

Unreserved Public Real Estate Auction



Armstrong Hotel & Saloon 16 Guest Rooms Saloon & Restaurant – Armstrong, BC

Will be sold to the highest bidder

April 26, 2017
Edmonton Auction Site

BC/City of Armstrong

Property Highlights

Armstrong, B.C. is located in the North Okanagan overlooking the beautiful Spallumcheen Valley between Vernon & Enderby just 45 minutes North of Kelowna or 30 minutes South of Sicamous.

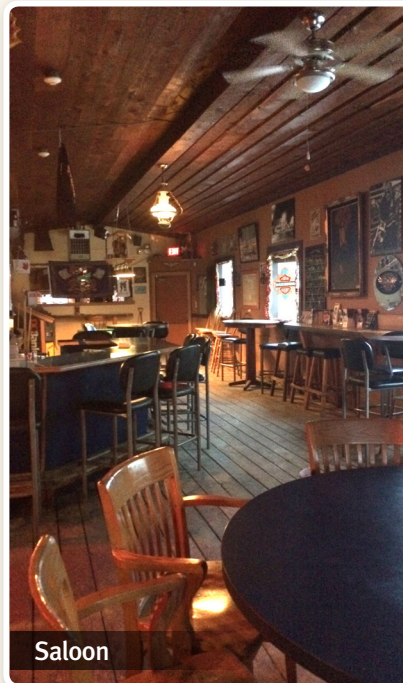
Armstrong is vibrant community rich with heritage and culture fueled by tourism, logging and agriculture. The town sits amidst some of the most fertile soil in the B.C. interior.

The Armstrong Hotel & Saloon has been part of the fabric of Armstrong since 1892.

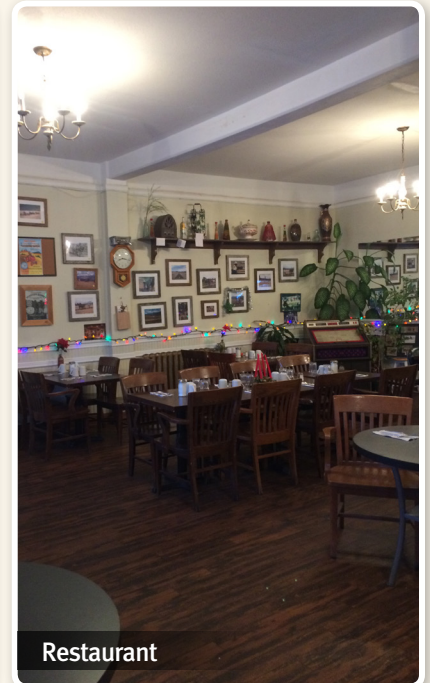
Ritchie Bros. Auctioneers is pleased to offer for sale by unreserved auction this iconic hotel, restaurant & saloon. The property and profitable going concern business will sell together to the highest bidder regardless of the price on sale day.

Owner Dave Prebushewski completed renovation and restoration of this landmark property in 2013 and has been enjoying a thriving business, but he is now looking forward to retirement and passing on his hotel to a new owner. Everything is included in the sale; all fixtures, furnishings, equipment, inventory and rolling stock sell together with the property. In addition, Mr. Prebushewski will stay on to help with the smooth transition of the business.

Take advantage of a fantastic opportunity to purchase by unreserved auction a charming historical character property with a robust hospitality business.



Saloon



Restaurant

View by Appointment: Contact Dave Prebushewski

For more information:

Dave Prebushewski – Owner
780.689.7347

Jerry Hodge – Ritchie Bros. Real Estate
780.706.6652 | jhodge@rbaction.com

Realtor: Tom Moran (PREC) - Re/Max Dawson Creek Realty
250.784.7090 | tommoran@shaw.ca

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Property Details

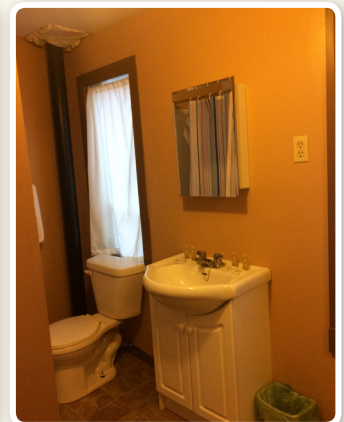
On 3 titles:

- ▶ Lot 1 Block 11 Section 5 Plan KAP408, PID 001-544-179, taxes \$4799.59
- ▶ Block 25 Section 6 Plan KAP5, PID 001-540-033, taxes \$313.22
- ▶ Section 6 Plan KAP5531B, PID 001-540-084, taxes \$292.14

Property Information:

- ▶ 3 storey building with basement
- ▶ Paved parking lot, full city services
- ▶ 50 seat licensed dining room
- ▶ 100 seat licensed pub with drum set & sound system
- ▶ Fully equipped commercial kitchen
- ▶ 14 guest rooms
- ▶ 2 guest suites; self-contained with kitchen & laundry
- ▶ 3 laundry rooms (one on each floor)
- ▶ Original construction in 1892
- ▶ Granite stone foundation – 4 ft thick x 12 ft high
- ▶ Poured in place concrete basement floor (1982)
- ▶ Basement concrete cinder block boiler room
- ▶ Fir lumber trusses & floor joists (square nails)
- ▶ Fully insulated with fire retardant blown-in insulation (1992)
- ▶ New roof, torch on commercial roofing (2013)
- ▶ New wiring – 1st floor (2012), 2nd & 3rd floors (2013)
- ▶ New plumbing – 1st floor (2012), 2nd & 3rd floors (2013)
- ▶ Hot water radiator heating thermostatically controlled
 - New boiler & system refurbished (2013)
- ▶ New 45 gallon hot water tank & new 65 gallon hot water storage tank (2012)
- ▶ New fire alarm, emergency lighting & fire suppression system (2012)
- ▶ New outside staircase fire escape (2012)
 - Manufactured steel, 4 ft wide x 3 storeys high
- ▶ Complete kitchen renovation (2012)
 - Including new appliances
 - Note: The dishwasher is a lease with a monthly service contract that will be transferred to the new owner
- ▶ 2nd floor renovation (2013)
- ▶ 3rd floor renovation (2013)

***Note: The purchaser will need to apply to the B.C. Liquor Control & Licensing Branch (LCLB) and the B.C. Liquor Distribution Branch (LDB) to assume the hotel's liquor license.**



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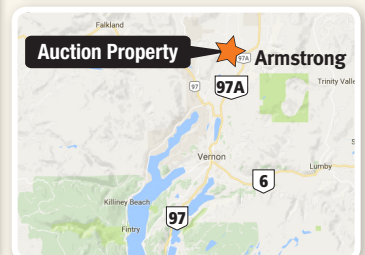
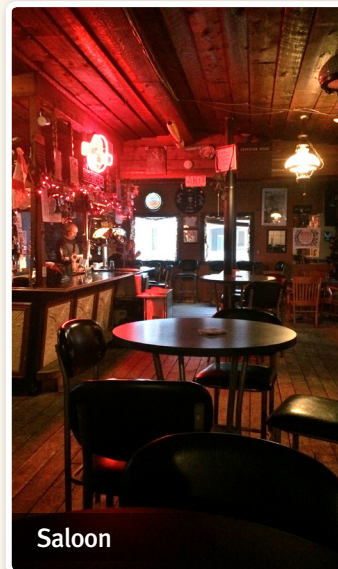


Business Information

The Armstrong Hotel & Saloon operates as a full service hospitality business. The facility is open 7 days a week. The dining room is currently open for breakfast & lunch from 7 am to 2 pm. The pub is open from 11 am to midnight with live entertainment on Thursday, Friday & Saturday evenings. Rooms can be rented individually by the night or the complete hotel can be rented as well. There are several clients that take advantage of this opportunity. The complete facility is booked for several upcoming dates in 2017.

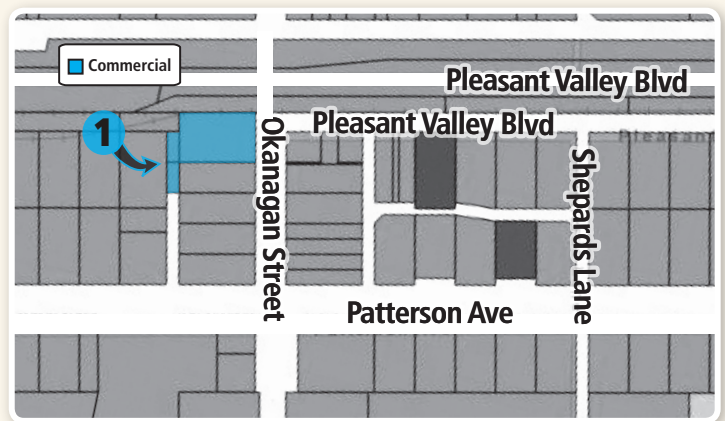
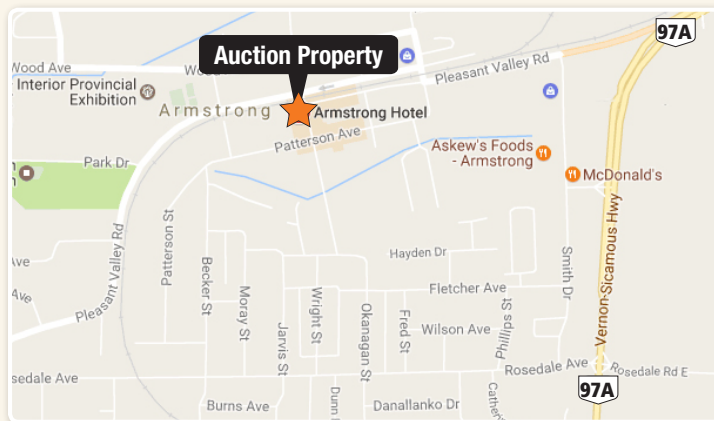
The property & business will sell together for one money. All furnishings, fixtures, equipment, inventory & rolling stock is included. Upon closing, there will be a 7 day supply of rolling stock for continuous operation. The seller will provide information & knowledge to help the purchaser with the application for assuming the liquor license. **(Please note: The sale is unconditional and not contingent on the purchaser's ability to obtain a liquor license.)** The seller will also stay on for 7 days after closing to help to transition the business to the purchaser. Financial records for the business are available to prospective qualified buyers.

Viewing of the property may be done by appointment, contact owner Dave Prebushewski at 780.689.7347.



Directions to Property

2715 Pleasant Valley Boulevard, Armstrong, B.C.



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Unreserved Real Estate Auction – Terms and Conditions

The following terms and conditions (“the Real Estate Terms”) form an integral part of the terms of the Bidder’s Registration Agreement (the “Bidders Terms”). The Real Estate Terms apply to all the sales of real property (the “property”), and apply only to sales of real property. Where the Real Estate Terms are applicable, the Real Estate Terms shall prevail to the extent of any conflict with the Bidder Terms.

- 1. UNRESERVED AUCTION.** The Property shall be sold to the highest bidder regardless of price at unreserved auction. The sale shall not be subject to any minimum bid or reserve price.
- 2. AGREEMENT OF PURCHASE AND SALE.** The purchaser shall execute and Agreement of Purchase and Sale, in the form provided by the Auctioneer, without modification, immediately after being declared the high bidder.
- 3. CASH SALE.** This is a cash sale and is not contingent on Purchaser’s ability to obtain financing.
- 4. LAWYER OR NOTARY.** Completion and closing of all real estate transactions will be handled by a qualified Lawyer or Notary (the “Lawyer or Notary”) appointed by the Seller and the Auctioneer. All deposit, earnest, and purchase monies in respect of the Property shall be paid to and deposited with the Sellers Lawyer or Notary.
- 5. DEPOSIT.** Immediately after being declared the high bidder, the purchaser shall submit a non-refundable deposit to the Sellers Lawyer or Notary in the amount of 25% of the Purchase Price (the “deposit”). The Auctioneer may, in its sole discretion, accept a deposit of 10% of the Purchase Price if provided with a copy of an unconditional letter of financing from a lending institution acceptable to the Auctioneer. The balance of the Purchase Price shall be paid at or before closing.
- 6. ADMINISTRATIVE FEE.** Immediately after being declared the high bidder, the Purchaser shall pay the applicable administration fee, if any, to the Auctioneer.
- 7. TAXES.** Any and all applicable Federal, Provincial, or State taxes, including Provincial Property transfer tax (calculated @ 1% on the first \$200,000, 2% on the portion of the fair market value greater than \$200,000 and up to and including \$2,000,000, 3% on the portion of fair market value greater than \$2,000,000) must be paid by the Purchaser in addition to the Purchase Price, at or before closing. Any and all applicable property taxes shall be paid by the Seller and Purchaser pro-rata based on the date of closing.
- 8. CLOSING.** Closing will take place on the date that is 30 days after the date of the auction, or such other date as may be mutually agreed by the parties. The Purchaser and Seller shall each be responsible for their own legal fees, Land title registration fees shall be paid by the Purchaser at or before closing.
- 9. NON-PERFORMANCE –** Any failure by the Purchaser to complete the purchase of the Property will result in the Deposit and any further interest in the Property being forfeited.
- 10. POSSESSION.** Purchaser will receive vacant possession on the date of closing.
- 11. AS-IS SALE.** The Purchaser shall accept the Property “AS-IS”, “WHERE-IS”, and “WITH ALL FAULTS” as of the closing date and the Purchaser specifically agrees that neither the Seller nor the Auctioneer makes any representations or warranties of any kind whatsoever, expressed or implied, to the Purchaser as to the value, condition or fitness of the Property, environmental or otherwise, or any part thereof or improvements thereon. All descriptions, measurements and acreage provided by the Seller and the Auctioneer are to be used as a guide only. The Purchaser acknowledges and agrees that it is the Purchaser’s sole responsibility to make such legal, factual and other inquiries, inspections and investigations as Purchaser considers necessary prior to bidding on the property, and Purchaser hereby warrants and represents that he shall have satisfied himself as to the location and condition of the Property, and all descriptions with respect thereto, prior to bidding, and that he has had the opportunity to do so.
- 12. NO MINES OR MINERALS.** Mines and minerals are not included and shall not be conveyed with the Property unless otherwise expressly provided. Any and all surface leases will be assigned to the Buyer upon completion, and any payment the Seller has received will be pro-rated and adjusted as of completion date.
- 13. PERSONAL PROPERTY.** No personal property shall be conveyed with the Property unless specifically included in the purchase agreement.
- 14. AGENT OF THE SELLER.** The Auctioneer (and any appointed real estate agent, where applicable) is acting as an agent of the Seller only, and not as an agent of the Purchaser or as a dual agent. The Purchaser will be required to sign an Agency Agreement acknowledging that they are aware they are not receiving any representation.
- 15. NO ASSIGNMENT.** The Purchaser shall not assign his bid or obligation to purchase the Property to a third party without the prior written approval of the Auctioneer.
- 16. FOREIGN OWNERSHIP RESTRICTIONS.** The Property may be subject to foreign ownership restrictions. Bidder acknowledges that it is Bidder’s sole responsibility to make any necessary enquiries, including without limitation consulting with legal advisors, prior to bidding to ensure they are legally eligible to purchase the Property.
- 17. REQUIRED DOCUMENTS –** Purchaser will be required to sign a Fintrac “Individual Identification Form” as well as a Disclosure of Remuneration acknowledging the commission being paid to the Selling Agents office.

January 16, 2017 9:42 AM

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