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7
8 **UNITED STATES BANKRUPTCY COURT**
9 **DISTRICT OF NEVADA**

10 In re:)

11 HARTLAND MMI, LLC)

12 Case No. BK-S-17-10549-mkn
13 Chapter 11

14 Date: March 7, 2018
15 Time: 9:30 a.m.

16 **MOTION TO AUCTION PROPERTY FREE AND CLEAR OF LIENS**

17 COMES NOW, HARTLAND MMI, LLC (hereinafter "Debtor") by and through attorney,
18 David J. Winterton of the law firm of David J. Winterton & Assoc, Ltd., hereby files this Motion
19 to Sell Real Property Free and Clear of Liens ("Motion"). This Motion is made pursuant to 11
20 U.S.C. §§ 105 and 363, and Federal Rules of Bankruptcy Procedure ("Bankruptcy Rules") 2002,
21 6004 and 9014. This Motion is also based upon the pleadings and papers on file, any oral argument
22 presented by counsel and the documents attached herein.

23 Dated this 10 day of February, 2018.

24 DAVID J. WINTERTON & ASSOC., LTD.

25 By: /s/ David J. Winterton
26 David J. Winterton, Esq.
27 Nevada Bar No. 004142
1140 N. Town Center Drive, Suite 120
28 Las Vegas, Nevada 89144
*Attorneys for Debtor and
Debtor in Possession*

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MEMORANDUM OF POINTS and AUTHORITIES

COMES NOW, HARTLAND MMI, LLC (hereinafter "Debtor") by and through attorney, David J. Winterton of the law firm of David J. Winterton & Assoc, Ltd., hereby files this Motion to Auction Real Property Free and Clear of Liens. The property is situated in Clark County, State of Nevada.

I.
HISTORY OF THE CASE

The Debtor filed bankruptcy on or about February 8, 2017 to stop a pending foreclosure by the mortgage holder on a piece of property owned by the Debtor located at 1040 S. Sixth Street, Las Vegas, Nevada. Counsel for the Debtor filed his application and it was approved on April 6, 2017. The Debtor attend a 341 creditors meeting on or about March 16, 2017. It was continued to April 20, 2017. It was then continued to May 5, 2017 at which time it was concluded.

The Debtor retained Coldwell Banker Premier Realty as a real estate broker for the Debtor. The application was approved by the bankruptcy court. The listing has now expired and the Property has been marketed for over a year. The Debtor has been objecting to a few of the claims to clear the title and help resolve a number of issues. There has been a motion to appoint a trustee, and motion regarding the use of cash collateral. All of those issues have been continued pending the hearing on the Auction of the real property. In addition, the Debtor is current in its monthly operating reports and US Trustee's fees. The real property has been marketed for over a year. The Debtor wants to proceeded with an auction.

II.
LEGAL SUPPORT AN ANALYSIS

This Motion is a core proceeding pursuant to 28 U.S.C. §§ 157(b)(2)(A), (N), and (O). The statutory predicates for the relief requested in the Motion are 11 U.S.C. §§ 105 and 363, and Federal Rules of Bankruptcy Procedure ("Bankruptcy Rules") 2002, 6004 and 9014. All of the property is situated in Clark County, State of Nevada.

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1 Notice of the auction and hearing on the approval of the Motion (the "Notice") was duly
2 served on (a) the Debtor and [his] counsel, (b) all creditors and interested parties pursuant to
3 Bankruptcy Rule 2002(I), © each entity known to the Debtor to assert a lien, encumbrance or
4 other interest in, or claim to, the Property to be affected by this Order, and (d) the Office of the
5 United States Trustee, all in accordance with Bankruptcy Rules 2002(a)(2), 2002(c)(1), 2002(I),
6 2002(k), 6004(a) and 6004©. Each entity known to the Debtor to assert a lien, encumbrance, claim
7 or other interest in or to the Property to be affected by this Order was also served with a complete
8 copy of the Motion, and all supporting declarations and pleadings filed by the Trustee in
9 connection with the Motion. The Notice of the auction will complied in all respects with the
10 requirements of the Bankruptcy Code and the Bankruptcy Rules; fully and adequately described
11 the relief requested in the Motion and set forth the means by which the Motion, and all supporting
12 declarations and pleadings filed by the Trustee in connection with the Motion, could be obtained
13 promptly by a party in interest; provided fair and reasonable notice under the circumstances of this
14 case with respect to the deadlines and procedures for objecting to the relief requested in the
15 Motion; and set forth the time, date and place for the hearing on the Motion.

16 **A. Purpose of the Motion**

17 The purpose of this motion is to sell two pieces of property owned by the Debtor. The
18 Debtor, Hartland MMI, LLC, is a Nevada Series Limited Liability Company. Harland MMI LLC
19 is the parent company. There is Harland MMI 1 LLC and Hartland MMI2 LLC that are part of the
20 series. There are two separate pieces of property. One is located at 1040 S. Sixth Street, Las
21 Vegas, Nevada that is owned by Hartland MMI1 LLC. The second piece of property is located at
22 525 Paseo, Las Vegas Nevada. The second piece of property is owned by MMI 2 LLC. The two
23 pieces of property are contiguous together. The parent company filed and the two properties are
24 consider being owned by the Debtor.

25 Harland MMI LLC was owned by an individual by the name of Toni Hart. She passed
26 away and a probate was opened. When she passed way, an individual by the name of Larry Hart
27

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1 operated the estate. After Mr. Larry Hart passed away, there were two co-executors currently
2 appointed for the estate. The first co-executor is Larry Bertsch. The second co-executor is Gary
3 Hart. Gary Hart has been given the rights to manage the Hartland MMI LLC. Therefore, there are
4 two individuals that are watching over the Debtor. In addition, Larry Bertsch and Gary Hart also
5 have to report to the probate court.

6 **B. Terms and Conditions of the Auction**

7 **1. Auction Date and Marketing:** The Debtor is seeking to have an auction for the
8 Property on May 19, 2018. The Property will be sold "As Is". The personal property of the
9 bankruptcy estate will be included in the auction. There will be no contracts assumed under the
10 sale. There will be no agreement with management at the auction. The sale will essentially be all
11 of the assets of the Debtor.

12 A complete list of the marketing efforts will consist of a current listing of the Property. The
13 auctioneer will do a professional filing of the Property. It will have digital media layout, drone
14 footage, and 3D imaging. There will be push & pull sale techniques, an investor metric study and
15 worldwide offerings for the Property. There will be a advertising campaign to the public, eblasts,
16 and using the public database. There will be open houses to show the property. (See Exhibit 2)

17 **2. Qualify Bidders:** Before a party can bid, they must pre-qualify. They must place
18 a \$50,000 deposit with escrow to bid. The deposit will be fully refundable if the bidder is
19 unsuccessful. If the bidder is the successful bidder, the deposit will be applied to the sale and will
20 be non-refundable. In addition, the bidder must establish proof of funds that they have the ability
21 to close. This information must be given the proof by May 15, 2018. This can be done in
22 various forms at the discretion of the auctioneer and Debtor's counsel. The information will be
23 provided confidentially. The auctioneer has the authority to sign any non-disclosure agreement
24 that will be provided. The Bidders will also be given access to the Property for any due diligence
25 that maybe necessary by the Bidder.

26 **3. Bids:** The Reserve Bid shall be \$2,500,000. The bidder also understands that the
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1 bidder will have to pay a Buyer Premium to the auctioneer of ten percent (10%) with an exclusion
2 agreement set forth in section 6. There is no break-up or topping fee that will be given. The
3 bidding increment shall be \$25,000 over the opening bid and the remaining bids will be in
4 increments at the discretion of the auctioneer with a minimum of \$1,000.00 over bid.

5 **4. Auction:** The auction will take place at the location of the Property. It will take
6 place at 1:00 on May 19, 2018. Reserve Bid shall be \$2,500,000.

7 **5. Proceeds:** The proceeds of the sale will be used to pay off the liens of the Property
8 listed below. The funds will be paid out of escrow. According to the financial records and the
9 debt of the Debtor, there will be no tax consequences from that sale that will yield income that will
10 have to be paid to the IRS. The property is being sold free and clear of all liens under 11 U.S.C.
11 § 363(f). A list of the items in the preliminary title report that will be resolved are as follows:

12 1. - 12 Any easements or covenants that run with the land will remain in place. All
13 outstanding taxes and liens on the Property under items 1 - 12 of the Preliminary
14 Title Report will be paid at the time of the closing on the property and any taxes,
15 late fees and other charges will be paid in full and released from the title of the
16 Property.

17 13. The Holder of the Deed of Trust recorded on July 15, 2014 Recording No.
18 20140715-0003010 will be paid in full at the time of closing. The Deed of Trust
19 will be satisfied and removed from the title. Any other documents relating to that
20 Deed of Trust that show up on the preliminary title report will be removed from the
21 title of the Property such as assignment and notices of default and so on as reflected
22 the Recording No. 20140911-0001917, 20141009-0002581, 20141015-0000005,
23 20141105-0001888, 20160914-0001807, 20160914-0001808, 20170109-0000557,
24 and 20170329-0003152.

25 14. The lien claim of the City of Las Vegas recorded in Recording No. 20141103-
26 0002413 will be paid in full at the time of closing. The recorded lien will be

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- removed from the title of the Property.
15. The lien claim of the City of Las Vegas recorded in Recording No. 208-0004745 will be paid in full at the time of closing. The recorded lien will be removed from the title of the Property.
16. The lien claim of the City of Las Vegas recorded in Recording No. 20150204-0002948 will be paid in full at the time of closing. The recorded lien will be removed from the title of the Property.
17. The lien claim of the Republic Silver State Disposal Inc. of Las Vegas recorded in Recording No. 20150225-0000592 will be paid in full at the time of closing. The recorded lien will be removed from the title of the Property.
18. The lien claim of the City of Las Vegas recorded in Recording No. 20150306-0004375 will be paid in full at the time of closing. The recorded lien will be removed from the title of the Property.
19. The lien claim of the City of Las Vegas recorded in Recording No. 20150504-0000122 will be paid in full at the time of closing. The recorded lien will be removed from the title of the Property.
20. The lien claim of the City of Las Vegas recorded in Recording No. 20150601-0000725 will be paid in full at the time of closing. The recorded lien will be removed from the title of the Property.
21. The lien claim of the City of Las Vegas recorded in Recording No. 20150731-0001647 will be paid in full at the time of closing. The recorded lien will be removed from the title of the Property.
22. The lien claim of Republic Silver State Disposal, Inc. recorded in Recording No. 20150827-0000694 will be paid in full at the time of closing. The recorded lien will be removed from the title of the Property.
23. The lien claim of the City of Las Vegas recorded in Recording No. 20150828-

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- 0004411 will be paid in full at the time of closing. The recorded lien will be removed from the title of the Property.
24. The Judgement recorded on September 22, 2015 in Instrument No. 20150922-00597 and recorded in Instrument NO. 20151007-000733 will be paid to the Counsel for the Debtor. The Judgment holder will have a lien on the proceeds and will be paid upon approval from the bankruptcy court. The recorded lien will be removed from the title of the Property. (We ask that the proceeds of this claim be held until a disputed claim can be resolved.)
25. The lien claim of the City of Las Vegas recorded in Recording No. 20151102-0003182 will be paid in full at the time of closing. The recorded lien will be removed from the title of the Property.
26. The lien claim of the City of Las Vegas recorded in Recording No. 20151207-0000481 will be paid in full at the time of closing. The recorded lien will be removed from the title of the Property.
27. The lien claim of the City of Las Vegas recorded in Recording No. 20160201-0001128 will be paid in full at the time of closing. The recorded lien will be removed from the title of the Property.
28. The lien claim of Republic Silver State Disposal, Inc. recorded in Recording No. 20160307-0003776 will be paid in full at the time of closing. The recorded lien will be removed from the title of the Property.
29. The lien claim of the Republic Silver State Disposal Inc. of Las Vegas recorded in Recording No. 20160307-0003776 will be paid in full at the time of closing. The recorded lien will be removed from the title of the Property.
30. The lien claim of the City of Las Vegas recorded in Recording No. 201260503-0001430 will be paid in full at the time of closing. The recorded lien will be removed from the title of the Property.

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- 1 31. The lien claim of the City of Las Vegas recorded in Recording No.
2 20160601-0001551 will be paid in full at the time of closing. The recorded lien
3 will be removed from the title of the Property.
- 4 32.- 33 The liens of Benjamin B. Childs will be paid to Mr. Childs based upon the
5 demand sent to escrow recorded in Recording No. 20160614-0001892 and
6 20160614-0001893 will be paid in full at the time of closing. The recorded lien
7 will be removed from the title of the Property. (We ask that the proceeds of this
8 claim be held until a disputed claim can be resolved.)
- 9 34. The lien claim of the City of Las Vegas recorded in Recording No. 20160803-
10 0000037 will be paid in full at the time of closing. The recorded lien will be
11 removed from the title of the Property.
- 12 35. The lien claim of Republic Silver State Disposal, Inc. recorded in Recording No.
13 20160823-0001291 will be paid in full at the time of closing. The recorded lien
14 will be removed from the title of the Property.
- 15 36. The lien claim of the City of Las Vegas recorded in Recording No. 20160902-
16 0001757 will be paid in full at the time of closing. The recorded lien will be
17 removed from the title of the Property.
- 18 37. The lien claim of the City of Las Vegas recorded in Recording No. 20161101-
19 0000836 will be paid in full at the time of closing. The recorded lien will be
20 removed from the title of the Property.
- 21 38. The lien claim of the City of Las Vegas recorded in Recording No. 20161207-
22 0000582 will be paid in full at the time of closing. The recorded lien will be
23 removed from the title of the Property.
- 24 39. The lien claim of the City of Las Vegas recorded in Recording No. 20170203-
25 0003193 will be paid in full at the time of closing. The recorded lien will be
26 removed from the title of the Property.

1 confirmation of the sale.

2 **7. Auctioneer, Realtor, and Exclusions:** The auctioneer is charging ten percent (10)
3 fees of the sale that is to be paid by the bidder. (See Exhibit 1) The Debtor is going to be required
4 to pay \$20,000 for marketing. This fee will be reimbursed from a success auction. The Debtor has
5 the right to cancel the auction up to forty-eight (48) hours before the auction if there is a sold buyer
6 that wants to purchase the Property outside the auction. There are two exclusions made at this
7 time. (1) Mr. Campbell is still looking at the property. If there is a sale to Mr. Campbell outside
8 the auction there will two (2) percent commission to the auctioneer, two (2) percent to the realtor;
9 and three percent to any outside broker that comes in and assists in the sale. (2) Good Luck
10 corporation is still looking at the Property. If a sale goes to them, there will be a two (2) percent
11 commission to the auctioneer, two (2) percent to the realtor. There is also a Realtor that needs to
12 be engaged with the sale of the Property. There is an issue as to the commission that should be
13 paid. It ranges from three percent to six percent and will be finalized by the hearing.

14 **8. General Provisions:** Under 11 U.S.C. § 363(f)(1) the Debtor requesting to
15 allowed to sell Real Property free and clear of any and all interests or lien including without
16 limitation, those liens, encumbrances or interests of such party listed in the title reports. Under 11
17 U.S.C. § 363(f)(5), [Lien or Interest holder] can be compelled, in a legal or equitable proceeding,
18 to accept a money satisfaction of its liens, encumbrances or interests in the Property, including,
19 without limitation, those liens, encumbrances and interests. The properties have been on the
20 market, advertised and Auctions efforts to get the highest and best Auctions price for the
21 properties. The properties have been marketed through a licensed real estate agent in the state of
22 Nevada.

23 The Purchaser will be unrelated to the Debtor. The auction will be in good faith in good
24 faith, and arm's-length bargaining positions. Neither the Trustee nor the bidder have engaged in
25 any conduct that would cause or permit the Agreement, or the transactions contemplated thereby,
26 to be invalidated or avoided under 11 U.S.C. § 363(n). Accordingly, upon consummation of the
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1 Auction transaction contemplated by the Agreement, the bidder will be a buyer in "good faith"
2 within the meaning of 11 U.S.C. § 363(m), and, as such, is entitled to the protections afforded
3 thereby.

4 The terms and conditions of the Auction transaction as provided for in the Agreement are
5 fair and reasonable; entry into the Agreement on behalf of the Estate is a sound exercise of the
6 Trustee's reasonable business judgment; and, the Auction transaction contemplated by the
7 Agreement is in the best interests of creditors, interest holders and the Estate. 30, 2017.

8 That this Court shall and hereby does retain jurisdiction to (1) enforce and implement the
9 terms and provisions of the Agreement, all amendments thereto, any waivers and consents
10 thereunder, and any other supplemental documents or agreements executed in connection
11 therewith; (2) compel delivery and payment of the consideration provided for under the
12 Agreement; (3) resolve any disputes, controversies or claims arising out of or relating to the
13 Agreement and; (4) interpret implement, and enforce the provisions of this Order.

14 Dated this 20 day of February, 2018.

15 DAVID J. WINTERTON & ASSOC., LTD.

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17 By: /s/ David J. Winterton
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Exhibit 1

LuxeaGlobal Agreement

MANNING AUCTIONS LLC DBA LUXEA
5940 South Rainbow Blvd
Las Vegas Nevada 89118
Auction Marketing Services Agreement

This Agreement is made and entered into this 12th day of February 2018, by and between _____ Hartland MM1 LLC, Harland MMI Series 1 LLC of the Hartland MMI LLC, and Hartland MM1 Series II LLC of the Hartland MMI LLC, collectively, The Seller whose mailing address is 1044 S. 6th St. Las Vegas, Nevada 89404 whose address is set forth below, hereinafter referred to as "Seller" and Manning Auctions LLC dba Luxea, a Nevada limited liability company, whose address is 5940 South Rainbow Blvd Las Vegas, Nevada 89118. Manning Auctions LLC dba Luxea herein referred to as "Auctioneer".

WHEREAS, the Seller is desirous of securing the services of Manning Auctions LLC dba Luxea - Luxury Accelerated for the purposes of providing Auction Marketing services of a listed real property and permanent improvements thereon that the Seller owns and is further described as: 1044 South 6th Street Las Vegas NV 89104 APN Number 162-03-112-036, 525 Park Paseo, Las Vegas Nevada 89104 APN Number 162-03-112-035 hereinafter referred to as the "Property".

WHEREAS, Manning Auctions LLC dba Luxea -- Luxury Accelerated, is providing Auction Marketing Service and Auctioneer services only, and is in no way acting as a Real Estate Broker; both Auctioneer and Seller agree that Listing Broker is a Nevada Licensed Real Estate Brokerage has a full listing Agreement and full responsibilities for all aspects of conducting the Legal Real Estate Sales Transaction and retains the full property listing Agreement, this Auction Marketing and Auctioneer service agreement is supplemental to assist the current real estate broker in marketing the property for purpose of Auction service only and the Sale of the property shall be under the terms of typical Nevada statutes. Closing of Escrow and management thereof is a duty and function of the Listing Broker and the seller and buyer's selected title company. Manning Auctions LLC dba Luxea -- Luxury Accelerated, shall be held harmless by the Seller, Listing Broker for all activities associated with the management and close of escrow. Seller agrees to Pay Listing Broker all their full commissions due for the sale of subject property and all closing costs per the current Listing Agreement at Close of Escrow. Manning Auctions LLC dba Luxea shall work congruent with Listing Broker to provide Auction Marketing Services only. Listing Broker has a fiduciary duty to work with Auctioneer to facilitate the best marketing practices on behalf of the Seller including facilitating Open Houses and must attend the date of the Auction - as recommended by the Auctioneer.

WHEREAS, Manning Auctions LLC dba Luxea - Luxury Accelerated, hereinafter referred to as "Auctioneer", will aid and render services on behalf of the Seller to sell the above-entitled Property for a mutually agreed upon fee and reimbursement of certain costs, and as more specifically set forth hereinafter.

NOW, THEREFORE, in consideration of the mutual agreements contained herein, as well as the mutual benefits, advantages, or disadvantages to each of the parties hereto, the parties agree as follows:

1. **PLACE AND DATE OF SALE:** The Auction of the above Property shall be held at the real property location on (Date to be established by Seller) at 6:00 p.m. or any other date deemed advantageous by the Auctioneer. Seller acknowledges and agrees that the Auction will be conducted by the Auctioneer in accordance with the law in which the Property is located.
2. **TERMS:** The Property shall be sold to the highest bidder under the following terms of sale, to each successful bidder unless such other terms are agreed to by Seller. Auctioneer reserves the right to permit and accept properly executed written absentee bids at the Auction. Seller agrees not to Bid at Auction. Auctioneer agrees to use its best efforts to obtain the highest bid for said Property at the Auction sale and to endeavor to have the high bidder submit the bid in writing. It is expressly agreed and understood that the Auctioneer does not guarantee performance by

the high bidder.

3. EXCLUSIVE AUCTIONEER AND AUCTION MARKETING SERVICE AGREEMENT:

Manning Auctions LLC dba Luxea - Luxury Accelerated is the Exclusive Auctioneer and provider of Auction Marketing Services for a period of One Hundred Twenty (120) days from the date of this Agreement. This period shall be irrevocable and any sales or agreements to sell for all or part of the above described Property, made, whether by Manning Auctions LLC dba Luxea - Luxury Accelerated or any other broker, realtor or other intermediary between the date of this contract and One Hundred Twenty (120) days after the expiration date of this contract the Auctioneer shall be entitled to a Buyer's Premium as established in paragraph 4 of this Agreement. The Buyer's premium is due Auctioneer whether sale occurs before, during or after the auction date or if Buyer purchases or closes escrow outside of the One Hundred Twenty (120) days but had been made aware of the property for sale during the Auctioneer and Marketing Service Agreement time period.

4. COMMISSION BUYER'S PREMIUM: As full and complete compensation for all services to be rendered in accordance with this Agreement, Manning Auctions LLC dba Luxea - Luxury Accelerated shall receive a Buyer's Premium based upon Ten Percent (10%) of the contract price and all parcels sold in accordance with this Agreement. In the event Seller terminates this Agreement prior to sale of the Property, Seller recognizes that all marketing costs are due in full or are non-refundable. Seller shall pay Manning Auctions LLC dba Luxea - Luxury Accelerated the amount of commission as set forth above as stipulated, and upon receipt of such amount by Manning Auctions LLC dba Luxea - Luxury Accelerated, all further liability of the parties hereto shall terminate. Seller agrees to the addition to the highest bid at the Auction of a "Buyer's Premium" in the amount of 10 Percent (10%) of the highest bid which shall constitute the contract sales price. The addition of the Ten Percent (10%) Buyer Premium in no way constitutes an agency relationship with Buyer. Seller consents to Auctioneer advertising and disclosing the "Buyer's Premium" to all prospective purchasers. Seller authorizes that Manning Auctions LLC dba Luxea - Accelerated may, upon its discretion, offer up to Twenty Percent (20%) of Auctioneer's Buyer's Premium, to any real estate broker who is acting as a: (1) Buyer's agent; (2) disclosed dual agent and who properly registers the highest bidder on the Broker participation forms in advance of the Auction and such commission shall be payable at closing. Auctioneer shall receive a bonus of One Percent (1%) of any bid amount over \$3,300,000.00 payable at Closing, which shall be paid by the Seller and which is separate and in addition to the "Buyer's Premium."

5. ADVERTISING AND COSTS: Advertising costs are due upon signing of this Agreement and payable to Manning Auctions LLC dba Luxea - Luxury Accelerated. The advertising costs as agreed to by the parties to this Agreement shall be as outlined in **Exhibit A, Luxea Marketing Strategy Price Spreadsheet**. Seller agrees to pay no later than Two (2) Business Days after Execution of this agreement, 100% of the total amount in Exhibit A and prior to the commencement of any marketing efforts by Auctioneer. The Auctioneer will orchestrate the proceedings and have the successful bidders sign all necessary contracts and papers in accordance with Paragraph 2 of this Agreement and will accept all deposits from the successful bidders to be held in the Manning Auctions LLC dba Luxea, LLC's escrow account.

6. BASIS OF SALE: Seller has the right to choose whether to have Auctioneer perform a "Reserve Auction" or an "Absolute Auction." Seller shall place his initials next to the type of auction selected. By placing his initials below, Seller acknowledges that Auctioneer has explained the difference between a reserve auction and an absolute auction.

 X (a) **RESERVE AUCTION** - It is understood between the parties that the Seller may at his/her discretion reject all bids, contracts or offers, until such bid offered at the Auction, exclusive of Buyer Premium, is equal to or exceeds \$ at which time said Auction shall become an Absolute Auction;

 (b) **ABSOLUTE AUCTION** - It is understood between the parties that on an absolute auction basis, the Seller hereby agrees to sell the Property or any portion of the Property to the last and highest bidder regardless of price. If sold on an Absolute Auction basis and the Seller refuses to sell to the last and highest bidder, the Seller shall nevertheless be responsible to pay the auctioneer all costs in Exhibit A, and the full Buyer's Premium as set forth in

paragraph 4 of this Agreement based upon the highest bid at the Auction. Auctioneer also has informed Seller that the highest bidder could enforce specific performance of the sale, and Auctioneer is in no way liable for any legal outcome, proceedings, or costs for Seller's refusal to sell property to the highbidder.

7. **REPRESENTATIONS OF THE SELLER:** (a) Seller warrants good and marketable title to all properties to be sold and, further, that Seller has the right to sell said Property. Warranty Deed (Fiduciary Deed if applicable) will be furnished by the Seller, together with a Certificate of Record Title made by a responsible title company, showing said Property to be free and clear of material defects and encumbrances, excepting existing easements and restrictions of record, taxes and assessments, ordinances and zoning regulations, and mortgages or other liens to be released or liquidated at closing, or as otherwise provided in paragraph 14 hereof; (b) Seller agrees that the Auction is to be conducted under the complete control of the Auctioneer, and that Seller will not interfere in the conduct of the Auction or commit any act that may hinder or in any way diminish the effectiveness or success of the Auction. Should the Seller interfere with the conduct of that event, the Seller shall, nevertheless, be responsible to pay the Auctioneer the Buyer's Premium of 10% of a the highest known bid in accordance with paragraph 4 of this Agreement based upon the highest bid received for that portion of the Property or the entire Property, which sale was lost due to the actions of the Seller; (c) Seller shall furnish all documents requested by the Auctioneer including but not limited to CCRs, surveys, appraisals, floor plans, profit and loss statements, leases, rent rolls and encumbrances on title, if any. Seller represents that except as set forth in paragraph 15 hereof or as noted on the Residential Property Disclosure Form, there are not hidden defects in said Property, and Seller will indemnify and hold Auctioneer harmless for the failure to disclose hidden defects; (d) Seller declares that the present status of the Property herein listed is in conformity with existing zoning laws and there are no pending orders of the Board of Health against the same.

8. **CONDITIONS OF THE AUCTION:** The Auctioneer's decision is final in the event of a dispute over any Auction matter. The Auctioneer reserves the right to accept bids in any increments he/she feels are in the best interest of his/her clients and reserve the right to waive any previously printed or announced requirements. All Auction day announcements by the Auctioneer supersede any printed material or any other Auction statements made previously. The Auctioneer reserves the right to bid on behalf of any buyer. All Auction Sales Contracts will be presented to the Seller for approval. The Auctioneer reserves the right to withdraw any property including Absolute sales from the Auction, without penalty. Auctioneer may elect to cancel the Auction without penalty if Auctioneer believes that the outcome will not be in the Seller's best interest. The Auctioneer may elect to start or cancel the Auction without penalty. The Auctioneer shall be held harmless by Buyer and Seller should the property fail to go to a successful settlement for any reason. The Seller, Auctioneer and its agents shall not be held liable for any errors or omissions regarding Auction property. Buyer assumes responsibility to check with the appropriate authority/authorities regarding the property's zoning and current or future intended uses as well as any restrictions or covenants affecting the property. Bidder(s) has/have the right and should examine the applicable county master plan and any municipal land use plans and maps for the area in which the property is located prior to bidding. The Seller, Auctioneer and agents assume no responsibility for the information contained in said plan(s) and assumes no liability for failure by Buyer to review the plans. The contract will not be contingent upon bidder(s) review of such plans. Auctioneer complies with all federal, state and local laws regarding providing Auction Marketing Services.

9. **FAIR HOUSING:** Seller understands and agrees that in compliance with existing Federal, State and local Fair Housing Laws, Auctioneer, broker and any salesperson will not and cannot in any manner discriminate against any prospective Buyer(s)/Bidder(s) because of race, color, religion, sex, age, marital status, familial status, disability, or national origin or any other class protected by federal, state or local law.

10. **LEAD-BASED PAINT:** If the Property includes a residential dwelling built prior to 1978, Seller acknowledges that he has properly filled out the Disclosure of Information and Acknowledgment/Lead-Based Paint and/or Lead-Based Hazards form and has dated and signed same.

11. **PROPERTY DISCLOSURE:** Seller acknowledges that he has personally completed, including date

and signature, the Residential Property Disclosure form as required by the State wherein the Property is located and has delivered a copy of the same to Manning Auctions LLC dba Luxea - Luxury Accelerated.

12. **DEFAULT:** Once the bid is accepted by the Seller, the sale is considered confirmed and Manning Auctions LLC dba Luxea Auction Company, LLC is entitled to a Buyer's Premium based on the contract sale price in accordance with paragraphs 4 and 5 hereof. If the sale does not close due to the fault of the Buyer, Manning Auctions LLC dba Luxea, LLC shall be entitled to one-half (1/2) of the earnest money deposit. If the sale does not close due to the fault of the Seller, Manning Auctions LLC dba Luxea - Luxury Accelerated shall be entitled to a full Buyer's Premium to be paid by the Seller of 10% of the highest bid "sales price" in accordance with paragraphs 4 and 5 hereof.

13. **PERSONAL PROPERTY:** Seller represents to Manning Auctions LLC dba Luxea - Luxury Accelerated that, except as noted below in paragraph 16, all personal property, if any, is free and clear and the personal property that is to be sold in the sale(s) does not constitute a bulk sales transfer of a business.

14. **DEPICTIONS:** All pictures if the inside or outside of the Property including photographs, digital pictures, videos and/or virtual tours shall remain the property of the Auctioneer.

15. **SPECIAL PROVISION – SELLER'S RIGHT TO CANCEL:** Seller may, at its discretion, Cancel the Auction and Sale of the property up to 48 hours prior to the Time and Date of the Auction as agreed herein provided that the Seller has reasonable reason to believe that Auctioneer has not been able, through the marketing efforts, to attract enough registered bidders interested in purchasing property, and if there are no interested buyers or if any other 3rd party legally viable matter occurs that would be detrimental to the buyer, listing broker or auctioneer that is discovered by any party to this Agreement prior to the Auction Date. However, all prices outlined in Exhibit A, Luxea Marketing Strategy Price Spreadsheet are due in full at the time of Seller's cancellation plus any deposits or costs associated with the Auction Date event such as catering deposits, travel to the site, staging, rental equipment or other costs not covered by the Exhibit A but were reasonably incurred by Auctioneer to facilitate the planned Auction Date.

16. **ENTIRE AGREEMENT:** This constitutes the entire Agreement between the parties. Seller has read the foregoing contract and agrees to the conditions thereof. No amendments or changes to this Agreement shall be effective unless agreed to in writing, dated and signed by all parties. It is also mutually agreed that this Agreement shall be binding and obligatory upon the undersigned, and the separate heirs, administrators, executors, assigns and successors-in-interest and save harmless Auctioneer and/his its employees, against all claims, demands actions or causes of action whatsoever in any manner arising because of this Agreement. Seller further represents that the statements contained herein are true to the best of the Seller(s) knowledge. Seller hereby acknowledges receipt of a copy of this Agreement.

17. **FACSIMILE, DIGITAL SIGNATURES:** The parties acknowledge and agree that facsimile and Digital signatures are legally enforceable and binding.

18. **APPLICABLE LAW:** This Agreement shall be governed by the laws of the State where the Property is located and to the extent applicable, this Agreement is intended to constitute an agreement for the Auction of the Property.

19. **POSSESSION:** Possession to be given to Purchaser upon close of escrow in accordance with the Purchase and Sale Agreement.

20. **Existing Leases.** Seller has no existing leases on property. If there are existing Leases to 3rd Parties, Seller must disclose and Leases may or may not be honored or transferable pending state tenant laws.

Seller: _____
(Printed Name) _____


Date _____

Seller: _____
(Printed Name) _____

Date _____

Seller's Address: _____

Phone: _____

Auctioneer:  _____
(Printed Name) Jeffrey Manning, President Manning
Auctions LLC dba Luxea Global

Phone: 702-715-7158 Mobile

Referring Listing _____
Agent: _____
(Printed Name) Jason Shuck

Phone: _____

Exhibit 2

DAVID J. WINTERION & ASSOCIATES, LTD
7881 W. Charleston Blvd., Suite 220
Las Vegas, Nevada 89117
Phone: (702) 363-0317

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Luxea Synopsis of Auction Marketing for Hartland Estate

- 1) Luxea is retained by Estate as Auction Marketing Service/Auctioneer by executing Auction Agreement and providing deposit for Marketing Fees.
- 2) The current listing will be retained by the listing agency/Broker
- 3) Please note that the Brokers are paid per their contract in full by the Seller;
- 4) Luxea will employ and implement the newest technological advances in real time transactions, production, and marketing.
 - Professional filming
 - Digital media layout
 - Drone footage
 - 3D imaging & film
 - Online push & pull method sales techniques
 - Investor metric studies
 - All of this to bring properties to life and allow our worldwide buyers to visit Luxea offerings virtually; to view every detail.
- 5) Online and print marketing and advertising campaign will be released to the public, database/metric targets, eblasts and notifications to luxury buyers and agents on an international effort.
- 6) Open Houses and showings will be conducted up until the Auction date
- 7) Pre-registered Buyers will be registered to bid on the estate
 - This includes buyers opening escrow and depositing refundable earnest money
 - This includes buyers disclosing financial establishing their ability to close on the estate within 30 days of the auction sale date.
- 8) Auction Day of Sale is held at the subject property; red carpet; all bidders are invited; We use an App but also have a Live Professional Auctioneer and staff working the bidders. Bidders may also bid online or on the telephone through their agents. The Terms and Conditions of the Sale are published, and the auctioneer reminds bidders of terms and conditions. The auctioneer announces the live auction and proceeds to call for high bids. The Auctioneer will announce when the Reserve Price has been met. The high bidder upon several warnings will be announced, the high bidder will then finalize the purchase agreement execution with the Real Estate Broker within one hour after announcing the Close of the Auction. Normal and Typical Closing process is managed by the Listing Agent with updates to the auction marketing firms project management.

Timeline: Date of Contract Signature/Court Approval = X; Marketing Production = 4 weeks; Marketing Sales Efforts= up to 90 days as TBD by Seller/Court; Date of Auction to be Established by Estate Legal Team and Court. Auctioneer recommends all auctions to be held on Friday or Saturday at 6 p.m. and never on any holiday weekends. Close of Sale at escrow is normally up to 30 days. More information on the process can be viewed at www.luxeaglobal.com; or contact Jeff Manning, CEO.