

GOVERNMENT EXHIBIT NO.

736

3:14-CR-293-M



LANDMARK PROPERTIES

DENISE ROBERTSON, ABR, CFS
MULTI-MILLION DOLLAR PRODUCER

972-588-8099 DIRECT

903-567-2960 OFFICE

972-949-2671 FAX

903-567-SELL-home (After 7 pm)

FACSIMILE TRANSMITTAL SHEET

TO: John Wiley Price FROM: Denise
COMPANY: DATE: 1/8/05
FAX NUMBER: 214 653-6622
PHONE NUMBER: 214 653-7057
RE: I-20 Property -

- URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY PLEASE RECYCLE

NOTES/COMMENTS:

Dear Mr. Price - Following is the contract on the property on I-20 right outside of Canton. On an identical contract, I have signatures of all remaining heirs agreeing to the terms set forth. It is imperative that no changes be made to the contract. We will correct the closing date by amendment. Please have Mrs. Kelly initial where I have V'd - sign where I have X'd. Thanks so much for your patience. Denise

Please call if you have any questions.



PROMULGATED BY THE TEXAS REAL ESTATE COMMISSION (TREC)

01-06-03

FARM AND RANCH CONTRACT

William Skinner
Christopher SKINNER, and
Ruth SKINNER

1. PARTIES: EDNELL SKINNER, Deborah Chapman, Teresa Twigg (Seller) agrees to sell and convey to Kathu Riccio (Buyer) and Buyer agrees to buy from Seller the Property described below.

2. PROPERTY: The land, improvements, accessories and crops are collectively referred to as the "Property".

A. LAND: The land situated in Van Zandt County, Texas, described as follows:

9 1/4 Acres, Lot 5 and Lot 6, Cherry Springs Addition, with 1997 Manufactured Waverlee, SERIAL #17L02035

or as described on attached exhibit, also known as 23634 I-20, 75169

(address/zip code), together with all rights, privileges, and appurtenances pertaining thereto, including but not limited to: water rights, claims, permits, strips and gores, easements, and cooperative or association memberships.

B. IMPROVEMENTS:

(1) FARM and RANCH IMPROVEMENTS: The following permanently installed and built-in items, if any: windmills, tanks, barns, pens, fences, gates, sheds, outbuildings, and corrals.

(2) RESIDENTIAL IMPROVEMENTS: The house, garage, and all other fixtures and improvements attached to the above-described real property, including without limitation, the following permanently installed and built-in items, if any: all equipment and appliances, valances, screens, shutters, awnings, wall-to-wall carpeting, mirrors, ceiling fans, attic fans, mail boxes, television antennas and satellite dish system and equipment, heating and air-conditioning units, security and fire detection equipment, wiring, plumbing and lighting fixtures, chandeliers, water softener system, kitchen equipment, garage door openers, cleaning equipment, shrubbery, landscaping, outdoor cooking equipment, and all other property owned by Seller and attached to the above described real property.

C. ACCESSORIES:

(1) FARM AND RANCH ACCESSORIES: The following described related accessories: (check boxes of conveyed accessories) portable buildings hunting blinds game feeders livestock feeders and troughs irrigation equipment fuel tanks submersible pumps pressure tanks corrals gates chutes other: _____

(2) RESIDENTIAL ACCESSORIES: The following described related accessories, if any: window air conditioning units, stove, fireplace screens, curtains and rods, blinds, window shades, draperies and rods, controls for satellite dish system, controls for garage door openers, entry gate controls, door keys, mailbox keys, above ground pool, swimming pool equipment and maintenance accessories, and artificial fireplace logs.

D. CROPS: Unless otherwise agreed in writing, Seller has the right to harvest all growing crops until delivery of possession of the Property.

E. EXCLUSIONS: The following improvements, accessories, and crops will be retained by Seller and excluded: NONE

F. RESERVATIONS: Seller reserves the following mineral, water, royalty, timber, or other interests: NONE

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3. SALES PRICE:

- A. Cash portion of Sales Price payable by Buyer at closing \$ 16,900.00
- B. Sum of all financing described below (excluding any loan funding fee or mortgage insurance premium) \$ 67,600.00
- C. Sales Price (Sum of A and B) \$ 84,500.00
- D. The Sales Price will will not be adjusted based on the survey required by Paragraph 6C. If the Sales Price is adjusted, the Sales Price will be calculated on the basis of \$ _____ per acre. If the Sales Price is adjusted by more than 10%, either party may terminate this contract by providing written notice to the other party within _____ days after the terminating party receives the survey. If neither party terminates this contract or if the variance is 10% or less, the adjustment will be made to the amount in 3A 3B proportionately to 3A and 3B.

4. FINANCING: The portion of Sales Price not payable in cash will be paid as follows: (Check applicable boxes below)

- A. THIRD PARTY FINANCING: One or more third party mortgage loans in the total amount of \$ 67,600.00. If the Property does not satisfy the lenders' underwriting requirements for the loan(s), this contract will terminate and the earnest money will be refunded to Buyer. (Check one box only)
 - (1) This contract is subject to Buyer being approved for the financing described in the attached Third Party Financing Condition Addendum.
 - (2) This contract is not subject to Buyer being approved for financing.
- B. ASSUMPTION: The assumption of the unpaid principal balance of one or more promissory notes described in the attached TREC Loan Assumption Addendum.
- C. SELLER FINANCING: A promissory note from Buyer to Seller of \$ _____ bearing _____ % interest per annum, secured by vendor's and deed of trust liens, and containing the terms and conditions described in the attached TREC Seller Financing Addendum. If an owner policy of title insurance is furnished, Buyer shall furnish Seller with a mortgagee policy of title insurance.

5. EARNEST MONEY: Upon execution of this contract by both parties, Buyer shall deposit \$ 850.00 as earnest money with FIRE STATE TITLE as escrow agent, at 309 S. BUFFALO, CANTON 48105 (address). Buyer shall deposit additional earnest money of \$ _____ with escrow agent within _____ days after the effective date of this contract. If Buyer fails to deposit the earnest money as required by this contract, Buyer will be in default.

6. TITLE POLICY AND SURVEY:

- A. TITLE POLICY: Seller shall furnish to Buyer at Seller's Buyer's expense an owner policy of title insurance (Title Policy) issued by: FIRE STATE TITLE (Title Company) in the amount of the Sales Price, dated at or after closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following exceptions:
 - (1) The standard printed exception for standby fees, taxes and assessments.
 - (2) Liens created as part of the financing described in Paragraph 4.
 - (3) Reservations or exceptions otherwise permitted by this contract or as may be approved by Buyer in writing.
 - (4) The standard printed exception as to marital rights.
 - (5) The standard printed exception as to waters, tidelands, beaches, streams, and related matters.
 - (6) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements. Buyer, at Buyer's expense, may have the exception amended to read, "shortages in area".
- B. COMMITMENT: Within 20 days after the Title Company receives a copy of this contract, Seller shall furnish to Buyer a commitment for title insurance (Commitment) and, at Buyer's expense, legible copies of restrictive covenants and documents evidencing exceptions in the Commitment (Exception Documents) other than the standard printed exceptions. Seller authorizes the Title Company to mail, or hand deliver the Commitment and Exception Documents to Buyer at Buyer's address shown in Paragraph 21. If the Commitment and Exception Documents are not delivered to Buyer within the specified time, the time for delivery will be automatically extended up to 15 days or the Closing Date, whichever is earlier.

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C. SURVEY: The survey must be made by a registered professional land surveyor acceptable to the Title Company and any lender. (Check one box only):

- (1) Within _____ days after the effective date of this contract, Seller, at Seller's expense, shall furnish a new survey to Buyer.
- (2) Within 2 days after the effective date of this contract, Buyer, at Buyer's expense, shall obtain a new survey.
- (3) Within _____ days after the effective date of this contract, Seller shall furnish Seller's existing survey of the Property to Buyer and the Title Company, along with Seller's affidavit acceptable to the Title Company for approval of the survey. The existing Survey will will not be recertified to a date subsequent to the effective date of this contract at the expense of Buyer Seller. If the existing survey is not approved by the Title Company or Buyer's lender, a new survey will be obtained at the expense of Buyer Seller no later than 3 days prior to the Closing Date.
- (4) No survey is required.

D. OBJECTIONS: Within 5 days after Buyer receives the Commitment, Exception Documents and the survey, Buyer may object in writing to (i) defects, exceptions, or encumbrances to title: disclosed on the survey other than items 6A(1) through (5) above; disclosed in the Commitment other than items 6A(1) through (6) above; (ii) any portion of the Property lying in the 100 year flood plain as shown on the current Federal Emergency Management Agency map; or (iii) any exceptions which prohibit the following use or activity:

RESIDENTIAL AND/OR COMMERCIAL

Buyer's failure to object within the time allowed will constitute a waiver of Buyer's right to object; except that the requirements in Schedule C of the Commitment are not waived. Seller shall cure the timely objections of Buyer or any third party lender within 15 days after Seller receives the objections and the Closing Date will be extended as necessary. If objections are not cured within such 15 day period, this contract will terminate and the earnest money will be refunded to Buyer unless Buyer waives the objections.

E. EXCEPTION DOCUMENTS: Prior to the execution of the contract, Seller has provided Buyer with copies of the Exception Documents listed below or on the attached exhibit. Matters reflected in the Exception Documents listed below or on the attached exhibit will be permitted exceptions in the Title Policy and will not be a basis for objection to title:

Document	Date	Recording Reference
<u>NONE</u>		

F. SURFACE LEASES: Prior to the execution of the contract, Seller has provided Buyer with copies of written leases and given notice of oral leases (Leases) listed below or on the attached exhibit. The following Leases will be permitted exceptions in the Title Policy and will not be a basis for objection to title:

NONE

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G. TITLE NOTICES:

- (1) **ABSTRACT OR TITLE POLICY:** Broker advises Buyer to have an abstract of title covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a Title Policy. If a Title Policy is furnished, the Commitment should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.
- (2) **STATUTORY TAX DISTRICTS:** If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water, Code requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district prior to final execution of this contract.
- (3) **TIDE WATERS:** If the Property abuts the tidally influenced waters of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in the contract. An addendum containing the notice promulgated by TREC or required by the parties must be used.
- (4) **ANNEXATION:** If the Property is located outside the limits of a municipality, Seller notifies Buyer under §5.011, Texas Property Code, that the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.
- (5) **UNIMPROVED PROPERTY LOCATED IN A CERTIFICATED SERVICE AREA OF A UTILITY SERVICE PROVIDER:** If the Property is located in a certificated service area of a utility service provider and the Property does not receive water or sewer service from the utility service provider on the date the Property is transferred, §13.257, Texas Water Code, requires a notice regarding the cost of providing water or sewer services to the Property. An addendum containing the notice promulgated by TREC or required by the parties must be used.
- (6) **TEXAS AGRICULTURAL DEVELOPMENT DISTRICT:** The Property is is not located in a Texas Agricultural Development District.

7. PROPERTY CONDITION:

A. **INSPECTIONS, ACCESS AND UTILITIES:** Buyer may have the Property inspected by inspectors selected by Buyer and licensed by TREC or otherwise permitted by law to make inspections. Seller shall permit Buyer and Buyer's agents access to the Property at reasonable times. Seller shall pay for turning on existing utilities for inspections.

NOTICE: Buyer should determine the availability of utilities to the Property suitable to satisfy Buyer's needs.

B. **SELLER'S DISCLOSURE NOTICE PURSUANT TO §5.008, TEXAS PROPERTY CODE (Notice):**

(Check one box only)

- (1) Buyer has received the Notice
- (2) Buyer has not received the Notice. Within _____ days after the effective date of this contract, Seller shall deliver the Notice to Buyer. If Buyer does not receive the Notice, Buyer may terminate this contract at any time prior to the closing and the earnest money will be refunded to Buyer. If Seller delivers the Notice, Buyer may terminate this contract for any reason within 7 days after Buyer receives the Notice or prior to the closing, whichever first occurs, and the earnest money will be refunded to Buyer.
- (3) The Texas Property Code does not require this Seller to furnish the Notice.

C. **SELLER'S DISCLOSURE OF LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS** is required by Federal law for a residential dwelling constructed prior to 1978.

D. **ACCEPTANCE OF PROPERTY CONDITION:** Buyer accepts the Property in its present condition; provided Seller, at Seller's expense, shall complete the following specific repairs and treatments:

NONE

E. **COMPLETION OF REPAIRS:** Unless otherwise agreed in writing, Seller shall complete all agreed repairs prior to the Closing Date. All required permits must be obtained, and repairs must be performed by persons who are licensed or otherwise permitted by law to provide such repairs. At Buyer's election, any transferable warranties received by Seller with respect to the repairs will be transferred to Buyer at Buyer's expense. If Seller fails to complete any agreed repairs prior to the Closing Date, Buyer may do so and receive reimbursement from Seller at closing. The Closing Date will be extended up to 15 days, if necessary, to complete repairs.

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- F. **LENDER REQUIRED REPAIRS AND TREATMENTS:** Unless otherwise agreed in writing, neither party is obligated to pay for lender required repairs, which includes treatment for wood destroying insects. If the parties do not agree to pay for the lender required repairs or treatments, this contract will terminate and the earnest money will be refunded to Buyer. If the cost of lender required repairs and treatments exceeds 5% of the Sales Price, Buyer may terminate this contract and the earnest money will be refunded to Buyer.
- G. **ENVIRONMENTAL MATTERS:** Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards, or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Property. If Buyer is concerned about these matters, an addendum promulgated by TREC or required by the parties should be used.
- H. **SELLER'S DISCLOSURES:** Except as otherwise disclosed in this contract, Seller has no knowledge of the following:
 - (1) any flooding of the Property which has had a material adverse effect on the use of the Property;
 - (2) any pending or threatened litigation, condemnation, or special assessment affecting the Property;
 - (3) any environmental hazards or conditions which materially affect the Property;
 - (4) any dumpsite, landfill, or underground tanks or containers now or previously located on the Property;
 - (5) any wetlands, as defined by federal or state law or regulation, affecting the Property; or
 - (6) any threatened or endangered species or their habitat affecting the Property.
- I. **RESIDENTIAL SERVICE CONTRACTS:** Buyer may purchase a residential service contract from a residential service company licensed by TREC. If Buyer purchases a residential service contract, Seller shall reimburse Buyer at closing for the cost of the residential service contract in an amount not exceeding \$ _____. Buyer should review any residential service contract for the scope of coverage, exclusions and limitations. The purchase of a residential service contract is optional. Similar coverage may be purchased from various companies authorized to do business in Texas.
- J. **GOVERNMENT PROGRAMS:** The Property is subject to the government programs listed below or on the attached exhibit: NONE

Seller shall provide Buyer with copies of all governmental program agreements. Any allocation or proration of payment under governmental programs is made by separate agreement between the parties which will survive closing.

B. BROKERS' FEES: All obligations of the parties for payment of brokers' fees are contained in separate written agreements.

9. CLOSING:

A. The closing of the sale will be on or before December 23, 2004, or within 7 days after objections to matters disclosed in the Commitment or by the survey have been cured, whichever date is later (Closing Date). If either party fails to close the sale by the Closing Date, the non-defaulting party may exercise the remedies contained in Paragraph 15.

B. At closing:

- (1) Seller shall execute and deliver a general warranty deed conveying title to the Property to Buyer and showing no additional exceptions to those permitted in Paragraph 6, an assignment of Leases, and furnish tax statements or certificates showing no delinquent taxes on the Property.
- (2) Buyer shall pay the Sales Price in good funds acceptable to the escrow agent.
- (3) Seller and Buyer shall execute and deliver any notices, statements, certificates, affidavits, releases, loan documents and other documents required of them by this contract, the Commitment or law necessary for the closing of the sale and the issuance of the Title Policy.

C. Unless expressly prohibited by written agreement, Seller may continue to show the Property and receive, negotiate and accept back up offers.

D. All covenants, representations and warranties in this contract survive closing.

10. POSSESSION: Seller shall deliver to Buyer possession of the Property in its present or required condition, ordinary wear and tear excepted: upon closing and funding according to a temporary residential lease form promulgated by TREC or other written lease required by the parties. Any possession by Buyer prior to closing or by Seller after closing which is not authorized by a written lease will establish a tenancy at sufferance relationship between the parties. Consult your insurance

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 agent prior to change of ownership or possession because insurance coverage may be limited or terminated. The absence of a written lease or appropriate insurance coverage may expose the parties to economic loss.

11. SPECIAL PROVISIONS: (Insert only factual statements and business details applicable to the sale. TREC rules prohibit licensees from adding factual statements or business details for which a contract addendum or other form has been promulgated by TREC for mandatory use.)

Seller will pay a 6% commission to Realty Executives L.P. upon closing and funding

12. SETTLEMENT AND OTHER EXPENSES:

A. The following expenses must be paid at or prior to closing:

(1) Expenses payable by Seller (Seller's Expenses):

(a) Releases of existing liens, including prepayment penalties and recording fees; release of Seller's loan liability; tax statements or certificates; preparation of deed; one-half of escrow fee; and other expenses payable by Seller under this contract.

(b) Seller shall also pay an amount not to exceed \$ _____ to be applied in the following order: Buyer's Expenses which Buyer is prohibited from paying by FHA, VA, Texas Veteran's Housing Assistance Program or other governmental loan programs; Buyer's prepaid items; other Buyer's expenses.

(2) Expenses payable by Buyer (Buyer's Expenses):

(a) Loan origination, discount, buy-down, and commitment fees (Loan Fees).

(b) Appraisal fees; loan application fees; credit reports; preparation of loan documents; interest on the notes from date of disbursement to one month prior to dates of first monthly payments; recording fees; copies of easements and restrictions; mortgagee title policy with endorsements required by lender; loan-related inspection fees; photos, amortization schedules, one-half of escrow fee; all prepaid items, including required premiums for flood and hazard insurance, reserve deposits for insurance, ad valorem taxes and special governmental assessments; final compliance inspection; courier fee, repair inspection, underwriting fee and wire transfer, expenses incident to any loan, and other expenses payable by Buyer under this contract.

B. Buyer shall pay Private Mortgage Insurance Premium (PMI), VA Loan Funding Fee, or FHA Mortgage Insurance Premium (MIP) as required by the lender.

C. If any expense exceeds an amount expressly stated in this contract for such expense to be paid by a party, that party may terminate this contract unless the other party agrees to pay such excess. Buyer may not pay charges and fees expressly prohibited by FHA, VA, Texas Veteran's Housing Assistance Program or other governmental loan program regulations.

13. PRORATIONS AND ROLLBACK TAXES:

A. PRORATIONS: Taxes for the current year, interest, maintenance fees, assessments, dues and rents will be prorated through the Closing Date. If taxes for the current year vary from the amount prorated at closing, the parties shall adjust the prorations when tax statements for the current year are available. If taxes are not paid at or prior to closing, Buyer shall pay taxes for the current year. Rentals which are unknown at time of closing will be prorated between Buyer and Seller when they become known.

B. ROLLBACK TAXES: If this sale or Buyer's use of the Property after closing results in the assessment of additional taxes, penalties or interest (Assessments) for periods prior to closing, the Assessments will be the obligation of Buyer. If Seller's change in use of the Property prior to closing or denial of a special use valuation on the Property claimed by Seller results in Assessments for periods prior to closing, the Assessments will be the obligation of Seller. Obligations imposed by this paragraph will survive closing.

14. CASUALTY LOSS: If any part of the Property is damaged or destroyed by fire or other casualty after the effective date of this contract, Seller shall restore the Property to its previous condition as soon as reasonably possible, but in any event by the Closing Date. If Seller fails to do so due to factors beyond Seller's control, Buyer may (a) terminate this

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contract and the earnest money will be refunded to Buyer (b) extend the time for performance up to 15 days and the Closing Date will be extended as necessary or (c) accept the Property in its damaged condition with an assignment of insurance proceeds and receive credit from Seller at closing in the amount of the deductible under the insurance policy. Seller's obligations under this paragraph are independent of any obligations of Seller under Paragraph 7.

15. **DEFAULT:** If Buyer fails to comply with this contract, Buyer will be in default, and Seller may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money as liquidated damages, thereby releasing both parties from this contract. If, due to factors beyond Seller's control, Seller fails within the time allowed to make any non-casualty repairs or deliver the Commitment, or survey, if required of Seller, Buyer may (a) extend the time for performance up to 15 days and the Closing Date will be extended as necessary or (b) terminate this contract as the sole remedy and receive the earnest money. If Seller fails to comply with this contract for any other reason, Seller will be in default and Buyer may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.
16. **MEDIATION:** It is the policy of the State of Texas to encourage resolution of disputes through alternative dispute resolution procedures such as mediation. Any dispute between Seller and Buyer related to this contract which is not resolved through informal discussion will will not be submitted to a mutually acceptable mediation service or provider. The parties to the mediation shall bear the mediation costs equally. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.
17. **ATTORNEY'S FEES:** The prevailing party in any legal proceeding related to this contract is entitled to recover reasonable attorney's fees and all costs of such proceeding incurred by the prevailing party.
18. **ESCROW:** The escrow agent is not (a) a party to this contract and does not have liability for the performance or nonperformance of any party to this contract, (b) liable for interest on the earnest money and (c) liable for the loss of any earnest money caused by the failure of any financial institution in which the earnest money has been deposited unless the financial institution is acting as escrow agent. At closing, the earnest money must be applied first to any cash down payment, then to Buyer's Expenses and any excess refunded to Buyer. If both parties make written demand for the earnest money, escrow agent may require payment of unpaid expenses incurred on behalf of the parties and a written release of liability of escrow agent from all parties. If one party makes written demand for the earnest money, escrow agent shall give notice of the demand by providing to the other party a copy of the demand. If escrow agent does not receive written objection to the demand from the other party within 30 days after notice to the other party, escrow agent may disburse the earnest money to the party making demand reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and escrow agent may pay the same to the creditors. If escrow agent complies with the provisions of this paragraph, each party hereby releases escrow agent from all adverse claims related to the disbursement of the earnest money. Escrow agent's notice to the other party will be effective when deposited in the U. S. Mail, postage prepaid, certified mail, return receipt requested, addressed to the other party at such party's address shown below. Notice of objection to the demand will be deemed effective upon receipt by escrow agent.
19. **REPRESENTATIONS:** Seller represents that as of the Closing Date (a) there will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds unless securing payment of any loans assumed by Buyer and (b) assumed loans will not be in default. If any representation of Seller in this contract is untrue on the Closing Date, Buyer may terminate this contract and the earnest money will be refunded to Buyer.
20. **FEDERAL TAX REQUIREMENTS:** If Seller is a "foreign person," as defined by applicable law, or if Seller fails to deliver an affidavit to Buyer that Seller is not a "foreign person," then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the same to the Internal Revenue Service together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if currency in excess of specified amounts is received in the transaction.

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and Seller _____

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21. NOTICES: All notices from one party to the other must be in writing and are effective when mailed to, hand-delivered at, or transmitted by facsimile as follows:

To Buyer at:

To Seller at:

Telephone: _____

Telephone: _____

Facsimile: _____

Facsimile: _____

22. AGREEMENT OF PARTIES: This contract contains the entire agreement of the parties and cannot be changed except by their written agreement. Addenda which are a part of this contract are (check all applicable boxes):

- Third Party Financing Condition Addendum
- Seller Financing Addendum
- Loan Assumption Addendum
- Buyer's Temporary Residential Lease
- Seller's Temporary Residential Lease
- Addendum for Sale of Other Property by Buyer
- Addendum for Unimproved Property Located in a Certificated Service Area of a Utility Service Provider
- Addendum for Seller's Disclosure of Information on Lead-based Paint and Lead-based Paint Hazards as Required by Federal Law
- Environmental Assessment, Threatened or Endangered Species and Wetlands Addendum
- Addendum for Coastal Area Property
- Addendum for Property Located Seaward of the Gulf Intracoastal Waterway
- Addendum for "Back-Up" Contract

Other (list): Notice to Buyers & Sellers of Real Estate

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23. TERMINATION OPTION: This paragraph will be a part of this contract ONLY if both blanks are filled in and Buyer has paid the Option Fee. Buyer has paid Seller \$ _____ (Option Fee) for the unrestricted right to terminate this contract by giving notice of termination to Seller within _____ days after the effective date of this contract. If Buyer gives notice of termination within the time specified, the Option Fee will not be refunded, however, any earnest money will be refunded to Buyer. The Option Fee will not be credited to the Sales Price at closing. For the purposes of this paragraph, time is of the essence; strict compliance with the time for performance stated herein is required.

24. CONSULT AN ATTORNEY: Real estate licensees cannot give legal advice. READ THIS CONTRACT CAREFULLY. If you do not understand the effect of this contract, consult an attorney BEFORE signing.

Buyer's Attorney is: _____

Seller's Attorney is: _____

Telephone: _____

Telephone: _____

Facsimile: _____

Facsimile: _____

EXECUTED the _____ day of _____, _____ (EFFECTIVE DATE).
 (BROKER: FILL IN THE DATE OF FINAL ACCEPTANCE.)

~~Buyer~~ _____

Seller ZONN SKINNER

Deborah Chapman

Krista Twigg

Buyer _____

Seller William SKINNER

CHRISTOPHER SKINNER

Ruth SKINNER

The form of this contract has been approved by the Texas Real Estate Commission. TREC forms are intended for use only by trained real estate licensees. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not suitable for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, 1-800-250-8732 or (512) 469-8544 (<http://www.trec.state.tx.us>) TREC NO. 25-4. This form replaces TREC NO. 25-3.

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SELLER'S RECEIPT

Receipt of \$ _____ (Option Fee) in the form of _____ is acknowledged.

Seller _____ Date _____

RATIFICATION OF FEE

Listing Broker has agreed to pay Other Broker _____ of the total Sales Price when Listing Broker's fee is received. Escrow Agent is authorized and directed to pay Other Broker from Listing Broker's fee at closing.

Other Broker: _____ Listing Broker: _____
 By: _____ By: _____

BROKER INFORMATION AND AGREEMENT FOR PAYMENT OF BROKERS' FEES

Other Broker _____ License No. _____	<u>Realty Executives</u> Listing or Principal Broker License No. _____
Associate _____	<u>Denise McWhorter ABR, CFS</u> Associate Broker - Associate
Address _____	<u>1023 S. Hwy 19</u> Address
City, State Zip _____	<u>Canton, Tx 75103</u> City, State Zip
Telephone _____ Facsimile _____	<u>972-588-8099 972-9492671</u> Telephone Facsimile

represents Buyer only as Buyer's agent Seller only
 Seller as Listing Broker's subagent Buyer only Seller and Buyer as an intermediary

Upon closing of the sale by Seller to Buyer of the Property described in the contract to which this fee agreement is attached: (a) Seller Buyer will pay Listing/Principal Broker a cash fee of \$ _____ or _____ % of the total Sales Price; and (b) Seller Buyer will pay Other Broker a cash fee of \$ _____ or _____ % of the total Sales Price. Seller/Buyer authorizes and directs Escrow Agent to pay the brokers from the proceeds at closing.

Brokers' fees are negotiable. Brokers' fees or the sharing of fees between brokers are not fixed, controlled, recommended, suggested or maintained by the Texas Real Estate Commission.

Seller _____ Buyer _____
 Seller _____ Buyer _____

Do not sign if there is a separate written agreement for payment of Brokers' fees.

RECEIPT

Receipt of Contract and \$ _____ Earnest Money in the form of _____ is acknowledged.

Escrow Agent: _____ Date: _____

By: _____

Address _____ Telephone _____
 City _____ State _____ Zip _____ Facsimile: _____

REALTY EXECUTIVES LANDMARK PROPERTIES

02-09-2004



PROMULGATED BY THE TEXAS REAL ESTATE COMMISSION (TREC)

THIRD PARTY FINANCING CONDITION ADDENDUM

TO CONTRACT CONCERNING THE PROPERTY AT

23634 I-H 20, Willis Point

(Street Address and City)

Buyer shall apply promptly for all financing described below and make every reasonable effort to obtain financing approval including but not limited to furnishing all information and documents required by lender for approval. Financing approval will be deemed to have been obtained when the lender determines that Buyer has satisfied all of lender's financial requirements (those items relating to Buyer's assets, income and credit history). If Buyer cannot obtain financing approval, Buyer must give written notice to Seller within 21 days after the effective date of this contract and this contract will terminate and the earnest money will be refunded to Buyer. If Buyer does not give such notice within the time allowed, this contract will no longer be subject to Buyer being approved for the financing described below. For purposes of this paragraph, time is of the essence; strict compliance with the times for performance herein stated is required.

Each note must be secured by vendor's and deed of trust liens.

A. CONVENTIONAL FINANCING:

(1) A first mortgage loan in the principal amount of \$ 67,600. (excluding any financed PMI premium), due in full in 15 year(s), with interest not to exceed 7% per annum for the first 15 year(s) of the loan with Loan Fees (loan origination, discount, buy-down, and commitment fees) not to exceed % of the loan.

(2) A second mortgage loan in the principal amount of \$ (excluding any financed PMI premium), due in full in year(s), with interest not to exceed % per annum for the first year(s) of the loan with Loan Fees (loan origination, discount, buy-down, and commitment fees) not to exceed % of the loan.

B. TEXAS VETERANS' HOUSING ASSISTANCE PROGRAM LOAN: A Texas Veteran's Housing Assistance Program Loan of \$ for a period of at least years at the interest rate established by the Texas Veteran's Land Board at the time of closing.

C. FHA INSURED FINANCING: A Section FHA insured loan of not less than \$ (excluding any financed MIP), amortizable monthly for not less than years, with interest not to exceed % per annum for the first year(s) of the loan with Loan Fees (loan origination, discount, buy-down, and commitment fees) not to exceed % of the loan. As required by HUD-FHA, if FHA valuation is unknown, "It is expressly agreed that, notwithstanding any other provision of this contract, the purchaser (Buyer) shall not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of earnest money deposits or otherwise unless the purchaser (Buyer) has been given in accordance with HUD/FHA or VA requirements a written statement issued by the Federal Housing Commissioner, Department of Veterans Affairs, or a Direct Endorsement Lender setting forth the appraised value of the Property of not less than \$. The purchaser (Buyer) shall have the privilege and option of proceeding with consummation of the contract without regard to the amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value or the condition of the Property. The purchaser (Buyer) should satisfy himself/herself that the price and the condition of the Property are acceptable."

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Initialed for identification by Buyer and Seller

01A



10-25-93

ENVIRONMENTAL ASSESSMENT, THREATENED OR ENDANGERED SPECIES, AND WETLANDS ADDENDUM

PROMULGATED BY THE TEXAS REAL ESTATE COMMISSION (TREC)

ADDENDUM TO EARNEST MONEY CONTRACT BETWEEN THE UNDERSIGNED PARTIES CONCERNING THE PROPERTY AT 23634 I-H 20

(Address)

- A. ENVIRONMENTAL ASSESSMENT: Buyer, at Buyer's expense, may obtain an Environmental Assessment Report prepared by an environmental specialist.
- B. THREATENED OR ENDANGERED SPECIES: Buyer, at Buyer's expense, may obtain a report from a natural resources professional to determine if there are any threatened or endangered species or their habitats as defined by the Texas Parks and Wildlife Department or the U.S. Fish and Wildlife Service.
- C. WETLANDS: Buyer, at Buyer's expense, may obtain a report from an environmental specialist to determine if there are wetlands, as defined by federal or state law or regulation.

Within 5 days after the Effective Date of the contract, Buyer may terminate the contract by furnishing Seller a copy of any report noted above that adversely affects the use of the Property and the Earnest Money shall be refunded to Buyer. If Buyer does not furnish Seller a copy of the unacceptable report within the prescribed time and give Seller notice that Buyer has terminated the contract, Buyer shall be deemed to have accepted the Property.

~~Buyer~~ _____

Seller

Buyer _____

Seller

The form of this addendum has been approved by the Texas Real Estate Commission for use only with similarly approved or promulgated forms of contracts. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not suitable for complex transactions. (10-93) TREC No. 28-0.



TEXAS ASSOCIATION OF REALTORS®
INFORMATION ABOUT ON-SITE SEWER FACILITY

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS® IS NOT AUTHORIZED.
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CONCERNING THE PROPERTY AT 23634 I-20

A. DESCRIPTION OF ON-SITE SEWER FACILITY ON PROPERTY:

- (1) Type of Treatment System: Septic Tank Aerobic Treatment Unknown
- (2) Type of Distribution System: Lat line Unknown
- (3) Approximate Location of Drain Field or Distribution System: Back Unknown
- (4) Installer: C.W.H.E.V Unknown
- (5) Approximate Age: 1976 Unknown

B. MAINTENANCE INFORMATION:

- (1) Is Seller aware of any maintenance contract in effect for the on-site sewer facility? Yes No
If yes, name of maintenance contractor: _____
Phone: _____ contract expiration date: _____
Maintenance contracts must be in effect to operate aerobic treatment and certain non-standard on-site sewer facilities.
- (2) Approximate date any tanks were last pumped? _____
- (3) Is Seller aware of any defect or malfunction in the on-site sewer facility? Yes No
If yes, explain: _____
- (4) Does Seller have manufacturer or warranty information available for review? Yes No

C. PLANNING MATERIALS, PERMITS, AND CONTRACTS:

- (1) The following items concerning the on-site sewer facility are attached:
 planning materials permit for original installation final inspection when OSSF was installed
 maintenance contract manufacturer information warranty information
- (2) "Planning materials" are the supporting materials that describe the on-site sewer facility that are submitted to the permitting authority in order to obtain a permit to install the on-site sewer facility.
- (3) It may be necessary for a buyer to have the permit to operate an on-site sewer facility transferred to the buyer.

**REALTY EXECUTIVES LANDMARK PROPERTIES
NOTICE TO BUYERS & SELLERS OF REAL ESTATE**

TITLE NOTICES: In accordance with paragraph 6.E. of the contract the Broker advises the Buyer to obtain a Title Policy and have the Commitment promptly reviewed by an attorney of the Buyer's choice.

SURVEY: The Buyer is advised to obtain a current survey or have an existing survey re-certified when purchasing any real estate.

ESCROW: Buyer and Seller are hereby notified that Escrow Funds are not held by the Broker. Escrow funds are held by a third party (usually an Escrow Agent or Attorney) and shall be dispensed per paragraph 18 of the contract.

HOME WARRANTY: Buyer and Seller are hereby notified that the Broker strongly encourages the purchase of a Home Warranty Plan and acknowledge that information concerning Home Warranty plans has been provided by the Real Estate licensee.

PROPERTY INSPECTIONS: The Broker strongly encourages all Buyers to have the property inspected by a qualified inspector of the Buyer's choice. The Buyer is hereby notified that Real Estate licensees are NOT qualified to advise purchasers regarding the conditions of a property and are NOT adequately knowledgeable as to the capabilities and qualifications of Real Estate Inspectors to advise the Buyer in the selection of an Inspector. Inspectors are licensed and regulated by the Texas Real Estate Commission (TREC) which will provide a list of licensed inspectors upon request. Licensed inspectors may also be found by in the yellow pages of the Telephone Directory. Real Estate licensees are required by law to disclose any property conditions known to the licensee.

PROPERTY INSURANCE: Buyers are advised to consult with an insurance professional to provide an insurance program to meet their specific needs. Sellers of real estate are advised to consult with their insurance agent prior to closing and/or change of possession as insurance coverage may be limited or terminated under these conditions.

ZONING, PROPERTY USES, AND ACTIVITIES: Zoning laws, deed restrictions, sub-division restrictions, restrictive covenants, and owner's association restrictions may prohibit or restrict certain uses and activities of real estate. Purchasers of real estate are advised to consult with appropriate authorities to determine if anticipated uses and activities for the property are allowed. Buyers are also advised that governmental bodies may require a permit for certain uses and these entities should be contacted prior to purchase to determine their requirements.

FAIR HOUSING LAWS; Real Estate licensees are prohibited by law from discriminating in housing based on race, color, religion or national origin, sex, persons with handicaps, familial status, or families with children.

~~X~~

Buyer Date

Seller Date

Buyer Date

Seller Date

Buyer Agent Date

Seller's Agent Date