

REAL ESTATE CONTRACT OF SALE

I/We _____, 20____, purchased the property known as _____ ("Purchaser") have this _____ day of _____ (the "Property") which may or may not be subject to ground rent, from _____ ("Seller").

The Terms and Conditions of this sale, signed by the Purchaser, are hereby incorporated herein by reference.

PURCHASE PRICE: The Purchase Price for the Property is \$ _____ (_____ + _____ = \$ _____)

BUYER'S PREMIUM: A _____ Percent (____%) Buyer's Premium has been added to the Purchaser's highest bid. The highest bid, plus the Buyer's Premium referenced herein, equals the final Purchase Price to be paid by the Purchaser. The calculation is shown above. The Buyer's Premium shall not be considered commission related to the sale of real estate but rather a fee associated with the auctioneer's services.

DEPOSIT: Upon execution hereof, Purchaser agrees to deposit with TRAC certified funds equal to 10% of the Purchase Price. A deposit of \$ _____ has been made by Purchaser, receipt of which is acknowledged below. The balance is due within _____ (____) days of execution hereof. Failure to make Deposit in full is a default hereunder. All deposits are held by TRAC in a non-interest bearing account. Note: The Deposit may be forfeited without further notice if settlement is not completed on or before the Settlement Date. Time is of the essence of every provision herein containing a time element.

CONDITION OF THE PROPERTY: The Purchaser is responsible for conducting its own due diligence concerning the Property. The Property may be subject to ground rent, covenants, conditions, restrictions and the like, and is sold subject to existing housing, building and zoning code violations as well as potential environmental problems, violations and/or remedial agreements. The Purchaser agrees and acknowledges that the Property is sold and accepted in "AS-IS WHERE-IS" condition without any expressed or implied warranties as to the nature, physical condition, description, use, structural integrity, construction, workmanship, materials, habitability, zoning, environmental condition, fitness for a particular use or purpose, or merchantability.

MARKETABLE TITLE: At Settlement, the Seller will execute a Deed for the Property prepared at the Purchaser's expense through which good and marketable title will be conveyed to the Purchaser, free and clear of all liens and encumbrances; subject, however, to all applicable ground rent, covenants, conditions, restrictions, easements, rights of way, laws, ordinances, regulations, charges, taxes and assessments, rights of others in party walls of the Property, and any other matters of record. In the event that Seller cannot convey good and marketable title, the sale shall be void and the Purchaser's sole remedy, at law or in equity, shall be limited to a return of the Deposit.

SETTLEMENT DATE: Settlement must occur on or before that date which is _____ (____) days after the date hereof, i.e., _____, 20____ (the "Settlement Date"). If Purchaser fails to complete settlement on or before the Settlement Date, the Purchaser shall be in default and subject to the following remedies of the Seller: (i) the Deposit may be forfeited; (ii) the Property will be resold at the risk and expense of the defaulting Purchaser; and (iii) the Purchaser shall be responsible for all fees, costs and expenses, including attorneys' fees, attributable to the default and resale. The Deposit is not the maximum potential liability of a defaulting Purchaser.

SETTLEMENT AGENT: Purchaser may have the absolute right, in certain jurisdictions, to choose the title company or settlement attorney to conduct Settlement. Purchaser agrees to contact the Settlement Agent (as hereinafter defined) within five (5) calendar days of the date hereof to schedule settlement at and to arrange for ordering the title exam and, if required, survey. As the timely settlement of this transaction requires considerable work to be undertaken by the Settlement Agent in a brief period of time, Purchaser understands and agrees that should it fail to identify a Settlement Agent in this Sales Contract or within five (5) calendar days of the date hereof in writing to TRAC, Purchaser shall be deemed to have voluntarily selected MG Title, LLC -- 877 464-8485 (phone); 202 521-1802 (fax) to conduct and/or coordinate Settlement. MG Title, LLC or the following title company identified by the Purchaser shall be referred to herein as the "Settlement Agent": _____ (title company name) _____ (phone) _____ (fax). See attached

Affiliated Business Arrangement Disclosure.

SETTLEMENT: At Settlement the Purchaser shall pay the final Purchase Price less the amount of the Deposit, plus any and all fees and expenses associated with the transfer, including but not limited to: fees for the preparation of the deed and other documents, settlement fees, title search and examination fees, title insurance premium(s), and all state and local transfer and recordation taxes and fees, except where prohibited by law. It is the responsibility of the parties to this contract to determine if any state or local laws or regulations prohibit any charges, taxes or fees arising from the transfer to be paid by the Purchaser. If any such laws exist, the charge, tax or fee in question will be borne by the Seller without adjustment to the Purchase Price. Rents, taxes, water and sewer charges, front foot benefit and house connection charges, condominium unit owners' association, homeowners' and/or property owners' association regular periodic assessments (if any) and any other operating charges, are to be adjusted to the Settlement Date. Any heating or cooking fuels remaining in supply tank(s) as of the Settlement Date will become the property of the Purchaser.

RISK OF LOSS: The risk of loss due to fire or other casualty shall remain with the Seller until settlement.

ARBITRATION: Any action, claim, controversy or dispute arising out of or in any way relating to this Sales Contract shall be determined and resolved exclusively by final and binding arbitration in the Washington DC Metropolitan Area. The prevailing party shall be entitled to collect from the other its full costs associated with the arbitration, including reasonable attorneys' fees. Judgment on the arbitration award may be entered in any court. The parties agree that the filing, proceedings, rulings, decisions, result, and award from any arbitration shall be permanently kept confidential, and the parties shall jointly move the court entering judgment on the arbitration award to so order. Any arbitration must be commenced within one (1) year from the earlier of (i) the date of the auction or (ii) when the cause of arbitration accrued, or it will be forever barred. The right of arbitration shall accrue, and the one-year limitations period shall begin to run, from the date the breach or damage is sustained, and not from the date discovered.

HOME WARRANTY: Seller will (provider: _____; max. cost: \$ _____) OR

will not purchase a basic home warranty at Settlement for the benefit of the Purchaser.

ADDITIONAL TERMS: addendum attached none

SELLER:

PURCHASER:

_____/_____
(date) Signature

_____/_____
(date) Signature

_____/_____
(date) Signature

_____/_____
(date) Signature

(Address)

(Address)

(Phone)

(Phone)

(Email)

(Email)

Receipt of \$ _____ confirmed by: _____ balance of \$ _____ due _____ (date) 9/08 Ed.

SAMPLE

AFFILIATED BUSINESS ARRANGEMENT DISCLOSURE

This disclosure is made to give you notice that TRAC and/or its principal(s) have an ownership interest in MG Title, LLC. As a result of this affiliation, referring you to MG Title, LLC for title insurance and other closing services may provide TRAC and/or its principal(s) financial or other benefit.

Set forth below is the estimated charge or range of charges for the settlement services listed. You are **not** required to use MG Title, LLC as a condition of settlement of your transaction concerning the subject property. There are other settlement service providers available that offer similar services. You are free to shop around to determine that you are receiving the best services and the best rates.

MG Title, LLC's fees as of the date of this disclosure for this transaction are as follows:

	<u>Buyer</u>	<u>Seller</u> ¹
Settlement/Closing fee	\$350	\$0
Title Examination	\$175	\$0

Title insurance rates vary according to jurisdiction, coverage and transaction type.

Note: Title Search/Abstract and Survey fees (as applicable) are paid directly to the provider(s) at cost.

Contact MG Title today at **877 464-8485** for an estimate of total closing costs.

ACKNOWLEDGMENT

I/We have read this Disclosure and understand that TRAC is referring me/us to the above-named settlement service provider and may receive financial or other benefit as a result of the referral.

_____	(date)	_____	(date)
Buyer		Seller	
_____	(date)	_____	(date)
Buyer		Seller	
_____	(date)	_____	(date)
Buyer		Seller	
_____	(date)	_____	(date)
Buyer		Seller	

¹Buyer is responsible for all settlement costs per the Sales Contract.