

## SO I SOLD MY HORSE, NOW WHAT?

**S**o you listed your horse in the June issue of Horse Connection magazine and, as a result, you now have a buyer all lined up. They are ready to write the check and you are wondering, now what do I do? In Colorado, you will need a bill of sale and a brand inspection, at a minimum.

An inspection is required every time an animal is sold or purchased (horses, cattle, mules and donkeys) or when any change of ownership occurs, regardless of whether or not the animal is transported after or prior to the sale. An inspection is required even if the horse is not branded. You can find out more from the Colorado Department of Agriculture at their website [www.ag.state.co.us/livestockinspection/Regulations.html](http://www.ag.state.co.us/livestockinspection/Regulations.html).

According to the Department, the requirements of a legal bill of sale are: seller's name, buyer's name, a complete description of the horse being purchased, signature of seller, signature of buyer and a witness residing in the county where the transaction takes place. The complete description should include the color, sex, breed, markings, registration numbers, and hot iron brands. A brand inspection time needs to be scheduled, the seller needs to verify ownership, and a brand inspection transfer card completed together with some fees to the Department. Sounds pretty easy, right? Just write up a little bill of sale and call the brand inspector to schedule an appointment.

Well there's more to the apple than meets the eye. Take for instance, if the seller puts down in writing the age of the horse on the advertisement or on the bill of sale and it turns out that the horse is, in fact, older than believed by the seller. Does the buyer have a potential claim of action? Possibly. Therefore, most attorneys would recommend a provision in the bill of sale to the effect that the buyer understands there are no warranties expressed or implied, including implied warranties of merchantability or fitness for a particular purpose, with regard to the horse and that the horse is being sold in an "as-is" or "with all faults" condition. A seller should be cautious about making

warranties about even the description of a horse, but, to the best of his or her knowledge, he or she could describe the horse. Sound like a lot of legalese? You bet, but it could make all the difference in the world to a judge called upon to decide the matter in the event of a dispute. Mostly, it's just like grandpa used to say about not making promises you can't keep (or can't be sure of).

Other issues also arise when the buyer has not had the opportunity to conduct a pre-purchase examination performed by a veterinarian of his or her choosing and expense prior to execution of a bill of sale or contract for purchase. For this reason, I always recommend that buyers have a pre-purchase examination performed. Even if it is a nominal sale between friends, it could save your friendship if the



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pre-purchase exam points out something otherwise unknown, even if the sale is lost.

With registered horses, a buyer would want to ensure that there are contractual provisions for a transfer of registration papers. With expensive horses or those with medical conditions, the parties may wish to authorize the release and transfer of veterinary files related to the horse. This may be something that is considered as a part of the pre-purchase examination and due diligence period. Finally, one might consider a transfer of any and all insurance files and coverages related to the horse.

The issues become more complex and probably require additional legal documents if there will be a trial period, a lease with option to purchase agreement, continued training or boarding of the horse as a condition of the sale, or trainers brokering the sale. Some trainers have great experience and forms for these situations. When trainers assist in the purchase or sale of horses, it is customary that they get paid for their efforts. They often charge an agent fee or commission to cover their time and expertise, which is added to the purchase price or paid from the proceeds by the seller. This is an accepted practice and reputable trainers will tell you up-front what their fee will be (as well as any fees by the agent for the other party and any other fees that would be incurred if a sale is not consummated). It is important to discuss the issue of fees with your trainer beforehand. For everyone's sake putting this in writing makes good business sense and preserves relationships by promoting full disclosure; not the least of which is also ensuring the trainer protects their right to be compensated for their efforts and experience.

I am very concerned about downloading "forms" from the Internet. Each state has its own laws in these matters, so many of the forms you might find will not have the proper provisions for your state. Further, you never know who drafted the Internet "form." Someone unskilled in these matters or in the law may have drafted the form. A bad "form" or a poorly written one can cause more problems and exposure than having no documents at all. An ounce of protection is worth a pound of cure.

## For Sale



### Old World Craftsmanship

Come home to the serenity of your surroundings. Five acres *Zoned for horses* offer unobstructed panoramas of the Front Range and city lights. Located below Dawson Butte, this four bedroom, three and one half bath home has been *Laboriously handcrafted*.

This wonderful home includes many custom appointments and amenities. *European kitchen* boasts furniture quality cabinetry, solid Cordosa Italian stone countertops, a country apron sink, and Viking professional appliances. Master bedroom suite has raised wood sitting area and is nestled next to a *Norman style fireplace*, a large bath suite with a claw foot freestanding tub and an extravagant walk-in shower. *Hickory wood plank floors*, solid custom hickory doors, terracotta tiles imported from Spain, hand-troweled plaster walls with an emphatic *European flair* are just some of the exquisite details that puts this unique home in a class by itself.



### Keene Ranch







### Picture your barn here. . .

This 5 acre homestead is the perfect place for an outdoor arena, barn & paddocks. *Sixteen miles of bridle path* meander through the valley providing the serenity of the countryside with the convenience of the city half an hour away.

Offered at \$1,050,000



By Appointment  
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The best place to start is with your trainer or your attorney, who hopefully has had experience in these matters or can refer you to someone who does. Good professionals can help out without breaking the bank or killing the deal. After all, the buyer is supposed to be happy with their new horse, trainers with compensation for their efforts, and, hopefully, the seller with a couple of bucks in her pocket. 

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