

**REAL ESTATE SALES CONTRACT**

This Contract of Purchase (“the Contract”), effective as of the date it is fully executed, is by and between [SELLER] whose contact address is \_\_\_\_\_ (804-\_\_-\_\_), owner of record of the Property sold herein (“the Seller”, whether one or more), ALLIANCE TO CONSERVE OLD RICHMOND NEIGHBORHOODS (The Alliance) whose address is 104 Shockoe Slip, Lower Level, Richmond, VA 23219 (804-644-5040), (the “Option Holder”), and [BUYER] whose contact address is \_\_\_\_\_ (804-\_\_-\_\_), (the “Purchaser”, whether one or more).

1. **REAL PROPERTY.** Purchaser agrees to buy and Seller and Option Holder agree to sell the land and all improvements thereon and appurtenances thereto located in the City of Richmond, Virginia and having a street address of \_\_\_\_\_(the “Property”)

2. **PERSONAL PROPERTY.** None.

3. **PURCHASE PRICE.** The purchase price is \_\_\_\_\_AND 00/100 DOLLARS (\$ \_\_\_\_\_.00), payable as follows:

a. \$500.00 earnest money deposit the receipt of which is acknowledged by Seller; and

b. Seller to pay \_\_\_\_\_at settlement toward Purchaser’s points, pre-paids, closing costs, and / or down payment.

c. The balance by cash or cash equivalent at closing, and disbursed to the Seller and Option Holder in accordance with a settlement statement prepared on behalf of Purchaser and approved prior to settlement by Seller and Option Holder, by attorney escrow checks pursuant to the terms of the Virginia Wet Settlement Act.

4. **SETTLEMENT AND POSSESSION.** Settlement shall be made at the office of Purchaser’s attorney on or about\_\_\_\_\_, 201\_, or as soon thereafter as Seller can correct any title objections Seller elects to cure pursuant hereto. Possession shall be given at Settlement, unless otherwise agreed in writing by the parties.

Notwithstanding the foregoing, upon execution of this contract, Purchaser shall have the right to secure the main structure on the Property and perform any tests, surveys, and inspections of same, all at its sole expense, unless Seller is to be found in default of Seller’s obligations as per the terms of this contract, and such actions shall not create any liability whatsoever in the Seller. All such inspections shall be completed by the end of the business day on\_\_\_\_\_, 201\_ (“the Study Period”). Purchaser acknowledges the poor condition of the Property and

agrees that any entry onto the Property shall be made at Purchaser's, and that of its agent's own risk. Purchaser shall hold Seller and Option Holder harmless and shall indemnify them against any and all claims, liabilities, injuries, and damage arising from any such entry by Purchaser, its agents and assigns onto the Property. Purchaser shall provide reasonable notice to Seller and Option Holder prior to any entry onto the Property. The disclaimers and indemnities set forth in this Paragraph shall survive any early termination of this Contract, or settlement and not be terminated by merger.

5. **CONDITIONS OF PROPERTY.** The Purchaser acknowledges that no representations, warranties (express or implied) or covenants with respect to the Property have been made to the Purchaser including, without limitation, those regarding the physical condition of the Property and the land use restrictions applicable to the Property. The Purchaser agrees to accept the Property in an "AS-IS, WHERE IS" condition at settlement. The foregoing is not in any meant to abrogate the parties' rights, obligations, and options contained in Paragraph ("Risk of Loss") below. The Property must be in the same condition at the time of settlement as it was at the time of Contract ratification.

6. **REHABILITATION AGREEMENT:** The Property will be sold subject to a rehabilitation agreement. Attached is the rehabilitation agreement to be completed prior to closing. Alterations in the attached agreement may be made following further negotiations.

7. **PROPERTY OWNER'S ASSOCIATION DISCLOSURE.** Seller represents that the Property IS NOT located within a development which is subject to the Virginia Property Owners' Association Act (Section 55-508 through 55-516 of the Code of Virginia.) The Seller and the Purchaser agree that a residential property disclosure statement under the Virginia Residential Property Disclosure Act (§ § 55-517 through 55-525 of the Code of Virginia is not required for the sale of the Property.

8. **EXPENSES AND PROPRTATIONS.** Seller agrees to pay the expense of preparing the deed, certificates for non-foreign status and Form 1099-S and the recordation tax applicable to grantors. All taxes will be paid in full by the Seller, at or before settlement. All taxes and assessments, if any, shall be prorates as of the date of Settlement. All other expenses incurred by Purchaser in connection with this purchase, including, without limitation, title examination, insurance premiums, survey costs, recording costs, and fees of Purchaser's attorney, shall be borne by Purchaser.

9. **TITLE.** At settlement, Seller shall convey to Purchaser good and marketable fee simple title to the Property by deed of general warranty containing English Covenants of title, free of all liens, defects and encumbrances, except as otherwise indicated herein, and subject only to such restrictions and easements as shall then be of record which do not affect the use of the Property for residential purposes or render the title unmarketable. If Purchaser objects to anything he finds on the title, he shall deliver written notice to Seller requesting that Seller remedy such objection or objections. Seller shall have ten business days thereafter to deliver a written response to Purchaser concerning the request. If Seller refuses to agree to correct the defect, or fails to respond as set forth above, Purchaser may terminate the contract at no penalty, or resolve the objection at its own cost. Notice of Purchaser's election shall be delivered to Seller within ten business days after receipt of Seller's response. In any event, if Seller or Purchaser takes action to correct a title objection, a reasonable time shall be allowed to that effort, and Settlement shall be extended as reasonably necessary in order to effect such remedy, provided that in no event shall such extension be more than 120 days. If Purchaser fails to deliver the Title Objection Letter to Seller by the end of the Study Period, Purchaser shall be deemed to have waived any objection to the title and shall proceed to settlement.

10. **RISK OF LOSS.** All risk of loss or damage to the Property by fire, windstorm, casualty or other cause, or taking by eminent domain, is assumed by Seller until settlement. In the event of substantial loss or damage to the Property before settlement, Purchaser shall have the option of either (1) terminating this Contract, or (2) affirming this Contract, in which event Seller shall assign to Purchaser all of Seller's rights under any applicable policy or policies of insurance and any condemnation awards and pay over to Purchaser any sums received as a result of such loss or damage.

11. **AFFIDAVITS AND CERTIFICATES.** Seller shall deliver to Purchaser an affidavit to the effect that no labor or materials have been furnished to the Property within the statutory period for the filing of mechanics' or materialmen's liens against the Property or, if labor or materials have been furnished, that the costs thereof have been paid. Seller shall also deliver to Purchaser the certificates required by Section 1445 (FIRPTA) and 6045 (Form 1099-S or Exemption Form) of the Internal Revenue Code.

12. **MISCELLANEOUS.** The parties to this Contract agree that it shall be binding upon them and their respective personal representatives, successors, and assigns. Unless amended in writing, this contract contains the final agreement between the parties hereto, and that they shall not be bound by any terms, conditions,

oral statements, warranties, or representations not herein contained; and that it shall be constructed under the laws of the Commonwealth of Virginia. The terms of this Agreement shall survive closing.

13. **DEPOSIT.** Purchaser has made a deposit of \$500.00 with The Alliance (Escrow Agent) by check. Receipt is acknowledged by the Escrow Agent. Deposit shall be paid to the party in the transaction who is entitled to receive it in accordance with clear and explicit terms of the Contract which established the deposit. Prior to the disbursement, the Escrow Agent shall give written notice of both parties to the transaction by hand delivery or by certified mail that this payment will be made unless a written protest from a party to the transaction is received by the Escrow Agent within 30 days of the delivery of mailing of the notice. Notice under this provision may also be sent by e-mail or facsimile if in compliance with VREB regulations.

14. **BROKERS.** All other parties listed in this Contract represent and warrant to each other that all negotiations relating to this Contract and the transactions contemplated hereby have been conducted without the intervention of any real estate brokers or agents, or any other persons acting for such parties, so as to give rise to any valid claim against any of the parties hereto for any brokerage commission or similar payment. The parties agree to indemnify and hold harmless each other with respect to any breach of the foregoing representation and warranty, which indemnity shall survive Settlement and not be terminated by merger.

15. **CONDITIONS FOR WAIVER OF OPTION AND RETENTION OF RIGHT OF FIRST REFUSAL:** Option Holder enters into this agreement for the purpose of waiving its rights under the Purchase Option Agreement dated \_\_\_\_\_, 20\_\_, by and between it and the Seller for the Property. As a condition for this waiver, Purchaser agrees to the following:

a. Upon disbursement of the proceeds following settlement by Purchaser under this Agreement, Purchaser shall pay to Option Holder the sum of **\$3,500.00**.

b. Purchaser agrees to stabilize the property within ninety days of settlement unless the Option Holder provides written notice of its agreement to a later date for stabilization. Stabilizing the Property means taking all necessary actions to prevent further deterioration and erosion of the Property's major structural (including roofs and foundations) and physical condition. A building permit issued by the City of Richmond will be filed within ninety days of settlement to allow rehabilitation work to begin on the Property.

c. Purchaser agrees to maintain hazard insurance on the Property at all times during the anticipated renovation state sufficient to replace the structure in its current condition, and upon completion of the

renovation of the structure in its current condition, and upon completion of the renovation of the structure on the Property, in an amount sufficient to replace the structure in its renovated condition. Purchaser agrees to provide Option Holder satisfactory evidence of such insurance upon request by Option Holder.

d. Purchaser agrees that all renovations to the structure on the Property shall comply with applicable federal, state, and local building codes including any stipulations or ordinances applicable to the exterior of the building including historic sites, buildings or districts.

e. In the event that Purchaser subsequently sells the Property, Option Holder shall have a right of first refusal upon the following terms:

(1) The right of first refusal shall be stated in the deed between the parties to this Agreement and reference shall be made to this Agreement for the terms of that right.

(2) In the event that Purchaser sells this Property to a bona fide purchaser, Purchaser shall first present the contract of sale to Option Holder, or its successors, and Option Holder shall have 10 business days to accept in writing, and deliver same to Purchaser, the terms of the contract, in which event, Option Holder shall be deemed to be the buyer thereunder, and shall proceed to closing upon the same terms as listed in that contract. In the event that Option Holder should decide not to exercise its rights of first refusal to purchase the Property, or fails to deliver written notice that is exercising its rights of first refusal as called for herein, it agrees for itself and any successor or assign that such right of first refusal shall terminate and it shall upon demand execute a termination of that right in recordable form and promptly deliver same to Purchaser. If Option Holder fails to deliver that written termination to Purchaser upon demand, it agrees to reimburse Purchaser for any court costs, including reasonable attorney fees, incurred by Purchaser in obtaining a court order terminating said right of first refusal.

f. The terms and conditions of this paragraph shall survive any early termination of this Contract, or settlement, and not be terminated by merger with the deed or otherwise. Option Holder shall have all rights necessary to enforce the terms of this paragraph against the Purchaser.

**16. ADDITIONAL FINANCING TERMS.**

Purchaser's obligation to perform under this contract is contingent upon obtaining and supplying proof of renovation financing by\_\_\_\_\_,201\_. If financing is obtained through a private entity, the private entity

shall also be a party to the Contract and must co-sign as a Purchaser, and the Contract will be enforceable against the private financing entity as against the Purchaser.

**WITNESSES** the following signatures:

**SELLER:**

**SIGN** \_\_\_\_\_

**DATE** \_\_\_\_\_

**PURCHASER:**

**SIGN** \_\_\_\_\_

**DATE** \_\_\_\_\_

**OPTION HOLDER:**

ALLIANCE TO CONSERVE OLD RICHMOND  
NEIGHBORHOODS

**SIGN** \_\_\_\_\_

DAVID HERRING

**DATE** \_\_\_\_\_