

PURCHASE SETTLEMENT AGREEMENT

This Purchase Settlement Agreement is made as of _____,
between _____ (“Purchaser”) and _____ (“Seller”).

In consideration of the deposit of \$ _____ (the “Deposit”) delivered by Purchaser to RERC (the “Auction Firm”) and the mutual covenants hereinafter provided, Seller agrees to sell, and Purchaser agrees to buy, the following parcel of real estate together with any improvements thereon, commonly known as:

_____ (“The Property”).

The purchase and sale of the Property shall be on the following terms and conditions:

1. Auction Terms and Conditions. The Auction Terms and Conditions (the “Auction Terms”) shall be deemed part of this Contract as is set forth in this Contract in their entirety. In the event of a conflict between the terms and conditions of this Contract and those of the Auction Terms, the terms and conditions of the Auction Terms shall govern.

2. Purchase Price. Purchaser agrees to pay as the full purchase price for the Property the sum of _____ (“the purchase Price”) as follows:

(a) Purchaser shall pay the Deposit to the Auction Firm in cash or as may be otherwise agreed upon by the Auctioneer upon the execution of this Agreement. The Auction Firm shall hold the Deposit and shall (i) pay it over to Seller at settlement for application to the payment of the Purchase Price, (ii) return it to Purchaser when instructed to do so by Seller upon the conditions set forth herein, or (iii) in the event of Purchaser’s default and at Seller’s option, pay it over to Seller for application as set forth in Paragraph 8 below. Any interest accruing on the Deposit while held by the Auction Firm shall be retained by the Auction Firm.

(b) Purchaser shall pay the remainder of the Purchase Price to Seller at settlement in cash, by wire transfer, or by certified or cashier’s check.

(c) Purchaser acknowledges that the Purchase Price includes a Buyer’s Premium of ten percent (10%). A summary of the terms of the sale is as follows:

High Bid		\$	_____
10% Buyer’s Premium	Plus	\$	_____
Purchase Price	Equal	\$	_____
10% Deposit	Less	\$	_____
Balance of Purchase Price			
Due at Settlement	Equal	\$	_____

3. Settlement and Possession. Settlement shall take place on or before, which is thirty (30) days from the date hereof at the offices of Purchaser’s attorney, who shall be the settlement agent in con-

nection with this transaction for tax reporting purposes. Possession of the Property shall be delivered to Purchaser at settlement following payment of the Purchase Price, subject to the rights of the tenants, if any. TIME IS OF THE ESSENCE AS TO THE COMPLETION OF SETTLEMENT.

4. Title. Seller shall convey the Property to Purchaser by General Warranty Deed. Purchaser's and Seller's obligations hereunder are contingent upon Seller being able to convey good and marketable title to the Property subject, however, to the following (the "Permitted Encumbrances"): (i) matters that do not render title to the Property unmarketable; (ii) the rights of tenants, if any; (iii) the lien of ad valorem real estate taxes not yet due and payable; (iv) such state of facts as an accurate survey and physical inspection of the Property would reveal; and (v) ordinary and customary easements, encumbrances and other restrictions of record. If, prior to settlement hereunder, Purchaser identifies a title defect other than the Permitted Encumbrances, Seller shall have the opportunity, but not the obligation, to attempt to cure the title defect, and Seller may, at its sole discretion, extend the settlement date accordingly. If Seller does not elect to attempt to cure the title defect, or if Seller attempts but is not successful in curing the title defect, Purchaser shall have the option to; (1) terminate this Agreement, in which case Seller shall instruct the Auction Firm to return the Deposit (less any accrued interest) to Purchaser and neither party shall have any further obligation or liability to the other; or (2) waive the title defect and proceed to settlement hereunder, without any adjustment or modification of the Purchase Price. If an owner's title insurance policy can be obtained without extraordinary Exception or with affirmative protection over any title defect, Purchaser shall be Required to waive its objection to the title defect.

5. Settlement Costs. Real estate taxes, rent, and other apportionable items (if any) will be prorated at settlement. Seller shall pay the grantor's tax and the cost of preparing the deed; all other recording costs, taxes, fees, and closing expenses shall be paid by Purchaser. Each party hereto shall be responsible for paying its own legal fees incurred under this Contract, whether or not closing occurs.

6. Eminent Domain. In the event of a taking of the Property or any portion thereof by eminent domain after the date hereof but before settlement, Purchaser shall, within ten (10) days of the taking, either (i) terminate this Contract by written notice to Seller, in which event Purchaser shall be entitled to the return of the Deposit (less any accrued interest) and neither party shall have any further liability to the other, or (ii) elect to proceed to settlement without a reduction in the Purchase Price, in which event Seller shall convey to Purchaser the portion of the Property not taken and shall assign to Purchaser all of Seller's rights, title, and interest in any condemnation award arising from and pertaining to the taking of the Property.

7. Property Sold As Is. Purchaser acknowledges that it has examined and inspected, and is satisfied with, the physical condition of the Property and the improvements thereon. **PURCHASER EXPRESSLY AGREES THAT THE PROPERTY IS OR WILL BE SOLD "AS IS, WHERE IS, WITH ALL FAULTS", WITHOUT ANY WARRANTY OR REPRESENTATION, EXPRESS, IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND SUBJECT TO ORDINARY WEAR AND TEAR OCCURRING AFTER THE DATE HEREOF.** Purchaser further Acknowledges that neither Seller nor Auction Firm have made or extended to Purchaser any representation, warranty or indemnity with regard to the environmental condition of the Property or with regard to its compliance with the Americans with Disabilities Act of 1990, if applicable, and Purchaser hereby assumes sole responsibility therefore, indemnifies and agrees to hold Seller and Auction Firm, and each of their affiliates, agents, directors, Employees and attorneys harmless from and waives any

right, action, claim or Cause of action it or its successors or assigns may now or in the future urge against Seller and Auction Firm, and each of their affiliates, agents, directors, employees or attorneys with regard thereto. If the improvements on the Property are damaged after the date hereof but before settlement, Seller may (but shall not be obligated to) attempt to repair the improvements and, at Seller's Sole option, there shall be a reasonable extension of the settlement date in which Seller may attempt to complete the repair. If Seller notifies Purchaser that Seller does not intend to attempt repair, or if Seller attempts but is not successful in effecting repair and so notifies Purchaser, within ten (10) days of either such notification Purchaser shall either (i) terminate this Agreement, in which case Purchaser shall be entitled to the return of the Deposit (less any accrued Interest) and neither party shall have any further liability to the other, or (ii) waive any objection to the damage and any right to reduce the Purchase Price in which case Seller shall convey to Purchaser the Property with such damaged improvements as are there thereon and shall assign to Purchaser all of Seller's right, title and interest to any insurance proceeds, if any, received or to be received in payment of damage to the improvements (but no other insurance proceeds, such as proceeds from damage to personal property).

8. Default. If Purchaser defaults hereunder, Seller may retain the Deposit and may also pursue such remedies as are available to Seller at law or in equity, including without limitation, an action for specific performance. If Seller defaults hereunder, Purchaser's sole remedy shall be the return of the Deposit (less any accrued interest) and the Purchaser expressly and unconditionally waives and releases any other claim, demand injury, or cause of action, whether at law or in equity. A termination of this Contract pursuant to the termination provisions set forth in paragraphs 4, 6, and 7, shall not be deemed to be a default of either party hereunder.

9. Notice. Any notice, request, or demand required or permitted hereunder will be in writing and will be delivered by hand, sent by express courier service, or sent by U.S. certified mail, return receipt requested, postage prepaid, if to Seller, to 14408 Chantilly Crossing Lane, Unit 108, Chantilly, VA 20151, and if to Purchaser, to the address set forth below under the Purchaser's signature, or to such other address as the party to receive such notice may hereafter specify by written notice to the other. Any such notice will be deemed given on the date of actual hand delivery, one (1) day after being sent by express courier service or two (2) days after deposit in the U.S. mail, certified.

10. Agency Disclosure. Seller and Purchaser acknowledge and agree that the Auction Firm and its agents and broker(s) have acted on Seller's behalf as Seller's agent in connection with this transaction. Seller and Purchaser also Confirm that this disclosure of agency relationship has been made in writing.

11. Miscellaneous. Except as set forth above, each party hereto represents that it has not involved any agent, broker, or finder in this transaction other than _____ and agrees to indemnify, defend, and hold the other Party and the Auction Firm harmless from any claim in connection therewith. The provisions of this Contract shall survive settlement. The parties hereto acknowledge that neither has relied upon any oral representation of the other or of the Auction Firm, that no such oral representation will affect in any way the terms of this Contract and that this Contract represents the final and complete understanding between the parties. This Contract cannot be modified or amended, and no waiver or any provision hereof shall be effective, unless in writing executed by the parties hereto. This Contract shall be construed, performed and enforced in accordance with the laws of the Commonwealth of Virginia without regard to the conflicts of laws provision of Virginia law. Except as provided in Paragraphs 6 and 7, the risk of loss or taking shall remain with the Seller until settlement. This Contract shall inure to the benefit of and will bind the parties hereto and their respective heirs, personal representatives, successors and assigns.

Purchaser may not assign its rights under this Contract without the prior written consent of Seller and Auction Firm, which consent Seller and/or Auction Firm may withhold in their sole and absolute discretion. Any such assignment to which Seller and Auction Firm consent shall not release Purchaser from any liability hereunder. This Contract may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Contract. Notwithstanding any other provision of this Agreement, or any agreements, contracts or obligations that may derive herefrom, nothing herein shall be construed to make the parties hereto partners or joint ventures or to render either party liable for any of the debts or obligations of the other party, it being the intention of this Contract merely to create the relationship of Seller and Purchaser with regard to the Property. All parties to this Contract have been represented by counsel or have had the opportunity to be so represented. Accordingly, the rule of construction of contract language against the drafting party is hereby waived by both parties. If any provision of this Contract or the application thereof is deemed unenforceable for any reason, the remainder of this Contract shall not be affected thereby and shall remain in full force and effect. Notwithstanding any mention of specific acreage in any description of the Property, the parties hereby agree that the Property is being sold in gross and not by the acre. The parties' rights and obligations hereunder shall not be affected if a subsequent survey of the Property reveals a different acreage. **TIME IS OF THE ESSENCE IN CONNECTION WITH THIS CONTRACT.**

WITNESS the following signatures and seals:

SELLER

By _____ (Seal)
Its _____

PURCHASERS

_____ (Seal)
_____ (Seal)

ADDRESS/TELEPHONE

ATTORNEY NAME/TELEPHONE #

