

# J. P. KING AUCTION COMPANY, INC.

## TERMS OF AUCTION

Jackson County Hunting Land  
Jackson County, Alabama  
Saturday, April 28, 2007 at 11:00 AM (CT)

J. P. King Auction Company, Inc., an Alabama corporation headquartered at 108 Fountain Avenue in Gadsden, Alabama 35901 (telephone 800-662-5464 or 256-546-5217 and facsimile 256-543-8036) and its Alabama broker, J. Craig King (“Broker”) whose address is 108 Fountain Avenue, Gadsden, AL 35901 (these parties collectively “Auctioneer”) have contracted with Dr. Sumpter D. Blackmon P.A. Profit Sharing Plan, Dr. Sumpter D. Blackmon, Trustee, Brent N. Blackmon, individually, and Brent N. Blackmon and Gena Hall Blackmon, husband and wife (collectively “Seller”) to offer to sell at public auction (“Auction”) certain real property (“Property”). These terms, plus any additions, deletions, and/or revisions announced by Auctioneer before the commencement of the Auction, represent the exclusive terms for the Auction (“Terms of Auction”).

1. **AGENCY:** Auctioneer is acting exclusively as an agent for Seller and not as an agent for any Bidder or Buyer. No third-party broker is acting as a sub-agent of Auctioneer.

2. **COLLUSION:** Bid-rigging is a federal felony punishable by imprisonment and fine. Auctioneer will report all illegal conduct to the F.B.I. and cooperate with any prosecution.

3. **PROPERTY:** The Property is described in the “Real Property Sale Contract” (“Sale Contract”), a copy of which is available from Auctioneer, online at [www.jpking.com](http://www.jpking.com), and posted at the Auction.

4. **DUE DILIGENCE:** Seller and Auctioneer do not attempt to provide Bidder with all of the information Bidder may need to make an informed decision about the Auction and Property. Bidder should obtain professional advice and conduct due diligence on the Property, title commitment (available from Auctioneer and posted at the Auction), surrounding area, all information provided by Seller or Auctioneer, “Property Information Package” (available from Auctioneer, online at [www.jpking.com](http://www.jpking.com), and posted at the Auction), public records, Terms of Auction, Auction, Sale Contract, transaction contemplated, and all circumstances, defects, facts, issues, matters, problems, and other relevant matters (collectively “Property Issues”). All information provided by Auctioneer came from Seller and is believed to be accurate, but neither Seller nor Auctioneer guarantees, represents, or warrants its accuracy or completeness and Bidder should not rely upon it without independent inspection and verification from sources Bidder knows to be reliable. Seller and Auctioneer are not required to update any information provided or published and shall have no liability on any basis for failing to do so.

5. **DISCLAIMER:** Participation in the Auction is at Bidder’s sole risk and Seller and Auctioneer, plus their agents, contractors, and employees, shall have no liability on any basis. The Property will be offered in “**AS IS, WHERE IS**” condition. To the fullest extent allowed by law, Seller and Auctioneer unconditionally disclaim any guarantee, representation, or warranty of every kind, whether expressed, implied, or statutory, whether oral or written, whether past, present, or future, with respect to all Property Issues, except as expressly provided in the Terms of Auction and the Sale Contract.

6. **DISCLOSURES:** The Property is near, or adjacent to, Crow Creek Hunting Preserve, an operational hunting preserve. The Property will be offered for sale and conveyed subject to all conditions, covenants, deeds, easements, reservations, restrictions, right-of-ways, title exceptions, and matters of record. Maps, depictions, and sketches in any materials related to the Property are for illustration purposes only and Seller and Auctioneer do not guarantee, represent, or warrant their accuracy or completeness.

The existing roads through the Property are private roads. A plat of the Property entitled, “Sales Plat – Blackmon Properties – Stevenson, Alabama,” prepared by Perman Engineering Co. on or about **March 20, 2007** (“Perman Plat”) is available to all Bidders and shows the general and tentative, but not exact and final, layout of the private road(s) for access for the purpose of ingress and egress to the Property tracts by the respective Buyer(s). The Perman Plat is not a final survey of the Property and does not precisely describe the Property, provide any legal description for it, or show the location of the private road(s).

The Property is selling subject to all rights of access for ingress and egress by other Buyers of tracts of the Property that may be created by a specific-purpose easement following the Auction and by the time of the closing of the sales of the Property.

The route of ingress and egress for the Buyer(s) of Tract 1 and Tract 3 shall be exclusively from and to County Road 45 and shall involve no other tracts of the Property. The Buyer of Tract 1 shall be required to grant a specific-purpose easement for ingress and egress to the Buyer of Tract 3 in order that the Buyer of Tract 3 will have free and clear access to County Road 45.

Should the Property sell as an entirety (i.e., Tracts 1 through 11 sell to one Buyer), the route of ingress and egress for the Buyer to the entire Property shall be exclusively from and to County Road 45 and shall not involve any other land owned by Seller or any other property owner.

Should the Property's tracts be sold to multiple Buyers, the route of ingress and egress for the Buyers of Tract nos. 2 and 4 through 11 shall be exclusively from and to U. S. Highway 72. Seller will grant at the closing of the sales to the Buyer(s) of Tract nos. 2 and 4 through 11 a specific-purpose easement for ingress and egress across Seller's unsold, private property to allow these Buyers to have access to their respective tracts from and to U. S. Highway 72. This specific-purpose easement for ingress and egress by these Buyers shall be in the form of a single roadway as shown on the Perman Plat, and Seller will NOT grant these Buyers multiple easements or rights-of-ways across Seller's unsold, private property. Furthermore, the Buyers of Tract nos. 2 and 4 through 11 shall be required, at closing of these sales of the Property, to grant like specific-purpose easements for ingress and egress to one another and across their respective tracts in order that each Buyer will have free and clear access to, and use of, the roadway easement that Seller will grant for ingress and egress from and to U. S. Highway 72.

Each Buyer of a tract of the Property shall be solely responsible for performing, and paying all costs attributable to, the reasonable maintenance of any portion of the ingress and egress roadway that exists along the specific-purpose easement and which passes through that Buyer's respective tract.

**7. REGISTRATION:** Any competent adult with a satisfactory photo identification who properly registers and complies with the Terms of Auction may bid. Auctioneer may refuse to register or expel any person who is disruptive, noncompliant, or previously caused a problem for Seller or Auctioneer. Any person intending to bid on behalf of another must present Auctioneer with an executed, enforceable, recorded, and unexpired power of attorney which is subject to Auctioneer's approval. The requirements for Bidder registration may be waived by Auctioneer with respect to any Bidder, without waiving same for any other Bidder. By registering, Bidder acknowledges receipt of the Terms of Auction and access to the Sale Contract and unconditionally and irrevocably agrees to be bound by both.

**8. BUYER'S PREMIUM:** A ten percent (10.00%) buyer's premium shall be in effect for the Auction and added to the amount of the highest bid to arrive at the selling price for the Property ("total contract price").

**9. AUCTION:** The Property is scheduled for Tract nos. 1, 2, 3, 4 and 5 to sell by absolute auction and Tract nos. 6, 7, 8, 9 10 and 11 to sell by reserve. **The tracts will sell by multi-par auction method.** Auctioneer's discretion includes, but is not limited to, the auction method, bid-calling, bid increments, and determining the buyer. The decision of Auctioneer is final regarding all matters that arise before, during, or after the Auction. Seller shall not bid. Bidder shall not retract any bid. Bidder's purchase shall be considered a single transaction whether of the whole or a fraction of the Property. The sale of any fraction of the Property shall not be contingent upon the sale of any other portion thereof, whether purchased by the same Buyer or not.

**10. SALE CONTRACT:** This is a cash sale and not contingent upon any matter, including Buyer obtaining financing. Buyer shall immediately execute the Sale Contract and all related documents presented by Auctioneer to bind Bidder and Seller to the sale of the Property. Any Buyer purchasing on behalf of a business or arm of government ("artificial person") shall immediately execute the Sale Contract in both the artificial person's and buyer's names, until such time as the artificial person presents Auctioneer with acceptable, written evidence of the artificial person's good standing in its state of formation, plus written authority, in a form acceptable to Auctioneer, agreeing to be bound by the Sale Contract. The Terms of Auction are incorporated into the Sale Contract which defines the entire agreement between Seller and Buyer. The Terms of Auction complement the Sale Contract and, in the event of any conflict between them, the Sale Contract shall control in all instances. Buyer shall execute the Sale Contract and no addition, deletion, or revision shall be permitted.

**11. DEPOSIT:** Buyer shall immediately pay to the escrow/closing agent, in U. S. Dollars, an earnest money deposit of no less than ten percent (10.00%) of the total contract price of the Property ("deposit"). If for any reason Buyer fails to timely execute the Sale Contract or pay the deposit, Seller has sole discretion, to: (a) pursue all legal and equitable remedies available against Buyer, or (b) declare Buyer's bid to be immediately forfeited, null, and void, without any requirement of notice, and immediately re-sell the Property to another buyer.

*12. ARBITRATION:* Any action, claim, controversy, counterclaim, dispute, or proceeding arising out of the Property Issues and involving Seller, Bidder, Buyer, or Auctioneer, in any combination, whether controlled by federal or state law, and whether an issue of law or equity, including the determination of the scope and applicability of this agreement to arbitrate, shall be determined and resolved exclusively by final and binding arbitration, with no appeal permitted, except as provided by applicable law for the judicial review or enforcement of arbitration decisions. The arbitration shall be administered by Judicial Arbitration and Mediation Services, Inc., or its successor, and decided by a panel of three (3) independent arbitrators. Judgment on the arbitration award may be entered in any court having jurisdiction. The parties waive the right to any legal action and trial by jury. The costs of arbitration, including the fees and expenses of the arbitrators, but not including the parties' attorneys' fees, shall initially be paid equally by them. The prevailing party shall be entitled to collect from the other its full costs associated with the arbitration, including reasonable attorneys' fees. All aspects of any arbitration shall be permanently kept confidential and not disclosed in any form or manner to any entity, media, or person, and the parties shall jointly move the court entering judgment on the arbitration award to so order. Any arbitration must be commenced within two (2) years from the date when the cause of arbitration accrues or it will be forever barred. The right of arbitration shall accrue, and the two (2) year limitation period shall begin to run, on the date the breach, damage, or injury is sustained and not when the resulting damage or harm is discovered.

*13. CHOICE OF LAW, JURISDICTION, AND VENUE:* Any Auction matter shall be exclusively construed and governed in accordance with the laws of the State of Alabama, without regard to its conflict of laws principles. The exclusive jurisdiction and venue for any controversy or claim between the parties shall be the County of Jackson in the State of Alabama.

*14. MISCELLANEOUS:* The Terms of Auction shall bind Bidders and their agents, assigns, attorneys, beneficiaries, brokers, directors, distributees, employees, executors, heirs, legatees, officers, representatives, shareholders, and successors in interest. No deletion, modification, supplement, or waiver of any provision of the Terms of Auction shall be made, except by Auctioneer's written revision or announcement at the Auction.