

BROKER PARTICIPATION AGREEMENT

**“SAN CARLOS”
365 East Beach Blvd.
Gulf Shores, Baldwin County, Alabama**

**AUCTION DATE: February 7, 2009, at 1:00 p.m. (Central Time)
Registration begins at 10:00 a.m. (Central Time)**

Any licensed real estate Broker whose Buyer/Bidder is the successful bidder will receive a commission if the Buyer/Bidder executes a Purchase and Sale Agreement on the date of the sale and pays the amount agreed upon in the Purchase and Sale Agreement at closing and if the Broker complies with all of the provisions of this Broker Participation Agreement. The commission will be based on the following:

- a. The Broker will receive a **Three percent (3%)** commission on the initial offer shown on the Broker Registration Form, **if and only if the Buyer/Bidder opens the bidding in the amount equal to or greater than the initial offer specified on the Broker Registration Form.** The Broker will receive a one percent (1%) commission on any positive difference between the initial offer shown on the Broker Registration Form and the final bid price. However, the maximum Broker Participation Commission that will be paid to the Broker will not exceed **Three percent (3%)** of the final bid price. Exhibit “A” to this Broker Participation Agreement shows example calculations of the broker commission for illustrative purposes. **Broker/Buyer/Bidder understands and agrees that any initial offer specified on the Broker Registration Form is not a bid and by acknowledging receipt of the Broker Agreement, “NAG” is not thereby accepting any bids on behalf of either “NAG” or the Seller.**
- b. If no initial offer is written on the Broker Registration Form, then the Broker whose Buyer/Bidder is the successful bidder will receive only a one percent (1%) commission on the final bid price.

NOTE: SELLER RESERVES THE RIGHT TO ADD OR DELETE ANY OR ALL UNITS PRIOR TO THE START OF THE AUCTION AND/OR PRIOR TO THE START OF THE BIDDING ON EACH SEPARATE UNIT.

NO BROKER WILL RECEIVE A COMMISSION UNLESS THE REGISTRATION FORM IS COMPLETED IN FULL, IS SIGNED BY THE BUYER/BIDDER, AND RECEIPT OF THE FORM IS CONFIRMED IN WRITING BY THE NATIONAL AUCTION GROUP, INC. (“NAG”) PRIOR TO THE SALE. IF OTHER BROKERS SUBMIT A REGISTRATION FORM FOR THE SAME BUYER/BIDDER, ONLY THE FIRST REGISTRATION FORM RECEIVED BY NAG WILL BE HONORED.

THE COMPLETED REGISTRATION FORM MUST BE RECEIVED BY THE NATIONAL AUCTION GROUP, INC., (“NAG”) PRIOR TO THE SCHEDULED AUCTION SALE. BROKER CANNOT USE THIS BROKER PARTICIPATION AGREEMENT IN CONJUNCTION WITH ANY OTHER CO-BROKERAGE AGREEMENT OR ANY AGREEMENT TO SHARE A COMMISSION MADE BETWEEN NAG, BROKER, AND SELLER.

NO EXCEPTIONS TO THE PROCEDURES OUTLINED IN THIS BROKER PARTICIPATION AGREEMENT WILL BE PERMITTED UNLESS THE SELLER APPROVES THE EXCEPTION IN WRITING PRIOR TO THE DATE AND TIME THAT THE SALE BEGINS. NO ORAL AGREEMENT WILL BE HONORED BY NAG OR BY SELLER.

NO BROKER WILL RECEIVE A COMMISSION UNLESS THAT BROKER AGREES TO BE BOUND BY EACH OF THE FOLLOWING REQUIREMENTS:

1. The completed Broker Registration Form must be received by NAG prior to the scheduled time for the auction sale. Broker can fax or mail the Registration Form to Donna Yarbrough; The National Auction Group, Inc.; P.O. Box 149; Gadsden, Alabama 35902; Phone: (256) 547-3434; Fax (256) 547-7476.
2. Broker must show the property to the Buyer/Bidder and must attend the sale and assist in the bidding process.
3. Any commission due Broker will be paid at the time of closing by the Escrow Agent if and only if the Buyer/Bidder pays the full amount agreed upon in the Purchase and Sale Agreement at closing.
4. If the Seller is responsible for paying the commission due Broker, Broker agrees that it will look only to Seller for the payment of the commission and will hold NAG harmless and indemnify NAG for any and all claims made in regard to said commission.
5. The payment of any commission to Broker will be based only on the agreed upon terms and conditions of this Broker Participation Agreement.

By signing this Agreement and by initialing each page, Broker/Buyer/Bidder acknowledges that he/she has read and understands all of the provisions of this Agreement and that he/she agrees to be bound by all of the terms and conditions of this Agreement. This Broker Participation Agreement consists of three (3) pages, and Broker acknowledges receipt of all three (3) pages.

Dated this the _____ day of _____, 200_____.

Broker

Witness

Buyer/Bidder

Witness

_____ as a duly authorized representative of NAG acknowledges receipt of this Broker Registration Agreement this the _____ day of _____, 200_____, at _____ a.m./p.m.

BROKER REGISTRATION FORM

AUCTION: "SAN CARLOS"
365 East Beach Blvd., Gulf Shores, Baldwin County, Alabama

#582

AUCTION DATE: February 7, 2009

BROKER INFORMATION:

Broker/Agent: _____

Company: _____

Company Address: _____

City: _____ **State:** _____ **Zip Code:** _____

License Number: _____ **Broker Number:** _____

Tax Identification Number: _____

Office Phone #: _____ **Fax #:** _____

Dated this the _____ of _____, 2009.

Broker/Agent Signature

BUYER/BIDDER INFORMATION:

Buyer/Bidder Name: _____

Address: _____

City: _____ **State:** _____ **Zip Code:** _____

Home Phone: _____ **Office or Cell Phone:** _____

Property Description: _____

INITIAL OFFER FOR TWO-BEDROOM UNIT: _____

INITIAL OFFER FOR THREE-BEDROOM UNIT: _____

INITIAL OFFER FOR FOUR-BEDROOM UNIT: _____

Dated this the _____ of _____, 2009.

Buyer/Bidder Signature

ACKNOWLEDGMENT:

_____ as a duly authorized representative of NAG acknowledges receipt of this Broker Registration Agreement this the _____ day of _____, 2009, at _____ a.m./p.m.

EXHIBIT A

This exhibit shows sample calculations for broker commissions earned by any licensed real estate Broker whose Buyer is the successful bidder at the auction. The following calculations are for illustrative purposes only.

Broker Commission Example 1

The Buyer registers an initial offer in the amount of \$450,000 on the Broker Registration Form. At the auction, the Buyer opens the bidding in the amount of the initial offer at \$450,000. The Buyer makes a final bid of \$600,000 and is the successful bidder for the property. In this example, the Buyer's Broker will receive a total commission of \$15,000 based on a 3.0% fee on the initial offer of \$450,000 plus a 1.0% fee on \$150,000, which is the difference between the initial offer and the final bid price. The table below illustrates this example.

Broker Commission Example 1

	Bid Amount	Broker Commission (%)	Broker Commission (\$)
Initial Offer	\$450,000	3.0%	\$13,500
Difference Between Initial Offer and Final Bid Price	\$150,000	1.0%	\$1,500
Final Bid Price	\$600,000	2.5%	\$15,000

Broker Commission Example 2

The Buyer registers an initial offer in the amount of \$600,000 on the Broker Registration Form. At the auction, the Buyer opens the bidding in the amount of the initial offer at \$600,000 and is the successful bidder for the property. In this example, the Buyer's Broker will receive a total commission of \$18,000 based on a 3.0% fee on the initial offer of \$600,000 plus a 1.0% fee on \$0, which is the difference between the initial offer and the final bid price. The table below illustrates this example.

Broker Commission Example 2

	Bid Amount	Broker Commission (%)	Broker Commission (\$)
Initial Offer	\$600,000	3.0%	\$18,000
Difference Between Initial Offer and Final Bid Price	\$0	1.0%	\$0
Final Bid Price	\$600,000	3.0%	\$18,000