



22798 Jeb Stuart Hwy. (PO Box 776), Damascus, VA 24236

Real Estate Auction Purchase Agreement
Elk Ridge Estates Auction – October 23, 2010
TNA# 6373 TNF#5498

Seller: RANDY A. TESTER & SUZANNE R. TESTER

Address: 3020 DRAFT ROAD, BUTLER, TN 37640

Purchaser(s): Address:

City: St: Zip: work#:

cell#:

SS# SS# home#:

Seller and Purchaser hereby agree in consideration of the mutual covenants and agreements hereinafter, that Seller shall sell and Purchaser shall buy the following real property upon the following terms and conditions, and attached riders and exhibits if necessary.

1. Description: Legal description of real property located in Johnson County, TN, Parcel #097 068.07 and #097 068.02 and being a part of Elk Ridge Estates

2. Lot # HIGH BID PRICE: \$
5% BUYER PREMIUM: \$
TOTAL PURCHASE PRICE: \$

3. DEPOSIT to be held in escrow by George Wright, Attorney at Law, in the amount of \$
OTHER: \$
BALANCE TO CLOSE (U.S., cash, or cashier check): \$

4. TITLE: At settlement Seller shall convey the Property to Purchaser(s) by general warranty deed containing English covenants of title free of all encumbrances, tenancies and liens (for taxes or otherwise), but subject to such restrictive covenants, property owners associations restrictive covenants and fees, zoning regulations and utility easements of record which do not materially and adversely affect the use of the property or render the title unmarketable.

5. PROPERTY DISCLOSURE/DISCLAIMER: Purchaser acknowledges that they have inspected the Property to their satisfaction, and agree to accept the Property in its present condition.

6. FAIR HOUSING: Seller and Purchaser acknowledge in the sale, purchaser or exchange of real property, Broker has the responsibility to offer equal service to all clients and prospects without regard to race, color, religion, national origin, sex, elderliness, familial status or handicap.

7. EXPENSES AND PRORATIONS: Seller agrees to pay the expenses of preparing the deed and the recordation tax applicable to grantors. All other expenses incurred by Purchaser in connection with this Purchase, including title examination, insurance premium, survey cost, recording cost and the fees of Purchaser's attorney, shall be borne by the Purchaser. Taxes for 2010 for Johnson County shall be prorated as of the date of settlement.

8. BROKERAGE AND DEPOSIT: The Seller agrees to pay to the Broker a commission for services performed. If the Purchaser fails to perform this contract within the time herein specified, time being of the essence of this agreement; (1) the Seller may at his option, take legal action to enforce the specific performance of this contract and Purchaser shall pay reasonable attorney's fee and cost incurred by Seller for any such actions and (2) the Purchaser shall become liable to Damascus Realty LLC for the brokerage commission or the Broker may, at Broker's option, demand and receive from the escrow agent one-half of all deposits paid not exceeding the Broker's commissions as set forth herein as consideration for the release of the Purchaser by Broker from any all further obligations under this contract to Broker in either of which events Purchaser shall pay Broker's reasonable attorney's fees and cost incurred by Broker for any such action to enforce Broker's Rights under this paragraph. Purchaser agrees to keep Broker fully informed as to status and progress of the transaction.

Should the transaction not be consummated as herein provided to any default of failure on part of the Seller, (1) the Purchaser may, at his option take legal action to enforce the specific performance of this contract, or in the alternative, the Purchaser may demand and receive from escrow agent the return of the deposit. In either event, the Seller shall pay reasonable attorney's fees and cost incurred by Purchaser in any such actions and (2) the Seller shall pay the Real Estate Broker's commission upon demand and agrees to pay reasonable attorney's fees and cost incurred in the collection of the Broker's commission. If the transaction does not close because of the refusal for the Seller to perform, then the Seller shall pay said commission to the Broker on demand. Failure or refusal of wife or husband of Seller or Purchaser to execute deed or mortgage required hereunder shall be deemed default on part of the Seller or Purchaser.

9. ACCEPTANCE AND CLOSING: This agreement shall become effective when signed by the Purchaser, Seller and Broker. Closing shall be on or before November 23, 2010 at the offices of George Wright, Attorney, 410 W. Main Street, Mountain City, TN 37683, or other seller approved closing agent, and all costs legally chargeable to the Purchaser(s) will be paid by them

- 10. RISK OF LOSS: All risk, loss or damage to the Property by fire, windstorm, casualty, or other cause are assumed by Seller until settlement.
- 11. WATER AND UTILITY SERVICE COMPLETION: Seller agrees to complete the installation of well water service and/or water lines, and completion of any remaining underground utilities to all lots by November 19, 2010.
- 12. PROPERTY INSPECTIONS: Purchaser acknowledges that an acceptable inspection has been made of the property. Purchaser hereby acknowledges their satisfaction with the property and Purchaser understands that Seller, or Broker makes no representation as to the condition, quality or serviceability of the real estate for any purpose. Purchaser acknowledges acceptance of the property in an "AS IS" condition.
- 13. CASH TRANSACTION: This agreement is a cash transaction and is NOT subject to the Purchaser's ability to qualify for financing. In the case of default, Purchaser shall forfeit the deposit.
- 14. CHANGES, NON-ASSIGN ABILITY: This agreement is nonassignable and cannot be changed or altered in any way without the expressed written consent of Purchaser, Seller and Broker.
- 15. By your bidding today you agree to pay a 10% deposit and execute the Real Estate Sale and Purchase Agreement, Terms of Sale, Disclosure of Brokerage Relationship, Property Disclosure, and any and all other forms as required. Failure to close by you can result in forfeit of deposit, specific performance, obligation of expenses of legal fees, fees due Broker, cost and deficiency of resale and all expenses associated with the sale of this property. In event Purchaser(s) is not a legal resident of Virginia or Tennessee, Purchaser(s) will provide a cash payment of \$5,000, or cashier check (made payable to themselves) with the balance of 10% paid in personal or business check or cash.
- 16. MISCELLANEOUS: All notices and other communications required under this agreement shall be in writing and delivered either personally or by U.S. Mail to the above mentioned addresses. The words "Broker", "Purchaser" and "Seller" herein shall include their heirs, administrators, executors, and successors and said words and pronouns relative thereto, shall include the masculine, feminine, and neuter gender, and the singular and plural number, whenever the context is so required. The Real Estate Auction Terms and Conditions attached are herein included and are a part of this agreement.

PURCHASER

_____ (seal) Date: October 23, 2010

_____ (seal) Date: October 23, 2010

SELLER

_____ Date: October 23, 2010

_____ Date: October 23, 2010

Damascus Realty LLC

_____ Date: October 23, 2010
 Russell McBride, Broker/Auctioneer