

**AUCTION REAL ESTATE SALES CONTRACT**

The undersigned, \_\_\_\_\_ PRESUMED, being of legal age, a citizen of the United States of America, with United States Passport number \_\_\_\_\_, hereinafter referred to as “The Seller”, and \_\_\_\_\_ (“Buyer”), of legal age, domicile in \_\_\_\_\_(City, State, Country), and the \_\_\_\_\_(type) identification number \_\_\_\_\_, hereinafter referred to as “The Buyer” have agreed to execute this mutual contract and binding obligations to purchase and sell real estate property in the Province of Puntarenas, Republic of Costa Rica, in accordance with the provisions of sections 1054 and 1055 of the Costa Rican Civil Code for a *promesa recíproca de compraventa* and per the following terms and conditions:

**1. AGREEMENT TO PURCHASE.** In consideration of the sum as identified in Paragraph 2 below, the mutual covenants herein set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller agrees to sell to Buyer, by Warranty Deed, and Buyer agrees to purchase from Seller, pursuant to the terms and conditions hereinafter set forth, the real property identified as registered with the Public Registry, Section of Real Estate, of the Province of Puntarenas, registration number Legal Description: See Exhibit A attached.

**2. Total Purchase Price** .....\$ \_\_\_\_\_

**Non-Refundable Down Payment/Deposit** ..... \$ \_\_\_\_\_

In U.S. Funds, based on 10% of the Total Purchase Price, to be held in a non-interest bearing escrow account by Closing Agent.

**Balance of Purchase Price** ..... \$ \_\_\_\_\_

In U.S. Funds, due at Closing, not including Buyer’s Closing Costs or financing costs, prepaids or prorations, in immediately available cash or by confirmed wire transfer. The Buyer shall pay the remainder of the purchase price and all transaction costs and incidentals with the execution of the public deed of conveyance of the Property pursuant to Costa Rican laws and in any manner that is valid and binding thereunder, including any one of the following alternatives: first, appearing simultaneously with the Seller at a mutually agreed time and place before a Costa Rican Notary Public, or a Costa Rican Consul duly authorized to issue a public deed of transfer, or, second, appearing individually before a Costa Rican Notary Public or a Costa Rican Consul to execute a public deed of power of attorney under Costa Rican law for an individual to appear on his behalf for the execution of a public deed of transfer. The Buyer will approve the designation of the Notary Public or Consul who shall authorize the public deed of conveyance of the Property.

**3. CLOSING.** Closing shall take place with \_\_\_\_\_ (“Closing Agent”), whose address is \_\_\_\_\_, on or before \_\_\_\_\_, 2017 (the “Closing Date”). The contact person is \_\_\_\_\_ (phone: \_\_\_\_\_). At Closing, Seller shall deliver to Buyer a public deed of conveyance of all property rights (the “Deed”), which shall convey fee simple title to the Property to Buyer without any warranties, including, without limitation, habitability or fitness for a particular purpose, and an Assignment and Assumption of Leases which shall assign any leases of the Property to Buyer; and Buyer shall pay, or cause to be paid, Seller the Total Purchase Price and shall execute and deliver to any tenant of the Property an acknowledgement of receipt of its security deposit in form required by applicable law. Seller and Buyer shall also execute and deliver any notices, statements, certificates, affidavits, releases or other documents required by this Contract, the Title Commitment (as hereinafter defined) or applicable

Seller: \_\_\_\_\_ / \_\_\_\_\_

Buyer: \_\_\_\_\_ / \_\_\_\_\_

law. Possession of the Property shall be delivered at Closing, subject to those matters contained in the Deed, Title Commitment and this Contract. Time is of the essence in this Contract.

**4. TAXES AND OTHER PRORATIONS.** The current year's Property Taxes shall be prorated between Seller and Buyer at Closing based upon the amount of taxes for the prior year. All unpaid taxes for prior years, if any, shall be the responsibility of Seller. Buyer shall assume the payment of taxes for the year of Closing and all subsequent years. Buyer shall pay the prorated taxes for the remainder of the year of Closing and shall deliver Seller a copy of the tax receipts evidencing payment thereof within ten (10) days after payment. In the event that the taxes for the year of Closing are more or less than the taxes for the prior year, Seller and Buyer shall adjust the amount of the proration and Seller shall pay to Buyer the amount of any underpayment or Buyer shall pay to Seller the amount of any overpayment, as may be the case. In addition, all rents, operating expenses and utilities shall be prorated between Seller and Buyer as of the Closing Date and Seller shall pay to Buyer any tenant security deposits and Buyer shall pay to Seller any prepaid security deposits paid by Seller for utilities or other items. This Paragraph 4 shall expressly survive the Closing.

**5. CLOSING COSTS:** The Buyer will bear all registration fees, notary fees, stamp taxes, land conveyance taxes, and one-half of the Escrow Agent fees, and shall undertake and cause payment to be made to the corresponding authorities and service providers in order to register and implement the conveyance of the Property.

**6. TERMS.** This is a cash or financed sale with Ten Percent (10%) down payment, with the balance due at Closing on or before \_\_\_\_\_, 20\_\_\_. This sale is not contingent upon financing or due diligence. BUYER ACKNOWLEDGES AND AGREES THAT BUYER'S OBLIGATIONS UNDER THIS CONTRACT ARE NOT CONTINGENT UPON BUYER OBTAINING A LOAN FROM ANY LENDER. ACCORDINGLY, BUYER SHALL BE OBLIGATED TO PERFORM ITS OBLIGATIONS UNDER THIS CONTRACT WHETHER OR NOT BUYER CAN OBTAIN A LOAN TO FINANCE THE PURCHASE OF THE PROPERTY.

**7. DOWN PAYMENT/ DEPOSIT AND CLOSING AGENT.** Buyer and Seller hereby acknowledge and agree that Closing Agent shall hold and deliver the Down Payment/Deposit, in accordance with the terms and conditions of this Contract, and that Closing Agent shall be relieved of all liability and held harmless by both Seller and Buyer in the event Closing Agent makes a disbursement of the Down Payment/Deposit in accordance with the terms and provisions of this Contract. Closing Agent shall be relieved from any responsibility or liability and held harmless by both Seller and Buyer in connection with the discharge of any Closing Agent's duties hereunder provided that Closing Agent exercises ordinary and reasonable care in the discharge of said duties. Both parties understand that the Buyer's Down Payment/Deposit is non-refundable unless the Seller fails to close this transaction.

**8. DISCLAIMER OF WARRANTIES ("AS-IS" CONVEYANCE)**

(a) Buyer warrants and acknowledges to and agrees with Seller, and Mark Woodling of United Strategic Client Services ("Auctioneer") that Buyer is purchasing the Property in an "As-Is, Where Is" condition "WITH ALL FAULTS" and specifically and expressly without any warranties, representations or guarantees, either expressed or implied, of any kind, nature, or type whatsoever, from or on behalf of the Seller and the Deed will contain appropriate disclaimers to this effect.

(b) Buyer acknowledges to and agrees with Seller and Auctioneer that with respect to the Property, Seller and Auctioneer have not, do not, and will not make any warranties or representations, expressed or implied, or arising by operation of law, including, but in no way limited to, any warranty as to the value, physical condition, square footage, environmental condition, zoning, good repair, operability, habitability, tenantability, suitability, merchantability, profitability, marketability, past or present compliance with any

rules, regulations, covenants or restrictions, development potential or fitness for a particular use or purpose of the property.

(c) Buyer acknowledges that it is Buyer's responsibility to make such legal, factual and other inquiries and investigations, as Buyer deems necessary with respect to the Property. Buyer acknowledges that Buyer has executed this Contract based solely on its own independent due diligence investigations and findings, and not in reliance on any information provided by SELLER OR AUCTIONEER or their affiliates, agents, officers, employees or representative. Buyer acknowledges that Buyer has not relied, and is not relying upon information, document, sales brochures or other literature, maps or sketches, projection, pro forma, statement, representation, guarantee or warranty (whether expressed or implied, oral or written, material or immaterial) that may have been given or made by or on behalf of the Seller or Auctioneer.

(d) Buyer shall look only to Seller, and not to Auctioneer, as to all matters regarding this Contract and the Property. The Auctioneer shall not be responsible or liable in any way if the Seller fails or refuses to or cannot close this transaction.

(e) Without in any way limiting the generality of the preceding subparagraphs (a) through (d), Buyer specifically acknowledges and agrees that Buyer hereby waives, releases and discharges any claim it has, might have had, or may have against Seller and Auctioneer with respect to the condition of the Property, either patent or latent.

**9. PROPERTY INSPECTION.** It is the Buyer's sole responsibility to perform all inspections (physical, legal, economic, environmental, archeological or otherwise) on the Property and to be satisfied as to its condition prior to making an offer on the Property; review all property information and due diligence materials; independently verify any information Buyer deems important including information available in public records; and inquire of public officials as to the applicability of and compliance with land use and environmental laws building ordinances, zoning, health & safety codes, and any other local, state or federal laws and regulations.

Buyer is responsible for the costs of all inspections, surveys, engineering reports, -environmental studies, including, but not limited to, lead-based paint tests, or for any other work performed at Buyer's request and Buyer shall pay for any damage which occurs to the Property or to any person as a result of such activities. Buyer shall not permit any claims or liens of any kind against the Property for inspections, surveys, engineering reports, or for any other work performed on the Property at Buyer's request. Buyer agrees to indemnify, protect and hold Seller and Auctioneer harmless against any liability, damage, cost or expense incurred, directly or indirectly, by Seller, as result of Buyer's inspection, examination, or survey of the Property, either prior to, on or after the date hereof. This indemnity includes Seller's right to recover all costs and expenses incurred by Seller to enforce this section, including Seller's reasonable attorney's fees. Buyer agrees to repair any damage caused by such inspections and to restore the Property to its condition prior to the inspection. This Paragraph 9 shall expressly survive the Closing and any termination of this Contract.

**10. TITLE.** Buyer hereby acknowledges receipt of a title documents (the "Title Documents") issued by the Closing Agent as agent for Facio Abogados, 3802 VMG Business Center, Guachipelín, Guachipelín, Escazú, San José, Costa Rica. Tel: (506) 2506-3889 (the "Title Attorney"). Buyer hereby agrees to accept title to the Property subject to (i) all standard exclusions and printed exceptions set forth in the Title Documents,, including all matters that would be disclosed by a current and accurate survey of the Property; (ii) liens for taxes not yet due and payable; (iii) easements for public utilities affecting the Property; (iv) all other easements or claims to easements, covenants, restrictions and rights-of-way affecting the Property; (v) rights and claims of parties in possession; and (vi) all title exceptions referenced. Any applicable zoning ordinances, other land use laws and regulations, together with taxes for the current year and those matters, if any, which are waived by Buyer pursuant to this Paragraph 10, shall also be deemed Permitted Title Exceptions. At or prior to Closing, Seller shall satisfy all requirements

Seller: \_\_\_\_\_ / \_\_\_\_\_

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Buyer: \_\_\_\_\_ / \_\_\_\_\_

which are the responsibility of Seller and Buyer shall satisfy all requirements which are the responsibility of Buyer.

Buyer also acknowledges and agrees that:

- (a) Maps and depictions included in the marketing material for the auction are for illustration purposes only and neither Seller, nor Auctioneer warrants or guarantees any of these materials or other information to be accurate or complete.
- (b) Any fencing situated on the Property is not necessarily an indication of the Property boundary.
- (c) Buyer shall be responsible for its own due diligence regarding the availability and/or accessibility of any utilities or the suitability for building on the Property. In addition, the Buyer shall be responsible for obtaining any and all permits for installation of utilities, wells, septic systems, and/or any costs related to such installation. Permits, tanks, meters, lines, and any other applicable fees shall be at the Buyer's expense.
- (d) Only the fixtures, machinery and equipment currently attached to or located upon the Property will be conveyed to Buyer.
- (e) The Property is selling subject to restrictive covenants and easements as shown in the Title Commitment and the Survey.

**11. FIXTURES AND PERSONAL PROPERTY.** All of the furniture, fixtures, machinery and equipment currently attached to or located upon the Property will be conveyed to Buyer.

**12. DAMAGES:** The Property is to be held at the risk of Seller until legal title has passed or possession has been given to the Buyer, whichever occurs first. If, prior to the time legal title has passed or possession has been given to the Buyer, all or a substantial part of the Property is destroyed or damaged, without fault of Seller or Buyer, and the cost to repair such destruction or damage exceeds ten percent (10%) of the Purchase Price, then this Contract, at the option of Buyer upon written notice to Seller, shall be null and void and of no further effect, and the deposits shall be returned to the Buyer. If the cost to repair such destruction or damage is equal to or less than 10%, the Closing will occur and the Seller will assign any insurance proceeds to Buyer in title.

**13. COMMISSIONS.**

- (a) **Brokerage.** Buyer warrants and represents that Buyer [ ] is [ ] is not represented by a Buyer's Broker in this transaction. If Buyer is represented by a Buyer's Broker, the Buyer's Broker's name is: \_\_\_\_\_ . The Buyer's Broker must have performed all requirements of the Buyer Broker Registration as provided by the Auctioneer. Failure to properly register or comply with the provisions of the Guidelines will disqualify the Buyer's Broker from receiving commission.
- (b) **Agency Disclosure.** Auctioneer has acted as agent for Seller in this transaction and is to be paid a commission by Seller pursuant to a separate written agreement between Seller and Auctioneer.

**14. BREACH OF CONTRACT BY SELLER.** If Seller defaults in the performance of any of its obligations pursuant to this Contract, and Closing fails to occur by reason thereof, Buyer, as its sole remedy, may terminate this Contract and receive the Down Payment/Deposit, or waive the default and proceed to Closing. In no event shall Seller or Auctioneer be liable for any damages including special, incidental or consequential damages, or economic loss and/or attorney fees.

**15. BREACH OF CONTRACT BY BUYER.** In the event the purchase and sale contemplated in this Contract is not consummated as a result of Buyer's default, Buyer's Down Payment/Deposit shall be forfeited to Seller, and Seller shall have all rights as allowed by law to file for damages, specific

performance or cancellation of this transaction, with Buyer to be responsible for all costs of suit, including attorney's fees and court costs.

In addition, in the event that Seller is unable to collect on any check delivered by Buyer to Seller or Closing Agent, then, at Seller's option, without notice, this Contract may be terminated immediately and any Down Payment/ Deposit held by Seller or Closing Agent shall be paid to Seller, and Seller may pursue any rights and remedies available at law or in equity.

16. **CASUALTY.** Except as herein provided, all risk of loss with respect to damage to the Property shall be borne by Seller until the Closing; thereafter all risk of loss shall be borne by Buyer. In the event that the Property is, in the opinion of Seller, significantly damaged or is destroyed by fire or other casualty or hazard prior to Closing, Seller shall have the option to restore the Property to its pre-casualty condition or to cancel this Contract and Buyer's Down Payment/ Deposit shall be returned as a complete and final settlement to Buyer of all Seller's obligations hereunder. Should Seller desire to restore the Property to its pre-casualty condition, Seller shall so notify Buyer and thereafter have 120 days to complete such restoration, with the Closing Date to be postponed accordingly.

17. **NOTICES.** All notices under this Contract shall be deemed delivered when emailed, personally delivered or mailed postage prepaid, certified or registered mail, return receipt requested, or when delivery by a courier service to the addresses of the parties set forth in the preamble of this Contract.. Either party may change its address for notice purposes by giving written notice thereof to the other party in accordance with the terms hereof. A copy of all notices given hereunder shall be delivered to Auctioneer and Closing Agent.

18. **WAIVER.** No failure or delay on the part of Seller in exercising any right of Seller nor any action on the part of Seller or any course of dealing or partial performance shall be deemed a waiver of any right of Seller set forth herein or a modification of any terms set forth herein.

19. **ENTIRE AGREEMENT; AMENDMENT.** This written Contract and any Exhibits, Schedules and Addenda attached hereto and made a part of this Contract signed by Buyer constitute the entire and complete agreement between the parties hereto and supersede any prior oral or written agreements between the parties with respect to the Property. This Contract may not be amended, altered, modified or discharged except by an instrument in writing signed by the Buyer and Seller.

20. **SEVERABILITY.** The invalidity of any provision of this Contract shall not affect the validity or enforceability of any other provision set forth herein.

21. **ASSIGNMENT.** Buyer may not assign this Contract or Buyer's rights hereunder without the prior written consent of Seller, which consent may be given or withheld in Seller's sole discretion.

22. **BINDING EFFECT.** This Contract shall be binding upon and inure to the benefit of the parties hereto, and their respective successors, personal representatives, legal representatives, heirs and permitted assigns.

23. **COUNTERPARTS.** The Contract may be executed in one or more counterparts, each of which shall have the force and effect of an original, and all of which shall constitute but one document.

24. **ACKNOWLEDGEMENT.** The Buyer certifies that if Buyer is a natural person, he or she is of legal age and has full legal capacity and authority to understand, execute and deliver this Contract on behalf of himself or herself. If Buyer is a domestic or foreign entity Buyer represents to Seller that the party

executing this Contract on behalf of such entity has the authority to execute this Contract on behalf of such entity, and that such entity shall be bound by the terms and conditions contained herein.

**25. ARBITRATION OF DISPUTES.** This agreement shall be interpreted and applied in accordance with the laws of the Republic of Costa Rica. All disputes arising here from shall be resolved by the courts of the Republic of Costa Rica.

**26. ATTACHMENTS.** The Exhibits, Schedules and Addenda, if any, attached hereto are fully incorporated herein by reference for all purposes.

IN WITNESS WHEREOF, the parties hereto have duly executed this Contract, as of the day and year first above written.

**SELLER:** \_\_\_\_\_  
Printed: \_\_\_\_\_  
Address: \_\_\_\_\_  
City/St/Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

**SELLER:** \_\_\_\_\_  
Printed: \_\_\_\_\_  
Address: \_\_\_\_\_  
City/St/Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

**BUYER:** \_\_\_\_\_  
Printed: \_\_\_\_\_  
Address: \_\_\_\_\_  
City/St/Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_  
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**BUYER:** \_\_\_\_\_  
Printed: \_\_\_\_\_  
Address: \_\_\_\_\_  
City/St/Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_  
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Email: \_\_\_\_\_

# Exhibit A