

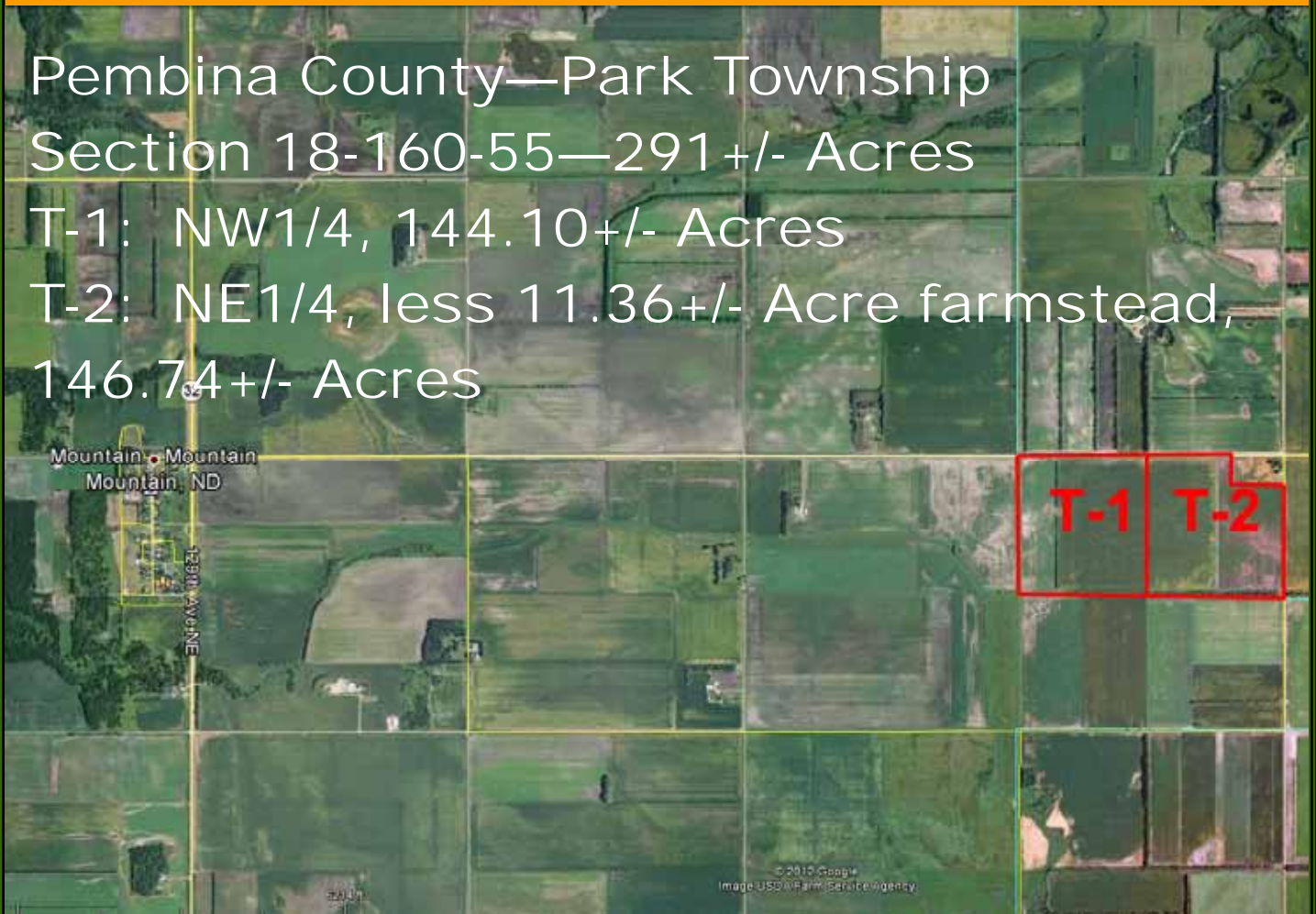
MULTI-TRACT REAL ESTATE  
**AUCTION**  
BUYER'S PROSPECTUS  
Monday, November 5, 2012 - 1 PM

AUCTION LOCATION: Mountain Chalet & Event Center, Mountain ND

Pembina County—Park Township  
Section 18-160-55—291 +/- Acres

T-1: NW1/4, 144.10 +/- Acres

T-2: NE1/4, less 11.36 +/- Acre farmstead,  
146.74 +/- Acres



THE BROWN FAMILY LAND



**STEFFES AUCTIONEERS INC**  
2000 Main Avenue East, West Fargo ND 58078  
(800) 726-8609 (701) 237-9173  
Scott Steffes ND81, Bob Steffes ND82, Brad Olstad ND319  
[Details on www.steffesauctioneers.com](http://www.steffesauctioneers.com)

# TERMS & CONDITIONS

The Terms and Conditions of Sale are set forth below upon this page of the Buyer's Prospectus and on 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 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 **Tuesday, December 11, 2012.**
- ◆ Seller will provide up-to date Abstract(s) 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 tracts will be offered on an individual basis. At the conclusion of the first round of bidding a recess will be taken. Bidding will then be reopened (at the last bid received) and all tracts will be offered again. The bidding will continue at the auctioneer's discretion. Our goal is to realize the highest return to the seller, and to satisfy all interested parties by allowing bidders who are interested in one tract to have the same opportunity as multi-tract buyers.
- ◆ 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 **Tuesday, December 11, 2012. Closing will take place at Lawrence D. DuBois Law Office, 208 West 2nd Avenue South, Cavalier, ND.**

## 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.

# SAMPLE MULTI-TRACT BIDDING GRID

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 numbers on the sample grid do not reflect any expected value on the tracts we are selling.

All tracts will be offered on an individual basis. At the conclusion of the first round of bidding a recess will be taken. Bidding will then be reopened (at the last bid received) and all tracts will again be offered. The bidding will continue at the auctioneer's discretion. Our goal is to realize the highest return to the seller, and to satisfy all interested parties by allowing bidders who are interested in one tract to have the same opportunity as multi-tract buyers.

All bidding will be on a per tract basis.

We will not have "per acre" bidding.

*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.*

**PLEASE NOTE THIS IS A SAMPLE MULTI-TRACT BIDDING GRID AND DOES NOT REPRESENT THIS AUCTION SALE!**

TRACT NUMBER	ROUND 1 BID	BIDDER NUMBER	ROUND 2 BID	BIDDER NUMBER	ROUND 3 BID	BIDDER NUMBER	
1	\$168,000	8	\$168,000	8	\$168,000	8	SOLD
2	\$140,000	7	\$140,000	7	\$140,000	7	SOLD
3	\$152,000	8	\$153,500	13	\$163,500	13	SOLD
4	\$138,000	11	\$144,000	8	\$149,000	8	SOLD
5	\$175,000	3	\$178,000	4	\$195,000	3	SOLD

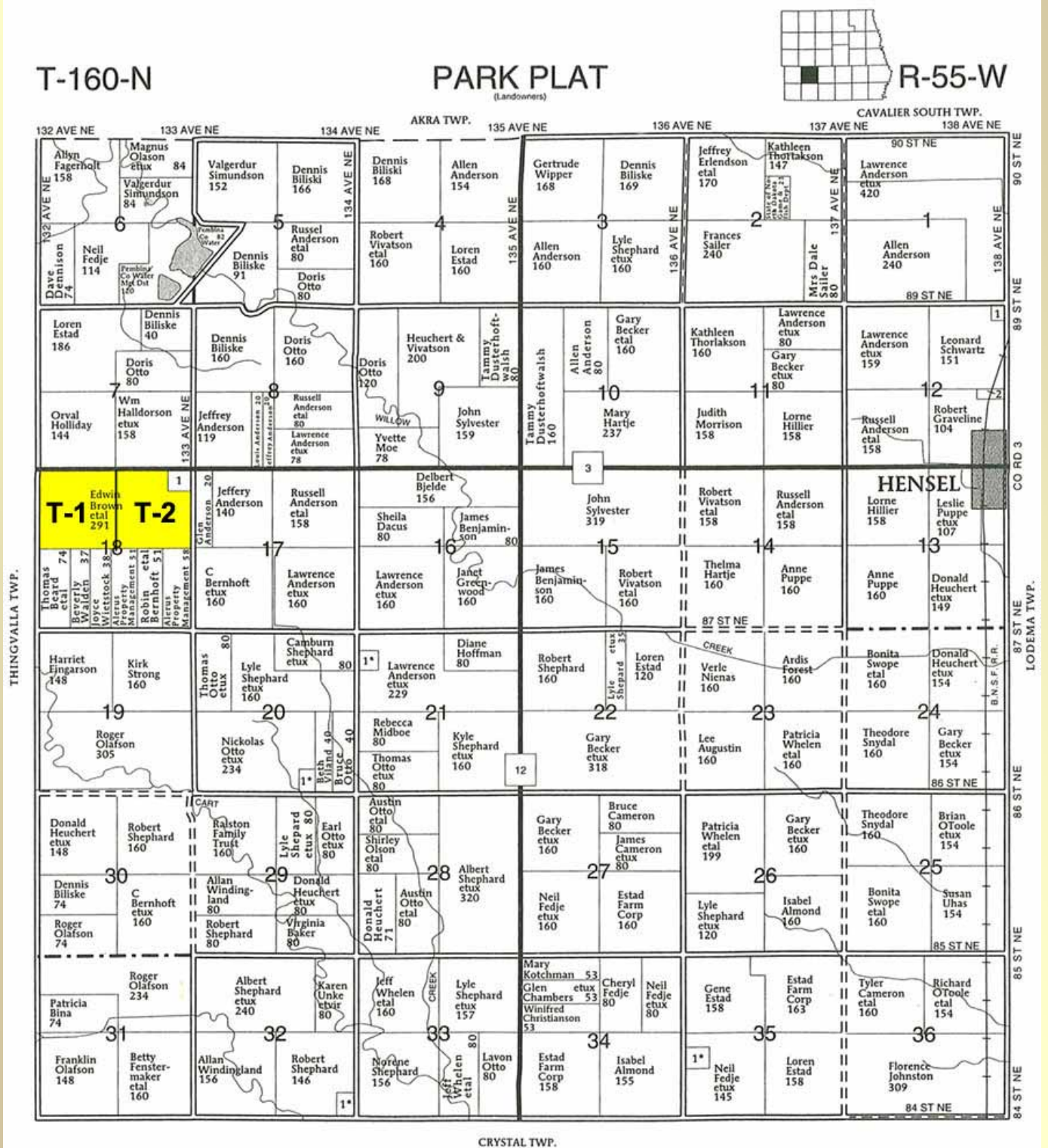


# PLAT MAP

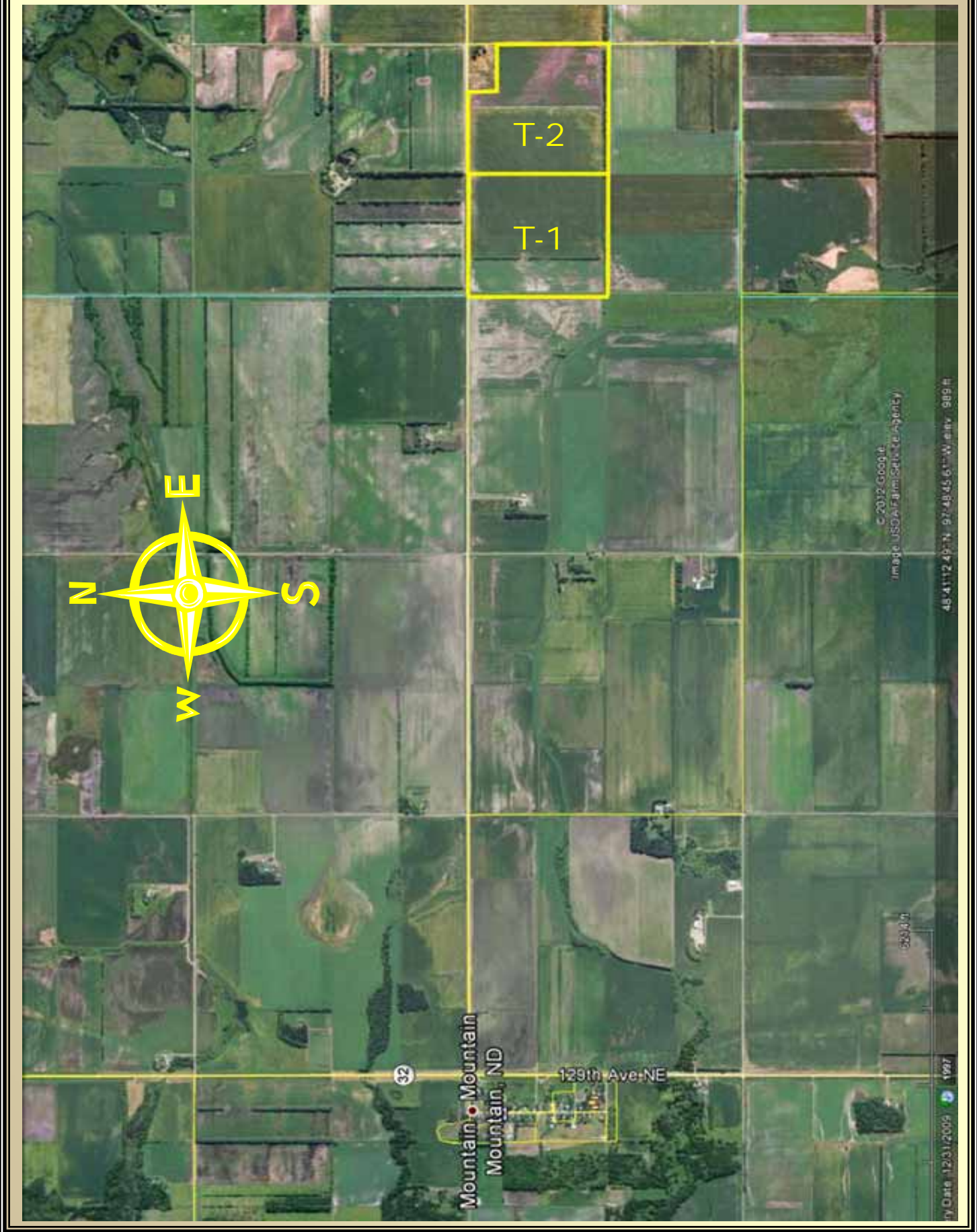
## 291 +/- ACRES PEMBINA COUNTY ND FARMLAND – PARK TOWNSHIP

TRACT 1: NW1/4 Section 18-160-55, 144.10+/- Acres

TRACT 2: NE1/4 Section 18-160-55, less 11.36+/- acre farmstead, 146.74+/- Acres



# AERIAL VIEW





# USDA MAP TRACTS 1 & 2

**USDA Farm Service Agency**  
Pembina County, North Dakota



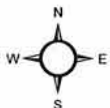
**Farm 7496**

**S18 T160N R55W**

Park Township

Pembina County, ND

**2012 Program Year**



**Wetland Determination Identifiers**

- ▼ Limited Restrictions
- Exempt from Conservation Provisions
- Restricted Use

**Common Land Unit**

- Cropland
- ▨ 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.

# USDA FSA FARM RECORD TRACTS 1 & 2

**\*The FSA information listed below is for combined Tracts 1 & 2. The numbers are for information only and will be reconstituted under new owners. Please note the 310 farmland acres listed here do not accurately represent the acreage to be sold.**

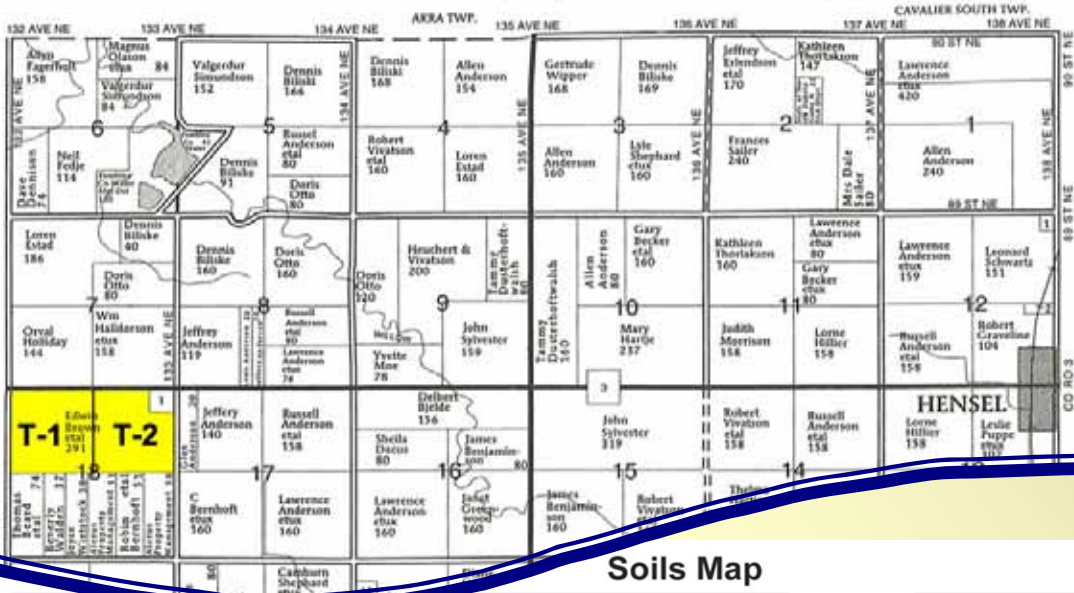
<b>Tract Number:</b> 2620		<b>Description:</b> D12/ NW; W2NE; Pie2NE 18 160 55				<b>FAV/WR History</b>
<b>BIA Range Unit Number:</b>						Y
<b>HEL Status:</b> Classified as not HEL						
<b>Wetland Status:</b> Tract does not contain a wetland						
<b>WL Violations:</b> None						
<b>Farmland</b>	<b>Cropland</b>	<b>DCP Cropland</b>	<b>WBP</b>	<b>WRP/EWP</b>	<b>CRP Cropland</b>	<b>GRP</b>
* 310.0	280.2	280.2	0.0	0.0	0.0	0.0
<b>State Conservation</b>	<b>Other Conservation</b>	<b>Effective DCP Cropland</b>	<b>Double Cropped</b>	<b>MPL/FWP</b>		
0.0	0.0	280.2	0.0	0.0		
<b>Crop</b>	<b>Base Acreage</b>	<b>Direct Yield</b>	<b>CC Yield</b>	<b>CCC-505 CRP Reduction</b>		
WHEAT	138.7	45	45	0.0		
CORN	20.2	58	58	0.0		
SUNFLOWERS	4.7	1254	1254	0.0		
BARLEY	17.6	56	56	0.0		
<b>Total Base Acres:</b>	181.2					
<b>Owners:</b> E J BROWN, etal						

# SOIL MAP & PRODUCTIVITY INDEX

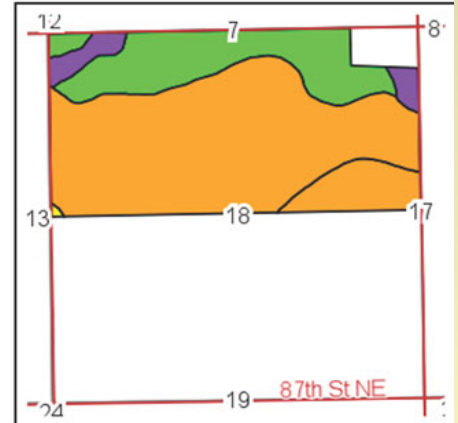
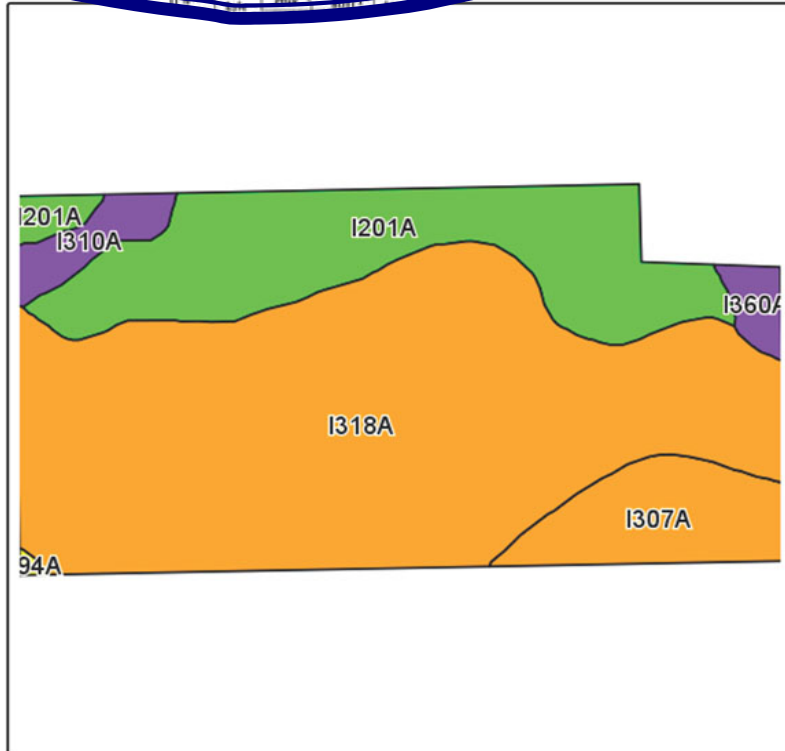
T-160-N

PARK PLAT

R-55-W









Soils Map



State: North Dakota  
 County: Pembina  
 Location: 18-160N-55W  
 Township: Park  
 Acres: 291  
 Date: 10/11/2012

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

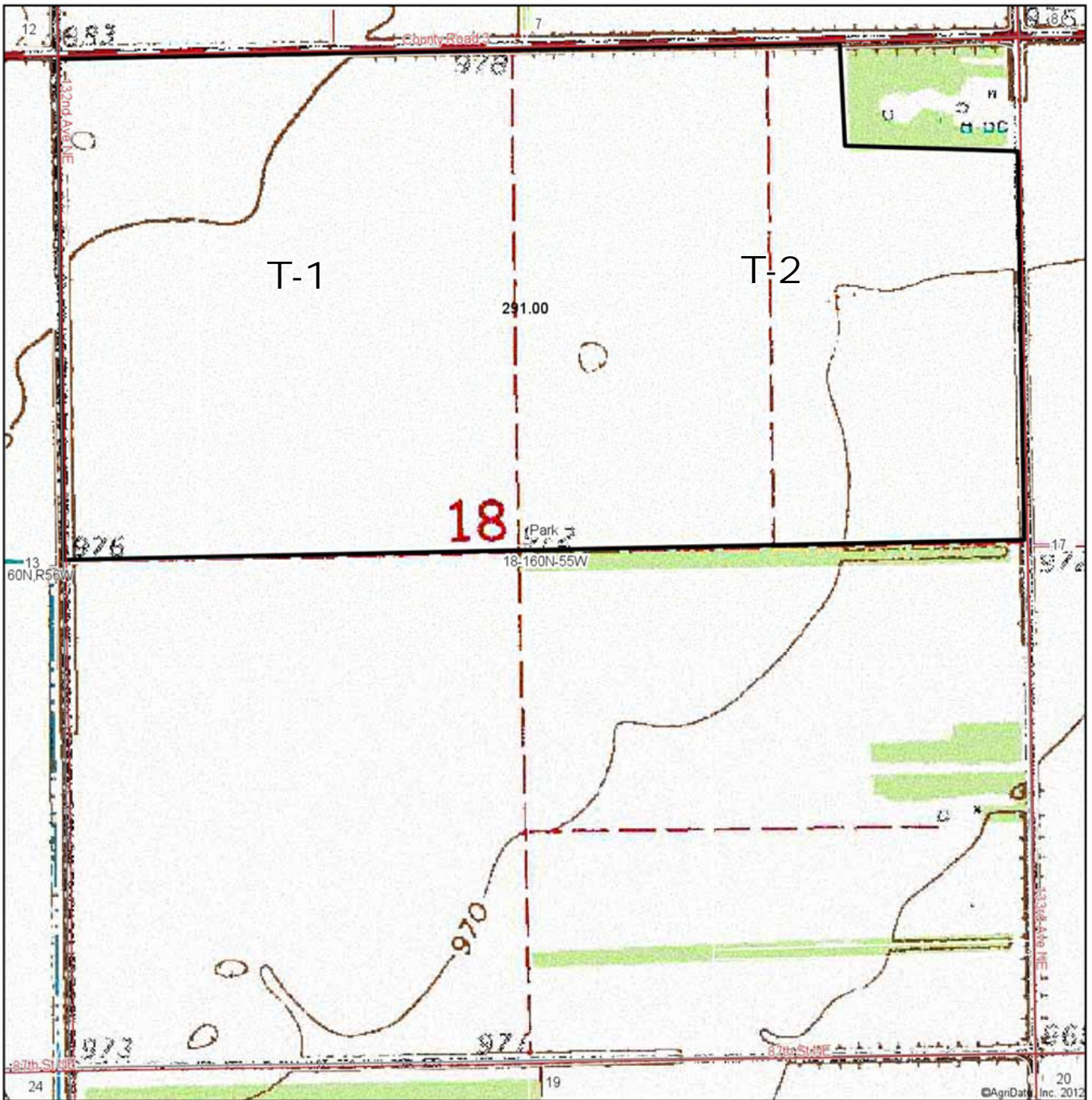
Maps provided by:  
  
 AgriData, Inc 2012  
 www.AgrDataInc.com

Code	Soil Description	Acres	Percent of field	PI Legend	Non-Irr Class	Range Production (lbs/acre/yr)	Productivity Index
I318A	Borup silt loam, 0 to 1 percent slopes	184.1	63.3%		IIw	4992	72
I201A	Glyndon silt loam, 0 to 1 percent slopes	69.9	24.0%		IIe	4304	93
I307A	Tiffany fine sandy loam, 0 to 1 percent slopes	24.1	8.3%		IIIw	4870	72
I310A	Arveson fine sandy loam, 0 to 1 percent slopes	8	2.7%		IIIw	4932	53
I360A	Hamar fine sandy loam, 0 to 1 percent slopes	4.4	1.5%		IIIw	4926	59
I394A	Lamoure silt loam, 0 to 1 percent slopes, occasionally flooded	0.5	0.2%		IIw	4676	63
<b>Weighted Average</b>						<b>4813.5</b>	<b>76.3</b>



# TOPOGRAPHY MAP

## Topography Map



map center: 48° 40' 50.84, 97° 47' 9.87  
scale: 8627

**18-160N-55W**  
**Pembina County**  
**North Dakota**



10/11/2012

Maps provided by:



©AgriData, Inc. 2012  
www.AgriDataInc.com

Field borders provided by Farm Service Agency as of 5/21/2008. Aerial photography provided by Aerial Photography Field Office.

# TAX STATEMENTS

## 2011 TAX STATEMENT

PARK TWP

**PEMBINA COUNTY TREASURER**

Receipt # 1169

Parcel Number: 19-1040000  
 Taxpayer # 59  
 Multi Prcl# 59

LINDA SCHLITTENHARD  
 301 DAKOTA ST W #1  
 CAVALIER ND 58220  
 701-265-4465

**Legal Description**

SECT-18 TWP-160 RANG-055  
 NW 1/4 (GOVT. LOTS 1 & 2)  
 R. W. 1.90 A.

EDWIN J BROWN

ACRES: 144.10

### T-1

	2009	2010	2011		2009	2010	2011
<b>True And Full Value</b>	97,873	106,682	107,748	<b>Entity State</b>	4.89	5.33	5.39
<b>Taxable Value</b>	4,894	5,334	5,387	<b>County</b>	494.69	515.00	509.13
<b>Net Taxable Value</b>	4,894	5,334	5,387	<b>City/Twp</b>	129.45	144.02	144.5
<b>Mill Levy</b>	259.420	246.260	244.310	<b>School 6</b>	621.54	629.41	635.67
				<b>COUNTY</b>	19.04	19.79	21.39
				<b>Consolidated Tax</b>		1,313.55	1,316.11
				<b>Specials</b>			.00
				<b>Special Int.</b>			.00
				<b>Total Tax and Specials</b>			1,316.11
				<b>Discount</b>			65.80
				<b>Net Tax due By Feb 15</b>			1,250.31
				(IF PAID IN TWO INSTALLMENTS)			
				<b>1st Half due Mar 01, 2012</b>			658.06
				<b>2nd Half due Oct 15, 2012</b>			658.05

Penalty on 1st Installment & Specials  
 March 2..... 3%  
 May 1..... 6%  
 July 3..... 9%  
 October 16..... 12%  
 Penalty on 2nd Installment  
 October 16..... 6%

## 2011 TAX STATEMENT

PARK TWP

**PEMBINA COUNTY TREASURER**

Receipt # 1168

Parcel Number: 19-1030000  
 Taxpayer # 59  
 Multi Prcl# 59

LINDA SCHLITTENHARD  
 301 DAKOTA ST W #1  
 CAVALIER ND 58220  
 701-265-4465

**Legal Description**

SECT-18 TWP-160 RANG-055  
 PT. NE 1/4  
 R. W. 1.90 A.

EDWIN J BROWN

ACRES: 146.74

### T-2

	2009	2010	2011		2009	2010	2011
<b>True And Full Value</b>	115,325	125,704	126,958	<b>Entity State</b>	5.77	6.29	6.35
<b>Taxable Value</b>	5,766	6,285	6,348	<b>County</b>	582.83	606.82	599.95
<b>Net Taxable Value</b>	5,766	6,285	6,348	<b>City/Twp</b>	152.51	169.70	170.3
<b>Mill Levy</b>	259.420	246.260	244.310	<b>School 6</b>	732.28	741.63	749.06
				<b>COUNTY</b>	22.43	23.32	25.20
				<b>Consolidated Tax</b>		1,547.76	1,550.88
				<b>Specials</b>			.00
				<b>Special Int.</b>			.00
				<b>Total Tax and Specials</b>			1,550.88
				<b>Discount</b>			77.54
				<b>Net Tax due By Feb 15</b>			1,473.34
				(IF PAID IN TWO INSTALLMENTS)			
				<b>1st Half due Mar 01, 2012</b>			775.44
				<b>2nd Half due Oct 15, 2012</b>			775.44

Penalty on 1st Installment & Specials  
 March 2..... 3%  
 May 1..... 6%  
 July 3..... 9%  
 October 16..... 12%  
 Penalty on 2nd Installment  
 October 16..... 6%



# EARNEST MONEY CONTRACT



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

24400 MN Hwy 22 South  
Litchfield, MN 55355-5840  
Phone (320) 693-9371  
Fax (320) 693-9373

[www.steffesauctioneers.com](http://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 receipted 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 estate 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:  
\_\_\_\_\_  
\_\_\_\_\_

Seller's Printed Name & Address:

Steffes Auctioneers, Inc.

\_\_\_\_\_  
\_\_\_\_\_



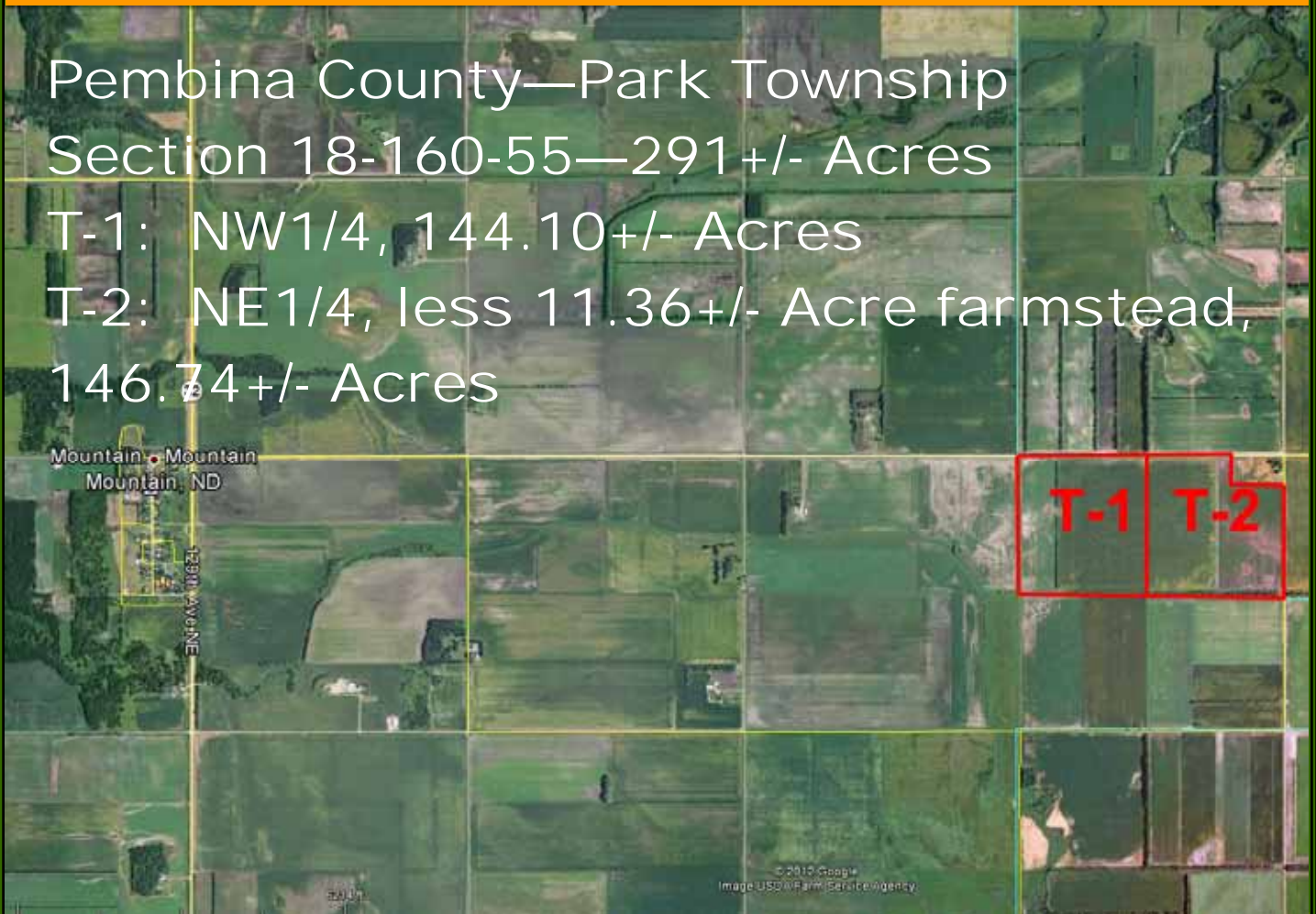
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Pembina County—Park Township  
Section 18-160-55—291+/- Acres

T-1: NW1/4, 144.10+/- Acres

T-2: NE1/4, less 11.36+/- Acre farmstead,  
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