

CONTRACT FOR THE SALE OF COMMERCIAL REAL ESTATE

THIS CONTRACT is made this 1st day of October, 2018, by and between, CFSMCS LLC, a Virginia limited liability company, Seller, and Rockingham County, a political subdivision of the Commonwealth of Virginia and or assigns, Purchaser, together referred to as the Parties.

(1) **AGREEMENT.** The Parties agree to sell and purchase the Property described in the following paragraph upon the following terms and conditions.

(2) **PROPERTY DESCRIPTION.** All that tract of land containing approximately 0.3363 acres, more or less, with all improvements thereon and rights, privileges and appurtenances belonging thereto, located on the southwest corner of Court Square in the City of Harrisonburg, Virginia, being all that real estate acquired by the Purchaser by a deed dated January 16, 2017, from Charles F. Sellers and Mollie C. Sellers, husband and wife, which deed is recorded in the Clerk's Office of the Circuit Court of Rockingham County, Virginia in Deed Book 4838, at Page 1 .

(3) **PURCHASE PRICE.** The purchase price for the Property is **Four Hundred Twenty – Five Thousand and 00/100 DOLLARS (\$425,000.00)** payable as follows:

(a) **Five Thousand and 00/100, DOLLARS (\$5,000.00)** deposit to be paid within Five (5) days the signing of this Contract to be held by Lee & Associates; and

(b) **Four Hundred Twenty Thousand and 00/100 DOLLARS (\$420,000.00)** to be paid in full at final settlement in cash, cashier's or certified check.

(4) **TITLE.** The Seller shall convey to the Purchaser good and marketable title to the Property by General Warranty Deed containing English Covenants of Title, free and clear of all liens and encumbrances, and subject only to such restrictions and easements as shall then be of record which do not affect marketability of the title to the Property or the use of the Property for commercial or business purposes. If the Seller cannot satisfy this condition, either the Seller or Purchaser may cancel this Contract without obligation to the other. The Property is currently subject to certain month-to-month leases. It will be the responsibility and right of the Purchaser to renew or allow those leases to terminate in due course after Closing.

(5) **CANCELLATION.** The Purchaser may cancel this Contract for any reason by delivering to the Seller and Lee & Associates in writing notice of his cancellation prior to **Thirty (30) days** after this Contract is signed.

(6) **CONDITION/INSPECTION OF PROPERTY.** Prior to cancellation, the Purchaser and his agents, on a not-to-interfere basis with respect to current occupants of the Property, may inspect, survey, test and observe the Property and its improvements at any reasonable time. It is the Purchaser's obligation to satisfy himself about all the conditions of the Property and its improvements, including, but not limited to, the title, matters of survey, the subsoil, environmental conditions, zoning restrictions, availability of utilities, structural integrity of improvements, and adequacy of all mechanical systems. Other than the representations specifically made in this Contract, the Seller makes no warranties or representations about the condition of the Property or its improvements. All oral representations about the Property by the Seller or his agent are only opinion; their accuracy must be verified by the Purchaser. The Purchaser shall repair any damage caused to the Property by its inspection and testing should the Purchaser not close the purchase of the Property.

(7) **FINAL SETTLEMENT.** The final settlement shall be at a location to be determined by the Purchaser, in Harrisonburg , Virginia, on **January 7th 2019 but not before January 1st 2019 (Time is of the Essence).** If closing is unable to occur upon said dates either party may terminate this contract with notice to the other and all deposits returned to the Purchaser.

(8) **PRORATIONS.** Real estate taxes, utilities and rents, if any, shall be prorated as of the date of final settlement.

(9) **POSSESSION.** Possession of the Property, subject to those leases referenced in paragraph 4, above, with improvements in broom clean condition, shall be delivered to the Purchaser at final settlement.

(10) **RISK OF LOSS.** All risk of loss or damage to the Property is assumed by the Seller until final settlement and thereafter the risk of loss is assumed by the Purchaser. Should substantial loss or damage occur to the Property prior to final settlement, the Purchaser may terminate

this Contract and have the deposit returned, or affirm this Contract, in which event the Seller shall assign to the Purchaser the Seller's rights under any policy or policies of insurance applicable to the Property.

(11) **RESPONSIBILITY FOR DOCUMENTS AND FEES.** The Seller shall pay for (a) the deed of conveyance; (b) the Virginia Grantor's Tax for recording the deed; (c) administrative costs incurred by settlement agent on behalf of the Seller, including, but not limited to, paying existing liens against the Property, preparing releases and affidavits and filing documents with the I.R.S.; and (d) attorney's fees for the Seller. The Purchaser shall pay for: (a) all other recording taxes; (b) administrative costs incurred by the settlement agent on behalf of the Purchaser; (c) title examination of and title insurance for the Property; (d) preparation of loan documents required by the Purchaser's financing institution; and (e) attorney's fees for the Purchaser.

(12) **BREACH OF CONTRACT.** Should the Purchaser breach this Contract and fail to settle upon its terms, the escrow agent shall pay to the Seller the Purchaser's deposit and the Seller shall be entitled to terminate this Contract and to such other damages, including the right of specific performance, as provided by law. Should the Seller breach this Contract, the escrow agent shall refund the deposit to the Purchaser, and the Purchaser shall have all other remedies available to him, including the right of specific performance. All attorney's fees and costs incurred by the non-defaulting party shall be paid by the defaulting party to the extent permitted by law.

(13) **CONSTRUCTION OF CONTRACT/ASSIGNABILITY.** This Contract shall be construed in accordance with the laws of the Commonwealth of Virginia. This Contract shall be binding upon the heirs, personal representatives, and successors in interest of the Parties. This Contract may be assigned, or a portion of it may be assigned to the City of Harrisonburg, Virginia. Venue shall be in the state or federal court of appropriate jurisdiction located in Harrisonburg, Virginia.

(14) **ENTIRE AGREEMENT.** This Contract contains the entire agreement between the Parties; there are no other oral or written promises, inducements or agreements.

(15) **OTHER TERMS.** 1. The property is being conveyed in its "as is" condition. 2. This Contract is contingent upon the following conditions: A) Approval by the Rockingham Co. Board of Supervisors and the City Council of Harrisonburg within 30 days of the signing of this contract. B) The environmental conditions of the property are acceptable to the Purchaser at Purchasers sole discretion. C) The title of the property is acceptable to the Purchaser at Purchasers sole discretion. In the event these condition are found unacceptable Purchaser may terminate this contract and the deposit returned to Purchaser upon written notice to Seller.

(16) **DISCLOSURE OF BROKERAGE RELATIONSHIP.** The Parties

acknowledge disclosure that Lee & Associates represents the Purchaser. NO FEES shall be paid to Lee & Associates from the Seller's proceeds. No other brokers were involved in this transaction. If a party has incurred other brokerage fees, that party shall indemnify and hold the other harmless for that fee.

WITNESS the following signatures and seals:

SELLER

10/5/2018
Date

CFSMCS LLC, a Virginia limited liability company

By: Charles F. Sellers

Its: MANAGER

PURCHASER

10/11/2018
Date

Rockingham County, a political subdivision of the Commonwealth of Virginia

By: Stephen S. King

Its: County Administrator

A letter from the Commonwealth of Virginia, Department of Environmental Quality and dated September 19, 2018, is attached to and a part of this contract.