

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TEXAS
EL PASO DIVISION

In Re: §
FRANKLIN ACQUISITION, LLC § Case No. 18-30185-hcm
Debtor § (Chapter 11)
§
§

**MOTION OF RONALD INGALLS, CHAPTER 11 TRUSTEE TO SELL REAL
PROPERTY FREE AND CLEAR OF LIENS, CLAIMS, INTERESTS AND
ENCUMBRANCES (932 Cherry Hill)**

TO THE HONORABLE H. CHRISTOPHER MOTT,
UNITED STATES BANKRUPTCY JUDGE:

Comes now Ronald Ingalls, Chapter 11 Trustee of the bankruptcy estate of Franklin Acquisitions, LLC (the “Trustee”) in this chapter 11 case, filing his Motion of Ron Ingalls, Chapter 11 Trustee to Sell Real Property Free and Clear of Liens, Claims, Interests and Encumbrances (932 Cherry Hill) (“Motion”) pursuant to Section 363(b) and (f) of the Bankruptcy Code, and in support thereof would respectfully show the Court as follows:

1. Franklin Acquisitions, LLC, the Debtor, filed for relief under Chapter 11 of the Bankruptcy Code on February 6, 2018.

2. By Order entered on March 13, 2018 the Court ordered the appointment of a chapter 11 trustee. Ronald Ingalls was subsequently appointed as Chapter 11 Trustee.

3. The bankruptcy estate owns the following real property, commonly known as 932 Cherry Hill, El Paso, Texas, including improvements (the “Real Property”):

Lots 35 & Por 36, Block 6, Coronado Country Club Estates, City of El Paso.

The property is a single-family residence with 5 bedrooms and 5.25 baths. The house contains 5,847 sq. ft. and was constructed in 1960. It is located on the Coronado Country Club.

4. The Trustee as seller and Bohannon Development Corp. or assigns as buyer have entered into a Contract of Sale for the Property, subject to this Court's approval for \$450,000.00. A copy of the Contract of Sale is attached to this Motion, labeled Exhibit "A" and incorporated herein for all purposes. The El Paso County Appraisal District has valued the property at \$765,420.00. The Debtor has scheduled the value of the property at \$765,420.00. The Trustee has received another offer for the property in the amount of \$450,000.00.

5. Following is information about the proposed sale:

a. **The name and address of the proposed buyer or lessee:**

Bohannon Development Corp. or assigns, c/o Harrell Davis, 4695 N. Mesa, El Paso, TX 79912

b. **The proposed consideration to be received by the estate, including estimated costs of the sale or lease, including commissions, auctioneer's fees, costs of document preparation and recording and any other customary closing costs:**

\$450,000.00 sales price

3% broker's commissions = \$13,500.00

Seller shall also pay for a title policy, preparation of the deed and bill of sale, one-half of any escrow fee and costs to record any documents to cure title objections that Seller must cure.

Additionally, taxes will be pro-rated.

c. **A description of the estimated or possible tax consequences to the estate, if known, and how any tax liability generated by the use, sale or lease of such property will be paid:**

Unknown

6. A preliminary title search and review of the Schedules and proofs of claim filed in this case indicate the following liens, judgments, and other claims may exist against the Real Property:

a. Unassessed ad valorem taxes owing to the City of El Paso for 2019.

b. Deed of trust lien in favor of Deutsche Bank with a payoff of \$153,188.38 as of March 31, 2019.

c. Judgment lien in favor of Laura Lynch.

7. The foregoing liens will attach to the sale proceeds in the order of priority. The Trustee proposes to pay the lien of Deutsche Bank at closing. The property will be sold subject to the liens for 2019 ad valorem taxes.

8. Section 363(b)(1) of the Bankruptcy Code provides that “[t]he trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate.” 11 U.S.C §363(b)(1). Section 363(f)(2) allows the trustee to sell property free and clear of liens if the lienholders consent. The Trustee intends to seek consent from the lienholders. In the alternative, the sale price appears to exceed the amount of all liens against the property.

8. All liens, claims, interests and encumbrances will attach to the proceeds from the sale to the same extent, priority and validity as existed on the petition date.

WHEREFORE, Ronald Ingalls, Chapter 11 Trustee of the bankruptcy estate of Franklin Acquisitions, LLC, respectfully requests that the Court grant this Motion and authorize the sale of the Real Property free and clear of all liens, claims and interests as set out in this Motion, and for such other and further relief to which he may show himself entitled.

Respectfully Submitted,

BARRON & NEWBURGER, P.C.
7320 N. MoPac Expy., Suite 400
Austin, Texas 78731
(512) 649-3243 Phone
(512) 476-9253 Facsimile

By: /s/ Stephen W. Sather
Barbara M. Barron (SBN 01817300)
Stephen W. Sather (SBN. 17657520)

ATTORNEYS FOR TRUSTEE

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing Application was served by first class mail, postage prepaid and properly addressed, on March 26, 2019 to all parties listed on the attached Service List and by email to:

William D. Abraham
abrahamcommission@mac.com

_____/s/Stephen W. Sather

Label Matrix for local noticing

17

0542-3

Case 18-30185-hcm

Western District of Texas

El Paso

Sat Sep 8 16:00:21 CDT 2018

Franklin Acquisitions LLC

PO BOX 1797

El Paso, TX 79949-1797

U.S. BANKRUPTCY COURT

511 E. San Antonio Ave., Rm. 444

EL PASO, TX 79901-2417

A Quick Bail Bonds

717 E. San Antonio Ave,

El Paso, TX 79901-2519

Cafe de Tolteca

717 E. San Antonio

El Paso, TX 79901-2519

Carlos Cardenas

717 E. San Antonio Ave

El Paso, TX 79901-2519

Carrington Mortgage Se

1600 S Douglass Rd Ste 2

Anaheim, CA 92806-5951

Charles Haddad

700 Montana Ave

El Paso, TX 79902-5306

Chase Mtg

P.o. Box 24696

Columbus, OH 43224-0696

City of El Paso

c/o Don Stecker

711 Navarro, Ste. 300

San Antonio, TX 78205-1749

City of El Paso

c/o Kemp Smith LLP

Attn: James W. Brewer

221 N. Kansas, Ste. 1700

El Paso, TX 79901-1401

Downtown Renaissance JV

c/o Harrel L. Davis

4695 N. Mesa

El Paso, TX 79912-6150

El Roble

8820 Alameda Ave

El Paso, TX 79907-6356

First Cash Pawn

8820 Alameda Ave

El Paso, TX 79907-6356

Francie Translations

717 E San Antonio Ave

El Paso, TX 79901-2519

IGSFA MANAGEMENT, LLC

c/o Michael J. Shane, Attorney

GORDON DAVIS JOHNSON & SHANE P.C.

P.O. BOX 1322

El Paso, Texas 79947-1322

IGSFA Management LLC

Gordon Davis Johnson & Shane, P.C.

P.O. Box 1322

El Paso, TX 79947-1322

IGSFA Management, LLC

c/o Harrel Davis

P.O. Box 1322

El Paso, TX 79947-1322

IGSFA Management, LLC

c/o Shutts & Bowen, LLP Attention:

Steven M. Ebner

200 South Biscayne Blvd., Ste. 4100

Miami, FL 33131-2362

Internal Revenue Service

Centralized Insolvency Office

P. O. Box 7346

Philadelphia, PA 19101-7346

Internal Revenue Service

PO Box 7346

Philadelphia, PA 19101-7346

Ivan Aguilera

c/o Harrel Davis

P.O. Box 1322

El Paso, TX 79947-1322

Ivan G. Aguilera

c/o Shutts & Bowen, LLP

200 South Biscayne Blvd., Ste. 4100

Miami, FL 33131-2362

Laura Lynch

c/o Corey W. Haugland

James & Haugland, P.C.

609 Montana Avenue

El Paso, Texas 79902-5303

Lion's Den Gym

209 Texas Ave

El Paso, TX 79901-2311

Michael J. Shane

Gordon Davis Johnson & Shane P.C.

4695 N Mesa St

El Paso, TX 79912-6150

Olive Organization, LLC

1505 Rim Rd

El Paso, TX 79902-2208

Propel Financial Services LLC

PO Box 100350

San Antonio, TX 78201-1650

Propel Financial Services, LLC

c/o Mary E. Heard

8700 Crownhill, Ste. 505

San Antonio, TX 78209-1130

Robert Malooly

920 N. Stanton

El Paso, TX 79902-4107

Robert Malooly
c/o Miranda & Maldonado, P.C.
5915 Silver Springs, bldg. 7
El Paso, TX 79912-4126

The City of El Paso
PO Box 1890
El Paso, TX 79950-1890

United States Attorney
Internal Revenue Service
601 N. W. Loop 410, Suite 600
San Antonio, TX 78216-5512

United States Attorney General
Department of Justice
United States Trustee Program
950 Pennsylvania Avenue, N.W.
Washington, D.C. 20530-0009

United States Trustee
615 E. Houston, Suite 533
San Antonio, TX 78205-2055

United States Trustee - EP12
U.S. Trustee's Office
615 E. Houston, Suite 533
San Antonio, TX 78295-1539

Victor Firth
Firth Johnson Bunn Kerr
415 N Mesa St 300
El Paso, TX 79901-1234

Watermill Express
8820 Alameda Ave
El Paso, TX 79907-6356

Omar Maynez
Maynez Law
1812 Hunter Drive
El Paso, TX 79915-1522

Ronald E Ingalls
PO Box 2867
Fredericksburg, TX 78624-1927

Steve Turner
Barrett Daffin Frappier Turner & Engel, LLP
3809 Juniper Trace, Suite 205
Austin, Texas 78738

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(u)Four Jo's Limited Partnership
1020 E Yandell Drive
El Paso TX7992

(d)Propel Financial Services, LLC
P.O. Box 100350
San Antonio, TX 78201-1650

End of Label Matrix	
Mailable recipients	39
Bypassed recipients	2
Total	41



PROMULGATED BY THE TEXAS REAL ESTATE COMMISSION (TREC)
ONE TO FOUR FAMILY RESIDENTIAL CONTRACT (RESALE)



NOTICE: Not For Use For Condominium Transactions

- 1. PARTIES: The parties to this contract are Ronald Ingalls Ch. 7 Trustee in Case #18-30185 (Seller) and Bohannon Development Corp., or assigns (Buyer).
2. PROPERTY: The land, improvements and accessories are collectively referred to as the "Property".
A. LAND: Lot 35 & Por 36 Block 6, Coronado Country Club Estates Addition, City of El Paso, County of El Paso, Texas, known as 932 Cherry Hills Lane
B. IMPROVEMENTS: The house, garage and all other fixtures and improvements attached to the above-described real property...
C. ACCESSORIES: The following described related accessories...
D. EXCLUSIONS: The following improvements and accessories will be retained by Seller...
E. RESERVATIONS: Any reservation for oil, gas, or other minerals...
3. SALES PRICE:
A. Cash portion of Sales Price payable by Buyer at closing \$ 450,000.00
B. Sum of all financing described in the attached: [] Third Party Financing Addendum, [] Loan Assumption Addendum, [] Seller Financing Addendum
C. Sales Price (Sum of A and B) \$ 450,000.00
4. LICENSE HOLDER DISCLOSURE: Texas law requires a real estate license holder who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity...
5. EARNEST MONEY: Within 3 days after the Effective Date, Buyer must deliver \$ as earnest money to WestStar Title, 641 N. Stanton, Ste. 200, El Paso TX (address). Buyer shall deliver additional earnest money of \$ to escrow agent within days after the Effective Date of this contract.
6. TITLE POLICY AND SURVEY:
A. TITLE POLICY: Seller shall furnish to Buyer at [X] Seller's [] Buyer's expense an owner policy of title insurance (Title Policy) issued by WestStar 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) Restrictive covenants common to the platted subdivision in which the Property is located.
(2) The standard printed exception for standby fees, taxes and assessments.

Initialed for identification by Buyer TB and Seller TREC NO. 20-14

- (3) Liens created as part of the financing described in Paragraph 3.
 - (4) Utility easements created by the dedication deed or plat of the subdivision in which the Property is located.
 - (5) Reservations or exceptions otherwise permitted by this contract or as may be approved by Buyer in writing.
 - (6) The standard printed exception as to marital rights.
 - (7) The standard printed exception as to waters, tidelands, beaches, streams, and related matters.
 - (8) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements:
 - (i) will not be amended or deleted from the title policy; or
 - (ii) will be amended to read, "shortages in area" at the expense of Buyer Seller.
 - (9) The exception or exclusion regarding minerals approved by the Texas Department of Insurance.
- 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 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 3 days before the Closing Date, whichever is earlier. If the Commitment and Exception Documents are not delivered within the time required, Buyer may terminate this contract and the earnest money will be refunded to Buyer.
- C. SURVEY: The survey must be made by a registered professional land surveyor acceptable to the Title Company and Buyer's lender(s). (Check one box only)
- (1) Within _____ days after the Effective Date of this contract, Seller shall furnish to Buyer and Title Company Seller's existing survey of the Property and a Residential Real Property Affidavit promulgated by the Texas Department of Insurance (T-47 Affidavit). **If Seller fails to furnish the existing survey or affidavit within the time prescribed, Buyer shall obtain a new survey at Seller's expense no later than 3 days prior to Closing Date.** If the existing survey or affidavit is not acceptable to Title Company or Buyer's lender(s), Buyer shall obtain a new survey at Seller's Buyer's expense no later than 3 days prior to Closing Date.
 - (2) Within 12 days after the Effective Date of this contract, Buyer shall obtain a new survey at Buyer's expense. Buyer is deemed to receive the survey on the date of actual receipt or the date specified in this paragraph, whichever is earlier.
 - (3) Within _____ days after the Effective Date of this contract, Seller, at Seller's expense shall furnish a new survey to Buyer.
- D. OBJECTIONS: Buyer may object in writing to defects, exceptions, or encumbrances to title: disclosed on the survey other than items 6A(1) through (7) above; disclosed in the Commitment other than items 6A(1) through (9) above; or which prohibit the following use or activity: _____
 Buyer must object the earlier of (i) the Closing Date or (ii) 3 days after Buyer receives the Commitment, Exception Documents, and the survey. 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 by Buyer. Provided Seller is not obligated to incur any expense, Seller shall cure any timely objections of Buyer or any third party lender within 15 days after Seller receives the objections (Cure Period) and the Closing Date will be extended as necessary. If objections are not cured within the Cure Period, Buyer may, by delivering notice to Seller within 5 days after the end of the Cure Period: (i) terminate this contract and the earnest money will be refunded to Buyer; or (ii) waive the objections. If Buyer does not terminate within the time required, Buyer shall be deemed to have waived the objections. If the Commitment or Survey is revised or any new Exception Document(s) is delivered, Buyer may object to any new matter revealed in the revised Commitment or Survey or new Exception Document(s) within the same time stated in this paragraph to make objections beginning when the revised Commitment, Survey, or Exception Document(s) is delivered to Buyer.
- E. 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) MEMBERSHIP IN PROPERTY OWNERS ASSOCIATION(S): The Property is is not

Initialed for identification by Buyer TR and Seller _____

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(Address of Property)

subject to mandatory membership in a property owners association(s). If the Property is subject to mandatory membership in a property owners association(s), Seller notifies Buyer under §5.012, Texas Property Code, that, as a purchaser of property in the residential community identified in Paragraph 2A in which the Property is located, you are obligated to be a member of the property owners association(s). Restrictive covenants governing the use and occupancy of the Property and all dedicatory instruments governing the establishment, maintenance, or operation of this residential community have been or will be recorded in the Real Property Records of the county in which the Property is located. Copies of the restrictive covenants and dedicatory instrument may be obtained from the county clerk. **You are obligated to pay assessments to the property owners association(s). The amount of the assessments is subject to change. Your failure to pay the assessments could result in enforcement of the association's lien on and the foreclosure of the Property.**

Section 207.003, Property Code, entitles an owner to receive copies of any document that governs the establishment, maintenance, or operation of a subdivision, including, but not limited to, restrictions, bylaws, rules and regulations, and a resale certificate from a property owners' association. A resale certificate contains information including, but not limited to, statements specifying the amount and frequency of regular assessments and the style and cause number of lawsuits to which the property owners' association is a party, other than lawsuits relating to unpaid ad valorem taxes of an individual member of the association. These documents must be made available to you by the property owners' association or the association's agent on your request.

If Buyer is concerned about these matters, the TREC promulgated Addendum for Property Subject to Mandatory Membership in a Property Owners' Association(s) should be used.

- (3) **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.
- (4) **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.
- (5) **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.
- (6) **PROPERTY LOCATED IN A CERTIFICATED SERVICE AREA OF A UTILITY SERVICE PROVIDER:** Notice required by §13.257, Water Code: The real property, described in Paragraph 2, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned Buyer hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in Paragraph 2 or at closing of purchase of the real property.
- (7) **PUBLIC IMPROVEMENT DISTRICTS:** If the Property is in a public improvement district, §5.014, Property Code, requires Seller to notify Buyer as follows: As a purchaser of this parcel of real property you are obligated to pay an assessment to a municipality or county for an improvement project undertaken by a public improvement district under Chapter 372, Local Government Code. The assessment may be due annually or in periodic installments. More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the municipality or county levying the assessment. The amount of the assessments is subject to change. Your failure to pay the assessments could result in a lien on and the foreclosure of your property.
- (8) **TRANSFER FEES:** If the Property is subject to a private transfer fee obligation, §5.205, Property Code, requires Seller to notify Buyer as follows: The private transfer fee

Initialed for identification by Buyer TB and Seller _____

TREC NO. 20-14

932 Cherry Hills Lane
El Paso

Contract Concerning _____

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(Address of Property)

obligation may be governed by Chapter 5, Subchapter G of the Texas Property Code.

- (9) PROPANE GAS SYSTEM SERVICE AREA: If the Property is located in a propane gas system service area owned by a distribution system retailer, Seller must give Buyer written notice as required by §141.010, Texas Utilities Code. An addendum containing the notice approved by TREC or required by the parties should be used.
- (10) NOTICE OF WATER LEVEL FLUCTUATIONS: If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."

7. PROPERTY CONDITION:

A. ACCESS, INSPECTIONS AND UTILITIES: Seller shall permit Buyer and Buyer's agents access to the Property at reasonable times. Buyer may have the Property inspected by inspectors selected by Buyer and licensed by TREC or otherwise permitted by law to make inspections. Any hydrostatic testing must be separately authorized by Seller in writing. ~~Seller at Seller's expense shall immediately cause existing utilities to be turned on and shall keep the utilities on during the time this contract is in effect.~~

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 Seller is not required to furnish the notice under the Texas Property Code.

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: "As Is" means the present condition of the Property with any and all defects and without warranty except for the warranties of title and the warranties in this contract. Buyer's agreement to accept the Property As Is under Paragraph 7D(1) or (2) does not preclude Buyer from inspecting the Property under Paragraph 7A, from negotiating repairs or treatments in a subsequent amendment, or from terminating this contract during the Option Period, if any.

(Check one box only)

- (1) Buyer accepts the Property As Is.
- (2) Buyer accepts the Property As Is provided Seller, at Seller's expense, shall complete the following specific repairs and treatments: _____

(Do not insert general phrases, such as "subject to inspections" that do not identify specific repairs and treatments.)

E. 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.

F. COMPLETION OF REPAIRS AND TREATMENTS: Unless otherwise agreed in writing: (i) Seller shall complete all agreed repairs and treatments prior to the Closing Date; and (ii) all required permits must be obtained, and repairs and treatments must be performed by persons who are licensed to provide such repairs or treatments or, if no license is required by law, are commercially engaged in the trade of providing such repairs or treatments. At Buyer's election, any transferable warranties received by Seller with respect to the repairs and treatments will be transferred to Buyer at Buyer's expense. If Seller fails to complete any agreed repairs and treatments prior to the Closing Date, Buyer may exercise remedies under Paragraph 15 or extend the Closing Date up to 5 days if necessary for Seller to complete the repairs and treatments.

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.

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TREC NO. 20-14

- H. 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.**
- 8. **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 see Paragraph 11, _____, or within 7 days after objections made under Paragraph 6D have been cured or waived, 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: Special
 - (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 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 reasonably required for the closing of the sale and the issuance of the Title Policy.
 - (4) There will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds unless securing the payment of any loans assumed by Buyer and assumed loans will not be in default.
 - (5) If the Property is subject to a residential lease, Seller shall transfer security deposits (as defined under §92.102, Property Code), if any, to Buyer. In such an event, Buyer shall deliver to the tenant a signed statement acknowledging that the Buyer has acquired the Property and is responsible for the return of the security deposit, and specifying the exact dollar amount of the security deposit.
- 10. **POSSESSION:**
 - A. Buyer's 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 agent prior to change of ownership and 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.**
 - B. Leases:
 - (1) After the Effective Date, Seller may not execute any lease (including but not limited to mineral leases) or convey any interest in the Property without Buyer's written consent.
 - (2) If the Property is subject to any lease to which Seller is a party, Seller shall deliver to Buyer copies of the lease(s) and any move-in condition form signed by the tenant within 7 days after the Effective Date of the contract.
- 11. **SPECIAL PROVISIONS:** (Insert only factual statements and business details applicable to the sale. TREC rules prohibit license holder from adding factual statements or business details for which a contract addendum, lease or other form has been promulgated by TREC for mandatory use.) **Sale and all terms are subject to Bankruptcy Court approval. Property is being conveyed "as is - where is" and with all faults, if any, and without warranty or representation of any kind by either the Trustee or his Broker. Buyer has been noticed that at any Hearing regarding the sale of this property the Bankruptcy Court may consider any higher offer. Closing will be the 15th day after the Continued... See Addendum Special provisions 1**
- 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 Veterans Land Board or other governmental loan programs, and then to other Buyer's Expenses as allowed by the lender.

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- (2) Expenses payable by Buyer (Buyer's Expenses): Appraisal fees; loan application fees; origination charges; 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; loan 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; wire transfer fee; expenses incident to any loan; Private Mortgage Insurance Premium (PMI), VA Loan Funding Fee, or FHA Mortgage Insurance Premium (MIP) as required by the lender; and other expenses payable by Buyer under this contract.
- B. 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 Veterans Land Board or other governmental loan program regulations.
13. **PRORATIONS:** Taxes for the current year, interest, maintenance fees, assessments, dues and rents will be prorated through the Closing Date. The tax proration may be calculated taking into consideration any change in exemptions that will affect the current year's taxes. 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.
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 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, if permitted by Seller's insurance carrier, 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 other obligations of Seller under this contract.
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 Seller fails to comply with this contract, 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 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:** A Buyer, Seller, Listing Broker, Other Broker, or escrow agent who prevails in any legal proceeding related to this contract is entitled to recover reasonable attorney's fees and all costs of such proceeding.
18. **ESCROW:**
- A. **ESCROW:** The escrow agent is not (i) a party to this contract and does not have liability for the performance or nonperformance of any party to this contract, (ii) liable for interest on the earnest money and (iii) 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.
- B. **EXPENSES:** 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 no closing occurs, escrow agent may: (i) require a written release of liability of the escrow agent from all parties, (ii) require payment of unpaid expenses incurred on behalf of a party, and (iii) only deduct from the earnest money the amount of unpaid expenses incurred on behalf of the party receiving the earnest money.
- C. **DEMAND:** Upon termination of this contract, either party or the escrow agent may send a release of earnest money to each party and the parties shall execute counterparts of the release and deliver same to the escrow agent. If either party fails to execute the release, either party may make a written demand to the escrow agent for the earnest money. If only one party makes written demand for the earnest money, escrow agent shall promptly

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provide a copy of the demand to the other party. If escrow agent does not receive written objection to the demand from the other party within 15 days, 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 disbursal of the earnest money.

- D. DAMAGES: Any party who wrongfully fails or refuses to sign a release acceptable to the escrow agent within 7 days of receipt of the request will be liable to the other party for (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.
- E. NOTICES: Escrow agent's notices will be effective when sent in compliance with Paragraph 21. Notice of objection to the demand will be deemed effective upon receipt by escrow agent.

19. REPRESENTATIONS: All covenants, representations and warranties in this contract survive closing. If any representation of Seller in this contract is untrue on the Closing Date, Seller will be in default. Unless expressly prohibited by written agreement, Seller may continue to show the Property and receive, negotiate and accept back up offers.

20. FEDERAL TAX REQUIREMENTS: If Seller is a "foreign person," as defined by Internal Revenue Code and its regulations, or if Seller fails to deliver an affidavit or a certificate of non-foreign status 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.

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 fax or electronic transmission as follows:

To Buyer Bohannon Development Corp.
at: Attn: Tom Bohannon

To Seller
at: Ronald Ingalls Ch. 7 Trustee

in re: Case #18-30185

Phone: _____

Phone: (830)307-9123

Fax: _____

Fax: _____

E-mail: tbohannon@bohannondevelopment.com

E-mail: ron@ingallstrustee.com

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 Addendum
- Seller Financing Addendum
- Addendum for Property Subject to Mandatory Membership in a Property Owners Association
- Buyer's Temporary Residential Lease
- Loan Assumption Addendum
- Addendum for Sale of Other Property by Buyer
- Addendum for Reservation of Oil, Gas and Other Minerals
- Addendum for "Back-Up" Contract
- Addendum for Coastal Area Property
- Addendum for Authorizing Hydrostatic Testing
- Addendum Concerning Right to Terminate Due to Lender's Appraisal
- Environmental Assessment, Threatened or Endangered Species and Wetlands Addendum
- Seller's Temporary Residential Lease
- Short Sale Addendum
- Addendum for Property Located Seaward of the Gulf Intracoastal Waterway
- Addendum for Seller's Disclosure of Information on Lead-based Paint and Lead-based Paint Hazards as Required by Federal Law
- Addendum for Property in a Propane Gas System Service Area
- Other (list): Special Provisions

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23. TERMINATION OPTION: For nominal consideration, the receipt of which is hereby acknowledged by Seller, and Buyer's agreement to pay Seller \$ 500.00 (Option Fee) within 3 days after the Effective Date of this contract, Seller grants Buyer the unrestricted right to terminate this contract by giving notice of termination to Seller within ten (10) days after the Effective Date of this contract (Option Period). Notices under this paragraph must be given by 5:00 p.m. (local time where the Property is located) by the date specified. If no dollar amount is stated as the Option Fee or if Buyer fails to pay the Option Fee to Seller within the time prescribed, this paragraph will not be a part of this contract and Buyer shall not have the unrestricted right to terminate this contract. If Buyer gives notice of termination within the time prescribed, the Option Fee will not be refunded; however, any earnest money will be refunded to Buyer. The Option Fee will will not be credited to the Sales Price at closing. **Time is of the essence for this paragraph and strict compliance with the time for performance is required.**

24. CONSULT AN ATTORNEY BEFORE SIGNING: TREC rules prohibit real estate license holders from giving legal advice. READ THIS CONTRACT CAREFULLY.

Buyer's Attorney is: Harrel L. Davis

Seller's Attorney is: _____

4695 N. Mesa, El Paso, TX 79912

Phone: (915) 545-1133

Phone: _____

Fax: (915) 545-4433

Fax: _____

E-mail: hdavis@eplawyers.com

E-mail: _____

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

Bohannon
Buyer
Bohannon Development Corp., or assigns

Seller Ronald Ingalls Ch. 7 Trustee in Case #18-30185

Buyer _____

Seller _____



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 license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000 (<http://www.trec.texas.gov>) TREC NO. 20-14. This form replaces TREC NO. 20-13.

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BROKER INFORMATION

(Print name(s) only. Do not sign)

Other Broker Firm	License No.	AREA Properties, Inc.	437051
represents <input checked="" type="checkbox"/> Buyer only as Buyer's agent		Listing Broker Firm	License No.
<input type="checkbox"/> Seller as Listing Broker's subagent		represents <input type="checkbox"/> Seller and Buyer as an intermediary	
		<input checked="" type="checkbox"/> Seller only as Seller's agent	
Associate's Name	License No.	Mark L. Hall	350156
Associate's Email Address	Phone	markiyndonhall@gmail.com	License No.
Licensed Supervisor of Associate	License No.	Listing Associate's Name	Phone
Other Broker's Address	Phone	markiyndonhall@gmail.com	License No.
City	State	Zip	License No.

Listing Broker's Office Address	Phone
Selling Associate's Name	License No.
Selling Associate's Email Address	Phone
Licensed Supervisor of Selling Associate	License No.
Selling Associate's Office Address	
City	State
	Zip

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

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OPTION FEE RECEIPT

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

Seller or Listing Broker

Date

EARNEST MONEY RECEIPT

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

Escrow Agent

Received by

Email Address

Date/Time

Address

Phone

City

State

Zip

Fax

CONTRACT RECEIPT

Receipt of the Contract is acknowledged.

Escrow Agent

Received by

Email Address

Date

Address

Phone

City

State

Zip

Fax

ADDITIONAL EARNEST MONEY RECEIPT

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

Escrow Agent

Received by

Email Address

Date/Time

Address

Phone

City

State

Zip

Fax

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ADDENDUM

PROPERTY: 932 Cherry Hills Lane, El Paso,

1) Special provisions

Bankruptcy Judge enters the Order approving the sale. Seller expressly retains the right to continue to market the property and solicit offers. The effective date of this contract for the performance of all obligations is the date the Bankruptcy Judge enters the Order approving the sale. P.5. is amended to begin "Earnest money, in certified funds of 5% of the purchase price, must be tendered by 5:00 pm on the date of the Hearing approving the sale..." P.16. Mediation, is amended to include: "... resolved by the U.S. Bankruptcy Court."

Multiple horizontal lines for additional text or signatures.

Date: 3-22-19

Date: _____

Signature Tom Belarmon

Signature _____

Date: _____

Date: _____

Signature _____

Signature _____

Addendum