

## FINAL AUCTION TERMS & CONDITIONS

**Broker:** Triangle National, LLC (dba Superior Land Auctions), (Texas Real Estate Broker License Number 9006711) John Thacker "JT" Haynes, Manager; Jennifer Winegarner (Texas Real Estate Salesperson License 664663) Phone: 806-324-7949; Email: info@superiorland.com; Address: 7673 Canyon Drive, Amarillo, TX 79110

**Auctioneer:** Triangle National, LLC, Charles Thomas "Charlie" Sellers, Sr., Licensed Auctioneer (TDLR License Number AUC -17494 and Texas Real Estate Salesperson License 680231); Phone: 806-324-7949; Email: info@superiorland.com; Address: 7673 Canyon Drive, Amarillo, TX 79110

**Seller:** Mrs. Kim Honeycutt and  
Mr. Kevin Mathias

### **SALE LOCATION AND TIME**

The auction will be an online-only multi-parcel auction conducted at [www.superiorlandauction.com](http://www.superiorlandauction.com) with bidding open beginning at 10:00 a.m. on Monday, August 9, 2021 and concluding with a soft-closing process commencing at 10:00 a.m. Thursday, August 12, 2021.

### **DISCLAIMERS AND INDEMNITY**

EACH BUYER ACKNOWLEDGES AND UNDERSTANDS THAT NEITHER TRIANGLE NATIONAL, LLC, NOR ITS AGENTS, MAKE ANY ASSERTIONS OR GUARANTEES AS TO THE CONDITION OF THE PROPERTY HEREIN. EACH BUYER AGREES TO ACCEPT "AS IS, WHERE IS". THE SALE OF ALL PROPERTY OFFERED THROUGH THIS AUCTION IS MADE ON AN "AS IS, WHERE IS AND WITH ALL FAULTS" BASIS. EACH BIDDER (WHETHER SUCH BIDDER BECOMES A BUYER OR NOT) EXPRESSLY ACKNOWLEDGES THAT, IN CONSIDERATION OF THE AGREEMENT OF SELLER TO PROCEED WITH THE AUCTION PROCESS, SELLER MAKES NO WARRANTY OR REPRESENTATION (OTHER THAN AS EXPRESSLY PROVIDED IN THE CONTRACT AND IN THE DOCUMENTS TO BE EXECUTED AT CLOSING), EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF CONDITION, TITLE (OTHER THAN THE SPECIAL WARRANTY OF TITLE WITH RESPECT TO THE REAL PROPERTY), HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE PROPERTY OR ANY PORTION THEREOF. BY PLACING A BID ON ANY OF THE PROPERTY MADE THE SUBJECT OF THIS AUCTION, EACH BIDDER, BY TENDERING A BID, EXPRESSLY REPRESENTS AND WARRANTS TO SELLER AND TRIANGLE NATIONAL, LLC THAT PRIOR TO TENDERING ANY BID ON ANY OF THE PROPERTY MADE THE SUBJECT OF THIS AUCTION, THE BIDDER HAS HAD THE OPPORTUNITY TO AND HAS CONDUCTED ANY AND ALL INSPECTIONS, TESTS AND EXAMINATIONS OF THE PROPERTY THAT ARE MATERIAL TO THE BIDDER'S DECISION TO SEEK TO PURCHASE THE PROPERTY AND HAS FURTHER HAD THE OPPORTUNITY TO, AND HAS CONSULTED WITH ANY ATTORNEYS THAT BIDDER CHOOSES, PRIOR TO TENDERING SUCH BID. BIDDER ACKNOWLEDGES THAT SELLER AND TRIANGLE NATIONAL, LLC WOULD NOT BE WILLING TO SELL THE PROPERTY TO BIDDER UNLESS THE FOREGOING DISCLAIMER PROVISIONS WERE INCLUDED IN AND MADE AN EXPRESS TERM OF ALL AGREEMENTS RELATING TO THE SALE OF ANY PROPERTY MADE THE SUBJECT OF THIS AUCTION TO BIDDER.

AFTER CLOSING, AS BETWEEN ANY BUYER AND SELLER, THE RISK OF LIABILITY OR EXPENSE FOR ENVIRONMENTAL PROBLEMS, EVEN IF ARISING FROM EVENTS OCCURRING BEFORE CLOSING, WILL BE THE SOLE RESPONSIBILITY OF EACH BUYER, REGARDLESS OF WHETHER THE ENVIRONMENTAL PROBLEMS WERE KNOWN OR UNKNOWN AT CLOSING. ONCE CLOSING HAS OCCURRED, EACH BUYER, WITH RESPECT TO THE PROPERTY ACQUIRED, INDEMNIFIES, HOLDS HARMLESS, AND RELEASES SELLER FROM LIABILITY FOR ANY LATENT DEFECTS AND FROM ANY LIABILITY FOR ENVIRONMENTAL PROBLEMS

AFFECTING THE PROPERTY, INCLUDING LIABILITY UNDER THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT ("CERCLA"), THE RESOURCE CONSERVATION AND RECOVERY ACT ("RCRA"), THE TEXAS SOLID WASTE DISPOSAL ACT, OR THE TEXAS WATER CODE. BUYER INDEMNIFIES, HOLDS HARMLESS, AND RELEASES SELLER FROM ANY LIABILITY FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY ARISING AS THE RESULT OF 1) SELLER' OWN NEGLIGENCE OR THE NEGLIGENCE OF SELLER' REPRESENTATIVES; 2) THEORIES OF PRODUCTS LIABILITY AND STRICT LIABILITY; OR 3) UNDER NEW LAWS OR CHANGES TO EXISTING LAWS ENACTED AFTER THE EFFECTIVE DATE THAT WOULD OTHERWISE IMPOSE ON SELLER IN THIS TYPE OF TRANSACTION NEW LIABILITIES FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY.

#### **PROCEDURE**

This ±5,753.63 acres located in Carson County, Texas will be offered in 18 individual tracts or as a combination of tracts. There will be open bidding on tracts and combinations until the close of the auction. The property will be sold in the manner resulting in the highest total sale price.

#### **ACCEPTANCE OF BID PRICE**

This is an auction without reserve, meaning the property will sell to the high bidder(s) at the conclusion of bidding. All successful bidders will sign a Purchase Agreement at the auction site immediately following the close of the auction or digitally within 24 hours of the close of bidding. Any successful bidder for the purchase all or any portion of the property is identified herein as a "Buyer". Each Buyer assumes all responsibility for obtaining any necessary financing for the purchase of the property and neither Seller nor Triangle National, LLC, assumes any responsibility for buyer's inability to obtain financing. Bidding/Purchase is not contingent upon a Buyer obtaining financing.

#### **BUYER'S PREMIUM**

A 10% buyer's premium is in effect for all purchases. The Buyer's Premium will be added to the "High Bid" to determine "Contract Price." Ex. High Bid of \$100,000 + \$10,000 Buyer's Premium = Contract Price of \$110,000.

#### **DOWN PAYMENT**

Ten percent (10%) of the Contract Price must be paid as a down payment at the time of signing the Purchase Agreement. The down payment may be made in the form of cash, personal check, cashier's check, or wire transfer and will be made payable to the closing agent, American Land Title. The remainder of the purchase price plus all expenses of closing is payable in immediately available funds at closing. YOUR BIDDING IS NOT CONDITIONAL UPON FINANCING.

#### **INSPECTION**

On Saturday, July 24, 2021 from 10:00 a.m. – 12:00 pm and on Tuesday, July 27, 2021 from 6:00 – 8:00 p.m., the property will be open to the public for inspection. For a private showing contact Triangle National, LLC at Phone: 806-324-7949; Email: jenniw@superiorland.com; Address: 7673 Canyon Drive, Amarillo, TX 79110.

#### **MINERALS**

Twenty-five percent (25%) of the Seller's owned oil, gas, and other mineral interest will convey with the surface estate. Please see the Minerals Ownership Report for additional information.

#### **WATER**

An existing water lease with the City of Fritch referenced in the Preliminary Commitment for Title Insurance will be replaced by a contract with the City of Fritch scheduled to close before the August 9-12 Land Auction for the

purchase of the groundwater estate pertaining to Section 21, Block Y-2, AB&M Survey, Section 23, Block Y-2, TT Ry. Co Survey, and Section 3, No Block, H&GN RR Co. Buyers of Tracts 7, 8, 10, and 13 will be subject to the terms of that contract as detailed on [www.SuperiorLandNetwork.com/carsoncountyauction](http://www.SuperiorLandNetwork.com/carsoncountyauction). Any obligations under the existing lease agreement will be terminated and replaced by the above-referenced contract. Each of the tract-by-tract descriptions included in the auction materials provide the sellers' best information regarding existing stock wells as well as any future restrictions related to the operation of stock and domestic wells.

#### **ADDITIONAL PROVISIONS**

The risk of liability or expense for environmental problems, **even those arising from events occurring before closing**, will be the sole responsibility of each Buyer, regardless of whether the environmental problems were known or unknown at closing.

Each Buyer indemnifies and holds harmless Seller and Triangle National, LLC from liability for any latent defects and from any liability for environmental problems affecting the property, including liability under:

- i. The Comprehensive Environmental Response, Compensation, and Liability Act;
- ii. The Resource Conservation and Recovery Act;
- iii. The Texas Solid Waste Disposal Act; and/or
- iv. The Texas Water Code.

Each Buyer releases Seller and Triangle National, LLC from liability for any latent defects and from any liability for environmental problems affecting the property, including liability under:

- i. The Comprehensive Environmental Response, Compensation, and Liability Act;
- ii. The Resource Conservation and Recovery Act;
- iii. The Texas Solid Waste Disposal Act; and/or
- iv. The Texas Water Code.

Each Buyer indemnifies and holds harmless Seller and Triangle National, LLC from any liability for environmental problems affecting the property arising as the result of:

- i. Seller's own negligence or the negligence of Seller's representatives;
- ii. Theories of products liability and strict liability; and/or
- iii. Under new laws or changes to existing laws that would otherwise impose on a Seller in this type of transaction.

All properties are selling subject to easements, restrictions, covenants, conditions and zoning of record that would be revealed by a current survey and inspection of the property and of public records. No personal property, other than fixtures attached to the real property, are included with the sale.

If the Property is agricultural in nature, the Property may be subject to one or more government programs. Seller has made available to all bidders for inspection copies of all governmental program agreements. Any allocation or payment under such governmental programs shall be prorated as of the date of closing. All sums received prior to closing arising from any applicable government programs and cooperative or association memberships on the Property will be retained by Seller. Any Buyer that is subject to any governmental program agrees to assume and fully perform or to indemnify Seller from all obligations of Seller under such programs from the date of closing forward. Furthermore, each Buyer will indemnify, defend, and hold harmless Seller from and against any and all claims, suits, losses, judgments, damages, and liabilities including any investigation, legal, and other expenses incurred in connection with and any amount paid in settlement of any claim, action, suit, or

proceeding (collectively called "Losses"), to which Seller may become subject, if such Losses arise out of or are based upon action taken by such Buyer or that should have been taken by the Buyer with relation to the government programs.

### **CLOSING AND TITLE INSURANCE**

The closing agent is AMERICAN LAND TITLE, 620 SOUTH TAYLOR STREET, SUITE 104, AMARILLO, TEXAS 79101, Telephone (806) 356-1454. Closing shall take place on or before September 15, 2021 or as soon as applicable closing documents and surveys (if needed) are completed.

Owner's title insurance will be furnished to Buyer at Buyer's expense. Real estate taxes shall be prorated as of the date of closing. 2021 taxes will be prorated through the date of closing. Any required surveys or appraisals shall be at buyer's expense.

Seller will provide only the following warranties of title and no other:

- 1) Surface Estate: The surface of any tract or tracts of property sold as a result of this Auction shall be conveyed by a Special Warranty Deed from Seller, warranting title to the surface only by, through and under Seller, but not otherwise; and
- 2) 25% of the oil, gas and other minerals owned by Seller shall be transferred to Buyer by quitclaim, without any warranty, to Buyer. Such quitclaim transfer shall convey to such Buyer only all of Seller's presently existing right, title, and interest in and to any mineral interest, royalty interest, any leasehold interest of Seller that is attributable to the surface tract or tracts sold to Buyer. Seller make no representation or warranty regarding any ownership by Seller of any or all of the mineral interest, royalty interest, any leasehold interest that is attributable to the surface. Seller may or may not own any oil, gas or other mineral rights and it is therefore the obligation of Buyer to conduct any investigation or examinations the Buyer deems necessary to make an independent determination of what, if any, oil, gas or other minerals may be involved.

### **BROKER PARTICIPATION**

Triangle National, LLC agrees to pay any properly licensed Real Estate Broker who registers a successful buyer according to the separate Broker Participation Agreement. The Broker Participation Agreement must be completed and received by Triangle National, LLC on or before 5 PM prior to the day of the Auction or 24 hours before a Bidder submits an online bid. Contact Triangle National, LLC at Phone: 806-324-7949; Email: jenni@superiorland.com; Address: 7673 Canyon Drive, Amarillo, TX 79110 to obtain the Broker Participation Agreement.

### **MULTIPLE TRACTS OR PARCELS**

Anyone who submits a bid during the auction understands that at conclusion of the Auction, his or her bid may become the high bid and therefore obligate the bidder to purchase the tract(s) for the bid price. Various occurrences may cause any given bid to become the high bid on the tract(s) made the subject of that bid, including, without limitation, the package bidding process of combining some or all of the tract(s) into a package for bidding.

### **AGENCY DISCLOSURE**

Triangle National, LLC, with Charlie Seller as auctioneer, and John Thacker "JT" Haynes, as principal broker, are hereby giving notice that they are agents and representatives of the Seller of the property described in this property information package. Please refer to the information about brokerage services on the last page of this package.

John Thacker Haynes has the following connection with Seller:

- he is a shareholder, owner, partner or other person that owns an interest in or controls Seller.
- he is a shareholder, owner, partner or other person owning or controlling an interest in an entity that owns an interest in or controls Seller.
  
- (other) NONE.

Charlie Sellers has the following connection with Seller:

- he is a shareholder, owner, partner or other person that owns an interest in or controls Seller.
- he is a shareholder, owner, partner or other person owning or controlling an interest in an entity that owns an interest in or controls Seller.
  
- (other) NONE.

#### **NOTICE**

This Offering is subject to errors, omissions, prior sale, change or withdrawal without notice, and approval with purchase by Owner.

Information regarding land classifications, square footage of any buildings or dwellings, acreages, prior production, carrying capacities, potential profits, etc., if any, are intended only as general guidelines and have been provided by sources deemed reliable, but whose accuracy we cannot guarantee. Prospective buyers should verify all information to their satisfaction.

#### **DISCLAIMER**

For purposes of this auction, any Purchase Agreement and all closing documents that involve a statement relating to the Property, when reference is made to Seller's "knowledge" or "belief", such terms shall include only the current actual knowledge of Seller (who shall have no personal liability with respect to any such matters) and shall not be deemed to imply that Seller or Triangle National, LLC has conducted any inquiry or investigation with respect to the subject matter of any statement that is so qualified. Each Buyer agrees that neither Seller nor Triangle National, LLC has any duty of inquiry or investigation to make any such statement and Seller and Triangle National, LLC shall have no liability to any Buyer for failing to discover whether a condition as to which such a qualified statement is made is true or exists, regardless of the level of effort or expense required to make such an inquiry.

The information regarding the number of acres in each tract is an estimate, and the actual acreage involved in each tract may vary from the estimate. Notwithstanding any estimates of acreage provided, neither Triangle National, LLC nor Seller make any representation or warranty that the acreage of any tract is of any particular quantity. All bidders are advised to make independent investigation of the actual acreage involved in any and all tracts prior to submitting a bid. The Contract Price of any Purchase Agreement resulting from the Auction will not be adjusted, based on any survey obtained.

The only representations and warranties made are those contained in the Purchase Agreement. Seller reserves the right to add or delete any property and/or cancel the sale prior to executing a Purchase Agreement. Seller shall convey the property by Special Warranty Deed, subject to the limitations set forth above.

Information contained herein, as well as in any other materials prepared and/or provided in connection with the Auction, was obtained from sources deemed reliable. Although reasonable precautions have been taken to ensure accuracy, neither the Seller nor Triangle National, LLC nor any of their respective representatives, agents,

or employees will be responsible for any errors or omissions herein. Seller and Triangle National, LLC expressly disclaim any warranty or representation regarding the property to any bidder. Bidders should carefully verify all information and make their own decisions as to the accuracy thereof before submitting their bid. The terms of the Purchase Agreement are controlling in the event of any perceived inconsistency between its terms and any statements in this information package.

#### **ATTORNEY REVIEW AND PROPERTY INSPECTION RECOMMENDED**

It is recommended that all information included in this property information package and all other auction related material be carefully reviewed by your attorney. Additionally, all terms and procedures are subject to and may be superseded by changes distributed or announced to bidders prior to the auction. The property is being sold on an "as is, where is" basis with all faults, and neither the Seller, Triangle National, LLC nor any of their respective representatives, agents, or employees make any representations or warranties as to the condition of the property. Your complete inspection and the inspection of the property by your professionals prior to the auction are encouraged. Bidders along with their respective representatives, agents, or employees inspecting the property assume all risks associated with any inspection of the property and by entering upon the property confirm their agreement to fully completely indemnify Seller and Triangle National, LLC together with the respective representatives, agents, and employees of each, from any and all claims, causes of action, injury or damages arising from such inspection.

**TEXAS DEPARTMENT OF LICENSING AND REGULATION DISCLOSURE:** To file a compliant, contact the Texas Department of Licensing and Regulation at PO Box 12157, Austin, TX 78711 or call 800-803-9202.

**NEW DATA, CORRECTIONS AND CHANGES:** Please arrive prior to scheduled auction time to inspect any changes, corrections or additions to the property information.

#### **AUCTION TERMS AND CONDITIONS SURVIVE CLOSING**

All of the above provisions, including, without limitation all disclaimers, indemnifications and releases shall survive the closing and shall, at the election of Seller, be repeated in the deed and other instruments executed and delivered by Seller at closing.