

CONTRACT FOR SALE OF REAL ESTATE

This Contract for Sale of Real Estate is made as of _____, 2014, between **Cygnus NC Lots, LLC** ("Seller") and _____ **and/or assigns** (Purchaser").

WITNESSETH:

In consideration of the deposit of \$_____ (the "Deposit") delivered by Purchaser to Tranzon Fox (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 (the "Property"):

Offering A, seven contiguous Lots, Townes of Holly Meade, Durham, NC. See Exhibit A, Attached

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") and announcements made prior to auction shall be deemed part of this Contract as if 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") in gross, as follows:

(a) Purchaser shall pay the Deposit to the Auction Firm upon the execution of this Agreement. 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 9 below. The Auction Firm shall retain any interest accruing on the Deposit while held by the Auction Firm. **Demand Note:** If any portion of the down payment is made with a personal check, this contract will constitute Buyer's personal demand note guaranteeing the check. Should Seller or Auctioneer/Broker be required to pursue collection on this check or enforcement of this contract, the cost of such collection and Sellers'/auctioneer's reasonable attorney fees will be Buyer's expense, all unpaid amounts shall accrue interest at a rate of 1.5% per month (18% per year) until said amount is fully collected.

(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		\$ _____
Buyer's Premium	Plus	\$ _____
Purchase Price	Equals	\$ _____
Deposit (25%)		\$ _____
Balance of Purchase Price		
Due at Settlement	Equals	\$ _____

3. **Settlement and Possession.** Settlement will take place no later than **30 days from full ratification** at the offices of Purchaser's attorney, who shall be the settlement agent in connection with this transaction for tax reporting purposes. Possession of the Property will be delivered to Purchaser at settlement, subject to the rights of tenants, if any.

4. **Title.** Seller will convey the Property to Purchaser by **Special 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 inspection of the Property would reveal; and (v) easements of record granted to providers of utility services. 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 shall be able to 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 terminate this Agreement, in which case Seller shall instruct the Auction Firm

to return the Deposit to Purchaser and neither party will have any further obligation or liability to the other, or to waive the title defect and proceed to settlement hereunder. If an owner's title insurance policy can be obtained without exception to the title defect or with affirmative protection over the title defect, Purchaser agrees to waive its objection to the title defect.

5. **Proration at Settlement and Settlement Costs.** Ad valorem real estate taxes, rent, heating/cooking fuel and other apportionable items (if any) will be prorated at settlement. Seller will pay the grantor's tax/land transfer tax (or however named) imposed by the local, county or State governments, where the property being sold resides, revenue stamps (statutory recording fees) and the cost of preparing the deed; all other recording costs, fees, and closing expenses will be borne by Purchaser. Each party hereto shall be responsible for paying its own legal fees incurred under this Contract, whether or not closing occurs. Purchaser to pay for any survey required for recordation purposes.

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 will, within ten (10) days of the taking, either (i) terminate this Contract by written notice to Seller, in which event Purchaser will be entitled to the return of the Deposit and neither party will 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 will convey to Purchaser the portion of the Property not taken and will assign to Purchaser all of Seller's right, title, and interest in any condemnation award arising from and pertaining to the taking of the Property.

7. **Condition of Sale.** Properties are sold in gross in all cases. If a subsequent survey by Purchaser shows a greater or lesser number of acres, this will not affect the purchase or purchase price. Buyer acknowledges receipt of Association Documents, if applicable, and agrees to abide by terms set therein.

8. **Physical Condition of the Property.**
(a) 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 Seller has neither made nor 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 therefor, indemnifies and agrees to hold Seller, its 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 have now or in the future against Seller, its affiliates, agents, directors, employees or attorneys with regard thereto.

(b) If the improvements on the Property are damaged after the date hereof but before settlement, Seller may (but will not be obligated to) attempt to repair the improvements and, at Seller's option, there will 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 either (i) will terminate this Agreement, in which case Purchaser will be entitled to the return of the Deposit and neither party will have any further liability to the other, or (ii) will waive any objection to the damage and any right to reduce the Purchase Price, in which case Seller will convey to Purchaser the Property with such damaged improvements as are then thereon and will 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).

9. **Default.** If Purchaser defaults hereunder, Seller will retain the Deposit and 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 may pursue such remedies as are available to Purchaser at law or in equity, including, without limitation, an action for specific performance.

10. **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 with a copy to Tranzon Fox, 121 Pennsylvania Avenue, Virginia Beach, Virginia 23462, 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.

11. **Relationship Disclosure.** Seller and Purchaser acknowledge and agree that the Auction Firm and the selling broker(s) have acted on Seller's behalf as independent contractors in connection with this transaction. Seller and Purchaser also confirm that this disclosure of relationship has been made in writing.

12. **Miscellaneous.** Each party hereto represents that it has not involved any agent, broker, or finder in this transaction (other than the Auction Firm whose compensation is being paid by Seller, and the cooperating broker, if any, _____,) and agrees to indemnify, defend, and hold the other party harmless from any claim in connection therewith. The provisions of this Contract will survive settlement hereunder. The parties hereto acknowledge that neither has relied upon any oral representation of the other, 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 will be effective, unless in writing executed by the parties hereto. This Contract will be construed, performed and enforced in accordance with the laws of the **State of North Carolina** without regard to the conflicts of laws provisions of **North Carolina** law. Except as provided in Paragraphs 6 and 8, the risk of loss or taking will remain with Seller until settlement. This Contract will 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, which consent Seller may withhold in its sole and absolute discretion. Any such assignment to which Seller consents 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, both parties hereby waive the rule of construction of contract language against the drafting party. 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 shall agree that the Property is being sold in gross and not by the acre. The parties' rights and obligations hereunder will not be affected if a subsequent survey of the Property reveals a different acreage.

The following appliances convey with the property:

TIME IS OF THE ESSENCE IN CONNECTION WITH THIS CONTRACT and this is an irrevocable offer to purchase without contingencies. In the event the Buyer fails to perform according to the terms of this contract, the deposit shall be forfeited and applied against Seller's damages without affecting any of the Seller's further remedies it may have at law or in equity. All forfeited deposits shall be equally divided between the Seller and Auction Firm.

WITNESS the following signatures and seals:

SELLER:

_____(SEAL)

_____(SEAL)

PURCHASERS:

_____(SEAL)

_____(SEAL)

ADDRESS/TELEPHONE: _____

Exhibit A

Offering A:

844 Horton Rd, Durham, NC

Unit #	Lot #	Parcel ID
51	15	211394
53	16	211395
55	17	211396
57	18	211397
59	19	211398
61	20	211399
21	21	211400

Subdivision Desc: HOLYMD TW/P2 L15-21/26-42