

Sealed Bid # 3 Bid Submission Form and Sales Contract

OFFICIAL SEALED BID SUBMISSION FORM

Owners Orders Sale

Of The Real Property and Improvements Known as

Lot1, (Model Home), The Paddocks at Kastle Greens

Bealton/Midland, VA 22728

THIS CONTRACT of Sale made and entered into this _____ day of _____ 2008 between Gary A. Cordova and Cynthia L. Cordova, husband and wife ("Seller"), hereinafter known as the "Seller" and _____,

hereinafter known as the "Purchaser," provides that purchaser agrees to buy through American Auctions & Appraisers, hereinafter known as "Agents," as Agent for the Seller, and Seller agrees to sell the following described real estate and all improvements thereon, located in the County of Fauquier City of Midland, Virginia (all herein called the "Property").

Description and Property:

All that certain lot, piece or parcel of land, with the buildings and improvements thereon, situate, lying and being in Cedar Run Magisterial District, Fauquier County, Virginia, being known, numbered and designated as Lot 1 of THE PADDOCKS AT KASTLE GREENS, LLC as the same appears duly dedicated, platted and recorded in Deed Book 1236, page 234, among the land records of Fauquier County, Virginia.

Being the same property conveyed to Gary A. Cordova and Cynthia L. Cordova, husband and wife, tenants by the entirety with rights of survivorship, by deed from THE PADDOCKS AT KASTLE GREENS, LLC, dated October 10, 2006 and recorded in Deed Book 1236, page 2357.

1. Possession of the property shall be given on the date of settlement. Settlement will take place via escrow with a title company acceptable to the Seller and the Purchaser on or before **June 30, 2008** or all deposits will be forfeited, unless otherwise agreed upon, in writing, by Seller. Time is of the essence. In the event of default by the Purchaser, the deposit shall be divided equally between the Seller and the Auction Company.
2. Seller agrees to convey the Property to Purchaser by Special Warranty Deed, free and clear of all encumbrances, tenancies, liens (for tax and otherwise), except as may be otherwise provided herein, but subject to applicable restrictive covenants and utility easements of record. Seller shall pay the cost of preparing the deed conveying the Property and the Grantor's tax. Real estate taxes will be pro rated as of the settlement date.
3. All other closing and settlement costs and taxes will be paid by the Purchaser. Any rents under any of the leases shall be paid to the Seller through the end of the month of closing and shall be paid to Purchaser thereafter. No warranties or representations are being made regarding the existence, validity or enforceability of continuation of any leases.
4. Seller covenants that any improvements located on the premises shall be substantially the same condition on the date of settlement as at the time of acceptance of this offer and further agrees to bear the risk of loss or damage to the Property by reason of fire, condemnation or other casualties until final settlement is made.

5. **Inspection.** Purchaser acknowledges that the Property has been inspected, and Purchaser accepts the Property in “AS-IS” condition. This covenant shall survive settlement, it being understood that Seller or its Agent make no warranties, either expressed or implied, as to the condition of the Property, including, but not limited to, items of structural, mechanical, environmental or otherwise.
6. **Deposit.** A deposit of fifty thousand US Dollars \$50,000.00 is hereby made by the Purchaser. The entire deposit shall be held by the Agent in Escrow until settlement. Purchaser acknowledges that the earnest money deposit is placed in Agent’s Escrow Account, part of which is placed in an interest bearing account and waives any claim to any interest resulting from this deposit. This deposit shall be applied to the Purchase Price. If the closing is delayed by actions, or lack of actions, or any failure to comply with the terms and conditions of this Contract by the Purchaser, a default will be declared and all deposits will be retained with one-half paid to the Agent and one-half paid to the Seller after deducting all advertising expenses. Notwithstanding the foregoing, the agent and the parties to this Contract shall have any rights against defaulting party which they otherwise would have for breach of this contract, including any expenses incurred by the non-defaulting party or agent, including attorney’s fees in connection with this transaction and the enforcement of the Contract.
7. The parties hereto acknowledge that this Contract constitutes the entire agreement and that neither has relied upon any oral representation or agreement by the other or by the agent, and no such oral representation or agreement shall affect in any way the terms of this written agreement. This Contract may be modified or amended only in writing signed by all parties hereto. The said Seller and Purchaser hereby bind themselves, their heirs, assigns, executors and administrators for the faithful performance of this agreement.
8. **Special provisions** of this contract, including the Sealed Bid Auction Terms and conditions are attached hereto and made a part of this agreement.

ALL PARTIES ACKNOWLEDGE THAT AMERICAN AUCTIONS & APPRAISALS, INC. IS THE AGENT OF THE SELLER, NOT THE PURCHASER, UNLESS OTHERWISE NOTED IN THIS AGREEMENT. THE AGENTS FIDUCIARY DUTIES OF LOYALTY AND FAITHFULNESS ARE OWNED TO THE SELLER WHO IS THEIR PRINCIPAL. AGENTS ARE REQUIRED BY LAW AND THEIR CODE OF ETHICS TO TREAT THE PURCHASER HONESTLY AND FAIRLY.

TO BID, simply fill in your bid amount in the appropriate location below, then follow the signature instructions. Do not forget to enclose your deposit check for \$50,000.00 along with this signed Sealed Bid Package.

Date: _____

Name, Title: _____

Company: _____

Signature: _____

Address: _____

Telephone: _____ Fax: _____

Email address _____

Hereby offers to make an "Asset Purchase" of the real property and improvements of Lot 1, of The Paddocks at Kastle Greens as listed in this Sealed Bid Package for the Sum of:

_____ (\$_____.00)

A deposit check in the amount of \$50,000.00 is enclosed herewith. We understand that deposit(s) of unsuccessful bidders will be returned within seven (7) days of acceptance or rejection of bid(s). The successful bidder's check will be deposited in American's escrow account pending final payment approval.

If corporate approval is required to sign this bid, please attach written corporate authorization.

Return your Sealed Bid with deposit check to:

American Auctions & Appraisals, Inc.
Ref: Kastle Green Golf Course Bid Form
35 West Main Street
Westminster, MD 21157

This offer accepted this _____ day of _____, 2008 and Seller hereby agrees to pay American Auctions & Appraisals, Inc., the sole procuring cause of this contract, commission at settlement per contract between Auctioneer and Secured Creditor/Owner of the confirmed purchase price as referenced Paragraph 2 above. Further, Seller authorizes and directs any attorney or attorneys who have been retained to effect closing hereunder to pay said commission as an incident to said closing.

I HEREBY ACKNOWLEDGE THAT I HAVE RECEIVED A COPY OF THIS AGREEMENT. WITNESS the Purchaser(s) signature(s) and seal(s) this _____ day of _____, 2008.

SELLER

**Gary A. Cordova
Cynthia L. Cordova**

PURCHASER

_____(SEAL)

_____(SEAL)

_____(SEAL)