

# HERON LANDING ON LEESVILLE LAKE

## PURCHASE AGREEMENT

(Paragraphs marked with an \* require a blank to be filled in or checked.)

\*This CONTRACT OF PURCHASE made as of October 10, 2009 between WILLOW OAK PROPERTIES, LLC, a Virginia Limited Liability Company (the "Seller"), and \_\_\_\_\_ (the "Purchaser", whether one or more).

\*1. **PURCHASE AND DESCRIPTION OF PROPERTY:** Purchaser agrees to buy and Seller agrees to sell that certain parcel of land located in Pittsylvania County, Virginia and described as: Lot \_\_\_\_\_, Section \_\_\_\_\_, Heron Landing Subdivision, and more particularly described on Exhibit "A" attached hereto, hereinafter referred to as "the Property", and upon the terms and conditions as set forth in Exhibit "B".

### BROKERAGE DISCLOSURE AND CONFIRMATION

**BROKERAGE DISCLOSURES:** Each party represents and warrants that no real estate broker or salesman has been involved in this transaction except The National Auction Group, Inc. (hereinafter "Auction Company") and \_\_\_\_\_ ("Participating Broker"). (Insert NONE, if there is no Participating Broker). If Purchaser has a sales agent or broker assisting him in any manner in connection with this transaction (hereinafter "Participating Broker"), Purchaser agrees that it is Purchaser's duty to cause the Participating Broker to be properly registered with the Auction Company and to have such agreement as to commissions between the two set forth in writing on forms provided by the Auction Company.

Purchaser acknowledges that the Auction Company is acting as agent for the Seller in this transaction and is to be paid a fee by the Seller pursuant to a separate written agreement between Seller and the Auction Company. The Purchaser further acknowledges that the Auction Company is not acting as agent for the Purchaser in this transaction. Any third party broker is not a subagent of the Auction Company.

WILLOW OAK PROPERTIES, LLC

By \_\_\_\_\_  
Managing Member Date

\_\_\_\_\_  
PURCHASER DATE

\_\_\_\_\_  
PURCHASER DATE

\*2. **PURCHASE PRICE:** The Purchase Price of the Property is \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) (including the 10% buyer's premium) which shall be paid to Seller at settlement less the deposit set forth in Subparagraph A. below and subject to the closing costs and prorations described in Paragraph 3. below.

\*A. **DEPOSIT:** The Purchaser has made a deposit of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) ("Deposit") with J. Johnson Eller, Jr., Escrow Agent, receipt of which is hereby acknowledged. The Deposit

shall be placed in a trust account by the Escrow Agent and held in escrow until (i) credited toward the Purchase Price at settlement; or (ii) all parties have agreed in writing as to its disposition; or (iii) a court of competent jurisdiction orders disbursement and all appeal periods have expired. The Purchaser and Seller waive any claim to interest resulting from such Deposit. (See Paragraph 6. for additional provisions as to application of deposit on Purchaser's default.)

**B. BALANCE OF THE PURCHASE PRICE:** To be paid by Purchaser in cash, cashier's check, certified check or wire transfer funds at settlement.

**FINANCE OPTION**

At the option of Purchaser Seller will finance 80% of the purchase price for a period of one year at 8% per annum. The terms of the financing are as follows: Purchaser must pay 20% of the purchase price down at closing with the balance to be financed at 8% with monthly payments based upon a 20 year amortization, the first payment being due on the 10<sup>th</sup> day of the month following the sale date and a like payment for ten additional months with the 12<sup>th</sup> and final payment being a "balloon" payment of all interest and principal remaining on the balance due and payable on October 10, 2010. **A sample of the note and deed of trust to be executed by Purchaser if this option is selected is attached as Exhibit F.**

I hereby accept the owner financing as offered and agree to all terms above stated and in Exhibit F.

PURCHASER	DATE
PURCHASER	DATE

**3. SETTLEMENT; POSSESSION; TITLE; CLOSING COSTS; PRORATIONS.**

\*A. Settlement shall be made at the offices of J. Johnson Eller, Jr., 712 Main Street, Altavista, Virginia, 24517, Telephone: 434-369-5661 **on or before November 9, 2009.** Possession of the Property shall be given at settlement, unless otherwise agreed in writing by the parties. Seller and Purchaser authorize and direct settlement agent to provide a copy of the unified settlement statement for the transaction to the Seller, Purchaser, Auction Company and Participating Broker.

B. Seller agrees to pay the expense of preparing the deed, Seller's settlement fee, transaction processing fee, certificates for non-foreign status, and recordation tax applicable to grantors. Except as otherwise agreed herein, all other expenses incurred by Purchaser in connection with this purchase shall be borne by the Purchaser, as shown on the estimated closing costs attached hereto as Exhibit "C". All taxes, assessments, interest, escrow deposits and other ownership fees, if any, shall be prorated as of the date of settlement.

C. At settlement, Seller shall convey the Property to Purchaser by a General Warranty deed containing English Covenants of Title free of all encumbrances, tenancies and liens (except for taxes not yet due and payable), in the form attached hereto as Exhibit "D", but subject to the restrictive covenants and easements relative to the Property specifically including Declaration of

Restrictive Covenants of Heron Landing recorded in the Clerk's Office of the Circuit Court of Pittsylvania County and Declaration of Covenants, Conditions and Restrictions of Heron Landing recorded in the said Clerk's Office, copies of which have been made available to Purchaser. If the examination or survey reveals a title defect of a character that can be remedied by legal action or otherwise within a reasonable time; Seller, at its expense, shall promptly take such action as is necessary to cure such defect. If the defect is not cured within sixty (60) days after Seller receives notice of the defect, then either party may terminate this Contract at the expiration of such sixty (60) day period and the Deposit shall be refunded to Purchaser. Upon the making of such refund, this Contract shall be terminated, and no party shall have any claim against any other by reason of this Contract. The parties agree that the settlement date prescribed in Paragraph 3.A. shall be extended if necessary to enable Seller to cure any title defect, but not for more than sixty (60) days, unless agreed by all parties.

4. **STATUTORY DISCLOSURES:**

A. **PROPERTY OWNERS' ASSOCIATION DISCLOSURE:** Seller represents that the Property is located within a development which is subject to the Virginia Property Owners' Association Act (Sections 55-508 et. seq. of the Code of Virginia) (the "Act"). The Act requires the Seller to disclose in the contract that (i) the lot is located within a development which is subject to the Virginia Property Owners' Association Act; (ii) the Act requires the Seller to obtain from the property owners' association an association disclosure packet and provide it to the Purchaser; (iii) the Purchaser may cancel the contract within three days after receiving the association disclosure packet or being notified that the association disclosure packet will not be available; (iv) if the Purchaser has received the association disclosure packet, the Purchaser has a right to request an update of such disclosure packet in accordance with § 55-512; and (v) the right to receive the association disclosure packet and the right to cancel the contract are waived conclusively if not exercised before settlement.

The information contained in the association disclosure packet shall be current as of a date specified on the association disclosure packet. The Purchaser may cancel the contract: (i) within three days after the date of the contract, if on or before the date that the Purchaser signs the contract, the Purchaser receives the association disclosure packet or is notified that the association disclosure packet will not be available; (ii) within three days after receiving the association disclosure packet if the association disclosure packet or notice that the association disclosure packet will not be available is hand delivered or delivered with the consent of the Purchaser by electronic means and a receipt obtained; or (iii) within six days after the postmark date if the association disclosure packet or notice that the association disclosure packet will not be available is sent to the Purchaser by United States mail. The Purchaser may also cancel the contract at any time prior to settlement if the Purchaser has not been notified that the association disclosure packet will not be available and the association disclosure packet is not delivered to the Purchaser. Notice of cancellation shall be hand delivered to sent by United States mail, return receipt requested, to the owner or his agent. Such cancellation shall be without penalty, and the Seller shall cause any deposit to be returned promptly to the Purchaser. **The right to receive the association disclosure packet and to cancel this Contract terminates at settlement.**

The Purchaser acknowledges receipt of the Association Disclosure Packet by execution of the Notice attached hereto as Exhibit "E" and incorporated herein by reference.

**B. FAIR HOUSING DISCLOSURE:** All offers shall be presented and considered without regard to race, color, religion, sex, handicap, familial status, advanced age or national origin as well as all classes protected by the laws of the United States, the Commonwealth of Virginia and applicable local jurisdiction.

**C. MEGAN'S LAW DISCLOSURE:** Purchaser should exercise whatever due diligence Purchaser deems necessary with respect to information on any sexual offenders registered under Chapter 23 (19.2-387 et. seq.) of Title 19.2. Such information may be obtained by contacting your local police department or the Department of State Police, Central Criminal Records Exchange, at 804-674-2000 or [www.vsp.state.va.us](http://www.vsp.state.va.us).

**5. REGULATION AS TO WATERFRONTAGE:** Use of all property located below the 620' elevation, specifically including but not limited to, construction of docks, is subject to license from the proper governmental agencies and American Electric Power Company (AEP). Permits must be obtained from governmental agencies pursuant to applicable law and from AEP pursuant to the Shoreline Management Plan and other regulations promulgated by AEP.

**6. DEFAULT:** If either Seller or Purchaser defaults under this Contract, the defaulting party, in addition to all other remedies available at law or in equity, shall be liable for the brokerage fee referred to on Page 1 of this contract as if this Contract had been performed and for any damages and all expenses incurred by the non-defaulting party, the Auction Company and the Purchasing Broker in connection with this transaction and the enforcement of any provisions of this Contract, including, without limitation, reasonable attorneys' fees and costs, if any. Should the Purchaser be the defaulting party, the Auction Company shall have the right to apply all monies held in escrow toward the brokerage fee and other damages due under this Contract. Purchaser further agrees, should Purchaser be the defaulting party, in addition to standard Contract remedies and damages, to be responsible for all reasonable expenses incurred by Seller in preserving the property and attempting to resell it, including but not limited to interest paid on loans in existence on the property at the time of breach to the time of resale, loss of use of equity and the difference between the net sales proceeds of this Contract and the final net sales proceeds of the resale.

**7. MISCELLANEOUS PROVISIONS:**

**A. TIME IS OF THE ESSENCE.** Time is of the essence of this contract and all the time periods and/or deadlines stated herein for performance of any act by Seller or Purchaser must be met unless extended by mutual agreement of the parties in writing.

**B. FACSIMILES:** This Contract may be signed in one or more counterparts, each of which is deemed to be an original, and all of which shall together constitute one of the same instrument. Documents obtained via facsimile machines shall also be considered as originals.

**C. ATTORNEY'S FEES:** In any action or proceeding involving a dispute between the Purchaser, the Seller, the Auction Company or Participating Broker arising out of this

Contract, or to collect the Brokerage Fee, the prevailing party shall be entitled to receive from the other party reasonable attorney's fees to be determined by the court or alternative dispute resolution method agreed to between the parties.

D. **CERTIFICATES.** Seller shall deliver to Purchaser and/or Closing Attorney the certificates required by Section 1445 and 6045 (Form 1099s) of the Internal Revenue Code, and any certificates required by the law.

E. **ACCESS TO PROPERTY:** To facilitate and/or consummate the settlement, Seller shall cooperate to allow appraisers, inspectors or other applicable persons access to the Property.

F. **ASSIGNABILITY:** This Contract may be assigned by Seller without the written consent of the Purchaser. Purchaser may assign this Contract with the written permission of the Seller. In the event of assignment as provided herein, the original parties to this contract remain obligated hereunder until settlement.

G. **ENTIRE AGREEMENT; APPLICABLE LAW; SUCCESSORS BOUND; MERGER.** This Contract represents the entire agreement between Seller and Purchaser and may not be modified or changed except by written instrument executed by the parties. This Contract shall be construed, interpreted and applied according to the laws of the Commonwealth of Virginia and the Seller and Purchaser hereby bind themselves, their heirs, successors, assigns, executors and/or administrators for the faithful performance of the Agreement. To the extent any handwritten or typewritten terms herein conflict with, or are inconsistent with the printed terms hereof, the handwritten or typewritten terms shall control. **Unless otherwise provided herein, the representations and warranties made by Seller herein and all other provisions of this contract shall be deemed merged into the deed delivered at settlement and shall not survive settlement.**

8. **DISCLAIMER AS TO AUCTION COMPANY:** Purchaser shall look only to Seller as to all matters regarding this Agreement and the Property. The Auction Company shall not be responsible or liable in any way (i) if Seller fails or refuses to or cannot close title hereunder or (ii) if the Property is affected in any way or is in any other way unsatisfactory to Purchaser as Purchaser may determine before or after closing.

WITNESS the following duly authorized signatures and seals:

SELLER:

WILLOW OAK PROPERTIES, LLC

By \_\_\_\_\_  
J. Johnson Eller, Jr., Attorney DATE  
In Fact for Stacy M. Compton,  
Managing Member

TAX ID NUMBER: 54-1886026

\_\_\_\_\_  
PURCHASER DATE (SEAL)

\_\_\_\_\_  
SOCIAL SECURITY NUMBER

\_\_\_\_\_  
ADDRESS

ADDRESS: c/o J. J. Eller, Jr., Esquire  
P. O. Box 209/712 Main St.  
Altavista, VA 24517

PHONE: (434) 369-5661  
FAX: (434) 369-5663

PHONE: \_\_\_\_\_  
(Office) (Home)  
\_\_\_\_\_  
(Fax) (E-mail)

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PURCHASER DATE (SEAL)

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