

**GREAT WESTERN AUCTION & APPRAISAL SERVICES**  
**(877) 755-7653 office (877) 755-7653 fax**

Aug 10, 2013

Dear Interested Party,

**Once again we would like to take this opportunity to invite you to participate with us on our upcoming Auction on 3226 FM 273 to be held on SATURDAY September 28<sup>th</sup>, 2013 at 9am!**

Here is how the AUCTION works.

1. This is an **RESERVE AUCTION SUBJECT TO SELLER CONFIRMATION on or before 5pm CST Monday, September 30<sup>th</sup>**. We will hold the auction **ONSITE at 3226 FM 273, Bonham, Tx** according to the schedule- 9am Sat. September 28th, **opening the property 1 hour before the appointed time of the Auction for registration of bidders which MUST have evidence of a \$5,000 Cashiers Check made out in their names and/or Great Western Auction & Appraisal Services or an acceptable bank letter of guarantee in order to be issued a bidder number.** Absentee Bids are accepted by meeting the above terms and conditions. If the bidder is the customer or client of a real estate broker then the real broker **MUST** submit a **Broker Registration form 24 hours prior to the Auction** in order to be eligible for their Real Estate commission. A 10% Buyers Premium will be added to the high bid.
2. The Auction will be held at the appointed time. The property is sold AS-WHERE IS and the sale is without contingencies. Once we have concluded and reach the maximum bid then the high bidder will execute the Real Estate contract provided by the auction company and write a personal check or other acceptable documents for the remainder of the 10% of purchase price to be held in an escrow account until closing.
3. You are encouraged to preview the property prior to the Auction by contacting the Auctioneer at 214-957-1910 or attending one of the open houses. Open Houses will be:  
**Registration & Preview**  
Friday, September 27th from 2:00 pm - 5:00 pm  
Saturday, September 28th from 8:00 am - 9:00 am  
**Open House/Preview**  
September 21st - September 22nd from 2:00 pm - 5:00 pm  
Friday, September 27th from 2:00 pm - 5:00 pm  
**Also Shown by Appointment**  
**We encourage you to do inspections and other due diligence prior to the Auction.**
4. Closing will be held **On or Before Oct 30<sup>th</sup> 2013 according to the Terms and Conditions of the Auction.**

Once Again we would like to ***“Thank You”*** in advance for your interest and participation in our Auction and we look forward to Seeing ***YOU*** there our hope is that ***YOU*** are the ***SUCCESSFUL BIDDER Saturday September 28<sup>th</sup>, 2013 at 9am!***

If you have questions or need more information, give our office a call TODAY!

Sincerely,

Jeff Messer, CAL,CES,GPPA

**Broker Tx #0329076/Auctioneer Tx #12493**

**GREAT WESTERN AUCTION & APPRAISAL SERVICES**  
**(877) 755-7653 office (214) 231-9304 fax**

**AUCTION INITIAL BID FORM**

**Subject Property** \_\_\_\_\_

**Date of Auction** \_\_\_\_\_

**INITIAL BIDS** \_\_\_\_\_

**Buyer #** \_\_\_\_\_

**Buyer's Name** \_\_\_\_\_

**Registering Broker's Name** \_\_\_\_\_

\_\_\_\_\_

**Signatures:** \_\_\_\_\_

**Buyer**

\_\_\_\_\_

**Broker**

\_\_\_\_\_  
**Date**

**Accepted by:** \_\_\_\_\_

**Great Western Auction & Appraisal Services**

**GREAT WESTERN AUCTION & APPRAISAL SERVICES**  
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**AFFIDAVIT OF REGISTRATION**  
**BIDDER AND BROKER**

**THIS AFFIDAVIT MUST BE RECEIVED BY AUCTION CO. AT LEAST 24 HRS. PRIOR TO AUCTION**

**The undersigned hereby certifies and agrees to the following terms and conditions:**

1. A commission will be paid to the Broker upon closing and receipt of monies by Great Western Auction & Appraisal Services provided that the undersigned Buyer is the successful bidder on this property described as: 3226 FM 273, Bonham, Tx 75418 to be offered at Auction on Sat Sept. 28<sup>th</sup> at 9am.
2. Commission shall be paid to Brokers representing primary bidders only.
3. A commission will be paid to Broker whose client becomes a secondary buyer if they become the buyer in the event that the primary buyer fails to close the purchase and they are accepted as the backup buyer.
4. The Broker and Buyer, by placing their signatures below certify they have inspected the premises of the subject property.
5. No commission on property will be paid to any Broker participating in the purchase of the property as a principal.
6. The Broker and Buyer hereby attest that the Broker is serving only as an agent for the Buyer and not as a principal involved in the purchase of the property.
7. Buyer hereby acknowledges that the Auction Co. represents the Seller in this transaction.
8. Broker must attend the Auction and bid for or with the prospect.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Company

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
By: (Broker or Sales Associate) License #

"THIS FORM MAY BE PHOTOCOPIED FOR ADDITIONAL REGISTRATION OF BIDDERS."

**GREAT WESTERN AUCTION & APPRAISAL SERVICES**  
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**BROKER PARTICIPATION & REGISTRATION**

Up to a three (3%) percent fee will be paid to any licensed Real Estate Broker whose prospect is the successful bidder, pays and closes on the property as follows:

**REQUIREMENTS FOR BROKER PARTICIPATION AND COMMISSION**

**To qualify for a commission**, the Broker must comply with the following in addition to the Broker's prospect being the Winning Bidder. (Forms to be provided by Auction Company.)

1. Register the prospect (signed Affidavit, GWAA form #TXR01) in writing by mail or FAX 1-877-755-7653 (call to verify receipt) with the Auction Company at least 24 hours prior to the Auction.
2. Attend the Auction, complete the Bidder's Card with the prospect and bid for or with the prospect.
3. Real Estate Brokers will be compensated 1% upon closing and funding of a registered bidder, a total of 2% if the Broker registers a bidder and the bidder submits an Initial Bid of \$225,000 or more upon closing and funding of a registered bidder, 3% if the Broker registers a bidder and the bidder submits an Initial Bid of \$300,000 or more upon closing and funding of a registered bidder. The "Initial Bid" MUST be in writing signed by both Bidder and Broker (form to be provided by Auction Company) prior to the start of the Auction.
4. Broker participation will not be granted if a prospect has been contacted by the Auction Company or the Seller prior to the Auction. No commission will be paid by the seller or Auction Company to any Broker participating as a principle in the purchase of property.

**Client/Broker Registration**

No

Name (Please Print)

Address

City, State Zip

Business Phone

Home Phone

Cashiers Checks

Cash

I have received, understand and agree to all terms and conditions of the Auction as set forth in the Bidder Information Packet or attached hereto. I understand that all properties are sold "AS IS" with no warranties or guarantees expressed or implied by Great Western Auction & Appraisal Services.

Date

Signature

**Broker Participation Form**

Name

Address

City

State

Zip

Phone

I, the undersigned Broker, hereby register with the above named clients to satisfy a requirement to participate in this auction.

Date

Signature

**WELCOME**

PLEASE NOTE: All bidders and others attending this auction agree that they have read and fully understand these terms and agree to be bound thereby.

BID REGISTRATION/CHECK REQUIREMENTS: In order to be issued a bid card prior to the auction, you must show evidence of a \$5,000 Certified Check or previous arrangement for guaranteed funds to the auction company.

Checks are to be made payable to yourself, to be endorsed over to the escrow agent at the auction if you become the high bidder on the property.

Once your check is inspected, you will be issued a numbered Bidder's Card. No one will be allowed to bid at this auction without a numbered Bidder's Card. Personal Checks, Corporate Checks and Money Market Account Checks which are not certified will not be accepted.

BIDDING PROCEDURES: Bidding is open to anyone without regard to race, color, sex, religion or national origin. You need to raise your bid card and shout out your bid, or instruct any of the auctioneer's bidding assistants to do so on your behalf. The bidder is responsible for making his/her bid number known to the auctioneer.

NON-REFUNDABLE EARNEST MONEY DEPOSIT: The initial earnest money deposit must be increased to 10% of the full purchase price of the property by personal check upon the fall of the gavel. THIS DEPOSIT IS NON-REFUNDABLE UNLESS THE SELLER CANNOT CLOSE.

INSPECTION: The Buyer acknowledges that he/she has inspected the Property to Buyer's satisfaction, and is satisfied that no further inspection or assessment (including an environmental assessment) is necessary. In this, buyer relies entirely upon Buyer's own acts and review, and not upon any representations of Seller or of any real estate agent (if any). Property is being sold "AS IS" and must close within the period set forth in the contract.

PERSONAL AND PROPERTY RISK: Persons attending during the exhibition or sale assume all risks of damage of or loss to person's property and specifically release the auctioneer from liability therefore. Neither the auctioneer nor his principal shall be liable by reason of a defect in, or condition of, the premises on which the sale is held.

AGENCY: The Auctioneer is acting as an agent for the seller.

**PLEASE KEEP THIS BUYER'S CARD IN YOUR POSSESSION AT ALL TIMES DURING AUCTION. IT IS YOUR CREDIT CARD FOR THE AUCTION AND YOU ASSUME ALL RESPONSIBILITY FOR IT!!**

**DO YOU HAVE PROPERTY YOU WOULD LIKE TO TURN INTO CASH? CONTACT US WITHOUT OBLIGATION AND LET US HELP YOU WITH YOUR AUCTION NEEDS.**

**GREAT WESTERN AUCTION & APPRAISAL  
(877) 755-7653**

**TERMS AND CONDITIONS OF AUCTION**

**3226 FM 273, Bonham, Tx 75418  
Fannin County, Tx**

**NOTE: All announcements made by Seller or Auction Company on the date of the Auction supersede any prior statements, whether oral or written, and no matter the source.**

JEFFREY A. MESSER, TX AUCTIONEER #12493, RE BROKER #329076 dba GREAT WESTERN AUCTION & APPRAISAL SERVICES, (herein collectively referred to as "Auction Company") have contracted with Roy T. Wedgewood and Tina A. Wedgewood ("Seller") to offer to sell at public auction, Subject to Seller Confirmation, the Leasehold Estate and Improvements located at 3226 FM 273 and described per ATTACHED SURVEY & LEGAL DESCRIPTION(the "Auction"). Bidder acknowledges that this is a Reserve Auction Subject to Seller Confirmation. These Terms and Conditions of Sale are intended for prospective bidders, buyers and purchasers (whether singular or plural interchangeably referred to herein as "Purchaser," "Buyer" or "bidder").

**A. AGENCY DISCLOSURE: THE BROKER AND AUCTION COMPANY ARE ACTING EXCLUSIVELY AS THE AGENT FOR SELLER IN THIS TRANSACTION AND WILL BE PAID A FEE BY SELLER, PURSUANT TO A SEPARATE, WRITTEN AGREEMENT BETWEEN THE SELLER, BROKER AND AUCTION COMPANY. THE BROKER AND AUCTION COMPANY ARE NOT ACTING AS AN AGENT IN THIS TRANSACTION FOR ANY BUYER. ALSO, NO THIRD-PARTY BROKER IS ACTING AS A SUB-AGENT OF AUCTION COMPANY AND ANY SUCH BROKER IS TO BE PAID SOLELY BY SELLER.**

**B. PROPERTY:**

- 1) The Property is identified and described in the attached legal description (the "Auction").
- 2) Should Buyer have any survey made of the Property and such survey determine greater or lesser acreage or square footage in the Property than represented by Seller or Auction Company, no adjustment will be made to the total contract price to be paid by Buyer for that Property and the Seller, Broker and Auction Company shall have no liability whatsoever to Buyer on any basis and for any amount.
- 3) Seller shall convey the Property to Buyer by General Warranty Deed with Assignment of Leasehold Interest, free and clear of all liens and encumbrances, except as specified in the "exceptions" of the Title Commitment, these Terms and Conditions, any additions and revisions to the Terms and Conditions issued by Auction Company prior to the Auction, the Auction Real Estate Sale Contract ("Sale Contract"), and subject to all existing restrictions and other matters of record.
- 4) **The Sale Contract is Not Contingent** and the Property will be offered for sale subject to all facts that a careful and accurate survey and personal inspection may reveal including, but not limited to, such matters as the Property's acreage, age, availability of and

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accessibility to utilities, building codes, condition, conveyances, deeds, development potential, dimensions, divisibility, easements, economic factors, encroachments, encumbrances, environmental condition and factors (including, but not limited to, asbestos, radon gas, and all other dangers and pollutants), fitness for a particular use or purpose, flood plain exposure, forest products, gas, geological conditions, hazards of every kind, insurability, leases, littoral rights, location, marketability, matters of government (including, but not limited to, codes, laws, ordinances, regulations, and rules), measurements, merchantability, minerals, neighbors, nuisances, oil, operability, permissible uses, permits, pollution, prior reservations (including, but not limited to, crops, forest products, gas, minerals, oil, timber, and water), protected wildlife species and habitat, protective or restrictive covenants, proximity of known sex offenders, quality, right-of ways, rights or claims of parties in possession, rights of ingress or egress, rights of other access, riparian rights, soil percolation, soil (percolation, quality, and type), square footage, structural components and integrity, subdivision regulations and rules, safety, suitability, taxes, tenancies, timber, traffic, use, value, water, weather, wetlands, zoning, and all exceptions set forth in the title commitment. The Title Commitment is available for inspection upon request and will also be posted at the Auction.

**C. PROPERTY INSPECTION**

- 1) Buyer should obtain professional advice and inspection of the Property to determine and understand its condition prior to bidding in the Auction. It is Buyer’s sole responsibility to: (a) perform all inspections (economic, environmental, suitability, use, etc.) of the Property, and any improvements thereon, to be fully informed and satisfied as to its condition; (b) review all information relevant to the Property; (c) independently verify all information deemed important, including that which is available in public records; and (d) inquire of legal counsel and/or public officials as to the applicability of various codes, laws, ordinances, regulations, and rules regarding the Property and all other issues relevant to it including, but not limited to, each of the items listed in paragraph A. 2) above, plus the applicability of local, state, and federal laws, regulations, and rules.
- 2) All information contained in the Auction Company’s brochure on the Property, other promotional materials for this offering and the Auction, and the “property information package” (herein referred to as “PIP” which is available online at [www.GreatWesternAuctioneering.com](http://www.GreatWesternAuctioneering.com), by request, and posted at the Auction) was provided by Seller and is believed to be correct; however, neither Seller, Broker nor Auction Company is required to update any information provided or published regarding the Property or the Auction, and neither shall have any liability whatsoever to Buyer on any basis and for any amount for failing to do so.
- 3) Buyer and Buyer’s agent and broker shall bear the sole and exclusive responsibility to confirm all information relevant to the Auction and the Property prior to Buyer bidding in the Auction and buying the Property. Buyer is cautioned and urged to conduct due diligence of the Property, its surrounding area, and all circumstances and facts of this offering for sale and the Auction. Buyer’s failure to do so shall be Buyer’s sole responsibility and the Seller, Broker and Auction Company shall have no liability whatsoever to Buyer on any basis and for any amount.

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**D. LEGAL DISCLOSURE**

The Property will be offered as a Leasehold Estate for sale in the Auction subject to the laws, rules, and regulations of the City of Bonham and of the State of Texas. The Sale of the Property is subject to the Assignment of Lease Consent By City of Bonham, Texas. There is an Annual lease payment currently of \$150 a year for the lot including the home and \$60 a year for the additional lot included. Buyer should verify the current lease amounts and any conditions of the Lease and the current Rules and Regulations for Leasehold properties on Lake Bonham prior to the Auction.

**E. DISCLAIMER**

**1) PERSONAL, ON-SITE INSPECTION OF THE PROPERTY AND ITS SURROUNDING AREA IS STRONGLY RECOMMENDED AND BUYERS ARE ADVISED TO INDEPENDENTLY VERIFY ALL INFORMATION PRIOR TO BIDDING IN THE AUCTION. THE PROPERTY WILL BE OFFERED FOR SALE IN “AS IS, WHERE IS” CONDITION WITH ALL DEFECTS, FAULTS, AND HAZARDS. THE SELLER, BROKER AND AUCTION COMPANY SPECIFICALLY AND UNCONDITIONALLY DISCLAIM ANY GUARANTEE, REPRESENTATION, OR WARRANTY, EITHER EXPRESSED, IMPLIED, OR STATUTORY, EITHER ORAL OR WRITTEN, WITH RESPECT TO THE AUCTION, THE PROPERTY, ITS SURROUNDING AREA AND INCLUDING, BUT NOT LIMITED TO, ANY GUARANTEE, REPRESENTATION, OR WARRANTY AS TO ACREAGE, AGE, AVAILABILITY AND ACCESSIBILITY TO UTILITIES, BUILDING CODES, CONDITION, CONVEYANCES, DEVELOPMENT POTENTIAL, DEEDS, DIMENSIONS, DIVISIBILITY, EASEMENTS, ECONOMIC FACTORS, ENCROACHMENTS, ENCUMBRANCES, ENVIRONMENTAL CONDITION AND FACTORS (INCLUDING, BUT NOT LIMITED TO, ASBESTOS, RADON GAS, AND ALL OTHER DANGERS AND POLLUTANTS), FITNESS FOR A PARTICULAR USE OR PURPOSE, FLOOD PLAIN EXPOSURE, FOREST PRODUCTS, GAS, GEOLOGICAL CONDITIONS, GROUNDWATER (EXISTENCE, QUANTITY, AND QUALITY), HAZARDS OF EVERY KIND, INSURABILITY, LEASES, LITTORAL RIGHTS, LOCATION, MARKETABILITY, MATTERS OF GOVERNMENT (INCLUDING, BUT NOT LIMITED TO, CODES, LAWS, ORDINANCES, REGULATIONS, AND RULES), MEASUREMENTS, MERCHANTABILITY, MINERALS, NEIGHBORS, NUISANCES, OIL, OPERABILITY, PERMISSIBLE USES, PERMITS, POLLUTION, PRIOR RESERVATIONS (INCLUDING, BUT NOT LIMITED TO, CROPS, FOREST PRODUCTS, GAS, MINERALS, OIL, TIMBER, AND WATER), PROTECTED WILDLIFE AND HABITAT, PROTECTIVE OR RESTRICTIVE COVENANTS, PROXIMITY OF KNOWN SEX OFFENDERS, QUALITY, RIGHT-OF-WAYS, RIGHTS OR CLAIMS OF PARTIES IN POSSESSION, RIGHTS OF INGRESS AND EGRESS, RIGHTS OF OTHER ACCESS, RIPARIAN RIGHTS, SAFETY, SOIL (PERCOLATION, QUALITY, AND TYPE), SQUARE FOOTAGE,**

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**STRUCTURAL COMPONENTS AND INTEGRITY, SUBDIVISION REGULATIONS AND RULES, SUITABILITY, TAXES, TENANCIES, TIMBER, TRAFFIC, USE, VALUE, WATER (INCLUDING SPRING AND WELL WATER), WEATHER, WETLANDS, TERMITES OR OTHER PEST, ZONING, AND ALL EXCEPTIONS SET FORTH IN THE TITLE COMMITMENT.**

- 2) Neither Seller, Broker nor Auction Company shall be liable for any relief to Buyer including, but not limited to, adjustment, allowance, damages, reformation, or rescission based upon the failure of any Property to conform to any specific standard or expectation, or to third-party documents or information that address any of the items listed in the immediately preceding "Disclaimer" section.

**F. EQUAL OPPORTUNITY CLAUSE**

All bidding is open to the public. The Property is available to be bid on and purchased by any qualified Buyer without regard to age, color, ethnicity, familial status, gender, national origin, physical disability, race, religion, or sexual preference.

**G. BIDDER REGISTRATION AND TERMS**

- 1) Every Bidder must register and receive a bidder's number in order to bid on the Property in the Auction. The bidder's number must be presented when Bidder is declared the highest Bidder and Buyer of the Property. A **bid deposit**, in the amount of \$5,000.00 will be required to bid on the Property. The bid deposit **MUST** be made payable to the bidder and/or Great Western Auction & Appraisal in the form of a cashier's check or official bank check or Bank Letter of Guarantee(see Auctioneer for acceptable Bank Letter of Guarantee).
- 2) Bidder acknowledges that this is a Reserve Auction Subject to Seller Confirmation, and that once a bid is offered, Bidder shall be bound to the bid until Seller, through Auction Company, has accepted or rejected the bid by Monday September 30<sup>th</sup>, 2013 at 5pm CST. Once the Seller accepts the bid then the buyer is bound by the terms of the contract.
- 3) Upon the Auction Company declaring Bidder to be Buyer for the Property, Buyer shall immediately be required to pay to the Auctioneer or Escrow Agent, in U.S. dollars, an earnest money deposit of no less than Ten Percent (10%) of the total contract price of the Property purchased. The bid deposit shall be applied to the earnest money deposit and the difference between the bid deposit and the Buyer's earnest money deposit may be paid by personal, company or approved check deposited with the escrow agent. The balance of the total contract price shall be due and paid in full at closing.
- 4) Immediately after being declared the winning bidder for the Property, Buyer shall execute the Sales Contract and all related documents presented by Auction Company to bind Buyer and Seller to the purchase and sale of the Property. The Sale Contract may have terms that go beyond and, in some respects, may differ with these Terms and Conditions. The Seller, Broker and Auction Company advise caution and urge Buyer to carefully read the Sale Contract in its entirety before registering to bid and bidding in the Auction in an effort to buy the Property. No change shall be permitted to the Sale Contract and Buyer shall be required to execute the Sale Contract as it exists on the date of the Auction. The Sale Contract, along with these Terms and Conditions and all additions and revisions hereto issued by Auction Company prior to the Auction, all of

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which are incorporated into the Sale Contract by reference here, shall exclusively define the contract for sale for the Property and constitute the entire agreement between Seller and Buyer. The Terms and Conditions, and all additions and revisions hereto, are intended to complement and supplement the Sale Contract and, in the event of any conflict between these documents, the Sale Contract shall control in all instances.

- 5) Any person bidding on behalf of another person or entity must have a fully executed, legally enforceable, recorded, and unexpired power of attorney approved by the Seller, Broker and Auction Company prior to the Auction.
- 6) Any person bidding on behalf of a corporation shall be required to execute the Sale Contract in both the corporation's name and the Bidder's personal name, until such time as the corporation presents the Seller, Broker and Auction Company with evidence of the corporation's good standing in its state of formation, plus a duly-passed and executed resolution from its board of directors authorizing the purchase of the Property and agreeing for the corporation to be bound by the Sale Contract.
- 7) By registering to bid in the Auction, Buyer acknowledges having previously received and read these Terms and Conditions and the Sale Contract, understands and fully accepts all of the terms included in both documents, and unconditionally agrees to be fully bound by these documents.
- 8) If for any reason Buyer fails to pay the required earnest money deposit or execute the Sale Contract immediately after being designated by Auction Company as the winning bidder for one or more Property, Seller has the right, in Seller's sole discretion, to either (a ) pursue all legal remedies available against Buyer, or (b) declare Buyer's bid to be forfeited, null, and void, Seller may then immediately re-offer and re-sell the Property(s) to another Buyer.
- 9) The requirements for registering to bid at the Auction, including without limitation, the Bid Deposit, are for the protection of the Seller and may be waived with respect to one or more prospective bidders by the Seller, in the Seller's sole discretion, without waiving the Seller's right to enforce those requirements with respect to other prospective bidders.
- 10) This is a CASH SALE and it is not contingent upon Buyer's ability to obtain financing of any amount and under any terms.**

#### **H. AUCTION PROCEDURES**

- 1) The Seller, Broker and Auction Company reserve the right to offer the Property in any manner they choose. Seller has instructed Auction Company to offer the property in the manner that it deems appropriate to obtain the highest selling price reasonably achievable.
- 2) The property shall be bid by the dollar amount and shall be offered for sale subject to Seller's acceptance of the highest bid price.
- 3) All decisions of Auction Company are final as to the methods for conducting the Auction and bidding, disputes amongst bidders, the increments of the bidding, and all other matters and issues that may arise before, during and after the Auction.

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- 4) Seller, Broker and Auction Company reserve the right to deny any person admittance to the Auction, or to expel any person from the Auction, if that person is disruptive or noncompliant.

**I. BUYER'S PREMIUM**

A TEN PERCENT (10%) Buyer's Premium shall be in effect for the Auction and added to each winning bid to arrive at the total contract price for the Property purchased by the Buyer.

**J. ESCROW/CLOSING AGENCY**

Cole Title Company shall serve as the Escrow/Closing agent for this sale. Closing will be conducted at the offices of Cole Title Company, 709 N Center St Bonham, TX 75418 (903) 583-3937 or via FedEx by said title company.

**K. CLOSING**

Closing shall occur on or before 5:00 pm on October 30<sup>th</sup> at the offices of escrow/closing agent. All deposits and down payments shall then be paid by Buyer, in U.S. dollars, by cash, bank cashier's check, or confirmed wire transfer to be deposited by the Escrow/Closing Agent into a non-interest bearing escrow account. Upon completion of all necessary closing procedures, Buyer shall be given possession of the Property, subject to any matters contained in the Title Commitment and Sale Contract. The risk of loss of the Property shall remain exclusively on Seller until closing has been completed and title conveyed to Buyer, at which time the risk of loss shall pass to Buyer.

**L. CLOSING COSTS**

- 1) Seller's Costs. At Closing, Seller shall pay for half of the escrow agent's closing fees, courier fees related to the Seller, if any, any attorney fees related to the Seller, any recording fees related to the release of lien and the proration of the taxes and cost of the tax certificate.
- 2) Buyer's Costs. At closing, Purchaser shall pay for half of the escrow agent's closing fees, owner's policy of title insurance, any attorney fees related to the Purchaser, all lender fees, any courier fees related to the Purchaser and the costs for recording the warranty deed and any other buyer closing costs.
  - a. Ad Valorem Taxes and Special Assessments. The current year's ad valorem taxes and assessments, as applicable, shall be prorated at closing. Ad valorem taxes on the Property/Parcel for the calendar year of closing will be prorated between Purchaser and Seller as of the Closing Date. If the amount of taxes for the calendar year of closing is not known on the Closing Date, the proration will be based on taxes for the previous tax year, and Purchaser and Seller will adjust the proration in cash within thirty (30) days if written demand therefore is made by either after the actual amount of such taxes is known and before one (1) year after the Closing Date. Seller will promptly notify Purchaser of all notices of proposed or final tax valuations and assessments that Seller receives after the Effective Date and after closing. All taxes due as of closing will be paid at closing.

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**M. DEFAULT**

In the event Buyer fails to close and pay the balance due on the total contract price for the Property(s) purchased, Buyer’s earnest money deposit shall be forfeited to Seller, as liquidated damages and not as a penalty.

**N. ASSIGNMENT AND THIRD PARTIES**

- 1) Buyer may not assign or transfer purchase of the Property to another, without the prior, written consent of Seller.
- 2) Nothing contained in these Terms and Conditions, the Sale Contract, or in any related document or instrument executed by Buyer in connection with the Auction and any sale that results, shall create any rights in, or be deemed to have been executed for, the benefit of any person or entity not a party hereto, except as expressly provided in writing.

**O. LEGAL ACTION AND ARBITRATION**

- 1) Any claim, controversy, or dispute arising out of these Terms and Conditions, the Auction, the Sale Contract, the transaction contemplated herein, or any related dealings between Seller, Bidder, Buyer, Broker and/or Auction Company (“the Auction matters”), whether controlled by federal or state law, and whether an issue of law or equity, including whether this arbitration section is applicable and enforceable, shall be resolved exclusively by final and binding arbitration, with no appeal permitted, except as provided by applicable law for the judicial review or enforcement of arbitration decisions.
- 2) The arbitration shall be heard by one arbitrator and conducted in accordance with the commercial arbitration rules of Judicial Arbitration and Mediation Services, Inc. (“JAMS”), or its successor. Each party irrevocably waives all right to a trial by jury in any action, proceeding, or counterclaim arising out of the Auction Matters.
- 3) The costs of arbitration, including the fees and expenses of the arbitrator, shall initially be paid equally by the parties. Notwithstanding the foregoing, the prevailing party(ies) shall be entitled to collect from the losing party the full costs associated with the arbitration, including reasonable attorneys’ fees.

**P. BINDING EFFECT**

This Agreement shall be binding upon Seller and all Bidders and Buyers, plus their agents, assigns, attorneys, beneficiaries, distributees, employees, executors, heirs, legatees, officers, representatives, and successors in interest.

**Q. CHOICE OF LAW, JURISDICTION, AND VENUE**

- 1) This Auction and any sale of the Property that occurs, as well as all related issues and matters of every kind, shall be exclusively construed and governed in accordance with the laws of the state of Texas, without regard to its conflict of laws principles.
- 2) The exclusive jurisdiction and venue for any controversy or claim between the parties shall be in the county, as determined by the location of the Property.

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**R. SEVERABILITY, HEADINGS, PRONOUNS, AND CONSTRUCTION**

- 1) If any clause or provision of these Terms and Conditions is later held illegal, invalid, or unenforceable, it is the intention of Seller, Bidders, and Buyers that the remainder of the Terms and Conditions shall not be affected and, in lieu of such clause or provision that is held illegal, invalid, or unenforceable, there shall be added by the court, as a part of these Terms and Conditions, a clause or provision as similar in terms of such illegal, invalid, or unenforceable clause or provision as may be possible, legal, valid, and enforceable.
- 2) Headings herein are for reference only and not intended to expand or restrict the scope or substance of the provisions of these Terms and Conditions. Any reference herein to an article heading includes all relevant sections, subsections, and paragraphs within that article.
- 3) Words used in the present tense may also include the future tense, as the context requires.
- 4) Wherever used in these Terms and Conditions, the singular shall include the plural, the plural shall include the singular, and pronouns shall be read as masculine, feminine or neuter, as the context requires.

**S. MISCELLANEOUS**

- 1) All decisions of Auction Company are final as to the methods for conducting the auction and bidding, disputes amongst bidders, the increments of the bidding, and all other matters and issues that may arise before, during and after the auction. Seller reserves the right to deny any person admittance to the auction, or to expel any person from the auction, if that person is disruptive or noncompliant.
- 2) Title 15, Section 1 of the United States Code strictly prohibits collusion amongst bidders – bid rigging. The penalties for violating the federal antitrust laws include a felony conviction, imprisonment, monetary fine, monetary damages, and attorneys’ fees. Collusion between bidders to depress selling prices is illegal and Auction Company will report all evidence of wrongdoing to the Federal Bureau of Investigation and Department of Justice for investigation and prosecution.
- 3) These Terms and Conditions contain the entire undertaking between Seller, Bidders, Buyers, Broker and Auction Company regarding the Auction and there are no oral or written agreements, inducements, promises, representations, or warranties other than those expressly set forth herein.
- 4) These Terms and Conditions supersede any previous agreement, negotiation, or understanding between Seller, Bidders, Buyers, Broker and Auction Company regarding the Auction and the sale of the Property contemplated herein, and any such have been extinguished before the Auction and do not survive.
- 5) No deletion, modification, supplement, or waiver of any term of these Terms and Conditions shall be made.
- 6) The failure of Seller to insist upon the strict performance of any term of these Terms and Conditions by a Bidder, Buyer or Purchaser shall not be construed as a waiver of any subsequent default of the same or similar nature.

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INITIALS \_\_\_\_\_

INITIALS \_\_\_\_\_

- 7) Buyer has had the opportunity to seek the independent advice of legal counsel of its choosing and has either done so or has voluntarily decided to forgo such advice, with full understanding of the risk involved in this course for this Auction and the sale of the Property contemplated herein.

**AUCTION COMPANY, THROUGH ITS TEXAS BROKER, JEFFREY A. MESSER, IS ACTING ONLY AS A SELLING AGENT IN THIS TRANSACTION AND EXCLUSIVELY REPRESENTS THE SELLER. THE BROKER AND AUCTION COMPANY MAKE NO REPRESENTATIONS WHATSOEVER CONCERNING ANY ASPECT OF THE PROPERTY AND EVERY BUYER IS EXCLUSIVELY RESPONSIBLE FOR CONDUCTING THE DUE DILIGENCE NECESSARY TO MAKE AN INFORMED DECISION REGARDING THE PROPERTY WHICH MIGHT INCLUDE THE BUYER'S VOLUNTARY DECISION TO BID FOR AND BUY THE PROPERTY IN THE AUCTION.**

I HEREBY ACKNOWLEDGE THAT I HAVE READ, UNDERSTAND AND AGREE TO ALL TERMS AND CONDITIONS ABOVE AND THAT MY PARTICIPATION IN THIS AUCTION IS SUBJECT TO THESE TERMS & CONDITIONS.

\_\_\_\_\_  
BIDDER

\_\_\_\_\_  
BIDDER

\_\_\_\_\_  
INITIALS \_\_\_\_\_

\_\_\_\_\_  
INITIALS \_\_\_\_\_

ATTACHMENT A – LEGAL DESCRIPTION

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INITIALS \_\_\_\_\_

INITIALS \_\_\_\_\_

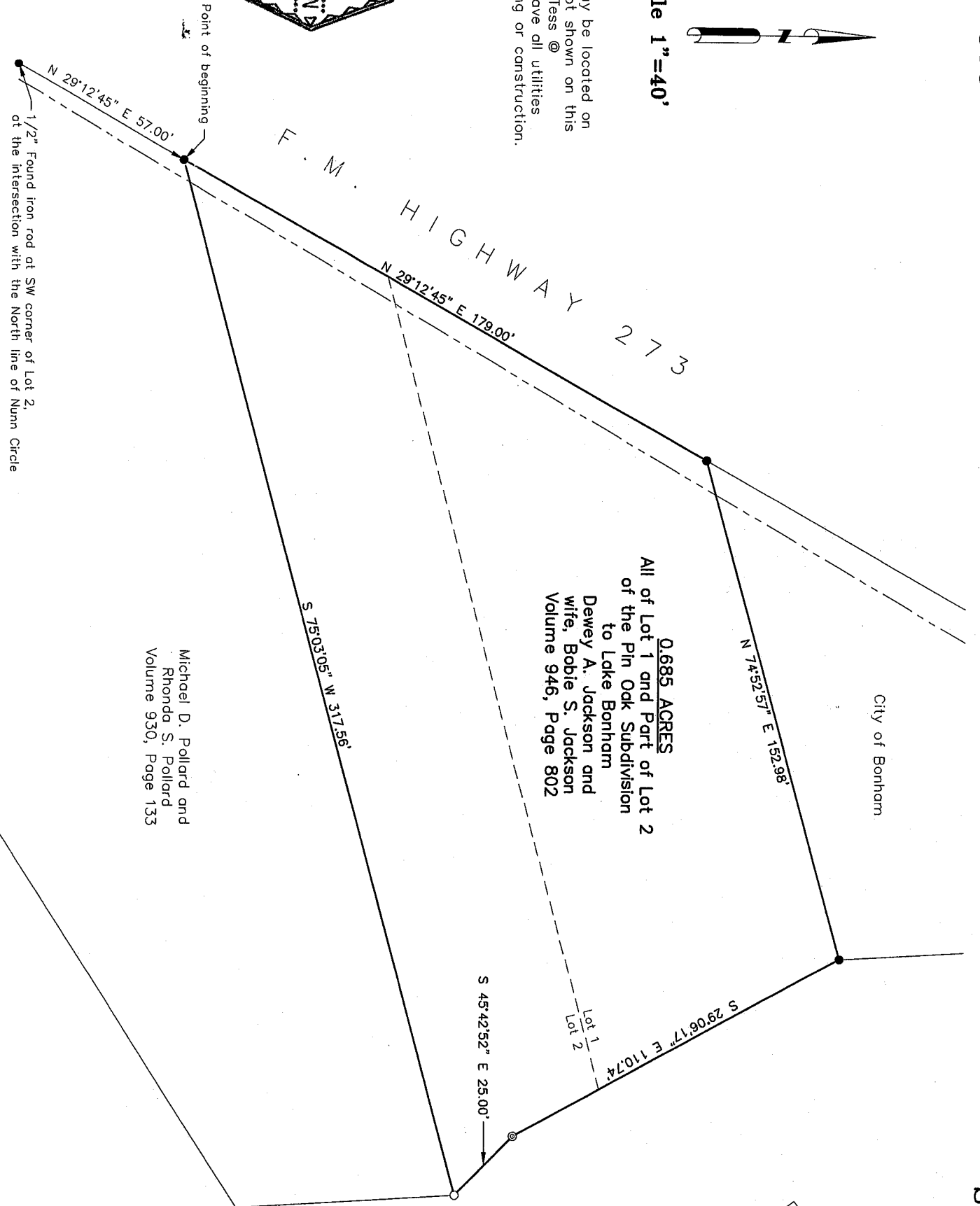
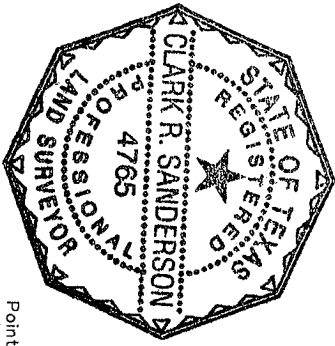
# SURVEY #06-330

SI

Scale 1"=40'



NOTE: Buried utilities may be located on this property that are not shown on this plat. You must call Dig Toss @ 1-800-344-8377 and have all utilities marked before any digging or construction.



1/2" Found iron rod at SW corner of Lot 2 at the intersection with the North line of Nunn Circle

0.685 ACRES  
All of Lot 1 and Part of Lot 2  
of the Pin Oak Subdivision  
to Lake Bonham  
Dewey A. Jackson and  
wife, Bobbie S. Jackson  
Volume 946, Page 802

Michael D. Pollard and  
Rhonda S. Pollard  
Volume 930, Page 133

Clark R. Sanderson RPIS #4765



**Survey # 06-330**

**SHEET 2 OF 2 SHEETS**

**Being:** 0.685 acres of land, a part of the Archibald McKeller Survey Abstract Number 742, lying and being situated on the East side of F.M. Highway 273 at Lake Bonham in Fannin County, Texas. The said 0.685 acre tract being all of Lot 1 and a Northern part of Lot 2 of the Pin Oak Subdivision as shown by recorded plat of record in Slide 56-A of the Fannin County Plat Records. The said Lot 1 and the Northern part of Lot 2 being the same land described in a Warranty Deed from Dr. Alessandra Comini to Dewey A. Jackson and wife, Bobbie S. Jackson, dated May 19, 2001 of record in Volume 946, Page 802 of the Land Records of Fannin County, Texas. The said 0.685 acre tract being described more particularly by metes and bounds as follows:

**Standing** at the Southwest corner of Lot 2 a ½" found iron rod in the East right-of-way of F.M. Highway 273, at the intersection with the North right-of-way of Nunn Circle and at a corner of a tract conveyed to Michael D. Pollard and Rhonda S. Pollard in Volume 930, Page 133, Go, N29°12'45"E with the East right-of-way of F. M. Highway 273 a distance of 57.00 feet to a ½" found iron rod, for the Point of Beginning and the Southwest corner of this tract, at the Northwest corner of the referenced Pollard tract.

**Thence:** N29°12'45"E with the East right-of-way of F.M. Highway 273 a distance of 179.00 feet to a ½" found iron rod, for the Northwest corner of this tract, at the Northwest corner of the referenced Lot 1.

**Thence:** N74°52'57"E a distance of 152.98 feet to a ½" found iron rod, for the Northeast corner of this tract, near the water of Lake Bonham.

**Thence:** S29°06'17"E a distance of 110.74 feet to a point, for a corner of this tract.

**Thence:** S45°42'52"E a distance of 25.00 feet to a ½" set iron rod, for the Southeast corner of this tract, at the Northeast corner of the referenced Pollard tract.

**Thence:** S75°03'05"W a distance of 317.56 feet to the Point of Beginning and containing 0.685 acres.

I, Clark R. Sanderson Registered Professional Land Surveyor #4765, State of Texas, do hereby certify the above was taken from measurements made upon the ground on 12/29/2006 and are true and correct and there are no visible easements, right-of-ways, encroachments or overlapping of improvements, except as shown on the plat.

  
CLARK R. SANDERSON R.P.L.S. #4765



**Survey # 06-330B**

**SHEET 2 OF 2 SHEETS**

**Being:** 0.466 acres of land, a part of the Archibald McKeller Survey Abstract Number 742, lying and being situated on the East side of F.M. Highway 273 at Lake Bonham in Fannin County, Texas. The said 0.466 acre tract lies North of Lot 1 in the Pin Oak Subdivision as shown by recorded plat of record in Slide 56-A of the Fannin County Plat Records, and East of F. M. Highway 273 and West of the shore line of Lake Bonham. The said 0.466 acre tract being described more particularly by metes and bounds as follows:

**Standing** at the Northwest corner of Lot 1 a ½" found iron rod in the East right-of-way of F.M. Highway 273, for the Point of Beginning for the Southwest corner of this tract.

**Thence:** N29°12'45"E with the East right-of-way of F.M. Highway 273 a distance of 287.98 feet to a point at the intersection with the shore of Lake Bonham, for the Northernmost corner of this tract.

**Thence:** with the shore line of Lake Bonham along 5 calls as follows:

1. S 32°39'10" E 11.15 feet,
2. S 18°14'52" E 61.059 feet,
3. S 05°20'27" E 44.51 feet'
4. S00°16'17" E 39.42 feet'
5. S 12°02'46" E 52.15 feet to the Northeast corner of the referenced Lot 1.

**Thence:** S74°52'57"W a distance of 187.34 feet to the Point of Beginning and containing 0.466 acres.



**Approved by the Texas Real Estate Commission for Voluntary Use**  
*Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.*

## Information About Brokerage Services

**B**efore working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

### **IF THE BROKER REPRESENTS THE OWNER:**

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written - listing agreement, or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

### **IF THE BROKER REPRESENTS THE BUYER:**

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

### **IF THE BROKER ACTS AS AN INTERMEDIARY:**

A broker may act as an intermediary between the parties if the broker complies with The Texas Real Estate License Act. The broker must obtain the written consent of each party to the transaction to act as an

intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

(1) shall treat all parties honestly;

(2) may not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner;

(3) may not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and

(4) may not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions of the other party.

**If you choose to have a broker represent you,** you should enter into a written agreement with the broker that clearly establishes the broker's obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.

Real estate licensee asks that you acknowledge receipt of this information about brokerage services for the licensee's records.

Buyer, Seller, Landlord or Tenant

Date

Texas Real Estate Brokers and Salespersons are licensed and regulated by the Texas Real Estate Commission (TREC). If you have a question or complaint regarding a real estate licensee, you should contact TREC at P.O. Box 12188, Austin, Texas 78711-2188, 512-936-3000 (<http://www.trec.texas.gov>)

TREC No. OP-K