

REAL ESTATE AUCTION

BANK OWNED PROPERTIES

- ▶ DURANGO, COLORADO DEVELOPMENT LAND & LA PLATA COUNTY COLORADO RANCH
- ▶ MOST PROPERTIES TO BE SOLD SUBJECT TO ATTRACTIVE MINIMUM BIDS



AUCTION

AUCTION SERVICES GROUP, INC.

Established 1994

PARCEL 1

68-ACRE PRIME DEVELOPMENT SITE
898 STATE HWY 172
DURANGO, COLORADO, 81303

ORIGINAL PRICE: \$2,200,000
MINIMUM BID: \$350,000

CERTIFIED OR CASHIER'S CHECK
REQUIRED TO BID: \$50,000

La Plata County Parcel Numbers:
567318200236, 567318200256, and
567318200257

Real Estate Taxes (2017): \$2,008.44

PROPERTY DESCRIPTION: A 68 – Acre Prime Residential Development Parcel ideally suited for the construction of 200 + Single Family Homes. It is located minutes east of Historic Downtown Durango with open views to the La Plata Mountains and surrounding vistas. The property is equal distance to Downtown Durango and Durango-La Plata County Airport with non-stop air service by United from Denver and by American from Dallas, Phoenix and seasonally from Los Angeles. This parcel is perfectly suited for a density that would allow attainable houses in a prime location immediately adjacent to Florida Mesa Elementary and just two miles to the Award-Winning Mercy Hospital and Durango services. All utilities are to the site including electricity, phone, natural gas, and sanitary sewer (Loma Linda Sanitation District -LLSD), development water supplied by two on-site wells with water supply adequacy reports in 2016.

COUNTY LAND USE DESIGNATION: Florida Mesa Planning District designated as Small Lot Residential allowing up to 4 units per acre. The property is not subject to the intergovernmental agreement between the City of Durango and La Plata County or the Grandview Area Plan.

WATER & IRRIGATION: There are two decreed wells on the property with a combined conditional water right of 150 gpm (.0333 cfs). Both wells have a 2006 priority date. Vista Montana Well #1, Permit #255079, was granted diligence in Case No. 13CW08, Water Division 7, in December 2013. Vista Montana Well #2, Permit # 64252-F, was granted diligence in Case No. 13CW07, Water Division 7, in December 2013. Well #1 is 120 feet deep with a test capacity of over 100 gpm. Well #2 is 160 feet deep with a test capacity of over 60 gpm. Included with the property are 40 "B" shares of stock (= 1 cfs) in the Florida Consolidated Ditch Company, which has a large irrigation canal that runs through the property. The Development also owns 87 AF of Florida "Project Water." This water is released from Lemon Dam during the irrigation season when the Ditch Company water is out-of-priority or the Florida River is low, and the canal is not able to divert its full decreed capacity. The Project Water was developed by the United States Bureau of Reclamation and is operated by the Florida Water Conservancy District (FWCD).



PARCEL 2

1.09 – ACRE COMMERCIAL CORNER
SWC HWY 160 & THREE SPRINGS BLVD
DURANGO, COLORADO, 81303

ORIGINAL PRICE: \$1,200,000
OPENING BID: \$400,000

CERTIFIED OR CASHIER'S CHECK
REQUIRED TO BID: \$40,000

La Plata County Parcel Numbers:
566911102032 and 566911102033

Real Estate Taxes (2017): \$7,889.52

PROPERTY DESCRIPTION: 29026 E US HWY 160, Durango, Colorado, 81303 is a 1.09 – Acre Prime Commercial Corner located on the Southwest Corner of Hwy 160 & Three Springs Blvd, across from the Award Winning Mercy Hospital and the 680-Acre Three Springs Master Planned Mixed – Use development. The property is located just east of Historic Downtown Durango in the Grandview Retail Corridor of Durango.

The construction ready site features over 300' frontage on heavily trafficked Highway 160, the major east-west highway linking Durango to Bayfield and Pagosa Springs to the east and Cortez on the west. All utilities are on site including city sewer & water, electricity, phone and natural gas. The zoning designation is Commercial - General which provide for community and neighborhood-scale retail, restaurant, and service uses, and for general and medical offices.



PARCEL 3

118.93 – ACRE RANCH
72 – ACRES IRRIGATED
IGNACIO, CO – LA PLATA COUNTY

ORIGINAL PRICE: \$375,000
MINIMUM BID: \$125,000

CERTIFIED OR CASHIER'S CHECK
REQUIRED TO BID: \$25,000

La Plata County Parcel Number:
616501200132

Real Estate Taxes (2017): \$826.604

PROPERTY DESCRIPTION: 2947 County Road 321, Ignacio, Colorado, 81137 is located in one of the most productive farm areas of Southwest Colorado. The property consists of 118.93 acres with approximately 84 acres used for hay production. 72 acres are under flood and sprinkler irrigation with some irrigation improvements for center pivot and side-roll sprinklers. Approximately 35 acres of the property is fenced and cross fenced for grazing horses or cattle.

The property features a 40'x80' pro-panel barn with 400-amp electric service and water plus an additional 14' x 48' lean too. There is a 200'x300' sand riding area. Utilities include water, electricity, septic and propane gas. The site includes 72 shares in the Pine River Canal Company and 72 shares of PRID (Pine River Irrigation District) water.

All four pastures throughout the property include water service from the well pump and electric service from the electric service board at the barn. There are beautiful views from the entire property of the peaks of the San Juan Mountains and the 30-mile-long Lake Navajo with its fantastic recreational opportunities is just minutes away. Historic Downtown Durango is approximately 31 miles and the Durango- La Plata County Airport is only 20 miles from the site.



AREA: La Plata County Colorado

La Plata County is a vibrant and diverse locale situated among the San Juan Mountains in the high desert of Southwest Colorado. Across 1,690 square miles, La Plata County provides a beautiful locale for 55,000 residents to call home and draws over one million visitors from around the world to experience second-to-none recreational opportunities in a setting rich in history, archaeology, culture and natural features. La Plata County's is a diverse community steeped in agriculture, commerce, natural resources, educational and innovative businesses.

Auction Date:

April 26, 2018 at 4:30 p.m.

Auction Location:

The DoubleTree Hotel Durango
501 Camino Del Rio
Durango, Colorado 81301

(970-259-6580)

From superb arts and culture to award winning healthcare, Durango, Colorado draws national attention as one of the best places to live. Its diverse landscape that begins with white-capped mountain peaks and transitions into high desert vegetation creates a distinctive environment. Combine this rarity with top-rated educational choices, the finest Native American cultural sites, an eclectic music scene and a wealth of outdoor adventures. Area attractions include Mesa Verde National Park, Canyons of the Ancients National Monuments, San Juan National Forest, Durango & Silverton Narrow Gauge Railroad, the Colorado Trail and Lake Navajo.



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901 Main Ave
Durango, CO 81301

AUCTION TERMS AND CONDITIONS

PROPERTY AND DOCUMENT REVIEW. The Bidder Package CD will contain the following information if available and/or applicable: auction and market area information, real estate tax information, auction brochure with the Auction Terms and Conditions, specimen Real Estate Purchase and Sale Agreement (the "Contract"), Title Commitment with underlying documents, water information, plat maps, and Phase I Environmental Assessment. Bidder Package CD's will be available by phone at (312) 223-8324. Bidder Package CD's will be sent via first class mail. For Federal Express overnight delivery, please include your Federal Express account number or provide a check in the amount of \$35 per Bidder Package CD ordered. All information contained in the Bidder Package CD, the auction brochure and all other auction materials should be reviewed by each prospective bidder and their attorney in advance of the auction. AUCTION SERVICES GROUP, INC. ("AUCTIONEER") AND WELLS GROUP OF DURANGO, INC. ("COLORADO BROKER") ALL LICENSEES ENGAGED BY OR ASSOCIATED WITH AUCTIONEER AND COLORADO BROKER, REPRESENT THE SELLER IN THE SALE OF THESE PROPERTIES.

CONDITION OF THE PROPERTIES. The properties are being sold on an AS IS, WHERE IS basis.

AUCTION DAY REGISTRATION. It is recommended that bidders arrive approximately one hour prior to the scheduled auction time so that there will be time to register and have any property-specific or auction related questions answered. To be eligible to bid, each prospective bidder must register prior to the auction, present the required cashier's or certified check and receive a numbered bidder's card.

AUCTION PROCESS. Minimum Bid Offering. The final high bids on Parcel 1 and Parcel 3 will be accepted at the time and place of the auction provided the high bids are equal to or greater than the published minimum bids. In the event the highest bid is not equal to or greater than the published minimum bid, then the final high bid will be subject to seller acceptance until 4:00 pm., MDT on Monday, April 30, 2018. These bid(s) must remain irrevocable by the bidder during this period. All successful high bidders will be notified at the auction, by telephone, certified mail or facsimile in the event their bid is accepted. Failure to notify the bidder does not constitute acceptance of bid by seller. **Reserve Offering.** Parcel 2 is offered with reserve which means that the final high bid is subject to seller acceptance until 4:00 pm., MDT on Monday, April 30, 2018. The bid must remain irrevocable by the bidder during this time period. The seller reserves the right to accept the final high bid at the time and place of the auction and the seller or an authorized representative will be present at the auction in order to execute the Real Estate Purchase and Sale Agreement. The high bidder will be notified at the auction or by telephone, certified mail, e-mail or facsimile in the event their bid is accepted. Failure to notify the bidder does not

constitute acceptance of bid by the seller.

The bidding will be open outcry. Registered bidders may choose to place their bids either directly to the Auctioneer or through an Auctioneer's assistant. The Auctioneer will control the manner in which the auction is conducted, the increments of bidding and the order of bidding. All announcements made by the Auctioneer on the day of the auction will take precedence over all prior oral or written information. If any disputes arise, the Auctioneer's records shall be deemed conclusive and final. The Auctioneer reserves the right to refuse admittance to or eject any person from the auction room for whatever reason he deems appropriate. The Contract to be signed at the auction will supersede all prior oral or written information.

EXECUTION OF THE CONTRACT. The successful high bidder, as identified by the Auctioneer, will immediately execute the Contract and deposit the required cashier's or certified check made payable to Colorado Title & Closing Services ("Escrow Agent") as initial earnest money. The initial earnest money MUST be increased by wire transfer, cashier's or certified check to an amount equal to twenty percent (20%) of the sum of the high bid price and the Buyer's Premium, if applicable, (as hereinafter defined) and deposited with Escrow Agent (the "Supplemental Deposit") on or before 10:00 a.m. MDT, May 1, 2018. The sale must close on or before Friday, June 1, 2018 for Parcel 1 and Friday June 15, 2018 for Parcel 2 & 3, at which time the high bidder will pay the remaining balance of the purchase price. An Owner's Fee Title Insurance Policy will be provided by Westcor Land Title Insurance Company. Title insurance, escrow fees, general real estate taxes and all other closing expenses shall be paid at closing by either the high bidder or the seller, as provided for in the Contract.

BUYER'S PREMIUM. The high bidder will pay a premium equal to 10% of the high bid price. This amount will be added to the high bid price to determine the purchase price as provided in the Contract.

BROKER PARTICIPATION. Broker participation may be permitted under the following guidelines: A real estate commission equal to two percent (2%) will be paid to the duly licensed real estate broker acting as a Buyer Agent whose registered prospect closes in accordance with the Contract. To be eligible for a commission the broker must (i) be currently licensed as a broker in the state of Colorado, (ii) identify the prospect by name and address, acquire their prospect's signature confirming Buyer Agent's arrangement on the broker's company letterhead, and send the registration letter by certified mail, return receipt requested, to Auction Services Group, Inc. 2 N. LaSalle Street, Suite 1800, Chicago, Illinois 60602, Attn: Robert Roggeveen. This letter must be received by Auctioneer prior to April 18, 2018. A broker will not be eligible to register a prospect that has had contact with the Auctioneer, seller or any of their related parties prior to receipt by Auctioneer of

broker's registration letter, and lastly (iii) attend and register with the prospect at the auction. Eligible brokers will be sent an acknowledgment letter and are required to bring this letter to the auction. There will be no commission paid to a broker if that broker is representing themselves, their company, another broker or a broker in their company, or a member of the broker's family. An affidavit will be required to be signed by broker to certify that the broker is not acting as a principal in any manner whatsoever. Colorado Broker, Auctioneer and seller offer no sub-agency to any broker or agent.

NO ORAL REGISTRATIONS WILL BE ACCEPTED AND THERE CAN BE NO EXCEPTIONS TO THIS BROKER REGISTRATION PROCESS.

BROKERS WHO HAVE NOT MET ALL OF THESE REQUIREMENTS FOR BROKER PARTICIPATION WILL NOT BE PAID A COMMISSION EVEN THOUGH THE PROSPECT PURCHASES THE PROPERTY.

DISCLAIMER. INFORMATION CONTAINED IN THIS AUCTION BROCHURE AND THE BIDDER PACKAGE HAS BEEN OBTAINED FROM THE SELLER AND OTHER SOURCES DEEMED TO BE RELIABLE. HOWEVER, NEITHER THE SELLER, COLORADO BROKER, AUCTIONEER, RELATED PARTIES NOR THEIR AGENTS MAKE ANY REPRESENTATIONS OR WARRANTIES AND HEREBY DISCLAIM ANY AND ALL ALLEGED REPRESENTATIONS AND WARRANTIES AS TO THE ACCURACY OR COMPLETENESS OF THIS INFORMATION. ALL BIDDERS ARE DEEMED TO ACKNOWLEDGE THAT THEY HAVE HAD AN OPPORTUNITY TO INSPECT THE PROPERTY AND ALL PERTINENT DOCUMENTS AND RELATED WRITINGS PRIOR TO MAKING BIDS, AND ALL BIDDERS ARE DEEMED TO HAVE RELIED SOLELY ON THEIR REVIEW AND UPON THEIR OWN INVESTIGATION AND INSPECTION IN MAKING THEIR BIDS. EACH PROSPECTIVE BIDDER MUST UNDERTAKE AND RELY ON HIS OR HER OWN INVESTIGATION OF THE PROPERTY AND DISCLAIMS ANY AND ALL RELIANCE UPON SAID INFORMATION.

Colorado Broker and Auctioneer reserve the right, without prior notice, to postpone or cancel the auction in whole or in part, modify these Auction Terms and Conditions, withdraw any property before or at the auction, and to sell any property prior to the auction.

This is not an offering or solicitation to residents of any state where this offering is prohibited by law.

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