

**SECOND AMENDMENT TO THE INVITATION FOR BIDS (IFB)
GALENA GROUNDWATER PERMITS
IFB NO. 9PR-2008-237**

The Government hereby amends the IFB and Amendment No. 1 as follows:

Deletes the following sentences as indicated in the First Amendment, No. 5. Suggested Opening Bid:

“Bids may be submitted individually for each permit or for all permits together. All bids will be considered on their own merit. The high bid for each permit will be compared to the high bid for all permits, if any. An award will be made in the best interest of the Government.

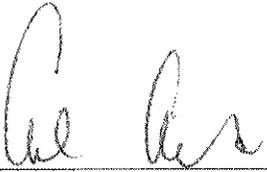
Replace with the following:

“Bids may be submitted individually for each permit or for all permits. Each bid will be considered on its own merit. An award will be made in the best interest of the Government.”

All other terms and conditions of the IFB and Amendment No. 1 remain unchanged.

Issued on March 18, 2008.

By:



CLARK VAN EPPS
Contracting Officer

**FIRST AMENDMENT TO THE INVITATION FOR BIDS (IFB)
GALENA GROUNDWATER PERMITS
IFB NO. 9PR-2008-237**

The Government hereby amends the IFB as follows:

1. Auction Summary

The following Auction Summary replaces the Auction Summary on page 1:

<u>AUCTION SUMMARY</u>	
Sale Type:	Online Auction
Start Date:	March 10, 2008
End Date:	Based on Bidding
Suggested Opening Bid:	see chart below
Registration Deposit:	see chart below
Bid Increment:	see chart below
Finder's Fee:	See page 8

2. This is amended to show each permit with the required Registration Deposit, suggested opening bid, and bid increment. Individuals bidding on multiple permits must have registration deposits for each permit being bid.

Property Code	Permit Nos.	Registration Deposit	Suggested Opening Bid	Bid Increment
237	Permit 65956	\$100,000.00	\$100,000.00	\$50,000.00
279	Permit 65957	\$100,000.00	\$100,000.00	\$50,000.00
280	Permit 65958	\$100,000.00	\$100,000.00	\$50,000.00
281	Permit 65959	\$100,000.00	\$100,000.00	\$50,000.00
282	Permit 65960	\$100,000.00	\$100,000.00	\$50,000.00
283	Permit 65961	\$100,000.00	\$100,000.00	\$50,000.00

3. Location and Description of Water Rights, page 2:

The following sentence hereby modifies the paragraph to include the following: "The permits may either be sold individually or as a whole. Bidders may bid on each separate permit or as many permits as will support their needs." If bid separately, each permit may require a separate Point of Diversion (POD).

4. Bidder Registration, page 7, No. 5a (3)

The following sentence hereby modifies the paragraph to include the following sentence: "If you are bidding on multiple permits, registration deposits as specified in No. 2, above, must accompany your Bid for Purchase of Government Property."

5. Suggested Opening Bid, page 7

Deletes the first sentence with the suggested opening bid of \$1,000,000.00 and replaces with Suggested Opening Bid as stated in 2, above.

The following sentence is added to include bidding on separate permits:

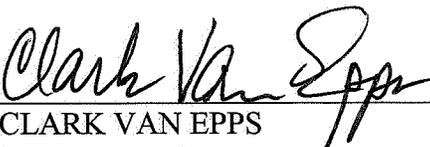
"Bids may be submitted individually for each permit or for all permits together. All bids will be considered on their own merit. The high bid for each permit will be compared to the high bid for all permits, if any. An award will be made in the best interest of the Government."

6. Bidder Registration and Bid Form for Purchase of Government Property, page 13 and 15

The attached form replaces the Bidder Registration and Bid Form for Purchase of Government Property to include bidding on multiple permits.

All other terms and conditions of the IFB remain unchanged.

Issued on February 22, 2008

By: 
CLARK VAN EPPS
Contracting Officer

**BIDDER REGISTRATION AND BID FORM FOR PURCHASE OF
GOVERNMENT PROPERTY**

**Galena Groundwater Permits
Washoe County Nevada**

SEND THIS FORM TO:

U.S. General Services Administration
Office of Real Property Disposal (9PR)
450 Golden Gate Avenue, 4th Floor East
San Francisco, CA 94102-3434
Attn: Karen Hoover, Realty Specialist

The undersigned bidder hereby offers and agrees to purchase the Permit(s) as described in the accompanying Invitation for Bids IFB for the price entered below or subsequent bids placed online if this bid is accepted by the Government within ninety (90) calendar days after the date of receipt. This Bid Form is made subject to the Terms of the IFB No. 9PR-2008-237, including its Property Description, General Terms of Sale, Important Instructions to Bidders, Bidder Registration and Bid Form For Purchase of Government Property, the Real Estate Broker Cooperative Agreement form, the Galena Water Rights CD, and any associated amendments to the IFB, all of which are incorporated herein and by reference made a part of this initial bid and subsequent bids placed online at <http://www.auctionrp.com>.

Property Code	Permit Nos.	Registration Deposit	Initial Bid Amount	Increased Bid Amount
237	Permit 65956	\$100,000.00		
279	Permit 65957	\$100,000.00		
280	Permit 65958	\$100,000.00		
281	Permit 65959	\$100,000.00		
282	Permit 65960	\$100,000.00		
283	Permit 65961	\$100,000.00		

I HEREBY ACKNOWLEDGE RECEIPT OF AND HAVE REVIEWED THE AFOREMENTIOPNED DOCUMENTS. _____ (INITIAL)

If this bid is accepted, the instrument of conveyance should name the following as Grantee(s):

Indicate above the manner in which title is to be taken (e.g., Sole and Separate Property; joint tenants; tenants in common; community property).
Include name of spouse if applicable.

Bidder Represents that (s)he operates as (check which applies):

an individual doing business as _____

a partnership consisting of _____

a limited liability partnership consisting of _____

a corporation incorporated in the State of _____

a limited liability corporation, incorporated in the State of _____

a trustee acting for _____

Signature Of Bidder

Name _____ Date _____

Address _____

City/State/Zip _____

Telephone (_____) _____ FaxTelephone (_____) _____

Bidder ID Number _____ E-Mail Address _____

**The U.S. General Services Administration
invites your participation in the online auction of the**

GALENA GROUNDWATER PERMITS

The Galena Groundwater Permits are for water rights located in the Pleasant Valley Groundwater Basin, Washoe County, Nevada.

The Permits consist of approximately 189.92 acre-feet of groundwater.

AUCTION SUMMARY

Sale Type:	Online Auction
Start Date:	February 25, 2008
End Date:	Based on Bidding
Opening Bid:	\$1,000,000.00
Registration Deposit:	\$200,000.00
Bid Increment:	\$100,000.00
Finder's Fee:	See page 8

Online Auction

www.auctionrp.com

Register and submit your bid under

Property Code 237

Online Auction Assistance

Gina Arias-Arrieta

1-888-472-5263 (GSA-LAND), ext. 3431

e-mail: gina.arias-arrieta@gsa.gov

Send Bid Form and

Registration Deposit to:

U.S. General Services Administration
Office of Real Property Disposal (9PR)
450 Golden Gate Ave., 4th Floor East
San Francisco, CA 94102-3434
Attn: Karen Hoover, Realty Officer

Sales Information

Karen Hoover
1-888-472-5263 (GSA-LAND), ext. 3428
e-mail: karen.hoover@gsa.gov

Jeanette DiVito
1-888-472-5263 (GSA-LAND), ext 3436
e-mail: jeanette.divito@gsa.gov

Property Disposal Web Page

<https://propertydisposal.gsa.gov>
Click on Nevada to view and download
Property Sales information

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PROPERTY DESCRIPTION

1. LOCATION AND DESCRIPTION OF WATER RIGHTS

The Galena Groundwater Permits (Permits) consist of six permits for underground water rights from the Pleasant Valley Basin (Basin #88), Washoe County, Nevada. This basin is located off Highway 395, approximately 6 miles south of Reno and approximately 5 miles west of Virginia City. The water rights originate from an underground source which the State Engineer identifies as part of the Pleasant Valley hydrographic basin. This geographic area lies between the Truckee Meadows Basin to the north and the Washoe Valley Basin to the south.

The Permits are for development of approximately 189.92 acre-feet of quasi-municipal groundwater rights. The Permits are identified by their application numbers as Nevada State Groundwater Permits 65956, 65957, 65958, 65959, 65960, and 65961 approved by the State Engineer of Nevada on June 21, 2000, for Pleasant Valley Basin, Truckee River Basin (Region) County of Washoe, State of Nevada.

Under Nevada law, water rights appurtenant to a parcel of land automatically transfer with the land unless specifically reserved.

The transfer deeds are as follows:

- a) Warranty Deed dated August 8, 1994, between the American Land Conservancy and the United States of America recorded as Instrument Number 1823942 transferred the water rights;
- b) Water Rights Deed dated October 4, 1994, between the American Land Conservancy and the United States of America recorded as Instrument Number 18399455 clarified the water rights conveyance;
- c) Correction Warranty Deed dated April 7, 1999, between the American Land

Conservancy and the United States of America recorded as Instrument Number 2327514 corrected certain legal descriptions and title encumbrances that were in error.

All documents were recorded in the Official Records of Washoe County. Copies of the Permits and Deeds are on the enclosed Galena Water Rights CD and on our website at <https://propertydisposal.gsa.gov>

2. PERMIT BACKGROUND AND STATUS

The Permits were acquired by the United States Forest Service in a deed from the American Land Conservancy dated October 4, 1994, and recorded in the Official Washoe County Records as Instrument No. 1839455.

The original application from which these water rights arise was filed in 1974. A change in application was filed in 1978, changing the place of use. Another change was filed in 1983, changing the place of use and Point of Diversion (POD). However, the diversion works (wells) were never constructed, and beneficial use was not established. The Permits must be relocated from their present POD which is a county well site. All six Permits expire on June 14, 2008 unless an extension is granted by the State Engineer.

Four Permits, specifically 65958, 65959, 65960 and 65961, have the Proof of Completion of Work submitted and approved and now require filing the Proof of Beneficial Use. Two Permits, specifically 65956 and 65957, require a filing of both the Proof of Completion of Work and Proof of Beneficial Use.

3. PERFECTING WATER RIGHTS

The water rights are unperfected water rights in permit status. The State Engineer has approved the applications, but all

necessary actions to perfect the water rights have not been completed. Perfected water rights are evidenced by a Certificate of Appropriation of Water issued by the State Engineer. No certificates have been issued for these applications.

In the State of Nevada, anyone wishing to appropriate surface or groundwater for beneficial use must file an application with the State Engineer. The application states, the amount of water to be appropriated, the point from which water is to be diverted, and the proposed place and manner of use. Once the application is approved, the applicant has a specified period of time to complete the improvements to divert water (in the case of groundwater, a well and pump station) and to file proofs of beneficial use. The subject Permits are change applications, seeking to change the point of diversion and the place of use of water already appropriated.

It is incumbent upon potential owners of the water rights to move diligently to establish beneficial use of the water permitted under these applications. **(Important information is contained in the attached CD).** Prospective bidders are encouraged to contact the office of the Nevada State Engineer or consult the State Engineer's website for additional information on water rights as follows:

State of Nevada - Department of Conservation & Natural Resources
Division of Water Resources
901 South Stewart St., Suite 2002
Carson City, NV 89701
Phone: 775-684-2800
Fax: 775-684-2811
<http://water.nv.gov>

In addition, prospective bidders should review the Nevada Revised Statutes regarding acquiring and utilizing water rights in Nevada.
<http://www.leg.state.nv.us/NRS/NRS-533.html>

5. LEGAL DESCRIPTION OF REAL PROPERTY

The Permits are for water rights which are appurtenant to the real property located in Washoe County property within the NW ¼ SW ¼ Section 35, Township 18 North, Range 19 East, Mt. Diablo Meridian.

6. GLOSSARY OF TERMS

Water Right

A right to establish by use to divert water for beneficial use. In Nevada, a water right is memorialized by a certificate of appropriation of water issued by the State Engineer.

Application

An application filed with the Nevada State Engineer to secure water rights. Officially, *Application for Permit to appropriate the Public Waters of the State of Nevada*. The application states, among other things, the amount of water to be appropriated, its source (stream, spring, underground), the point at which it will be diverted, the nature of the diversion works to be constructed, the intended use of the water, and the place of use.

Permit

An application approved by the State Engineer. The permit established any conditions of the approval, and sets the time period for constructing the diversion works and filing proofs of beneficial use.

Certificate

Issued by the State Engineer upon filing and acceptance of all necessary proofs; evidences a perfected water right.

Points of Diversion (POD)

The place where water will be taken from its source. For a stream, the location of the diversion dam and ditch. For groundwater, the location of the well.

Acre-Foot

The quantity of water that will cover one acre to a depth of one foot; 43,560 cubic feet or 325,850 gallons.

GENERAL TERMS OF SALE

1. INVITATION FOR BIDS

The term "Invitation for Bids" ("IFB") as used herein refers to the foregoing IFB and its Property Description, General Terms of Sale, Important Instructions to Bidders, Bidder Registration, the Bid Form for Purchase of Government Property, the Real Estate Broker Cooperative Agreement form, and CD, all of which are attached to this IFB and or at propertydisposal.gsa.gov, made a part hereof, and as may be modified and supplemented by any addenda or amendments that may be issued by the Government prior to the conclusion of the online auction.

2. DESCRIPTION PROVIDED IN IFB

The description of the Permits set forth in the IFB and any other information provided therein with respect to said Permits are based on the best information available to the U. S. General Services Administration, Property Disposal Division and are believed to be correct. Any error or omission, including but not limited to, the omission of any information available to the agency having custody over the Permits and/or any other Federal agency, shall NOT constitute grounds or reason for nonperformance of the contract of sale, or claim by purchaser for allowance, refund or deduction from the purchase price.

3. DUE DILIGENCE

Bidders are invited, urged, and cautioned to conduct all necessary due diligence regarding the Permits prior to submitting a bid. The bidder is solely responsible for all necessary due diligence and any failure to conduct such due diligence, or to be fully informed of the conditions and requirements, including dates of expiration, to perfect the water rights embodied in all or any portion of the Permits offered, will not constitute grounds for any claim or demand

for adjustment or withdrawal of a bid after the bid opening or auction.

4. CONDITION OF PERMITS

The Permits offered for sale will be sold "AS IS" and "WHERE IS" without representation, warranty, or guaranty as to quantity, quality, title, character, condition, size, or kind, or that the same is in condition or fit to be used for the purpose for which intended, and claim(s) for any allowance or deduction upon such grounds will NOT be considered.

5. CONTRACT

The IFB and the bid, if accepted by the Government shall constitute an agreement for sale between the successful bidder ("Purchaser") and the Government. Such agreement shall constitute the whole contract to be succeeded only by the formal instruments of transfer, unless modified in writing and signed by both parties. No oral statements or representations made by, or for, or on behalf of either party shall be a part of such contract, nor shall the contract or any interest therein, be transferred or assigned by the Purchaser without the consent of the Government. Any assignment transaction without such consent shall be void.

6. REVOCATION OF BID AND DEFAULT

In the event of revocation of a bid after the opening of bids, but prior to acceptance, or in the event of revocation of a bid after notice of acceptance, or in the event of any default by the Purchaser in the performance of the contract of sale created by such acceptance, or in the event of failure by the Purchaser to consummate the transaction, the deposit, together with any payments subsequently made on account, may be forfeited at the option of the Government, in which event the Purchaser shall be relieved from further liability, or without forfeiting the

said deposit and payments, the Government may avail itself of any legal or equitable rights which it may have under the bid or contract of sale.

7. GOVERNMENT LIABILITY

If the Bid for Purchase of Government Permits is accepted by the Government and

a) the Government fails for any reason to perform its obligations as set forth herein; or

b) Title does not transfer or vest in the Purchaser for any reason, although Purchaser is ready, willing, and able to close, the Government shall promptly refund to Purchaser all amounts of money Purchaser has paid, without interest, whereupon the Government shall have no further liability to Purchaser.

8. TITLE EVIDENCE

Any bidder, at its sole cost and expense, may procure any title evidence that the said bidder desires. The Government will, however, cooperate with the Purchaser or his authorized agent in this connection, and will permit examination and inspection of such deeds, abstracts, affidavits of title, judgments in condemnation proceedings, or other documents relating to the title of Permits involved, as it may have available. It is understood that the Government will not be obligated to pay for any expense incurred in connection with title matters or survey of the Permits.

9. TITLE

If a bid for the purchase of the Permits is accepted, a conveyance document will convey the Government's interest. The Government does not pay for title insurance but the Purchaser is encouraged to acquire a title insurance policy from a local title company.

10. TENDER OF PAYMENT AND DELIVERY OF INSTRUMENT OF CONVEYANCE

The Government shall set a sale closing date of thirty (30) calendar days after acceptance of the bid. Upon agreement by the Government, the Purchaser may close the transaction prior to the thirty (30) calendar day period.

Prior to closing, the Purchaser may open an escrow account with an independent, unaffiliated local escrow company to handle the closing. The Government does not mandate use of a particular escrow company. All closing costs, including escrow and financing fees, shall be borne solely by the Purchaser. As part of the closing the Government will provide escrow instructions to the Escrow Holder regarding the recording, disposition of proceeds and related matters.

On the closing date, the Purchaser shall tender to the Government (or to the Escrow Holder) the balance of the purchase price. Upon such tender being made by the Purchaser, the Government shall deliver to the Purchaser the instrument, or instruments, of conveyance.

The Government reserves the right to extend the closing date for a reasonable amount of time for purposes of preparing necessary conveyance documents.

11. DELAYED CLOSING

Any change to the established closing date is subject to the written approval by the Government. The Government reserves the right to refuse a request for extension of closing. However, if the Government grants an extension, the Purchaser shall pay interest on the outstanding balance of the purchase price if the closing of the sale is delayed, and the delay is caused, directly or indirectly, by the Purchaser's action and not by any action on the part of the Government. The interest rate shall be

computed based on the yield of 10-year United States Treasury maturities as reported by the Federal Reserve Board in "Federal Reserve Statistical Release H.15" plus 1-1/2% rounded to the nearest one-eighth percent (1/8%) as of the date of bid acceptance. The Government may impose additional terms and conditions to grant an extension.

12. SALE AND CONVEYANCE

The sale and conveyance will be subject to any statement of facts which a physical inspection and accurate survey of the Permits may disclose.

13. DOCUMENTARY STAMPS AND COST OF RECORDING

The Purchaser shall pay all taxes and fees imposed on this transaction and shall obtain at Purchaser's own expense and affix to all instruments of conveyance and security documents such revenue and documentary stamps as may be required by Federal and local law.

All instruments of conveyance and security documents shall be placed on record in the manner prescribed by local and State recording statutes at the Purchaser's expense to ensure that Permits can be perfected. The Purchaser shall be responsible for all costs, expenses and fees associated with perfecting the Permits.

A conformed copy of the recorded conveyance document shall be provided by the Purchaser to GSA, within five (5) business days after recording, at the following address:

GSA Office of Real Property Disposal (9PR)
450 Golden Gate Avenue, 4th Floor East
San Francisco, California 94102-3434
Attn: Clark Van Epps, Director

14. OFFICIALS NOT TO BENEFIT

No member or delegate to the Congress, or resident commissioner shall be admitted to any share or part of the contract of sale or to any benefit that may arise there from, but this provision shall not be construed to extend to the contract of sale if made with a corporation for its general benefit. U.S. General Services Administration employees are prohibited from bidding on the Permits offered in the IFB.

15. ANTITRUST LAWS

The contract made by the acceptance of bid by the Government may be transmitted to the Attorney General of the United States for their advice as to whether the sale would tend to create or maintain a situation inconsistent with anti-trust laws. The Government may rescind the acceptance of any bid, in case unfavorable advice is received from the Attorney General, without liability on the part of the Government other than to return any and all deposits held by the Government without interest.

16. ADDITIONAL INFORMATION

GSA, at the address given in this IFB, will upon request, provide additional copies of this IFB and answer requests for additional available information concerning the Permits offered to facilitate preparation of bids. Each bid shall be deemed to have been made with full knowledge of all terms conditions, and requirements contained in this IFB and any amendments made thereto prior to bid acceptance.

17. WAIVER OF INFORMALITIES OR IRREGULARITIES

The Government may, at its election, waive any minor informality or irregularity in bids received.

IMPORTANT INSTRUCTIONS TO BIDDERS

1. AUCTION START DATE

The auction opens on Monday, February 25, 2008, at 9:00 a.m. (Pacific Time).

2. TYPE OF SALE

This sale will be an online auction conducted at www.auctionrp.com and by submission of initial written bids by mail. The auction will be conducted over a period of several weeks as determined by bid activity. The date for receipt of final bids will be announced at www.auctionrp.com, with at least three business days prior notice (see Paragraph 11, Call for Final Bids). The auction may continue beyond that date as long as bidders are willing to submit higher bids. Thus, the bidders determine when the sale closes by their bidding activity.

3. TERMS OF SALE

Bids to purchase must be on an ALL CASH basis only. Buyers are expected to arrange their own financing and to pay the balance in full by the closing date. No Government credit terms are available. GSA has no information on the availability of private financing or on the suitability of the Permits for financing.

4. SUGGESTED OPENING BID

The suggested opening bid is **\$1,000,000.00**.

The suggested opening bid amount does not represent the value of the Permits but rather provides a reasonable starting point for the online auction.

The Government seeks to obtain fair market value for the Permits and reserves the right to reject any and all bids.

5. BIDDER REGISTRATION

a) Bidder registration is a three-step process:

(1) An interested bidder should register online at www.auctionrp.com.

(2) Bidders must complete and submit the official Bid Form titled "Bidder Registration and Bid Form for Purchase of Government Property" accompanying this IFB. All information and certification requested thereon must be provided. Bidder registration and bids submitted which fail to furnish all information or certifications required may be summarily rejected. Additional bid forms are available upon request or you may photocopy the form in this IFB. The Bidder Registration and Bid Form should be filled out legibly with all erasures, strikeovers and corrections initialed by the person signing the bid. The Bid Form must be signed and dated.

(3) A registration deposit in the amount of **\$200,000.00** must accompany your Bidder Registration and Bid Form in the form of a cashier's check or certified check. Personal or company checks are NOT acceptable and will be returned to the sender. Checks must be made payable to: "U.S. General Services Administration."

Only upon GSA's verification of your registration deposit will you be allowed to bid online using the User ID and password, as discussed below (Paragraph 7, User Identification and Password), nor will your initial written bid be posted online. All Registration Deposits received will be deposited with the U.S. Treasury, in a non-interest bearing account, immediately upon receipt.

b) To register to bid and if you are prepared to make an initial written bid, please complete the enclosed Bidder Registration and Bid Form for Purchase of Government Property and send, along with the required Registration Deposit, to:

GSA Office of Real Property Disposal (9PR)
450 Golden Gate Avenue, 4th Floor East
San Francisco, California 94102-3434
Attn: Karen Hoover, Realty Officer

c) It is the responsibility of the bidder to ensure that adequate time is available to complete the registration process as described above. The Government makes no representation or guarantee that any additional assistance or time will be provided to complete the registration process. No bidder will be allowed to participate in the sale until the entire registration process is complete.

d) Registration may occur anytime prior to the conclusion of the auction. However, the Government makes no representation or guarantee that your registration will be completed prior to the announced date and time for the receipt of final bids. Therefore, bidders are encouraged to register as soon as the auction opens.

6. BROKER COOPERATION

Licensed real estate brokers that have secured a registered bidder shall receive from the Government a "finder's fee" in the event the bidder's high bid is accepted and the sale is closed with all funds being received by the Government, and the broker is not: (1) the bidder; (2) a partner in the bidding relationship; (3) in a partnership with the bidder; or (4) a corporate officer or controlling shareholder or principal in the bidding corporation.

The real estate broker shall receive from the Government a "finder's fee" consisting of two percent (2%) of the first \$1 million of the accepted sale price and one percent (1%) of the sale price over \$1 million. The fee is

cumulative. The fee shall only be considered earned upon closing.

The acceptance of a bid by the Government shall also establish that the Government agrees to pay the "finder's fee" to the broker and that the obligation to pay said fee shall accrue at closing, not at bid acceptance.

In addition to the Bidder Registration and Bid Form, bidders must complete and submit the Real Estate Broker Cooperative Agreement form as included herein. Submissions of this form after the receipt of the Bidder Registration and Bid Form will not be accepted.

7. USER IDENTIFICATION AND PASSWORD

User Identification ("ID") and Password are used to register online and to place bids online. When you register online, you will be required to assign your own User ID (limited to eight [8] characters). Since the User ID is used to publicly identify bids, and for your privacy, **GSA will then assign you a new USER ID** in a manner that protects you or your company's identity. The User ID number will be used to identify the bidders at www.auctionrp.com. The required password must be at least eight [8] characters and must include: a) one letter, b) one number, and c) one special character such as: ! @ # \$ % ^ & * (). In the event you forget your User ID and/or password or are locked out from the system, it is your responsibility to contact GSA, during normal business hours, to obtain assistance.

8. BIDDING IN GENERAL

a) Registered bidders may increase their bids by following the instructions at www.auctionrp.com. By submitting your bid through www.auctionrp.com, you agree that your bid is a binding offer. You will be legally obligated for any and all bids submitted using your ID number and password.

b) Bids must be submitted without contingencies.

c) Bids by mail that are not submitted on GSA forms will be rejected.

9. DAILY BIDDING RESULTS

Bidders are strongly encouraged to monitor bidding activity at www.auctionrp.com. New bids and auction closing information will be posted to this site. The online auction site is updated immediately when new bids are received. Bidders may also review the information at propertydisposal.gsa.gov.

Bidders will be notified via the auction web site when bidding will be closed. If your bid is not accurately shown on the web page, then you should call GSA at 1-888- 472-5263 (GSA-LAND), ext. 3431 or ext. 3428. Bidders are urged to pay close attention to www.auctionrp.com which will contain new, revised, and useful information regarding the high bid, modification to bid increment and the closing date of the auction.

10. INCREASING YOUR BID

If you learn from the auction web page that your bid was not the high bid, or if another bidder exceeds your previously high bid, you may increase your bid until such time as bidding is closed. Increases in previously submitted bids are welcome and your registration deposit will apply to subsequent increased bids. All increased bids must be made online. **Increased bids must be at least \$100,000.00 more than the previous high bid in order to be considered.** The Government reserves the right to modify the bid increment at any time prior to the close of the sale. To increase a previously submitted initial written bid, bidders must bid online at www.auctionrp.com. In the event that two bids of equal value are received via U.S. Mail or online, the first bid received will be recognized.

11. CALL FOR FINAL BIDS

The Government will announce a date for the receipt of final bids. That date will be announced at www.auctionrp.com. On that date, if no increased bid is received between 12:00 a.m. and 3:00 p.m. Pacific Time, then bidding will close at 3:00 p.m. and consideration will be given to selling the Permits to the high bidder. If an increased bid is received between 12:00 a.m. and 3:00 p.m. Pacific Time on that announced date, then bidding will be continued over until the next business day, excluding Federal holidays and weekends, on the same terms. Eventually, no one will outbid the high bidder and bidding will close at 3:00 p.m. Pacific Time on that day. There is no advantage to waiting until the last minute to bid.

12. CONTINUING OFFERS

Each bid received shall be deemed to be a continuing offer for ninety (90) calendar days after the date of the final bid submittal by a bidder until the bid is accepted or rejected by the Government.

If the Government desires to accept any bid after the expiration of the ninety (90) calendar days, the consent of the bidder shall be obtained prior to such expiration.

13. ACCEPTABLE BID

An acceptable bid is one received from a responsible bidder, whose bid, conforming to this IFB, will be most advantageous to the Government, price and other factors considered.

14. NOTICE OF ACCEPTANCE OR REJECTION

Notice by the Government of acceptance or rejection of the bid shall be deemed to have been sufficiently given when faxed or mailed to the bidder or their duly authorized representative at the fax/phone number or address indicated in the bid. The processing

of a bid deposit by the Government shall not, in itself, constitute acceptance of the bidder's offer. The Government reserves the right to reject any or all bids or portions thereof for any reason.

15. HIGH BIDDER DETERMINATION

Once bidding stops and the high bid is confirmed, the high bid will be considered for acceptance. There is no guarantee that the Government will accept the high bid.

16. AUCTION SUSPENSION

The Government reserves the right to stop the auction for any reason without award and start a new auction at any time. The Government may resolve bidding conflicts by determining the high bidder and the high bid amount and then re-open bidding until bidding stops as described above. The Government may temporarily suspend an auction to resolve controversies and resume an auction at any time.

17. TEN PERCENT BID DEPOSIT, TRANSACTION CLOSING AND REFUND OF REGISTRATION DEPOSITS

a) Within ten (10) calendar days of acceptance of a bid by the Government, the Purchaser agrees to deposit an additional amount in the form of a cashier's check or certified check, if any, which when added to the Registration Deposit, will equal at least ten percent (10%) of the amount bid. Failure to provide such bid deposit shall require rejection of the bid.

b) Upon acceptance of a bid, the appropriate bid deposit shall be applied towards payment of the Purchaser's obligation to the Government. The full balance of the purchase price is payable in the form of a cashier's check, certified check or electronic wire transfer within thirty (30) calendar days after acceptance of bid. At the time of closing, all cash money paid

by the Purchaser will be credited, without interest, toward the total purchase price.

c) Appropriate Registration Deposits accompanying bids that are rejected will be refunded to bidders without interest. Bidders may elect to receive the refund by U.S. Treasury check or by an electronic transfer of funds. Bidders will be required to provide GSA with a Taxpayer Identification Number (TIN) to ensure the proper refund of the Registration Deposit by the U.S. Treasury. The TIN may be either a Social Security Number (SSN) or an Employer Identification Number. The use of an individual's SSN will be collected only for the proper refund of the Registration Deposit.

d) Registration Deposits received from the two highest bidders will be held as stipulated in Paragraph 18, Back-up Bidder. All other Registration Deposits will be processed for refunds after the last day of the auction or upon written request to withdraw from the auction unless the bidder is the first or second highest bidder. Refunds will be processed timely but will require several weeks to complete the process.

18. BACK-UP BIDDER

The second-highest bidder will be the backup bidder. If the high bidder is unable to consummate the transaction, the second highest bidder's bid may then be considered for award. The backup bidder's Registration Deposit will be retained, without interest, until the first high bidder has increased their initial Registration Deposit to the required ten percent (10%) of the purchase price. Subsequently the Registration Deposit of the second-high bidder will be refunded by U.S. Treasury check or by an electronic transfer of funds thereafter. In the event that the Government is unable to make an award to the highest or second-highest bidder, the Government reserves the right to negotiate with the remaining bidders and make an award that is in the best interest of the Government.

19. ONLINE BIDDING

The Government will not be responsible for any failure attributable to the inability to transmit a bid, the transmission or receipt of an online bid, including, but not limited to the following:

- a) Receipt of a garbled or incomplete bid.
- b) Availability or condition of the sending or receiving electronic equipment.
- c) Incompatibility between the sending and receiving equipment and software.
- d) Malfunctioning of any network, computer hardware or software.
- e) Delay in transmission or receipt of a bid.
- f) Failure of bidder to properly identify the bid.
- g) Security of bid data.
- h) Inability of bidder to enter bid. For example: due to lost or forgotten password or system lock due to login repeated failures, etc.

If your bid is not accurately shown or you can not enter a bid at www.auctionrp.com then you should call GSA at (888) GSA-LAND ext. 3431 or 3428 for assistance.

20. BID EXECUTED ON BEHALF OF BIDDER

a) A bid executed by an attorney or agent on behalf of the bidder shall be accompanied by an authenticated copy of their Power of Attorney or other evidence of their authority to act on behalf of the bidder.

b) If the bidder is a corporation, the Certificate of Corporate Bidder must be executed. The certificate must be executed under the corporate seal by some duly authorized officer of the corporation other than the officer signing the bid. In lieu of the Certificate of Corporate Bidder, there may be attached to the bid, copies of so much of the records of the corporation as will show the official character and authority of the officer signing, duly certified by the secretary or assistant secretary, under the corporate seal, to be true copies.

c) If the bidder is a partnership, and all partners sign the bid, with a notation that they are all general partners, the Government will not ordinarily require any further proof of the existence of the partnership. If all the partners do not sign the bid, then the names of all those except limited partners must be furnished on the bid and the Government, in its discretion, may require evidence of the authority of the signer(s) to execute the bid on behalf of the partnership.

REAL ESTATE BROKER COOPERATIVE AGREEMENT

For use with Bidder Registration and Bid Form for Purchase of Government Property

Galena Groundwater Permits

Washoe County, Nevada

PROPERTY CODE 237

SEND THIS FORM TO:

U.S. General Services Administration
Office of Real Property Disposal (9PR)
450 Golden Gate Avenue, 4th Floor East
San Francisco, CA 94102-3434
Attn: Karen Hoover, Realty Specialist

The undersigned real estate broker has secured for the Government the bidder identified below and as identified on the attached Bidder Registration and Bid Form for Purchase of Government Property. It is understood by and between the Government and the broker that:

1. The real estate broker shall receive from the Government a "finder's fee" in the event the bidder's high bid is accepted and the sale is closed with all funds being received by the Government, and the broker is not (1) the bidder; (2) a partner in the bidding relationship; (3) in a partnership with the bidder; or (4) a corporate officer or controlling shareholder in the bidding corporation.
2. The real estate broker shall receive from the Government a "finder's fee" consisting of two percent (2%) of the first \$1 million of the accepted sale price and one percent (1%) of the sale price over \$1 million. The fee is cumulative. The fee shall only be considered earned upon closing.
3. The acceptance of a bid by the Government shall also establish that the Government agrees to pay the "finder's fee" to the broker and that the obligation to pay said fee shall accrue at closing, not at bid acceptance. Payment will be made to the real estate broker in accordance with the Prompt Payment Act (31 U.S.C. 1801) and arrangements for payment will be made upon closing of the transaction.
4. This Real Estate Broker Cooperative Agreement form is made subject to the terms of the IFB No. 9PR-2008-237 and any associated amendments to the IFB.

Bidder Name: _____

Signature: _____ Date: _____

CERTIFICATE OF REAL ESTATE BROKER: It is hereby certified that the undersigned is authorized under the laws of _____ to perform the services of a real estate broker. Enclosed is a copy of my authorization under License No. _____ Expiration Date _____

Broker's Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

E-mail: _____

Signature _____ Date _____

BIDDER REGISTRATION AND BID FORM FOR PURCHASE OF GOVERNMENT PROPERTY

Galena Groundwater Permits Washoe County, Nevada

SEND THIS FORM TO:

REGISTRATION DEPOSIT: \$ 200,000.00

U.S. General Services Administration
Office of Real Property Disposal (9PR)
450 Golden Gate Avenue, 4th Floor East
San Francisco, CA 94102-3434
Attn: Karen Hoover, Realty Specialist

PROPERTY CODE 237

The undersigned bidder hereby offers and agrees to purchase the Permits (consisting of all six permits) as described in the accompanying Invitation for Bids IFB for the bid price entered below or subsequent bids placed online if this bid is accepted by the Government within ninety (90) calendar days after the date of receipt. This Bid Form is made subject to the terms of the IFB No. 9PR-2008-237, including its Property Description, General Terms of Sale, Important Instructions to Bidders, Bidder Registration and Bid Form For Purchase of Government Property, the Real Estate Broker Cooperative Agreement form, the Galena Water Rights CD, and any associated amendments to the IFB, all of which are incorporated herein and by reference made a part of this initial bid and subsequent bids placed online at <http://www.auctionrp.com>.

I HEREBY ACKNOWLEDGE RECEIPT OF AND HAVE REVIEWED THE AFOREMENTIONED DOCUMENTS. _____ (INITIAL)

INITIAL BID AMOUNT: \$ _____
BID AMOUNT SPELLED OUT _____

If this bid is accepted, the instrument of conveyance should name the following as Grantee(s)

BIDDER REPRESENTS THAT HE/SHE OPERATES AS (check which applies)

See page 11, paragraph 20, Bid Executed On Behalf Of Bidder for instructions:

- An individual doing business as _____
- A partnership consisting of _____
- A limited liability partnership consisting of _____
- A corporation, incorporated in the State of _____
- A limited liability corporation, incorporated in the State _____
- A trustee, acting for _____

PLEASE COMPLETE THE FOLLOWING:

Name: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____
E-mail: _____

Signature _____ Date _____

CERTIFICATE OF CORPORATE BIDDER

For use with Bidder Registration and Bid Form for Purchase of Government Property
(See page 11, paragraph 20, Bid Executed On Behalf of Bidder for instructions)

Galena Groundwater Permits Washoe County, Nevada

Property Code 237

I, _____, certify that I am _____
(Secretary or Other Title)

of the Corporation named as bidder herein; that _____
(Name of Authorized Representative)

who signed this Bid Form for Purchase of Government Property on behalf of the bidder was

then _____ of said Corporation that said bid
(Official Title)

was duly signed for and on behalf of said Corporation by authority of its governing body and
is within the scope of its corporate powers.

(Signature of Certifying Officer)

(Corporate Seal Here)

BIDDER REGISTRATION AND BID FORM FOR PURCHASE OF GOVERNMENT PROPERTY

Galena Groundwater Permits Washoe County, Nevada

SEND THIS FORM TO:

U.S. General Services Administration
Office of Real Property Disposal (9PR)
450 Golden Gate Avenue, 4th Floor East
San Francisco, CA 94102-3434
Attn: Karen Hoover, Realty Specialist

REGISTRATION DEPOSIT: \$ 200,000.00

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- A partnership consisting of _____
- A limited liability partnership consisting of _____
- A corporation, incorporated in the State of _____
- A limited liability corporation, incorporated in the State _____
- A trustee, acting for _____

PLEASE COMPLETE THE FOLLOWING:

Name: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Fax: _____
E-mail: _____

Signature _____ Date _____

CERTIFICATE OF CORPORATE BIDDER

For use with Bidder Registration and Bid Form for Purchase of Government Property
(See page 11, paragraph 20, Bid Executed On Behalf of Bidder for instructions)

Galena Groundwater Permits Washoe County, Nevada

Property Code 237

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of the Corporation named as bidder herein; that _____
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who signed this Bid Form for Purchase of Government Property on behalf of the bidder was

then _____ of said Corporation that said bid
(Official Title)

was duly signed for and on behalf of said Corporation by authority of its governing body and
is within the scope of its corporate powers.

(Signature of Certifying Officer)

(Corporate Seal Here)