

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

SECURITIES AND EXCHANGE COMMISSION, §
Plaintiff, §
v. §
TRAVIS E. CORRELL, GREGORY THOMPSON, §
DWIGHT JOHNSON, HARRY ROBINSON §
“ROBBY” GOWDEY, et al., §
Defendants, §
and §
BANNER SHIELD, LLC, HOSPITALITY §
MANAGEMENT GROUP, INC., CREATIVE §
WEALTH VENTURES and JTA ENTERPRISES, §
Relief Defendants. §

CAUSE NO. 4:05-CV-472

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**ORDER CONFIRMING SALE ON RECEIVER’S
MOTION TO SELL REAL PROPERTY FREE AND CLEAR
OF ALL LIENS, CLAIMS AND ENCUMBRANCES
(311 and 313 North Park, San Antonio, Texas)**

BE IT REMEMBERED that on this day came on for consideration the Receiver’s Motion to Sell Real Property Free and Clear of All Liens, Claims and Encumbrances (311 and 313 North Park, San Antonio, Texas) (the “Motion”) that was filed by S. Gregory Hays on March 9, 2006.

In the Motion, the Receiver sought authority to sell certain real property described generally as Lot 20, Block 28, NCB, 13494, 281 North Park Subdivision, and a 0.109 acre tract of land being out of Lot 13, Block 38, NCB, 13494, Beacon Circle Industrial Subdivision, both in the City of San Antonio, Bexar County, Texas, and being one contiguous office/warehouse building with attached parking and yard and commonly known as 311 and 313 North Park Boulevard, San Antonio, Texas (the “Property”).

By order dated March 28, 2006, the Court set the motion for hearing and ordered the Receiver to publish the terms of the sale in the *Daily Commercial Record* or such other daily newspaper of general circulation in the San Antonio/Bexar County metropolitan area at least 10 days before the date of this hearing.

At the time and date set forth in the Court's order, a hearing was conducted. In accordance with 28 U.S.C. § 2001, the appraisals from three disinterested parties that were attached to the Motion and presented to the Court. Said appraisals reflect that the Property has a fair market value of \$388,333.34. The contract, attached to the Motion and sought to be approved by the Receiver as amended reflected a sale price of \$315,000.00, which is more than two-thirds of the appraised value and meets the requirements of 28 U.S.C. §2001. The Court accepts and approves the three appraisals attached to the Motion.

The Court finds that notice of the hearing was published as required by 28 U.S.C. § 2001(b), based both upon the representations of the Receiver's counsel and based upon the fact that additional interested persons either appeared at the hearing or sent bids on the Property. Appearing at the hearing was Mr. Robes St. Juste, President of St. Juste Management Corp., who desired to make an offer on the Property. Although not appearing, Mr. Michael McMahon sent a written offer on the Property. Also appearing at the hearing was the attorney for American Business Solutions ("ABS"), the entity which was the buyer under the contract.

The Court determined that all of the requirements of 28 U.S.C. §2001 had occurred. During the hearing, and in open Court, Mr. St. Juste offered \$360,000.00 for the Property, and offered in open court to purchase the property "as is, where is, and with all faults" and under the same terms and conditions as ABS had offered pursuant to the contract attached to the Motion. After an in court inquiry, at which time Mr. St. Juste presented bank statements to the court for review, the Court

determined that the offer was bona fide, that Mr. St. Juste had the apparent ability to close the sale of the property in San Antonio on April 21, 2006, as ABS was prepared to do, and further found that Mr. St. Juste's offer exceeded that of the proposed private sale by at least 10 per cent, as contemplated by 28 U.S.C. §2001. Since a bona fide offer for the property that exceeded the offer contained in the proposed private sale was received, the private sale could not be confirmed.

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It is accordingly ORDERED that the Receiver's Motion is denied. The Receiver shall, instead, proceed to sell the Property, under the same terms and conditions as contained in the contract for private sale, including but not limited to, the collection of TNT Office Supply Inc.'s remaining receivables, that the sale is subject to the rights of the tenant in the building, and that the sale is made "as is, where is, and with all faults" except that said sale shall be for a gross sales price of \$360,000.00. Said sale shall close on April 21, 2006, in San Antonio, Texas.

It is further ORDERED that the Receiver is hereby authorized to sell the Property in its entirety for \$360,000.00 less normal and appropriate closing costs as may be agreed to by the Receiver to Mr. Robes St. Juste. Such sale shall be free and clear of all liens, claims and encumbrances of any nature, and to the extent that any such liens, claims or encumbrances exist, they shall attach to the proceeds of sale held by the Receiver subject to further order of the Court.

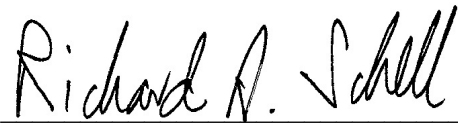
The Court finds that the sale of the Property is in the best interest of the receivership estate and that Clark B. Will, who is acting as attorney for the Receiver, should proceed to close this transaction as he has others in the Receiver's stead. It is accordingly ORDERED that Clark B. Will is appointed attorney-in-fact for S. Gregory Hays, Receiver for Gregory Thompson, and as such has full authority and power of an attorney-in-fact under the Texas Durable Power of Attorney Act, § 481-506 of the Texas Probate Code, for the purposes of effectuating the sale and conveying title to the Property.

It is further ORDERED that the Receiver, by and through his attorney-in-fact, may take such other necessary actions to accomplish and effectuate the closing of the sale as set forth herein above, pursuant to the terms and conditions in the contract attached to the Motion, as modified by this Order, as may be appropriate.

IT IS SO ORDERED.

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SIGNED this the 20th day of April, 2006.



RICHARD A. SCHELL
UNITED STATES DISTRICT JUDGE