

CLAUSES

Buyer Request for Expanded Disclosure Notice

Within 3 days of the date of this contract, Seller shall complete and deliver to Buyer a written Disclosure Notice in the form attached as Exhibit A.

Note: For use when Seller delivers a minimal format of Disclosure Notice, such as the TAR form and Buyer requires the Ebby form.

Property to Appraise for at Least Purchase Price

Buyer's performance under this contract is contingent upon Buyer obtaining an appraisal reporting the value of the property equals or exceeds the amount of the purchase price stated.

Residential Service Contract Without Exclusions

Buyer's performance is contingent upon Seller providing, at Seller's sole expense, a Residential Service Contract without any exclusion from basic coverage.

Note: There is a danger in creating a contractual obligation upon the seller to provide a service contract as opposed to a contingency available to the buyer if he does not.

Sale of Rental Property with Lease

Buyer shall accept the Property subject to the current lease with (tenant)_____. At closing, Seller shall assign the lease to Buyer and deliver to Buyer Tenant's security deposit. Buyer shall assume Seller's liabilities under the lease.

Seller to Pay Part of Buyer's Closing Costs

Seller agrees to pay up to \$_____ of Buyer's closing costs.

Termination of Offers

This offer shall automatically be withdrawn unless accepted, in writing, and delivered to _____ on or before _____, _____, 200____, _____m.

Time of Payment of Option Fee

Notwithstanding the provisions of paragraph 23, Buyer shall be entitled to the unrestricted right to terminate this contract if buyer, within 2 days of the effective date of the contract, delivers to Seller payment of the Option Fee. Payment shall be made in the manner and to the place specified for notice in paragraph 21. The Option Fee may be paid by personal check. Time is of the essence and if payment of the Option Fee is not made in strict accordance with this time period then buyer shall not be entitled to the right to terminate the contract pursuant to this paragraph or paragraph 23. Nothing in this paragraph shall impair or restrict the right Buyer may have, if any, to terminate the contract pursuant to other provisions of this contract.

"AS IS" Language

A. For a tear-down:

"The parties acknowledge the purchase price reflects "lot value" only and no value is attributed to the improvements which are accepted by Buyer "AS IS." Seller makes no warranty to representation regarding the improvements."

B. When the property is to be sold "AS IS":

"Buyer acknowledges that Buyer is not relying upon any representations made by Seller regarding the condition of the improvements upon the Property. Buyer shall rely solely upon Buyer's own inspections or from the reports of experts engaged by Buyer to inspect the Property. The purchase price has been negotiated to reflect the value of the Property in its current condition. Buyer shall accept the Property at closing in "AS IS" condition.

Disclosure of Sale of Other Property

When a Buyer elects to NOT use the Sale of Other Property Addendum, and the SELLER wants to know that the Buyer does not have to sell in order to meet financing requirements, as a Listing Agent, assist your seller with this option.....

"Buyer represents that Buyer does not have to sell another residence to meet the cash or financing requirements of this contract."

If instructed by the BUYER, a Buyer Representative must keep confidential that the Buyer may be required to sell another property to qualify for the financing or to pay the cash down payment. If asked by a Listing Agent if the Buyer must sell another property to complete the transaction, the Buyer Representative must simply state:

"I am not at liberty to disclose such information."

Language for Broker Price Opinions

"This is an opinion of value or Comparative Market Analysis and should NOT be considered an appraisal. In making any decision that relies upon my work, you should know that I have not followed the guidelines for development of an appraisal or analysis contained in the uniform standards of professional appraisal practice of the appraisal foundation."

For Driveby Broker Price Opinion

"Drive-By Broker's Price Opinion. The value indicated in this report is based on an exterior, 'drive-by' assessment of the property only. The interior of the property was not examined, and subsequent assessment of the interior condition and amenities may substantially alter the indicated value."

Endorsement on Check

Endorsement of this check by Payees constitutes a full waiver and release of all claim Payees have or may have against Property Crossing, LLC, its Agents or Employees, arising from the purchase of property located _____, _____ County, Texas.

NOTE: Endorsement language on back of settlement checks must be approved by Broker before being used.

Residential Service Contract to Remain with Existing Company

Residential Service Contract in paragraph 7H above shall be with the existing company of Old Republic.

Add'l Earnest Monies Non-Refundable

The Additional Earnest money contained in paragraph 5 shall be non-refundable to Buyer should Buyer decide for any reason, not to proceed with this contract after the expiration of the Option Period, and said monies shall be immediately released to Seller. However, should Buyer proceed with Contract then said monies shall be credited to Buyer at close.

Requirement for Pool to be Built

For purposes of clarification, regarding paragraph 6D, if a swimming pool can be constructed, regardless of location, then Buyer shall proceed with the contract.

CLUE Report Added to Buyer pp11 during Option Period

Seller agrees to provide Clue Report (at Seller's expense) to Buyer 3 days before expiration of Option Period.

NOTES

Commission to Associate's Corporation

If a transaction is conducted through a licensed broker/salesman who has the commission check paid to his/her corporation for tax purposes, the corporation must be licensed as a real estate broker. Section 6 of the License Act specifically provides that a license may be issued by TREC to a corporation. If any of our sales associates have such corporate real estate license, then the corporation is a licensee to which Property Crossing may pay a commission. However, if the corporations of our incorporated sales associates are not also licensed by TREC, Property Crossing may not pay any commissions to those corporations.

Registered Sex Offenders

This from Ebby Halliday's Attorney, Kent Newsom, regarding Registered Sex Offenders:

1. A broker has "no duty" to try to learn if a RSO is in the neighborhood in order to disclose.
2. If a broker learns a buyer is a RSO, the broker may inform the seller.
3. If the seller does not wish to sell to the RSO, that is the seller's prerogative.
4. If we KNOW there is a RSO in the neighborhood, we may not be required to disclose, but we may if we want to. We can ask the seller to let us and decline the listing if the seller will not, and we want to.

Residential Lot Listing

To list a residential vacant lot, use the company form for Residential Listing Agreement (found in your ZipForm) and add "The Property is unimproved" in Special Provisions.

Synthetic Stucco --"EIFS"

Do not advertise property as having stucco when it is not. We should state the name of the product or state "synthetic stucco." A homebuyer may be misled if we simply say "stucco." If a buyer questions, refer them to the manufacturer rather than trying to explain the advantages or disadvantages of the product. Therefore, when a listing is taken with a type of stucco--get the manufacturer's name and obtain a copy of the description of the stucco product. Most insurance companies will not write a policy on a house with synthetic stucco.