



February 23, 2009

Re: Auction Sale Participation Agreement for the Auction at **XYZ PROPERTY, AUSTIN, TEXAS, 78701**

Dear Prospective Auction Buyer:

We are pleased that you have elected to participate in the above referenced auction sale. This auction sale is a reserve sale. This letter shall constitute the Agreement for your participation in the auction sale. For the purposes of this Agreement the term "Auctioneer" refers to Texterra Auctions, LLC ("Texterra Auctions" or "Auctioneer" or "we" or "us"). Prior to participating in the auction sale you agree to deposit with us Fifteen Thousand Dollars (\$15,000.00) in the form of a cashiers check made out to yourself if you wish to purchase one property. Upon presentation of that cashiers check and registration for the auction, you will be eligible to bid on the property.

For each additional property you intend to purchase you agree to deposit with us within forty-eight hours of being declared the high bidder a cashiers check made out to yourself equal to two percent (2%) of the purchase price for that property if the purchase price is less than two million dollars (\$2,000,000). If the purchase price is between two million dollars (\$2,000,000) and five million dollars (\$5,000,000), then you agree to deposit with us within forty-eight hours of being declared the high bidder a cashiers check made out to yourself equal to one percent (1%) of the purchase price for that property. If the purchase price is above five million dollars (\$5,000,000), then you agree to deposit with us within forty-eight hours of being declared the high bidder a cashiers check made out to yourself equal to one-half percent (.5%) of the purchase price for that property.

Upon being declared high bidder, and on the day of the auction sale, you agree to place into escrow as a down payment the larger of the amount equal to ten percent (10%) of the purchase price or the amount of your cashiers check. The down payment shall be in the form of (1) an assignment to the title company of your cashiers check in the published amount required at registration and if required, the balance in the form of personal/business check or cash. The 10% down payment on the day of the auction sale is not contingent on your ability to obtain financing to close. The down payment shall act as non-refundable earnest money if you fail to close for the full amount of the purchase price within (30) thirty days of the date of the auction sale. Upon being declared the high

bidder you shall immediately execute a "Real Estate Sales Contract" using the form attached hereto as Exhibit A.

PLEASE TAKE NOTICE THAT THERE WILL BE A 10% BUYERS PREMIUM ADDED TO THE FINAL HIGH BID. THE AMOUNT OF THE BID PLUS THE 10% BUYERS PREMIUM SHALL EQUAL THE PURCHASE PRICE. THIS SALE SHALL CLOSE ON OR BEFORE THIRTY DAYS FROM THE DATE OF THE AUCTION SALE.

We welcome broker participation: A 3% buyer broker commission will be paid on the high bid price (but not on the amount of the buyers' premium described above) to the broker who represents you. In order to be paid a commission your broker must register with us at least forty-eight hours in advance of the auction sale. In addition, your broker must complete a broker registration agreement, be present at the auction sale, and sign your Bidder Certification. Further, your broker must review this Agreement and provide relevant advice to you pertaining to the property and this Agreement. You will be required to confirm that you are represented by a broker.

There will be no exceptions to the broker guidelines and failure to comply will be cause for denial of any commissions to your broker. You will not be entitled to a commission if you or an entity you own are the buyer and broker. You and your broker agree to indemnify and hold harmless the seller of the property ("Seller") and TexTerra Auctions for any and all claims, damages, fees, costs, interest, or any other compensation or remuneration whatsoever relating to this auction sale.

Seller shall pay pro-rated ad valorem taxes assessed against the property up to the day of closing. The owners' title policy shall be at the expense of Seller. You should consider engaging counsel of your own choosing to examine the commitment for title insurance, all addendum's referred to therein along with all other matters pertaining to conditions, transfer, and/or closing of this property. There is no obligation on the part of Seller or of TexTerra Auctions to update any information. All announcements made at the auction will take precedence over all other advertising or announcements. In addition, Seller shall not be obligated to accept any backup bids obtained during the auction in the event the high bidder fails to perform under the term and conditions stated herein. Auctioneer reserves the right to add or delete contents of the sale published herein. All property named whether real or personal shall be sold on an "as is-where is" basis without any warranties or representations of any kind whatsoever. Auctioneer and Seller have not independently verified any information received or contained herein and advise you to conduct your own due diligence regarding the auction sale and the properties offered for sale. Auctioneer shall not be responsible or liable, in any way, if Seller fails to honor any bid or does not close title for any reason in accordance with the winning auction bid and Real Estate Sales Contract.

You acknowledge and agree that Seller's broker and TexTerra Auctions have not made, do not make and specifically disclaim any representations, statements, warranties, promises, covenants, agreements, accuracy or guarantees of any kind whatsoever, whether expressed or implied, oral or written, past, present or in the future, as to, concerning with or respect to the value, condition, acreage of parcel, square footage, use

of the property, soil, topography, income opportunities, compliances, zoning, views, frontage, surveys, photos or any other matter pertaining to the property.

You acknowledge you are relying solely on your own investigation of the property and not on information provided by Seller or Seller's broker or auctioneer or auctioneer's staff. You further acknowledge the information found in property information packages was derived from a variety of sources and that neither Seller's broker nor auctioneer have made any independent investigations or verification of such information and neither Seller's broker nor auctioneer make any representation as to the accuracy or completeness of this information.

Seller and auctioneer and their agents, employees, contractors, officers or other affiliates shall not be liable or bound in any manner by any oral or written statements, representations or information pertaining to the property that is furnished by any real estate broker, agent, their employee, or any other person claiming to have knowledge of the property.

The sale offering is made subject to errors, omissions, change of items to be sold, prior sale or withdrawal without notice in accordance with the law. The property is offered to the public openly and without prejudice to race, color, creed, national origin or family status. Sellers and Auctioneer shall not be responsible for accidents or injuries in conjunction with this auction sale whether on the property or in the process of coming to or leaving the sale.

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without reference to its choice of law rules. TexTerra Auctions, L.L.C., and the Buyer, collectively referred to as the "Parties" irrevocably and unconditionally consent to the exclusive jurisdiction of any state or federal court sitting in Travis County, Texas over any suit, action or proceeding arising out of or relating to this Agreement. The party prevailing in any litigation through a resolution reached through settlement, judgment, or verdict surrounding this Agreement shall be entitled to attorney's fees. Both parties respectively bind themselves, their partners, successors, assigns and legal representatives to the other party hereto and to partners, successors, assigns and legal representatives of such other party in respect to covenants, agreements and obligations contained herein. If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited. This Agreement may be signed in multiple counterparts, each of which shall be deemed an original of this Agreement and all of which shall constitute one (1) Agreement. This Agreement contains the entire agreement of the Parties, and there are no other promises or conditions in any other agreement whether oral or written. Any amendment to this Agreement must be in writing. Both parties represent and warrant that they have full right, power and authority to execute and deliver this Agreement and to perform its obligations hereunder, and that the person whose signature appears below is duly authorized to enter into this Agreement on behalf of the party.

Very truly yours,

TEXTERRA AUCTIONS LLC

By:

James Ehrlich, President

I have read the Agreement, and agree to participate in the above referenced auction sale in accordance with the terms, conditions and provisions of this Agreement:

Signature

Dated: _____

Printed Name

SAMPLE