

# AUCTION BIDDING INSTRUCTIONS

**Antelope Plains**  
**Eight Properties**  
**Totaling 1,367.57± acres**  
**Kern County, California**

**The property will be auctioned on Wednesday, April 8<sup>th</sup>, 2009**  
**at 1:30pm**  
**Pearson Realty Bakersfield Office**  
**1801 Oak Street**  
**Bakersfield, CA 93301**

## **Bid Process**

All sealed bids must be in writing, signed and submitted to Jim Olivas, or Charise Weisenborn of Pearson Realty before 1:30PM, Wednesday, April 8<sup>th</sup>, 2009 at which time each bid will be opened. Each sealed bid should include the following:

### **Sealed Bid – Step 1**

1. Completed and signed sealed bid auction form with \$1,000 deposit made payable to Pearson Realty Trust Account. (Exhibit A);
2. All sealed bids must be in possession of Pearson Realty before 1:30pm on day of auction.

### **Live Auction – Step 2**

All qualified sealed Bidders will be eligible to participate in a **live overbid** auction at 1:30pm on Wednesday April 8<sup>th</sup> at Pearson Realty 1801 Oak Street, Bakersfield, California. No overbids will be accepted unless a sealed bid has been received and verified as a qualified bid. A qualified bidder is one that has completed, signed and submitted a bid form together with the \$1,000 deposit (Exhibit A), without modifications, to the auction company prior to the opening of sealed bids. In the event there are no overbids then the highest qualified sealed bidder for each parcel may receive the right to complete the purchase of the property. The acceptance is subject to the terms and conditions specified in these instructions, signed sealed bid form and purchase agreement. No changes or modifications to these agreements will be acceptable. The first minimum overbid will start at \$500 above the highest sealed bid. After the first overbid for each parcel or combination of parcels any amount can be bid until the highest bid price is reached.

### **Property Transfer – Step 3**

The winning bidder(s) will be required to sign a purchase contract in the form of Exhibit ( E ) within two (2) business days after notice of acceptance. A winning bidder must make a deposit equal to 10% of the final purchase price, which deposit must be delivered to Stewart Title Company in Bakersfield together with the mutually signed purchase contract. This 10% deposit shall be non-refundable to the bidder and shall be credited to the purchase price. Escrow shall close no later than April 29, 2009.

## **INVITATION**

All qualified bidders and guests are invited to a pre-auction reception at 12:30PM at Pearson Realty, 1801 Oak Street, to share refreshments and have auction staff review any questions prior to opening of the sealed bids at 1:30pm.

### **Absentee Bidders**

If Bidder is unable to physically attend the auction then arrangements can be made directly with Auction Management for overbid by proxy or the auction company can connect via audio or visual hookups. Please contact the Auction Company or administrator within 48 hours of scheduled auction.

Suggested Minimum Parcel Bid

Minimum suggested sealed bid schedule. The following is a schedule of available bid parcels with recommended prices:

**Antelope Plains**

<b><u>Property Number</u></b>	<b><u>Acres &amp; Location</u></b>	<b><u>Suggested Minimum Bid</u></b>
Property 1	54.63± acres (Hwy 46)	\$ 60,000
Property 2	154.36± acres (Hwy 46)	\$154,360
Property 3	154.48± acres (Hwy 46)	\$160,000
Property 4	243.30± acres (Hwy 46)	\$245,000
Property 5	40± acres (Kecks Rd.)	\$ 30,000
Property 6	80.32± acres (Kecks Rd.)	\$ 60,240
Property 7	160 acres (Kecks Rd.)	\$120,000
Property 8	480.48 acres (Kecks Rd.)	\$360,360

Bidding for more than one parcel is encouraged. The Seller will review sealed bids and overbids on individual properties and combinations to select the winning bidder. A qualified bidder may complete a form for an individual parcel and then compete for other parcels or combination of parcels at the live overbid session. To qualify for a combination bid, a bidder must have submitted a qualified bid on at least one parcel or any combination. The Auction Company encourages multiple parcel bidding and combinations to provide greater opportunities for bidder.

The Auctioneer and Seller reserve the right to withdraw from sale any of the properties listed or to sell at this auction items not listed and also reserve the right to group one or more lots into one or more selling lots or to sub-divide in two or more selling lots. The Seller reserves the right to sell all of the parcels listed in bulk, separately or in any combination thereof in Seller's sole and absolute discretion.

If any disputes arise between two or more bidders the Auctioneer and Seller may decide the same or may immediately put the lot up for sale again and resale to the highest bidder. The decision of the Auctioneer and Seller shall be final.

Additional Terms and Conditions – Any additional terms or conditions of the sale added by Auctioneer or Seller shall be announced prior to the auction.

Terms and Conditions of Sale

The transfer of these properties are for all cash. Bidder must be prepared and qualified to complete this transaction by April 29<sup>th</sup>, 2009. Highest bidder will be notified at Auction site or the following day after sealed bids are opened if bidder is not present.

The winning bidder will be required to sign a purchase contract (See Exhibit E ), within 2 business days after notification of acceptance. Winning bidder's deposit will equal 10% of the final purchase price and be delivered to Stewart Title Company in Bakersfield with a mutually signed contract. This deposit shall be non-refundable to bidder and shall be credited to the purchase price.

The highest bid shall be considered an agreement to buy and is final. Buyers acknowledge that these properties are being sold at public auction subject to all existing covenants, conditions, restrictions, reservations, easements, rights of way, assessments, zoning and all governmental doctrines. See Preliminary Title Report Exhibit ( F )

The following applies respecting Properties 1, 3 and 4 listed above. The northeasterly 107.50 feet of each parcel where it abuts Highway 46 will be sold to Cal Trans for the freeway widening project by the Seller before the auction. The acreages provided in the above list and on pages 3 and 4 below are net of the land to be sold to Cal Trans. In addition, before the auction, Seller will sell to Cal Trans an easement over the next most northeasterly 10 feet (adjacent to the new freeway boundary), where Southern California Gas Company will relocate a natural gas pipeline. Parcels 1 and 3 are subject to a temporary construction easement for the Highway projects which

expires no later than 12/1/2012. All proceeds from these sales will be received and retained by Seller.

### Seller Representations

Other than specifically disclosed herein Sellers have not made, do not make and expressly disclaim any warranties, representations, covenants or guarantees expressed or implied or arising out of operation of law as to the merchantability, habitability, quantity, quality or environmental conditions of the property or its suitability of fitness for any particular purpose or use. All mineral, oil and gas rights are reserved by Seller.

Seller reserves the right to reject any bid lower than the suggested minimum. Any qualified bid at or above the suggested minimum will automatically go to overbid.

### Properties

#### Description

**Antelope Plains-** Nestled in the Antelope Plains awaits your investment in California Real Estate. These opportunities are easily accessed and are just 50+-miles east of Paso Robles Wine country, 150+-miles north of Los Angeles, and 250+-miles south of San Francisco. There are a variety of possibilities for each of these offerings and a size to fit your needs. These parcels could be ideal for recreational applications (hunting, ATV's, equestrian, etc), conservation, mitigation, cattle grazing, horseback riding, solar, retirement location or just a simple get away to the California's great outdoors. (Exhibit ( D ) Zoning/Uses, all properties are zoned agricultural)

Property #1 – 54.63± net acres is north of Highway 46 and 5± miles west of Highway 33. This property has excellent frontage on Highway 46 and is easily accessed from the highway through private easement. The gentle rolling topography will support many uses including dry land farming, livestock grazing and recreational uses. There is natural gas located along Highway 46 to support future development. The properties elevation is approximately 800 ft above sea level and from the property there are vast vistas of Antelope Plains. Property is currently leased through the end of 2009 providing prorated cash income for this property. Cal Trans is currently widening highway and will provide turnouts near the property.

Property #2 – The 154.36 acre property sits approximately ½ mile south of Highway 46 and is accessed through a private easement developed specifically for access to this and adjacent property. The property is used for grazing but could be developed to a single family residence or other related agricultural uses. The property has been farmed to dry land grains in the past. Elevation is from 840 to 1,062 ft above sea level. Small rises on the property with light rock out cropping offer nice vistas of the Antelope Plains. The property is currently leased for grazing purposes providing prorated income for 2009.

Property #3 – This 154.84± acres property lies adjacent to Highway 46 this picturesque grazing property offers direct access and frontage on Highway 46. The property and the use for a single family residence and related agricultural uses including equestrian uses, off-road vehicle uses and other recreational uses. The property has a grazing lease providing prorated income for 2009.

Property #4 – This 243.3± acre property lies directly south of Highway 46 with excellent frontage and access through a private easement. The property has been used for dry land farming and grazing purposes in the past. The property would support a single family residence with related agricultural uses. The property gently slopes to the Shale mountains providing unlimited vistas of the Antelope Plains and San Joaquin Valley. A great location for ATV and equestrian activities throughout the property. The property is currently leased for grazing purposes throughout 2009.

Property #5 – 40 acres property is the smallest of acreages offered in this auction with the greatest view of the Antelope Valley Plains and western sunsets. The property is located through a private easement and is gently rolling with some rock outcroppings. The property is used for grazing purposes and is currently leased through 2009. There is electric transmission lines power adjacent to the property.

Property #6 – 80.32 acre property is located one mile east of Kecks Road on a private access easement. Elevation is 680 to 800ft above sea level. This property enjoys electrical power from two sides and is located within the Berrenda Mesa Water District but does not receive agricultural water allocations. Currently the property is leased for 2009 and the tenant makes arrangements for livestock water uses. The property has several raised locations on the property that would make excellent building sites to allow views of the Antelope Plains. The property is currently leased through 2009.

Property #7 – 160 acre parcel located approximately 1 mile east of Kecks Road. This property was formerly planted to an almond orchard in the past. This property is currently used for grazing purposes and is located in the Berrenda Mesa Water District but does not receive agricultural irrigation water. The property is used primarily for grazing but could be used for dry land farming and has electric power on two sides. It is gently rolling to nearly flat and provides for numerous land use opportunities.

Property #8 – 480.48 acres. The largest property offering in the auction. This property has been farmed in the past to permanent crops but is currently used for grazing purposes and dry land farming. The property is approximately ¼ mile west of Kecks Road and accessed from a private easement. This property is currently used for grazing purposes and is located in the Berrenda Mesa Water District but does not receive agricultural irrigation water. Adjacent to the property is a mature pistachio orchard that shows great vigor and productivity. The property is currently leased for grazing purposes through 2009. Elevations range from 680 to 720ft elevation. This nearly level property could support a variety of agricultural enterprises.

#### **(Shown by Appointment Only)**

To tour the properties contact Robb Stewart, Pearson Realty, in Bakersfield direct line 661.334.2796, cell 661.303.2930, email [rstewart@pearsonrealty.com](mailto:rstewart@pearsonrealty.com) or Jim Olivas, Pearson Realty, direct line 559.302.1903, cell 559.287.9939, email [jolivas@pearsonrealty.com](mailto:jolivas@pearsonrealty.com).

#### **Buyer Affirmation**

Upon submission of sealed bid form Buyer affirms that it has:

1. Investigated and inspected the property to its satisfaction and is familiar with the condition and location of the property and has made its own determination as to the merchant ability, quantity, and quality condition of the property including the presence or absence of toxic or hazardous substances.
2. Acknowledged that the property is suitable for Buyer's particular use. Buyer hereby accepts the property in its present condition on an "As Is, Where Is", basis and acknowledges the existing condition and location of the property and therefore Sellers shall be under no obligation whatsoever to undertake any repairs or alterations with respect to any portion of the property.

#### **Title Escrow and Fees**

The Seller warrants that title to the property on the date of sale is free of all monetary liens except non-delinquent real property taxes and assessments. Title insurance, documentary transfer tax, auction fees, and ½ of escrow fee will be paid by Seller. Bidder shall be responsible for all other customary closing costs. Stewart Escrow and Title, Ms. Jennifer Navaro, Escrow Officer, Phone 661.852.2406 at 8501 Brimhall Road #202, Bakersfield, CA 93312 will process all escrow documentation and title transfer.

#### **Buyer's Broker Participation**

A 2% fee will be paid to any properly licensed real estate broker who registers a successful bidder according to the broker participation agreement. Buyer registration forms are available from the auction office and must be signed by the broker and bidder. Fax or Email completed and signed forms to Pearson Realty, Jim Olivas at [jolivas@pearsonrealty.com](mailto:jolivas@pearsonrealty.com), no later than 24 hours before auction. (Exhibit H)

### Information Packages

A complete property due diligence information package has been prepared to assist a Buyer in evaluating this property. The property information package is available online [www.pearsonrealtyauction.com](http://www.pearsonrealtyauction.com) or by contacting Jim Olivas (559)302-1903, email [jolivas@pearsonrealty.com](mailto:jolivas@pearsonrealty.com) or Robb Stewart (661)334-2796, email [rstewart@pearsonrealty.com](mailto:rstewart@pearsonrealty.com) Charise Weisenborn (559)302-1901, email [cweisenborn@pearsonrealty.com](mailto:cweisenborn@pearsonrealty.com) at Pearson Realty Visalia Office (559)732-7300.

### Disclaimer

Dimensions and acreage are based on information provided by the Sellers and public records, and are believed to be correct. However, Purchaser and/or Purchaser's Agent shall bear the responsibility to confirm all calculations prior to auction. The Auction Company believes the information contained herein to be correct. It is obtained from sources which we regard as reliable, but Sellers, Auction Company and real estate brokers assume no liability for its accuracy.

For additional property information:

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