

BUYER CONFIDENTIALITY AND WARRANTY AGREEMENT

Description of Business: Auto Repair GarageBusiness No.: AR-7274Asking Price: \$ 460,000.00Asking Terms: Buyer down-payment min of 15% and third party new financing - subject to SBA or lender guidelines

In order to induce Drew Whelchel, EXP Commercial LLC ("Broker") as the agent of a seller(s) to furnish information about the "Business" described above (as used herein, "Business" DOES NOT INCLUDE AND IS NOT INTENDED TO INCLUDE FRANCHISES, LICENSES, DISTRIBUTORSHIPS OR ANY OTHER BUSINESS OPPORTUNITIES THAT ARE NOT EXISTING BUSINESSES, AND BROKER IS NOT A SELLER OF SAME AND DOES NOT REPRESENT ANY SELLERS OF SAME) so that the undersigned Buyer may determine if Buyer is interested in considering purchasing the Business upon such terms as may be negotiated, Buyer agrees, represents and warrants to Broker and to Seller as follows (as used herein, "Buyer" shall mean the undersigned individually, and as a member of a partnership, an agent, owner, officer, manager, or director of an entity, or as agent, consultant or advisor or any similar capacity for or to any business entity or affiliate of Buyer):

1. Buyer acknowledges having received the TREC Form "Information About Brokerage Services" from Broker and understands that Broker is the agent of the Seller(s) of the Business described above and that Broker's duties, loyalties and faithfulness are owed to the Seller pursuant to a Listing Agreement between Seller and Broker. Buyer acknowledges that Broker only represents the Seller and must inform the Seller of any pertinent information Broker knows which might affect Seller's decisions concerning any sale. Buyer further acknowledges that if the outright sale of any real property is involved in any purchase, Buyer should have the abstract covering the property examined by an attorney of Buyer's own selection and/or that Buyer should be furnished with or obtain a policy of title insurance.

2. Buyer represents and warrants to Broker that the information furnished by Broker Group to Buyer has not been made available to Buyer by any other person or legal entity. As used herein, "Broker Group" shall mean Broker and its agents, employees, officers, directors, owners, co-brokers, representatives, independent contractors and affiliates. Buyer acknowledges that all information is being furnished only upon the terms described herein based upon Buyer's representations and warranties herein. Buyer further acknowledges and warrants that all information furnished will not be disclosed to any other person, except Buyer's accountant, lawyer and consultants who may be furnished such information solely for the purpose of advising Buyer as to the structure of any proposed purchase of the Business and Buyer accepts full responsibility for assuring full compliance with all provisions of this Agreement by any third party to which Buyer discloses any such information and for any harm to the Seller or to Broker from any breach of this Agreement. BUYER HEREBY RELEASES, INDEMNIFIES AND HOLDS HARMLESS BROKER GROUP FROM ANY AND ALL CLAIMS OR ACTIONS ARISING FROM BUYER'S ACTS OR FAILURES TO ACT IN PURSUING THE POSSIBLE PURCHASE OF THE BUSINESS, INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEY'S FEES AND OTHER EXPENSES INCURRED BY ANY OF THEM.

3. Buyer represents that Buyer has sufficient financial resources to purchase this Business upon the terms and conditions set forth herein. Buyer agrees to provide, upon request by Broker or Seller, financial statements, references or other information evidencing such financial capacity.

4. BUYER AGREES TO: I) HOLD ALL INFORMATION FURNISHED CONCERNING THE BUSINESS OR ANY OTHER BUSINESS IN STRICT CONFIDENCE, II) NOT USE SUCH CONFIDENTIAL INFORMATION FOR ANY PURPOSE OTHER THAN EVALUATING THE PURCHASE OF THE BUSINESS ; III) NOT INTRODUCE HIMSELF/ITSELF TO ANY SELLER OR SELLER'S EMPLOYEES, CUSTOMERS, SUPPLIERS OR AGENTS (NOR WILL BUYER ASSIST OR PROMOTE IN ANY WAY ANYONE ELSE WITH ANY FORM OF INTRODUCTION) WITHOUT PRIOR WRITTEN CONSENT OF BROKER and should Buyer, upon examination choose not to proceed further in an acquisition, Buyer agrees to promptly return to Broker or destroy (without reproduction in whole or in part) all documents tendered to Buyer by Broker Group or by Seller and to destroy any data copy of such information.

5. Buyer covenants and agrees that, except with the written consent of Seller, Buyer shall not enter into and/or engage in competition with Seller in the business of developing, engineering, designing, manufacturing, promoting, marketing, leasing or selling Seller's products or services as an individual, partner, employee or agent for any person or entity, or as an officer, director, shareholder or otherwise, including, but not limited to, using information, data, methods or processes revealed, discussed, demonstrated or portrayed by Seller or Broker Group, or their agents, representatives or independent contractors directly or indirectly, within the existing marketing area of Seller for a period of two (2) years after the date hereof.

6. Buyer acknowledges and understands that any information tendered by Broker Group or Seller(s) is received subject to change, error, or withdrawal of offering without notice. Buyer acknowledges and agrees that Broker Group has made no independent investigation or verification of information or material furnished to Buyer and that Broker Group shall not be liable or accountable for its accuracy and that no representation is made with respect to such information as any and all representations and warranties concerning such information shall be made solely by the Seller in a signed sale agreement and then be subject to the provisions thereof. Further, Buyer hereby expressly releases, discharges, and holds harmless Broker Group from any and all responsibility and/or liability in connection with the integrity of such information or for any action Buyer may take with regard to this Business and Buyer hereby accepts sole and final responsibility for the evaluation of such information or material, or physical or other assets of the Business whether furnished by Broker Group, by Seller or Seller's representatives. Buyer further accepts sole and final responsibility for any price offers made by Buyer. Buyer acknowledges that it is the Buyer's responsibility to perform

a due diligence inspection concerning all information tendered regarding the Business at Buyer's own cost and expense prior to any acquisition.

7. Buyer understands and agrees that Broker Group WILL NOT PROVIDE ANY LEGAL, ACCOUNTING OR TAX ADVICE to Buyer and will NOT provide any related services to Buyer acting as licensed attorneys, accountants or tax advisors. Buyer further acknowledges and agrees that the Independent Contractor shown below, if any, is not an employee or representative of Broker and has no authority to commit or to bind Broker on any matter.

8. All representations and agreements of Buyer made in this Agreement shall cover any additional information furnished to Buyer by Broker Group as to the above described Business or any other business, whether such information is furnished orally or in writing and it shall not be necessary for the undersigned to execute any additional agreements to that effect.

9. Buyer represents and warrants that Buyer will not, for a period of two (2) years from today's date, enter into any agreement for the optioning, lease, exchange, or purchase of the Business (or any related business), its capital stock or assets, or any portion thereof, either as an individual, member of a partnership, officer, director, employee or owner of any entity, or in any other capacity (nor will Buyer assist or promote in any way anyone else entering into such an agreement) unless said agreement contains a provision wherein the parties thereto acknowledge that Broker Group is the only person or legal entity entitled to the Professional Service Fee (herein called "Fee") based on the Listing Agreement between Broker and Seller (The Fee shall be made known, upon request by Buyer, only when an offer to purchase, or similar purchase agreement, is entered into between Buyer and Seller). Further, if said purchase agreement does not provide for the payment of said Fee to Broker by Seller, or if Fee is not paid by Seller, Buyer agrees to be liable for and pay the Fee on demand as Broker's Fee is to be paid out of the purchase price to be paid to the Seller. To ensure the collection of its compensation, Buyer hereby grants Broker a security interest in and to all the Business assets which may be acquired by Buyer in violation of this Agreement along with all additions and accessions thereto and the proceeds thereof.

10. Buyer acknowledges and understands that as used herein the term sale price (or purchase price) shall mean any and all amounts of money or other consideration paid or conveyed to Seller (or retained by Seller) or for Seller's benefit, including without limitation, cash, stock, notes, real property, leases, lines of credit, loans, contingent payments (e.g., license agreements, royalty agreements, payments based on future sales or profits, etc.), employment or management contracts, consulting and non-compete agreements, option agreements, capital investments, assumption or discharge or relief of personal guarantees, all liabilities and/or other obligations included with the sale, retained by the Business or assumed by Buyer, value of assets retained by Seller that were included in the Listing Sale Price and/or any combination of these or other considerations.

11. Buyer acknowledges and agrees that the performance under and all sums due pursuant to this Agreement shall be in COMAL County, Texas and shall be governed by the laws of the State of Texas. The parties agree that any controversies regarding this Agreement shall be most conveniently and economically resolved in Texas and therefore, the parties submit to jurisdiction in Texas, agree that any claim or action brought for enforcement, interpretation or damages in any way relating to this Agreement shall be brought only in Texas and agree to forbear from filing claims in any other jurisdiction.

12. This Agreement shall be binding upon Buyer, Buyer's estate, executors, assigns, administrators, successors or representatives. If any provision of this Agreement shall be held to be invalid, void or unenforceable, the remaining provisions hereof shall remain in full force and effect as if such invalid, void or unenforceable provision had not been contained herein. The seller of any business disclosed by Broker to Buyer is intended to be a third party beneficiary of this Agreement and such seller shall have the right to enforce the terms of this Agreement (including all covenants of Buyer) without any consent of or assignment from Broker. A seller may seek immediate court injunction of any breach by Buyer of Sections 4 or 5 of this Agreement.

13. The parties agree that any other controversy or claim arising out of or relating to this Agreement, or breach thereof, shall be settled by binding arbitration administered by the American Arbitration Association or JAMS under its rules; and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. Expenses of arbitration shall be borne by the parties in such proportions as the arbitrator(s) shall decide. The arbitrator's sole authority shall be to interpret and/or apply the provisions of this Agreement; the arbitrator(s) shall have no authority to change or modify any provision of this Agreement. The arbitrator shall enter a default judgment against (i) any party who fails to participate in the arbitration proceedings, or (ii) any party who fails to pay any administrative or arbitration expense after having been given seven (7) days' notice and opportunity to cure such default.

14. This Agreement sets forth the entire agreement and understanding between Buyer and Broker and cannot be modified, amended, supplemented or rescinded except with written consent of Buyer and an officer of Broker. Buyer and Broker hereby agree that a facsimile or scanned signed copy of this Agreement will be deemed an original for all purposes, and each party hereby waives the necessity of providing the original copy of this Agreement to bind the other.

Print Name of Buyer

Address

City, State and Zip Code

Independent Contractor

X _____
Buyer's Signature (Individually and as Authorized Representative)

X _____
DATE EXECUTED

Phone Email Address

Drew Whelchel

Broker Officer

Seller: Initial _____ Date _____

Buyer: Initial _____ Date _____



Buyer's Disclosure Statement

This series of questions and answers is to inform the seller about potential buyer(s) of the business. It is supplied to the seller to help the seller determine the qualifications of a buyer to purchase and operate a business, but does not take the place of the seller's investigation of the buyer's qualifications to purchase and operate a business. This should be determined by the seller. The broker has not verified the accuracy or completeness of any of the information supplied here by the buyer and does not vouch for the accuracy or completeness of the information.

THIS SECTION TO BE COMPLETED BY THE BUYER

PLEASE EXPLAIN ALL "YES" ANSWERS ON THE ADDENDUM

- | | Yes | No |
|---|--------------------------|--------------------------|
| 1. Have you been the subject of any bankruptcy filing, assignment for benefit of creditors or insolvency proceedings of any kind during the last five years, or consulted with an attorney or advisor regarding such proceedings? | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Have you been late or defaulted on a business premises or equipment lease? | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Is there anything about your personal or business operating or credit history that, if disclosed to the seller, might adversely affect the seller's decision to sell the business to you? | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Are there any representations you have made to the seller regarding your financial statement, experience and education that are not true? | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Is there any reason you would not be able to investigate the suitability and performance of this business yourself? If yes, please name the independent advisor(s) you intend to use in assisting you with this investigation: | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Is there any reason that you will not have sufficient operating capital for this business after paying the down payment and closing costs? | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Is there any reason why you might be denied any of the necessary licenses or permits to operate this business? | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Are there any facts or conditions not disclosed above that might adversely affect your ability to operate this business or prevent you from fulfilling the terms of your purchase agreement? | <input type="checkbox"/> | <input type="checkbox"/> |

IF YOU HAVE ANSWERED "YES" TO ANY OF THE ABOVE QUESTIONS, PLEASE GIVE A COMPLETE EXPLANATION ON THE ADDENDUM

BUYER(S) CERTIFIES THAT THE ABOVE INFORMATION IS COMPLETE AND ACCURATE AND ACKNOWLEDGES RECEIPT OF A COPY OF THIS DISCLOSURE STATEMENT.

Name/Date

Name/Date

SELLER(S) ACKNOWLEDGES HAVING REVIEWED THE INFORMATION RELATING TO THE BUYER CONTAINED IN THIS DISCLOSURE STATEMENT AND HAVING RECEIVED A COPY.

Name/Date

Name/Date

Buyer: Initial _____ Date _____

**ADDENDUM TO
BUYER'S
DISCLOSURE STATEMENT**

Question#

EXPLANATION OF “YES” ANSWERS

[illegible]

(ATTACH ADDITIONAL SHEETS IF NEEDED)

THE UNDERSIGNED CERTIFIES THAT THE ABOVE INFORMATION IS COMPLETE AND ACCURATE AND ACKNOWLEDGES RECIEPT OF A COPY OF THIS DISCLOSURE STATEMENT.

BUYER(S):

Name: _____ Date _____ Name: _____ Date _____

Printed Name: _____ Printed Name: _____



Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

11-2-2015



TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

eXp Commercial, LLC	9010212	TX.Broker@eXpCommercial.com	855-450-0324
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Clifford Bogart	313043	TX.Broker@eXpCommercial.com	855-450-0324
Designated Broker of Firm	License No.		
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
Andrew Whelchel	775947	Drew@210CRE.com	210-549-6728
Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date