer's Prospectus and the Earnest Money Receipt and Purchase Agreement. The information set forth is believed to be accurate. However, the owner of the properties and Steffes Auctioneers make no warranties or guaranties expressed or implied. Information contained in this document was collected from sources deemed to be reliable and is true and correct to the best of the writer's knowledge. Auctioneers and owners will not be held responsible for advertising discrepancies or inaccuracies.

All ANNOUNCEMENTS ON AUCTION DAY TAKE PRECEDENCE OVER PREVIOUSLY ADVERTISED INFORMATION.

Prospective buyers are advised to consult with an attorney of their choice with respect to the purchase of any real property including but not limited to, seeking legal advice from their own attorney regarding disclosures and disclaimers set forth below.

- ◆ All bidders must register their name, address, and telephone number in order to receive a bidding number.
- ◆ Auction staff will be at the sale site approximately one hour prior to sale time. The successful bidder will be required to sign an Earnest Money Receipt and Purchase Agreement at the close of the real estate auction. A total deposit of 10% of the purchase price will be required. Those funds will be placed in the Steffes Auctioneers Auction Trust Account as good faith money until closing.
- ◆ Purchasers who are unable to close because of insufficient funds will be in default and the deposit money will be forfeited.
- ◆ Balance of the purchase price must be paid in full with cashier's check at closing on **Thursday, December 27, 2012.**
- ◆ Seller will provide up-to date abstract at their expense and will convey property by Warranty Deed.
- ◆ **2012 Real Estate taxes to be paid by Seller.** Subsequent taxes and or special assessments, if any, to be paid by buyer. Real Estate Taxes are subject to reassessment under new owner.
- ◆ Closing Agent Fee will be shared equally between Buyer and Seller.
- ◆ All bidding will be on a per tract basis. We will not have "per acre" bidding.
- ◆ Please note the bidding will not close and property will not be sold until everyone has had the opportunity to make his or her highest and best bid.
- ◆ The auction sale is for registered bidders and their guests. All bidding is open to the public and the property is offered for sale to qualified purchasers without regard to sex, race, color, religion, natural origin, or handicap.

- ◆ **THE PROPERTY WILL BE SOLD AS IS WITH NO WARRANTIES EXPRESSED OR IMPLIED.**
- ◆ **THE PROPERTY WILL BE SOLD SUBJECT TO OWNER CONFIRMATION.**

PROPERTY SOLD WITHOUT WARRANTY

All dimensions and descriptions are approximations only based upon the best information available and are subject to possible variation. Sketches may not be drawn to scale and photographs may not depict the current condition of the property. Bidders should inspect the property and review all the pertinent documents and information available, as each bidder is responsible for evaluation of the property and shall not rely upon the Seller, Broker or Auctioneer, their Employees or Agents. The property will be sold **AS IS** and without any warranties or representations, express or implied.

SUCCESSFUL BIDDER

The successful bidder of the property shall be determined by competitive bidding. Should any dispute arise between bidders, the auctioneer shall have the right to make the final decision to either determine the successful bidder or to re-offer the property that is in dispute. The auction will be recorded and the auctioneer's records shall be conclusive in all respects.

CLOSING

The successful bidder will be required, at the close of the auction, to complete the *Earnest Money Receipt and Purchase Agreement*. A sample contract is included in this Prospectus. Balance of the purchase price is due in cash at closing on **Thursday, December 27, 2012.** Closing will take place at a professional closing company mutually agreeable to both Buyer and Seller.

SELLER'S PERFORMANCE

The Seller has agreed to the terms of the sale as published. However, the Broker and Auctioneer make no warranties or guaranties as to the Seller's performance.

AGENCY DISCLOSURE
Steffes Auctioneers Inc. is representing the Seller and will be paid by the seller.

POSSESSION
Possession will be at closing unless otherwise agreed to in writing and agreeable by buyer and seller.

MINERAL RIGHTS
All mineral rights, if any, held by Seller will be transferred upon closing. However, the Seller does not warrant the amount or adequacy of the mineral rights.

ENVIRONMENTAL DISCLAIMER
The Seller, Broker and Auctioneers do not warrant with respect to the existence or nonexistence of any pollutants, contaminants or hazardous waste prohibited by federal, state or local law. Buyer is responsible for inspection of the property prior to purchase for conditions including but not limited to water quality, and environmental conditions that may affect the usability or value of the property. No warranties are made as to the existence or nonexistence of water wells on the property, or the condition of any wells.

EASEMENTS AND SURVEY
The property to be sold is subject to any restrictive covenants or easements of record and any results that an accurate survey may show.

BIDDING PROCEDURE
As a buyer you have two objectives to accomplish:

1. Purchasing the property.
2. Purchasing the property at a price you can afford.

How is this accomplished?

1. Estimate comparative value.
2. Experienced buyers always decide what to pay before the bidding begins.
3. Inspect the property carefully.
4. Compare with other properties available in the area.
5. Check the selling price of previously sold properties.
6. Discuss your buying plans with a lender. Have your financing arrangements made in advance.
7. **This sale is not subject to financing.**

AVOID OVER OR UNDER BIDDING

- ◆ Always bid on a property toward a price.
- ◆ Establish that price before the bidding begins. By doing this you will avoid getting caught up in the auction excitement and pay a price that is too high for the market or one that you cannot afford. It will also make you confident to bid to **your** established fair market value. Many bidders who do not plan ahead end up with regrets after the auction because they were too nervous or uncertain about their judgment to bid.

THE BIDDING STRATEGY

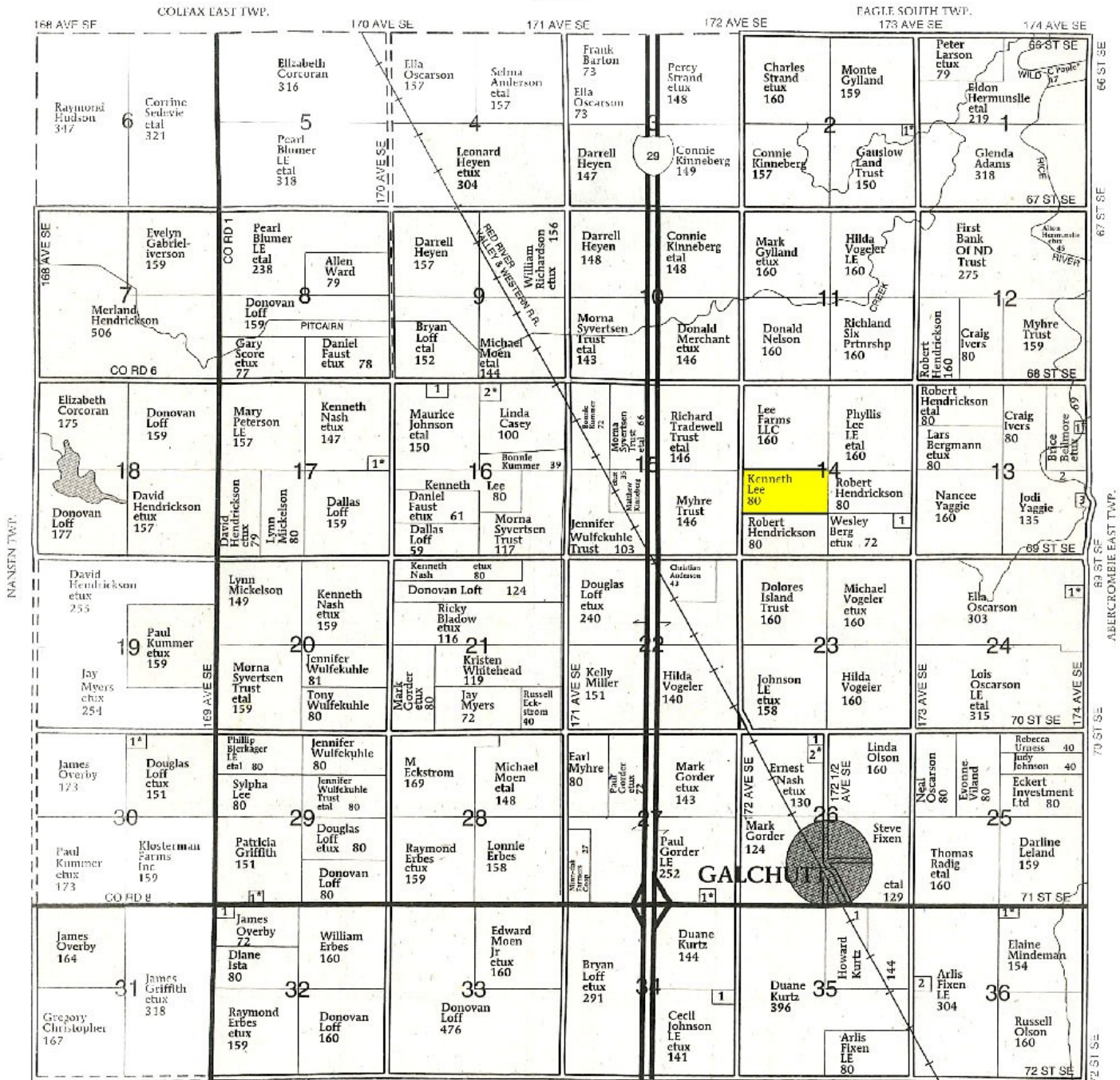
- ◆ Research and know the value of the property.
- ◆ Have your financing arranged before the auction.
- ◆ Establish your highest and best bid **before** the bidding begins.
- ◆ Make your bids promptly to force other bidders up or out without delay.

PLAT MAP

LEGAL: N1/2SW1/4 Section 14-134-49, 79.8+/- FSA acres

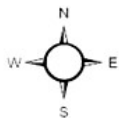
T-134-N ABERCROMBIE 'W' PLAT R-49-W

(1/4 Ownership)



USDA FARM SERVICE AGENCY MAP

USDA Farm Service Agency
Richland County, North Dakota



PLSS: 14_134_49
Farm: 10921

Richland County

Wetland Determination Identifiers

- Yellow outline: Limited Restrictions
- Green outline: Exempt from Conservation Provisions
- Red dot: Restricted Use

Common Land Unit

- Yellow outline: Cropland
- Diagonal lines: Non-cropland

Disclaimer: Wetland identifiers do not represent the size, shape or specific determination of the area. Refer to your original determination (CPA-026 and attached maps) for exact wetland boundaries and determinations, or contact NRCS.

FSA FORM 156 & SOILS MAP

Tract Number: 3189 Description: N2SW14-134-49

FAV/WR
History
N

BIA Range Unit Number:

HEL Status: Classified as not HEL

Wetland Status: Tract contains a wetland or farmed wetland

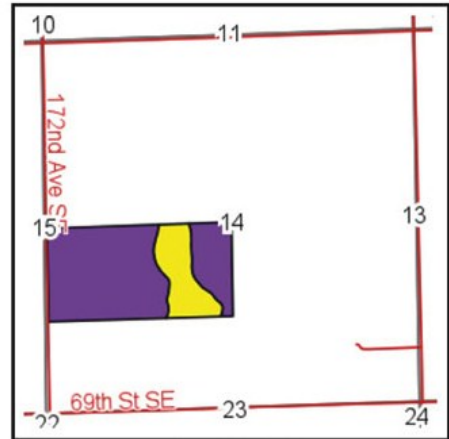
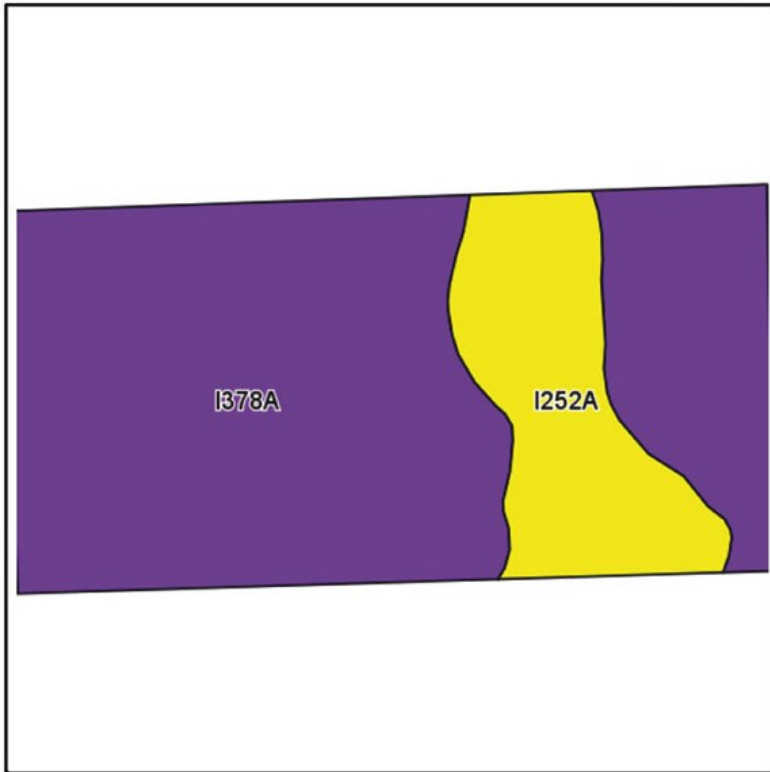
WL Violations: None

Farmland	Cropland	DCP Cropland	WBP	WRP/EWP	CRP Cropland	GRP
80.0	79.8	79.8	0.0	0.0	0.0	0.0
State Conservation	Other Conservation	Effective DCP Cropland	Double Cropped	MPL/FWP		
0.0	0.0	79.8	0.0	0.0		

Crop	Base Acreage	Direct Yield	CC Yield	CCC-505 CRP Reduction
WHEAT	19.9	28	30	0.0
SOYBEANS	39.9	25	30	0.0
BARLEY	19.8	47	40	0.0
Total Base Acres:	79.8			

Owners: KENNETH LEE

Soils Map



State: North Dakota
County: Richland
Location: 14-134N-49W
Township: Abercrombie
Acres: 80
Date: 10/19/2012

Field borders provided by Farm Service Agency as of 5/21/2008.
Soils data provided by USDA and NRCS.

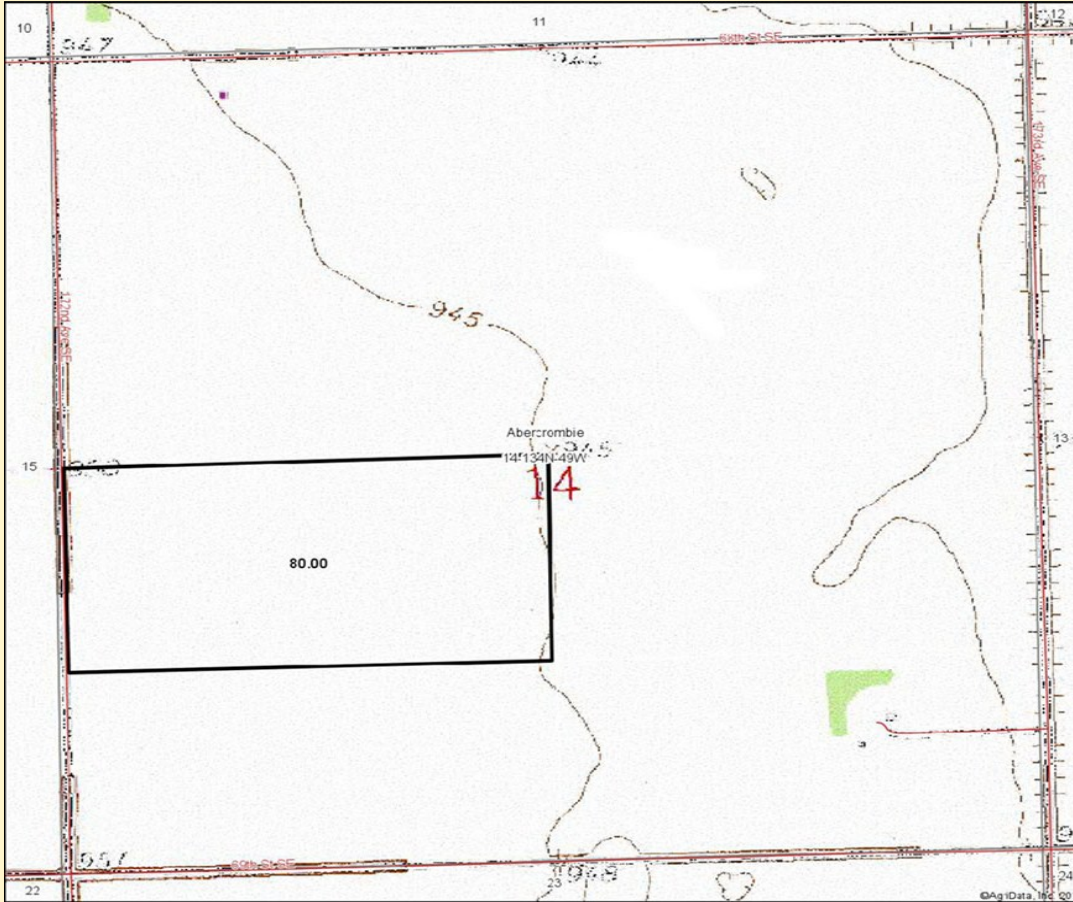


Maps provided by:



Code	Soil Description	Acres	Percent of field	PI Legend	Non-Irr Class	Range Production (lbs/acre/yr)	Productivity Index
I378A	Bearden silt loam, saline, clayey substratum, 0 to 1 percent slopes	63.4	79.3%		IIIIs	4076	56
I252A	Aberdeen-Ryan silty clay loams, 0 to 2 percent slopes	16.6	20.7%		IIIe	2661	63
Weighted Average						3783.1	57.4

TOPOGRAPHY MAP & 2011 TAX STATEMENT



PARCEL#: 08-0000-01848-000
ABERCROMBIE TOWNSHIP
TOWNSHIP
TAXING DISTRICT: 0844010000
ACRES: 80.00

LEE, KENNETH
 7040 CO RD 1
 COLFAX ND 58018

N1/2 SW1/4 14 134 49

SPC/DRN#	AMOUNT	DESCRIPTION	MILL RATE	TRUE&FULL VALUE	ASSESSED VALUE
			333.42	18,100	9,050
			TAXABLE	SR CITIZEN/VET CR	NET TAXABLE
			905		905
			CONSOLIDATED	TOTAL #SPECIALS	TOTAL ALL TAXES
			301.75		301.75
-----BREAKDOWN OF TAX DOLLARS-----					
SCRIPTION	2011-YEAR	2010-YEAR	2009-YEAR	5% DISCOUNT	TAX DUE IF PAID BY FEB 15TH
STATE	.91	1.16	1.10		
COUNTY	123.53	158.92	145.86	15.09	286.66
SCHOOL	142.67	184.80	178.07		
TOWNSHIP	27.40	35.11	34.79		
FIRE	7.24	9.28	8.84		
TOTAL--	301.75	389.27	368.66	1ST PAYMENT BY MARCH 1ST	2ND PAYMENT BY OCT 15TH
				150.88	150.87

EARNEST MONEY RECEIPT AND PURCHASE AGREEMENT



2000 Main Avenue East
West Fargo, ND 58078-2210
Phone (701) 237-9173
Fax (701) 237-0976

24400 MN Hwy 22 South
Litchfield, MN 55355
Phone (320) 693-9371
Fax (320) 693-9373

www.steffesauctioneers.com

EARNEST MONEY RECEIPT AND PURCHASE AGREEMENT

DATE: _____

Received of _____

Whose address is _____

SS# _____ Phone# _____ the sum of _____ in the form of _____

as earnest money and in part payment of the purchase of real estate sold by Auction and described as follows:

This property the undersigned has this day sold to the BUYER for the sum of _____ \$ _____

Earnest money hereinafter received for _____ \$ _____

Balance to be paid as follows **In cash at closing** _____ \$ _____

1. Said deposit to be placed in the Steffes Auctioneers, Inc. Trust Account until closing, BUYERS default, or otherwise as agreed in writing by BUYER and SELLER. By this deposit BUYER acknowledges purchase of the real estate subject to Terms and Conditions of this contract, subject to the Terms and Conditions of the Buyer's Prospectus, and agrees to close as provided herein and therein. BUYER acknowledges and agrees that the amount of deposit is reasonable; that the parties have endeavored to fix a deposit approximating SELLER'S damages upon BUYERS breach; that SELLER'S actual damages upon BUYER'S breach may be difficult or impossible to ascertain; that failure to close as provided in the above referenced documents will result in forfeiture of the deposit as liquidated damages; and that such forfeiture is a remedy in addition to SELLER'S other remedies.

2. Prior to closing SELLER at SELLER'S expense shall furnish BUYER an abstract updated to a current date showing good and marketable title. Zoning ordinances, building and use restrictions and reservations in federal patents and state deeds, existing tenancies, easements and public roads shall not be deemed encumbrances or defects.

3. If the SELLER'S title is not insurable or free of defects and cannot be made so within sixty (60) days after notice containing a written statement of defects is delivered to SELLER, then said earnest money shall be refunded and all rights of the BUYER terminated, except that BUYER may waive defects and elect to purchase. However, if said sale is approved by the SELLER and the SELLER'S title is marketable and the buyer for any reason fails, neglects, or refuses to complete purchase, and to make payment promptly as above set forth, then the SELLER shall be paid the earnest money so held in escrow as liquidated damages for such failure to consummate the purchase. Payment shall not constitute an election of remedies or prejudice SELLER'S rights to pursue any and all other remedies against BUYER, included, but not limited to specific performance. Time is of the essence for all covenants and conditions in this entire agreement.

4. Neither the SELLER nor SELLER'S AGENT make any representation of warranty whatsoever concerning the amount of real estate taxes or special assessments, which shall be assessed against the property subsequent to the date of purchase.

5. Minnesota Taxes: SELLER agrees to pay _____ of the real estate taxes and installment of special assessments due and payable in _____ BUYER agrees to pay _____ of the real state taxes and installments and special assessments due and payable in _____ SELLER warrants taxes for _____ are _____ Homestead, _____ Non-Homestead. SELLER agrees to pay the Minnesota State Deed Tax.

6. North Dakota Taxes: _____

7. The property is to be conveyed by _____ deed, free and clear of all encumbrances except special assessments, existing tenancies, easements, reservations and restrictions of record.

8. Closing of the sale is to be on or before _____ Possession will be at closing.

9. This property is sold AS IS, WHERE IS, WITH ALL FAULTS. BUYER is responsible for inspection of the property prior to purchase for conditions including but not limited to water quality, seepage, septic and sewer operation and condition, radon gas, asbestos, presence of lead based paint, and any and all structural or environmental conditions that may affect the usability or value of the property.

10. The contract, together with the Terms and Conditions of the Buyer's Prospectus, contain the entire agreement and neither party has relied upon any oral or written representations, agreements, or understanding not set forth herein, whether made by agent or party hereto. This contract shall control with respect to any provisions that conflict with or are inconsistent with the Buyer's Prospectus or any announcements made at auction.

11. Other conditions: Subject to easements, reservations and restrictions of record, existing tenancies, public roads and matters that a survey may show. Seller and Seller's agent DO NOT MAKE ANY REPRESENTATIONS OR ANY WARRANTIES AS TO MINERAL RIGHTS, TOTAL ACREAGE, TILLABLE ACREAGE OR BOUNDARY LOCATION.

12. Any other conditions: _____

13. Steffes Auctioneers, Inc. stipulates they represent the SELLER in this transaction.

Buyer:

Seller:

Steffes Auctioneers, Inc.

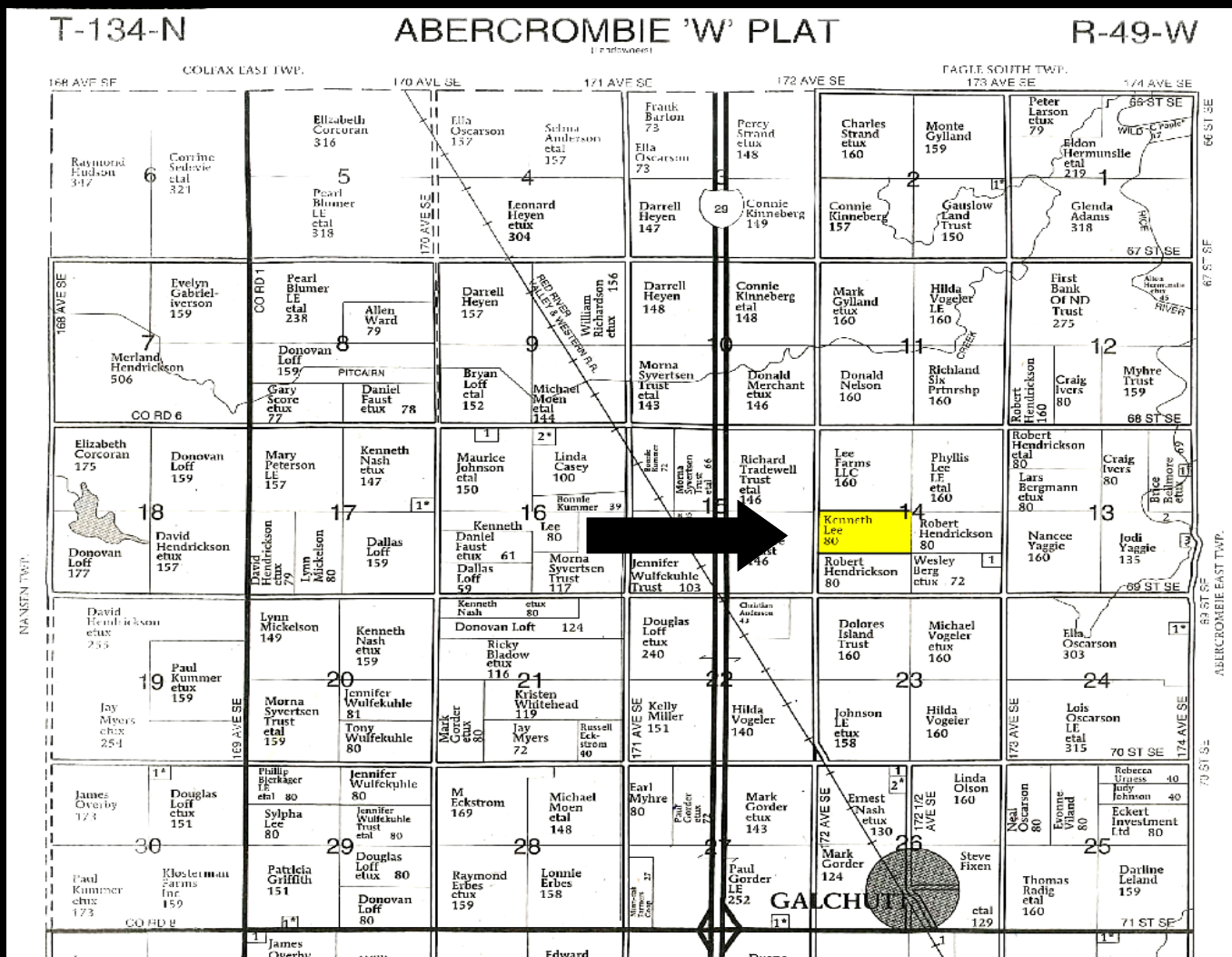
Seller's Address:

AUCTION

RICHLAND COUNTY ND FARMLAND

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