



TOWN COUNCIL
Special Meeting
Town Hall
July 19, 2012
5:00 PM

1. Call to Order: Roll Call

2. Order of Business

*A. Real Estate Acquisition Opportunity – Bank of America Building

3. Motion to Adjourn



TOWN OF
CAPE CHARLES

AGENDA TITLE: Acquisition of Bank of America Property

AGENDA DATE:
July 19, 2012

SUBJECT/PROPOSAL/REQUEST: Adopt resolution authorizing the acquisition, amending the budget and appropriating the funds.

ITEM NUMBER:
2A

ATTACHMENTS: Proposed resolution.

FOR COUNCIL:
Action (X)
Information ()

STAFF CONTACT (s):
Bob Panek

REVIEWED BY:
Heather Arcos, Town Manager

BACKGROUND:

The Town has a near-term need for additional property to be used for:

1. Expansion of the Cape Charles Memorial Library;
2. Relocation of the broadband computer lab to a more publicly accessible space;
3. Indoor cultural and educational programs for children and adults;
4. Relocation of records storage from leased space;
5. Public parking for the business district.

Bank of America ceased operation of the Cape Charles banking center several months ago and is in the process of selling the property. The property consists of a three story building of approximately 6,500 square feet on the corner of Mason Avenue and Pine Street and two additional lots on the corner of Randolph Avenue and Pine Street.

DISCUSSION:

The property would satisfy these near-term needs, provide space for future expansion of municipal services, and is well located to provide services to the citizens of the Town. The first floor and second floor mezzanine level of the building are in very good condition and can be promptly put into service as a library, computer lab, etc. Additionally, acquisition of the property would improve access to the rear of the commercial properties on Mason Avenue for municipal and emergency services. Acquisition of the property for these purposes would be beneficial to economic activity in the down town business district and for economic development of the Town in general.

Bank of America has agreed to sell the property to the Town for the price of \$200,000, plus a maximum of \$8,000 for due diligence reports. A \$20,000 non-refundable earnest money deposit is required within 48 hours of contract signing. Closing costs will add another few thousand dollars.

There is sufficient funding remaining from the 2010 bond issuance to make the acquisition. This would temporarily displace the project to connect the two new wells which is still being engineered and not yet permitted by the State. Debt service on the bond is included in the budget and would need to be reallocated between funds.

RECOMMENDATION:

Staff recommends discussion of this opportunity, and a roll call vote on the attached resolution authorizing the acquisition of the property substantially in accordance with the terms of the proposed contract, authorizing the Town Manager and Mayor to finalize the terms of the contract and to execute such documents as may be required to close on the property; and to approve a budget amendment and appropriation of funds for the property acquisition.

**RESOLUTION 20120719
ACQUISITION OF BANK OF AMERICA PROPERTY**

WHEREAS, the Town of Cape Charles has the near-term need for additional property to be used for:

1. Expansion of the Cape Charles Memorial Library;
2. Relocation of the computer lab to a more accessible space for public use of broadband service;
3. Indoor cultural and educational programs for children and adults;
4. Relocation of records storage from leased space;
5. Public parking for the business district; and

WHEREAS, the Town Council believes that the property currently owned by Bank of America and described on Exhibit A to the attached proposed contract (the "Property"), which consists of a three story building of approximately 6,500 square feet on the corner of Mason Avenue and Pine Street, with two additional lots on the corner of Randolph Avenue and Pine Street, would satisfy these purposes and provide space for future expansion of municipal services; and

WHEREAS, the Property is well located to provide these services to the citizens of the Town; and

WHEREAS, the Town Council believes that the first and second floor mezzanine level of the building are in such condition to promptly be put into service for these purposes; and

WHEREAS, acquisition of the Property would also improve access to the rear of commercial properties on Mason Avenue for municipal and emergency services; and

WHEREAS, the Town Council believes that acquisition of the Property for the above purposes would have a beneficial affect on economic activity in the business district and contribute to economic development of the Town in general; and

WHEREAS, Bank of America has agreed to sell the Property to the Town for the price of \$200,000, plus \$8,000 for Bank of America's due diligence reports on the Property, subject to adjustments at closing pursuant to the attached proposed contract and subject to additional due diligence and legal expenses as may be incurred by the Town in acquiring the Property; and

WHEREAS, the Town Council has determined that the budget for the current fiscal year should be amended to reallocate other expense items toward the acquisition of the Property, without increasing the total aggregate expenses in the budget nor appropriation of funds; now

THEREFORE BE IT RESOLVED by the Town Council of Cape Charles this 19th day of July, 2012 that the Property be acquired substantially in accordance with the terms of the attached proposed contract, the final form of which will be negotiated with Bank of America by Town staff and the Town's outside counsel; and

BE IT FURTHER RESOLVED that the Town Manager be authorized to negotiate and finalize the terms of the proposed contract, and that the Mayor be authorized to execute it; and

BE IT FURTHER RESOLVED that the Town Manager and Mayor be authorized to execute such affidavits, certificates, and other documents as may be required to close on the Property acquisition; and

BE IT FURTHER RESOLVED that the attached budget amendment be approved, and that funds be appropriated for the acquisition of the Property and related expenses.

Adopted by the Town Council of Cape Charles on July 17, 2012

By: _____
Mayor

ATTEST:

Town Clerk

Town of Cape Charles
Acquisition of Bank of America Property
Budget Amendment

Purchase Price \$ 200,000.00
 Due Diligence Reports \$ 8,000.00
 Closing Costs \$ 4,000.00
Total Approximate Price \$ 212,000.00

	<u>Revenues</u>
General Fund	
Loan Proceeds - General Fund	\$ 212,000.00
Total General Fund	\$ 212,000.00
Water/Wastewater Fund	<u>Revenues</u>
Loan Proceeds 2 Wells	\$ (212,000.00)
Total Water/Wastewater Fund	\$ (212,000.00)

		<u>Expenditures</u>
General Fund *		
Debt Service (Interest - Town Manager)	3-100-121-491-9120	\$ 7,236.37
Capital (Land & Building Acquisitions)	3-100-121-482-8204	\$ 212,000.00
Total General Fund		\$ 219,236.37
Water/Wastewater Fund		<u>Expenditures</u>
Debt Service (Interest - Water Fund)	3-501-501-491-9120	\$ (7,236.37)
Capital (Infrastructure 2 Wells)	3-501-501-482-8201-100	\$ (212,000.00)
Total Water Wastewater Fund		\$ (219,236.37)

Cape Charles, VA6-905
201 Mason Avenue, Cape Charles
Northampton County, VA

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is made between BANK OF AMERICA, NATIONAL ASSOCIATION, a national banking association ("Seller"), and _____, a _____ ("Purchaser").

In consideration of the mutual covenants herein contained, Seller and Purchaser agree as follows:

1. PURCHASE AND SALE

1.1 Purchase and Sale. Subject to the terms and conditions of this Agreement, Seller hereby agrees to sell and convey to Purchaser, and Purchaser hereby agrees to purchase from Seller, the following described property (herein called the "Property"):

(a) Land. That certain tract of land (the "Land") more particularly described on Exhibit A, attached hereto and incorporated herein by reference together with all improvements, if any, located thereon;

(b) Easements. All easements, if any, benefiting the Land;

(c) Rights and Appurtenances. All rights and appurtenances pertaining to the foregoing, if any, including any right, title and interest of Seller, if any, in and to adjacent streets, alleys or rights-of-way;

(d) Improvements. All improvements (the "Improvements") in and on the Land; and

(e) Tangible Personal Property. Subject to the provisions of Section 9.2 and Section 9.3 hereinafter, all of Seller's right, title and interest in all appliances, fixtures, equipment, machinery, furniture, carpet, drapes and other personal property, if any, located on or about the Land and the Improvements not removed by Seller by the Closing Date.

2. PURCHASE PRICE

2.1 Purchase Price. The purchase price (the "Purchase Price") for the Property shall be _____ AND NO/100 DOLLARS (\$_____.00) and shall be paid by Purchaser to Seller at the Closing (as defined in Section 6.1). The Purchase Price shall be payable at Closing in United States currency as provided in Section 6.6(a) below.

3. EARNEST MONEY

3.1 Earnest Money. Within forty-eight (48) hours after notice to Purchaser that this Agreement has been accepted by Seller and Seller has executed this Agreement, Purchaser shall deliver to FIRST

AMERICAN TITLE INSURANCE COMPANY (the "Escrow Agent"), as escrow agent, by cashier's check at the address in Section 10.1 hereof a deposit in an amount equal to ten percent (10%) of the Purchase Price in cash (such amount, together with all interest, if any, earned thereon being referred to as the "Earnest Money"), together with an executed W-9 form and a signed Earnest Money Escrow Agreement attached to this Agreement as Exhibit "B." Seller shall have the option of declaring a default and terminating this Agreement if the Earnest Money, the W-9 and the Earnest Money Escrow Agreement are not delivered to the Escrow Agent within such time. The Earnest Money shall be non-refundable for any reason, except Seller's default. If the sale of the Property is consummated pursuant to the terms of this Agreement, the Earnest Money shall be paid to Seller and applied to the payment of the Purchase Price.

4. CONDITIONS TO CLOSING

4.1 Title Commitment, Survey and Phase I.

(a) At or prior to the execution of this Agreement, Seller shall deliver to Purchaser for Purchaser's review of the Property, (i) a commitment for title insurance, an ownership and encumbrance report, a title report or equivalent title search document (the "Title Commitment") for an Owner's Policy of Title Insurance issued by First American Title Insurance Company (the "Title Company"); (ii) a survey of the Property (the "Survey"); and (iii) a Phase I environmental site assessment and limited asbestos survey of the Property ("Phase I").

(b) Seller shall deliver to Purchaser within thirty (30) days after full execution of this Agreement for the Property, (i) an endorsement or its equivalent to the Title Commitment (the "Endorsement"), naming Purchaser as the insured and updating the effective date of the Title Commitment; (ii) the Survey certified to Purchaser and updating the effective date of the Survey, if required by the Title Company; and (iii) a certificate certifying the Phase I to Purchaser ("Certificate"). Purchaser shall be required to accept title insurance from Seller's Title Company and title agent, and by execution of this Agreement, Purchaser agrees that said title agent shall close the transaction contemplated by this Agreement.

(c) The conveyance of the Property shall be subject to certain Permitted Exceptions. The term "Permitted Exceptions", as used herein, shall mean (i) the title exceptions listed in Schedule B of the Title Commitment, (ii) any general exceptions and exclusions contained in the standard owner's policy of the Title Company that are not deleted pursuant to the Owner's Affidavit, and (iii) the exceptions listed on Exhibit C hereto.

4.2 Inspection. Upon forty-eight (48) hours prior request, Purchaser may inspect the Property at any reasonable time on or before thirty (30) days after the date of this Agreement for the purpose of conducting such investigations and inspections as Purchaser shall deem appropriate, including but not limited to obtaining geotechnical reports and obtaining building reports, but excluding any Phase II environmental site assessment without Seller's express written consent, which may be withheld in Seller's sole discretion (the "Inspection Period"). Purchaser acknowledges that the Property is comprised of operating banking centers and agrees that Purchaser must be accompanied by a representative of Seller when inspecting the Property and that certain inspections must occur after business hours. Purchaser may terminate this Agreement by notifying Seller in writing prior to the expiration of the Inspection Period, for any reason in Purchaser's sole discretion. In the event Purchaser does not give such notification to Seller in writing prior to the expiration of the Inspection Period, Purchaser shall be deemed conclusively

to have waived its termination rights under this Section 4.2. Purchaser shall bear the cost of all such investigations of the Property. Purchaser shall be liable for all costs and expenses, and for damages or injury to any person or property resulting from any inspection, and Purchaser shall indemnify and hold harmless Seller from any liability, claims or expenses (including, without limitation, construction liens and/or reasonable attorneys' fees) resulting therefrom. The obligations of Purchaser set forth in this Section 4.2 shall survive Closing or the termination of this Agreement, as applicable.

4.3 Confidentiality. All information provided by Seller to Purchaser or obtained by Purchaser relating to the Property in the course of its review, including, without limitation, any environmental assessment or audit, shall be treated as confidential information by Purchaser and Purchaser shall instruct all of its employees, agents, representatives and contractors as to the confidentiality of all such information. Purchaser will not, except with the express prior written consent of Seller, directly or indirectly, (a) disclose or permit the disclosure of any information to any person or entity, except persons who are bound to observe the terms hereof, or (b) use or permit the use of all information pertaining to the Property (1) in any way detrimental to the Seller or (2) for any purpose other than evaluating the contemplated purchase of the Property. Purchaser agrees, that if the closing does not occur, Purchaser will promptly return to the Seller or its authorized agent all written or tangible information pertaining to the Property, including all copies or extracts thereof, and all notes based upon the information. Neither the Seller, nor any of its officers, directors, employees, agents or representatives, shall be deemed to make or have made any representation or warranty as to the accuracy or completeness of any information pertaining to the Property or whether or not the information provided constitutes all of the information available to the Seller; and neither the Seller nor any of its officers, directors, employees, representatives or agents shall have any liability resulting from Purchaser's use of any information pertaining to the Property. Notwithstanding anything to the contrary set forth in this Agreement, the obligations of Purchaser set forth in this Section 4.3 shall survive the Closing or the termination of this Agreement, as applicable.

4.4 Termination. If this Agreement is terminated pursuant to Section 4.1 or Section 4.2 above, neither party shall have any further obligations under this Agreement except with respect to the obligations specified in Section 4.2, Section 4.3, this Section 4.4 and Section 10.2. Purchaser shall, within ten (10) days of such termination, deliver to Seller copies of the Title Commitments, Surveys, and any updates, all feasibility studies, engineering reports, environmental reports and all other information obtained by Purchaser with respect to the Property.

5. NO REPRESENTATIONS OR WARRANTIES BY SELLER; ACCEPTANCE OF PROPERTY; COVENANTS BY SELLER

5.1 Disclaimer. PURCHASER ACKNOWLEDGES AND AGREES THAT SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES (OTHER THAN THE WARRANTY OF TITLE AS SET OUT IN THE DEED, AS DEFINED BELOW), PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO (A) THE VALUE, NATURE, QUALITY OR CONDITION OF THE PROPERTY, INCLUDING WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY, (B) THE INCOME TO BE DERIVED FROM THE PROPERTY, (C) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH PURCHASER MAY CONDUCT THEREON, (D) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES,

ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, (E) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY, (F) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO THE PROPERTY, (G) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY, OR (H) ANY OTHER MATTER WITH RESPECT TO THE PROPERTY, AND SPECIFICALLY, THAT SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS REGARDING COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE, ZONING OR DEVELOPMENT OF REGIONAL IMPACT LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS, INCLUDING THE EXISTENCE IN OR ON THE PROPERTY OF HAZARDOUS MATERIALS (AS DEFINED BELOW), MOLD OR MILDEW. PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY, PURCHASER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY SELLER AND AT THE CLOSING AGREES TO ACCEPT THE PROPERTY AND WAIVE ALL OBJECTIONS OR CLAIMS AGAINST SELLER (INCLUDING, BUT NOT LIMITED TO, ANY RIGHT OR CLAIM OF CONTRIBUTION) ARISING FROM OR RELATED TO THE PROPERTY OR TO ANY HAZARDOUS MATERIALS ON THE PROPERTY, MOLD OR MILDEW. PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE PROPERTY WAS OBTAINED FROM A VARIETY OF SOURCES AND THAT SELLER HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND MAKES NO REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. SELLER IS NOT LIABLE OR BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS OR INFORMATION PERTAINING TO THE PROPERTY, OR THE OPERATION THEREOF, FURNISHED BY ANY REAL ESTATE BROKER, AGENT, EMPLOYEE, SERVANT OR OTHER PERSON. PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE SALE OF THE PROPERTY AS PROVIDED FOR HEREIN IS MADE ON AN "AS IS" CONDITION AND BASIS WITH ALL FAULTS. IT IS UNDERSTOOD AND AGREED THAT THE PURCHASE PRICE HAS BEEN ADJUSTED BY PRIOR NEGOTIATION TO REFLECT THAT ALL OF THE PROPERTY IS SOLD BY SELLER AND PURCHASED BY PURCHASER SUBJECT TO THE FOREGOING. THE PROVISIONS OF THIS SECTION 5.1 SHALL SURVIVE THE CLOSING.

5.2 Hazardous Materials. "Hazardous Materials" shall mean any substance which is or contains (i) any "hazardous substance" as now or hereafter defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. §9601 et seq.) ("CERCLA") or any regulations promulgated under or pursuant to CERCLA; (ii) any "hazardous waste" as now or hereafter defined in the Resource Conservation and Recovery Act (42 U.S.C. §6901 et seq.) ("RCRA") or regulations promulgated under or pursuant to RCRA; (iii) any substance regulated by the Toxic Substances Control Act (15 U.S.C. §2601 et seq.); (iv) gasoline, diesel fuel, or other petroleum hydrocarbons; (v) asbestos and asbestos containing materials, in any form, whether friable or non-friable; (vi) polychlorinated biphenyls; (vii) radon gas; and (viii) any additional substances or materials which are now or hereafter classified or considered to be hazardous or toxic under Environmental Requirements (as hereinafter defined) or the common law, or any other applicable laws relating to the Property. Hazardous Materials shall include, without limitation, any substance, the presence of which on the Property, (A) requires reporting, investigation or remediation under Environmental Requirements; (B) causes or

threatens to cause a nuisance on the Property or adjacent property or poses or threatens to pose a hazard to the health or safety of persons on the Property or adjacent property; or (C) which, if it emanated or migrated from the Property, could constitute a trespass.

5.3 Environmental Requirements. Environmental Requirements shall mean all laws, ordinances, statutes, codes, rules, regulations, agreements, judgments, orders, and decrees, now or hereafter enacted, promulgated, or amended, of the United States, the states, the counties, the cities, or any other political subdivisions in which the Property is located, and any other political subdivision, agency or instrumentality exercising jurisdiction over the owner of the Property, the Property, or the use of the Property, relating to pollution, the protection or regulation of human health, natural resources, or the environment, or the emission, discharge, release or threatened release of pollutants, contaminants, chemicals, or industrial, toxic or hazardous substances or waste or Hazardous Materials into the environment (including, without limitation, ambient air, surface water, ground water or land or soil).

5.4 Environmental Risks. Purchaser acknowledges that there are, or may be, certain environmental issues and/or risks with respect to the Property.

5.5 Indemnity. Purchaser hereby expressly acknowledges that from and after the Closing, Purchaser shall be responsible and liable for the proper maintenance and handling of any and all Hazardous Materials, if any, located in or on the Property or in the Improvements in accordance with all Environmental Requirements, including the regulations at 40 C.F.R. Section 61 as authorized under the Clean Air Act and all regulations promulgated or to be promulgated under all other applicable local, state or federal laws, rules or regulations, as same may be amended from time to time. Furthermore, from and after Closing, Purchaser shall indemnify and hold Seller harmless from and against any and all claims, costs, damages or other liability, including attorney's fees, incurred by Seller as a result of any Hazardous Materials being located now or previously on the Property or in the Improvements or as a result of Purchaser's failure to comply with the requirements of this Section in connection with Purchaser's proper maintenance and handling of any and all Hazardous Materials, if any, located in or on the Property or in the Improvements. This Indemnification shall survive the Closing of this Agreement.

5.6 Release. Purchaser, on behalf of itself and its heirs, successors and assigns hereby waives, releases, acquits and forever discharges Seller, its officers, directors, shareholders, employees, agents, attorneys, representatives, and any other persons acting on behalf of Seller and the successors and assigns of any of the preceding, of and from any and all claims, actions, causes of action, demands, rights, damages, costs, expenses or compensation whatsoever, direct or indirect, known or unknown, foreseen or unforeseen, which Purchaser or any of its heirs, successors or assigns now has or which may arise in the future on account of or in any way related to or in connection with any past, present, or future physical characteristic or condition of the Property or the Improvements, including, without limitation, any Hazardous Materials in, at, on, under or related to the Property or the Improvements, or any violation or potential violation of any Environmental Requirement applicable thereto. Notwithstanding anything to the contrary set forth herein, this release shall survive the Closing or termination of this Agreement.

6. CLOSING

6.1 Closing. The closing (the "Closing") shall be held on a date determined by Seller, which shall be the later of (i) thirty (30) days after the banking center located on the Property has closed for business or (ii) thirty (30) days after the expiration of the Inspection Period (the "Closing Date"), provided Seller shall have the right to extend the Closing Date for up to an additional thirty (30) days.

The Closing shall be held in escrow by delivering all documents and the Purchase Price to the Escrow Agent, or its designee, on or before the Closing Date, unless the parties mutually agree upon another time or date.

6.2 Possession. Possession of the Property shall be delivered to Purchaser at the Closing, subject to the Permitted Exceptions.

6.3 Proration: Taxes. At Closing, pro-rations of income and expense and the apportionment of taxes shall be as follows:

(a) All prorations of income, expense and taxes shall be made as of midnight of the day prior to the Closing. Taxes shall be prorated based upon the maximum allowable discount and other applicable exemptions. If the Closing shall occur before the tax rate or the assessed valuation of the Property is fixed for the then current year, the apportionment of taxes shall be upon the basis of the tax rate for the preceding year applied to the latest assessed valuation based upon the maximum allowable discount and other applicable exemptions. Subsequent to the Closing, when the tax rate and the assessed valuation of the Property is fixed for the year in which the Closing occurs, the parties agree that there shall be no post-closing adjustment of the tax proration. If the Property is not assessed as a separate parcel for tax or assessment purposes, then such taxes and assessments attributable to the Property shall be determined by Seller in its reasonable discretion. If, as of the Closing, the Property is not being treated as a separate tax parcel, then Purchaser shall, at its sole cost and expense, use diligent best efforts to ensure that the Property is assessed separately for tax and assessment purposes within no more than one year from the Closing Date.

(b) The agreements of Seller and Purchaser set forth in this Section 6.3 shall survive the Closing.

6.4 Closing Costs. Except as otherwise expressly provided herein, Seller shall pay, on the Closing Date, all of the cost of the preparation of the deed, any documentary stamps or transfer taxes on the deed and surtax, if any, and certified and pending special assessment liens for which the work has been substantially completed, and Purchaser shall pay, on the Closing Date, the cost of the Title Commitment, including, without limitation, the cost of any title searches or abstracts of the Property, and the premium for the Owner's Policy, all recording costs, intangible tax on any mortgage, documentary stamps or tax on any note, pending special assessment liens for which the work has not been substantially completed, the cost of any inspections conducted by Purchaser, and any other customary charges and costs of closing. In addition, Purchaser shall reimburse Seller for the cost of the Title Commitment and any search fees, the Survey, and the Phase I and any recertifications, endorsements and updates thereof. Except as otherwise provided herein, each party shall pay its own attorneys' fees. Purchaser shall pay the cost of any escrow fees, closing fees, and any fees to prepare the Closing Statement charged by the Escrow Agent. The premiums for the title insurance policies shall be at the rates promulgated by the state or recording district, as applicable, where the Property is located. The cost of the Survey and Phase I shall be in accordance with the rates negotiated by Seller with the vendors.

6.5 Seller's Obligations at the Closing. At the Closing, Seller shall deliver to Escrow Agent, or its designee, each of the following documents but in no event earlier than the delivery to Seller of all of the proceeds of sale of the Property by wire transfer or immediately available U.S. funds:

(a) Deeds. Special, Limited or Quitclaim Deed in the form approved for or otherwise customarily used for conveyances in the recording district in which the Property is situated (the

“Deed”) properly executed by Seller for recording conveying the Property and the Improvements located thereon to Purchaser subject to no exceptions other than the Permitted Exceptions.

(b) Evidence of Authority. Copy of such documents and resolutions as may be acceptable to the Title Company, so as to evidence the authority of the person signing the Deed and other documents to be executed by Seller at the Closing.

(c) Foreign Person. An affidavit of Seller certifying that Seller is not a “foreign person”, as defined in the Federal Foreign Investment in Real Property Tax Act of 1980 and the 1984 Tax Reform Act, as amended.

(d) Owner’s Affidavits. An executed affidavit or other document for the Property acceptable to the Title Company in issuing the Owner’s Policy without exception for possible lien claims of mechanics, laborers and materialmen or for parties in possession, and insuring the “gap.”

(e) Bill of Sale and Assignment. Bill of Sale and Assignment for the Property (the “Bill of Sale”) executed by Seller and Purchaser assigning to Purchaser the Tangible Personal Property, in the form attached to this Agreement as Exhibit D.

(f) Closing Statement. A closing statement setting forth the allocation of closing costs, purchase proceeds, etc.

(g) Other Documentation. Such other documents as may be reasonable and necessary in the opinion of the Title Company to consummate and close the purchase and sale contemplated herein pursuant to the terms and provisions of this Agreement, provided Seller shall not be required to cure any title objections.

6.6 Purchaser’s Obligations at the Closing. At the Closing, Purchaser shall deliver to Seller the following:

(a) Purchase Price. The Purchase Price by wire transfer of immediately available U.S. funds;

(b) Evidence of Authority. Such consents and authorizations as Seller may reasonably deem necessary to evidence authorization of Purchaser for the purchase of the Property, the execution and delivery of any documents required in connection with Closing and the taking of all action to be taken by the Purchaser in connection with Closing; and

(c) Other Documentation. Such other documents as may be reasonable and necessary in the opinion of the Title Company to consummate and close the purchase and sale contemplated herein pursuant to the terms and provisions of this Agreement, including without limitation the Closing Statement and the Bill of Sale and Assignment.

7. RISK OF LOSS

7.1 Condemnation. If, after the date of this Agreement and prior to the Closing, action is initiated to take the Property by eminent domain proceedings or by deed in lieu thereof, Purchaser may

either (a) terminate this Agreement, or (b) consummate the Closing, in which latter event the award of the condemning authority shall be assigned to Purchaser at the Closing. If, prior to the date of this Agreement, an action has been initiated to take any of the Property by eminent domain proceedings or by deed in lieu thereof, any award made by the condemning authority shall be paid to Seller and the portion of the Property taken shall be deleted from the Property without a reduction in the Purchase Price.

7.2 Casualty. Seller assumes all risks and liability for damage to or injury occurring to the Property by fire, storm, accident, or any other casualty or cause until the Closing has been consummated. If the Property and its Improvements suffer any damage in excess of \$100,000.00 prior to the Closing from fire or other casualty, which Seller, at its sole option, does not repair, Purchaser may either (a) terminate this Agreement, or (b) consummate the Closing, in which latter event the proceeds of any insurance not exceeding the Purchase Price and covering such damage shall be assigned to Purchaser at the Closing. If the Property and its Improvements suffer any damage less than or equal to \$100,000.00 prior to the Closing, Purchaser agrees that it will consummate the Closing and accept the assignment of the proceeds of any insurance covering such damage at the Closing.

8. DEFAULT

8.1 Default by Purchaser. The parties acknowledge that in the event of a default by Purchaser, Seller's actual damages would be extremely difficult or impracticable to determine, therefore, the parties agree that the amount of the Earnest Money has been agreed upon, after negotiation while represented by counsel, as the parties' reasonable estimate of Seller's damage, and in the event that Purchaser fails to perform all of Purchaser's obligations under this Agreement, the Earnest Money made hereunder by Purchaser, together with all interest earned thereon, shall be retained by Seller as liquidated damages and such shall be Seller's sole and exclusive remedy at law or in equity for any default by Purchaser under this Agreement; provided that such liquidated damages shall not be a limitation upon any obligation of the Purchaser to indemnify and hold harmless the Seller contained in this Agreement.

8.2 Default by Seller. The parties acknowledge that in the event of a default by Seller, Purchaser's actual damages would be extremely difficult or impracticable to determine; therefore, the parties agree that the amount of the Earnest Money, together with (a) all interest earned thereon and (b) the sum of \$5,000.00 has been agreed upon, after negotiation while represented by counsel, as the parties' reasonable estimate of Purchaser's damages, and should Seller default, the Earnest Money made hereunder by Purchaser, together with the sums listed in (a) and (b) above, shall be returned to Purchaser and such shall be Purchaser's sole and exclusive remedy at law or in equity for any default by Seller under this Agreement.

8.3 Return/Delivery of Earnest Money. In the event the Earnest Money is returned to the Purchaser, as provided in Section 8.2 above, or delivered to the Seller, as provided in Section 8.1 above, upon the return or delivery of the same, the parties hereto shall have no further rights, obligations or liabilities with respect to each other hereunder, except for the obligations specified in Section 4.2, Section 4.3, Section 4.4 and Section 10.2 hereof.

Nothing set forth herein shall release Purchaser from its obligations and indemnifications set forth in Section 4.2, Section 4.3, Section 4.4 and Section 10.2 of this Agreement.

9. FUTURE OPERATIONS

9.1 Future Operations. From the date of this Agreement until the Closing or earlier termination of this Agreement, Seller will (a) keep and maintain the Property in substantially the same condition as of the date of this Agreement, reasonable wear and tear excepted, and (b) promptly advise Purchaser of any litigation, arbitration or administrative hearing condemnation or damage or destruction concerning the Property arising or threatened of which Seller has written notice.

9.2 Trade Fixtures and Equipment. Purchaser acknowledges that Seller is currently operating a banking facility on the Property. Seller shall be entitled, at Seller's option, to remove from the Property all trade fixtures, equipment, furniture, furnishings, artwork, appliances, supplies, records, documents, cash, coin, and other items of moveable personal property relating to the operation of Seller's business that may be situated upon the Property (including, without limitation, all safes, vaults, vault doors, signage, pylons, alarms and security equipment, auxiliary generators, cubicles and removable partitions, computers and computer-related equipment, telecommunication equipment, halon systems, draperies, and decorations), and such items removed by Seller shall be excluded from the Improvements and Tangible Personal Property to be conveyed hereunder and shall remain the property of Seller. Seller shall have no obligation to repair any damage to the Property caused by the removal of such items, and Purchaser shall accept the Property in its then-existing condition at Closing.

9.3 Customer Information. Notwithstanding anything contained in this Agreement to the contrary, no computer servers, desktop stations, laptops, files, documents, records or other personal property which could reasonably be expected to contain customer information, proprietary information or other confidential information (collectively, the "Protected Items") shall become the property of or shall be disposed of by Purchaser. In the event any Protected Items remain on the Property after Closing, Purchaser shall notify Seller immediately and shall promptly provide access during normal business hours for Seller to retrieve said items; it being acknowledged by both Purchaser and Seller that such items may contain sensitive, confidential and/or proprietary information which is subject to federal and/or state regulations as to ownership, possession, storage, disposal, removal or other handling. Further, Purchaser shall not make any copies of the information contained in the Protected Items, nor display or disseminate the Protected Items or the information contained therein to any third parties. Purchaser agrees that it will not contact any media outlet or other third party to publicize any Protected Items left on the Property. Upon request, Purchaser shall execute a certificate in a form prepared and provided by the Seller, attesting under penalty of perjury to the foregoing. This provision shall survive the closing of this Agreement.

10. MISCELLANEOUS

10.1 Notices. All notices, demands and requests which may be given or which are required to be given by either party to the other under this Agreement, and any exercise of a right of termination provided by this Agreement, shall be in writing and shall be deemed effective when either: (i) personally delivered to the intended recipient; (ii) three (3) business days after having been sent, by certified or registered mail, return receipt requested, addressed to the intended recipient at the address specified below; (iii) delivered in person to the address set forth below for the party to whom the notice was given; or (iv) at noon of the business day next following after having been deposited into the custody of a nationally recognized overnight delivery service such as Federal Express Corporation or UPS, addressed to such party at the address specified below. Any notice sent as required by this section and refused by recipient shall be deemed delivered as of the date of such refusal. For purposes of this Section 10.1, the addresses of the parties for all notices are as follows (unless changed by similar notice in writing given by

the particular person whose address is to be changed):

IF TO SELLER:

If Property is in
AR, CA, FL, GA, IA, IL, KS, MI,
MO, NC, OK, PA, SC, TX, VA, WA

Bank of America, National Association
101 East Kennedy, 16th Floor (FL1-400-16-12)
Tampa, Florida 33602
Attention: Patricia L. Ramos
Ph: (813) 225-8176
Fax: (704) 409-0874

If Property is in
CT, MA, ME, NH, NJ,
NY, RI

Bank of America, National Association
225 Franklin Street, 2nd Floor (MA1-225-02-01)
Boston, Massachusetts 02110
Attention: Joan Arria
Ph: (617) 346-2047
Fax: (617) 310-3033

IF TO PURCHASER:

Attn: _____
Ph: () _____
Fax: () _____

WITH A COURTESY COPY TO:

Attn: _____
Ph: () _____
Fax: () _____

IF TO ESCROW AGENT/
TITLE COMPANY:

First American Title Insurance Company
Six Concourse Parkway, Suite 2000
Atlanta, GA 30328
Attn: John D. Uhlir, VP Sales & Relationship Manager
Ph: (770) 390-6520
Fax: (866) 735-3071

10.2 Real Estate Commissions. Seller agrees to pay Jones Lang LaSalle, CBRE, Inc., or Lincoln Harris, LLC, as applicable ("Broker"), upon the closing of the transaction contemplated hereby, and not otherwise, a cash commission in accordance with a separate agreement between Seller and Broker. Purchaser agrees to pay any commission due Purchaser's broker, if applicable. Purchaser acknowledges that Seller has no obligations, either express or implied, to Purchaser's broker and that this Agreement shall not create any privity of contract between Seller and Purchaser's broker.

As used herein, "Acquisition Fees" shall mean all fees paid to any person or entity in connection with the selection and purchase of the Property including real estate commissions, selection fees, nonrecurring

management and startup fees, development fees or any other fee of similar nature. Seller and Purchaser each hereby agree to indemnify and hold harmless the other from and against any and all claims for Acquisition Fees or similar charges with respect to this transaction, arising by, through or under the indemnifying party, and each further agrees to indemnify and hold harmless the other from any loss or damage resulting from an inaccuracy in the representations contained in this Section 10.2. This indemnification agreement of the parties shall survive the Closing.

10.3 Entire Agreement. This Agreement embodies the entire agreement between the parties relative to the subject matter hereof, and there are no oral or written agreements between the parties, nor any representations made by either party relative to the subject matter hereof, which are not expressly set forth herein.

10.4 Amendment. This Agreement may be amended only by a written instrument executed by the party or parties to be bound thereby.

10.5 Headings. The captions and headings used in this Agreement are for convenience only and do not in any way limit, amplify, or otherwise modify the provisions of this Agreement.

10.6 Time of Essence. Time is of the essence of this Agreement; however, if the final date of any period which is set out in any provision of this Agreement falls on a Saturday, Sunday or legal holiday under the laws of the United States or the State of Virginia, then, in such event, the time of such period shall be extended to the next day which is not a Saturday, Sunday or legal holiday.

10.7 Governing Law. This Agreement shall be governed by the laws of the State in which the Property is located and the laws of the United States pertaining to transactions in such State. For any controversy hereunder, the parties shall submit the venue to a court of competent jurisdiction in the county in which the Property is located. All of the parties to this Agreement have participated freely in the negotiation and preparation hereof; accordingly, this Agreement shall not be more strictly construed against any one of the parties hereto.

10.8 Successors and Assigns; Assignment. This Agreement shall bind and inure to the benefit of Seller and Purchaser and their respective heirs, executors, administrators, personal and legal representatives, successors and assigns. Purchaser shall not assign Purchaser's rights under this Agreement without the prior written consent of Seller.

10.9 Invalid Provision. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by such illegal, invalid, or unenforceable provision or by its severance from this Agreement.

10.10 Attorneys' Fees. In the event it becomes necessary for either party hereto to file suit to enforce this Agreement or any provision contained herein, the party prevailing in such suit shall be entitled to recover, in addition to all other remedies or damages, as provided herein, reasonable attorneys' fees, paralegal fees and cost incurred in such suit at trial, appellate, bankruptcy and/or administrative proceedings.

10.11 Multiple Counterparts and Facsimile Execution. This Agreement may be executed in a number of identical counterparts which, taken together, shall constitute collectively one (1) agreement; but in making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart executed by the party to be charged. A facsimile copy of this Agreement and any signatures thereon shall be considered for all purposes as originals.

10.12 Date of this Agreement. As used in this Agreement, the terms "date of this Agreement" or "date hereof" shall mean and refer to the date on which Seller executes this Agreement.

10.13 Exhibits. The following exhibits are attached to this Agreement and are incorporated into this Agreement and made a part here:

- (a) Exhibit A, the Properties;
- (b) Exhibit B, the Earnest Money Escrow Agreement;
- (c) Exhibit C, the Permitted Exceptions; and
- (d) Exhibit D, the Bill of Sale.

10.14 Authority. Each party hereto represents and warrants to the other that the execution of this Agreement and any other documents required or necessary to be executed pursuant to the provisions hereof are valid, binding obligations and are enforceable in accordance with their terms.

10.15 Recordation; Publicity. Neither this Agreement nor any memorandum or other summary of this Agreement shall be placed of public record under any circumstances except with the prior written consent of the Seller and the Purchaser. In addition, from and after the effective date of this Agreement, whether this Agreement is closed or terminated, neither Purchaser nor Seller shall make or permit to be made any public announcements or press releases concerning the existence of this Agreement, the terms of the purchase of the Property or any other information concerning this Agreement or the transaction contemplated herein, without the prior written consent of Seller and Purchaser.

10.16 Confidentiality. The terms of this Agreement shall remain confidential, except to the extent disclosure is required by the Federal Reserve or other governmental authorities or required in order to close the transactions contemplated in this Agreement. From and after the date of this Agreement, except with the prior written consent of the other party, neither Purchaser nor Seller shall prior to Closing make or permit to be made any public announcements or press releases concerning this Agreement, the terms of the purchase of the Property or any other information concerning this Agreement or the transaction contemplated herein. After the Closing, the parties will agree on the information contained in any press release or announcement as to the Closing of the transaction contemplated by this Agreement. This provision shall survive the Closing of this Agreement.

10.17 Section 1031 Exchange. Either Seller or Purchaser shall have the right to treat this Property as part of a tax-deferred like-kind exchange under Section 1031 of the Internal Revenue Code and, to that end, shall have the right to assign or otherwise alter this Agreement in order to accomplish that objective, provided the net economic effect (including the date of Closing and the exposure of the parties to liability) shall be essentially the same as under this original Agreement.

10.18 Digital Image. The parties agree to accept a digital image of this Agreement, as executed, as a true and correct original and admissible as best evidence for the purposes of State law, Federal Rule of Evidence 1002, and like statutes and regulations.

10.19 PURCHASER OFAC REPRESENTATIONS. Purchaser and each of its subsidiaries, predecessors, agents, direct and indirect owners and their respective affiliates has at all applicable times been, is now and will in the future be, in compliance with U.S. Executive Order 13224 ("Order") and no action, proceeding, investigation, charge, claim, report or notice has been filed, commenced or threatened against any of them alleging any failure to so comply. Neither Purchaser nor any of its respective agents, subsidiaries or other affiliates has knowledge or notice of any fact, event, circumstance, situation or condition which could reasonably be expected to result in (i) any action, proceeding, investigation, charge, claim, report or notice being filed, commenced or threatened against any of them alleging any failure to comply with the Order, or (ii) the imposition of any civil or criminal penalty against any of them for any failure to so comply. Neither Purchaser nor its partners are included in the OFAC List set forth in the Order or 31 CFR Ch V (Part 595) Appendix A.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed under seal by persons duly empowered to bind the parties to perform their respective obligations hereunder the day and year set forth beside their respective signatures.

SELLER:
BANK OF AMERICA, NATIONAL ASSOCIATION, a national banking association

**DATE OF EXECUTION
BY SELLER:**

_____, 2011

By: _____
Name: Jay Taylor
Title: Senior Vice President
Date: _____

**DATE OF EXECUTION
BY PURCHASER:**

_____, 2011

PURCHASER:
_____, a

By: _____
Name: _____
Title: _____

ACKNOWLEDGMENT AND AGREEMENT BY THE AGENT

The undersigned joins in execution of this Agreement for the purpose of representing and warranting to Purchaser and Seller that the undersigned (i) is a duly licensed real estate broker under the real estate licensing act(s) of the State in which the Property is located and any applicable regulations, (ii) is duly authorized to earn and receive a commission in connection with the transaction evidenced by this Agreement, and (iii) acknowledges and agrees to the terms and provisions of Section 10.2 hereof, including, without limitation, the entitlement to commission only accruing upon a final closing of the transaction. The undersigned shall indemnify and hold Purchaser and Seller harmless from any loss, liability, damage, cost or expense (including attorneys' fees) resulting by reason of a breach of the representations and warranties made herein.

AGENT:
BROKER: JONES LANG LaSALLE /
CBRE, INC. /
LINCOLN HARRIS, LLC

DATE OF EXECUTION BY AGENT:

By: _____
Name: _____
Title: _____

EXHIBIT A

LAND

All of those lots or parcels of land located in Northampton County, Virginia, and more particularly described as follows:

PARCEL I:

ALL THAT PIECE OR PARCEL OF LAND, SITUATE IN THE TOWN OF CAPE CHARLES, IN THE COUNTY OF NORTHAMPTON, AND STATE OF VIRGINIA, CONSISTING OF THE MOST SOUTHERLY NINETY-SIX FEET (96 FT.) OF LOT SIX HUNDRED AND FORTY-THREE (643), ACCORDING TO A CERTAIN MAP OR PLAT OF SAID TOWN FILED WITH A DEED FROM WILLIAM L. SCOTT ^{et} TO WILLIAM BAUMAN, AND RECORDED IN THE CLERK'S OFFICE OF THE SAID COUNTY OF NORTHAMPTON, IN DEED BOOK 41, AT PAGE 483, ET SEQ., AND MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT IN THE NORTHERN LINE OF MASON AVENUE, WHERE LOTS SIX HUNDRED AND FORTY-THREE (643) AND SIX HUNDRED AND FORTY-TWO (642) CORNER, AND RUNNING IN A NORTHERLY DIRECTION AND AT RIGHT ANGLES TO MASON AVENUE ALONG THE DIVIDING LINE OF SAID LOTS SIX HUNDRED AND FORTY-THREE (643) AND SIX HUNDRED AND FORTY-TWO (642) A DISTANCE OF NINETY-SIX FEET (96 FT.), THENCE WESTERLY A DISTANCE OF FORTY FEET (40 FT.) TO THE WESTERN BOUNDARY OF LOT SIX HUNDRED AND FORTY-THREE (643), THENCE SOUTHERLY A DISTANCE OF NINETY-SIX FEET (96 FT.) ON PINE STREET, THENCE EASTERLY ALONG THE NORTHERN LINE OF MASON AVENUE TO THE POINT BEGINNING.

^{LOF} BEING THE SAME LOT OR PARCEL OF LAND WHICH WAS CONVEYED UNTO FARMERS & MERCHANTS TRUST BANK BY ARLINGTON HOTEL CORPORATION BY DEED DATED THE 12TH DAY OF JULY, 1934, AND RECORDED IN THE CLERK'S OFFICE OF NORTHAMPTON COUNTY, VIRGINIA, IN DEED BOOK 92, AT PAGE 240.

TOGETHER WITH THE BUILDINGS THEREON AND THE PRIVILEGES AND APPURTENANCES THEREUNTO BELONGING OR IN ANYWISE APPERTAINING, AND ALL FURNITURE, FIXTURES, EQUIPMENT AND EFFECTS THEREIN KEPT, UNTO THE SAID PARTY OF THE SECOND PART, ITS SUCCESSORS AND ASSIGNS FOREVER.

PARCEL II:

ALL THAT CERTAIN PIECE OR PARCEL OF LAND, SITUATE IN THE TOWN OF CAPE CHARLES, NORTHAMPTON COUNTY, VIRGINIA, AND KNOWN AS THE CHESAPEAKE HOTEL PROPERTY, CONSISTING OF THE MOST NORTHERLY FORTY-FOUR FEET (44 FT.) OF LOTS SIX HUNDRED AND FORTY-TWO (642) AND SIX HUNDRED AND FORTY-THREE (643), ACCORDING TO A CERTAIN MAP OR PLAT OF SAID TOWN FILED WITH A DEED FROM WILLIAM L. SCOTT AND WIFE TO WILLIAM BAUMAN, AND RECORDED IN THE CLERK'S OFFICE OF SAID COUNTY, IN DEED BOOK 41, AT PAGES 483, 484 AND 485, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT IN THE EASTERN LINE OF PINE STREET WHERE LOTS 643 AND 644 CORNER, AND RUNNING THENCE EASTWARDLY AND AT RIGHT ANGLES TO PINE STREET, ALONG THE SOUTHERN LINE OF LOTS 644 AND 641, A DISTANCE OF EIGHTY FEET (80 FT.) TO A POINT; THENCE SOUTHWARDLY FORTY-FOUR FEET (44 FT.) TO A

POINT; THENCE WESTWARDLY EIGHTY FEET (80 FT.) TO A POINT IN THE EASTERN LINE OF PINE STREET; THENCE NORTHWARDLY ALONG THE EASTERN LINE OF PINE STREET TO THE POINT OF BEGINNING.

PARCEL III:

(1)ALL THAT CERTAIN LOT OR PARCEL OF LAND, WITH THE BUILDING AND IMPROVEMENTS THEREON, ABUTTING ON THE SOUTH SIDE OF RANDOLPH AVENUE AT THE CORNER OF RANDOLPH AVENUE AND PINE STREET IN THE TOWN OF CAPE CHARLES, NORTHAMPTON COUNTY, VIRGINIA, NUMBERED WITH THE NUMBER 644 ON A PLAT OF SAID TOWN RECORDED WITH A DEED FROM WILLIAM L. SCOTT ET UX TO WILLIAM BAUMAN ET ALS IN DEED BOOK 41. PAGES 483, 484 AND 485, IN THE CLERK'S OFFICE OF NORTHAMPTON COUNTY, VIRGINIA, TO WHICH REFERENCE IS MADE. AND BEING THE SAME LOT OR PARCEL OF LAND CONVEYED BY ETHEL NOTTINGHAM FLOYD AND WILLIAM C. FLOYD, HER HUSBAND, TO FRANK PARSONS BY DEED DATED APRIL 17, 1943, OF RECORD IN THE AFORESAID CLERK'S OFFICE IN DEED BOOK 104, PAGE 121, AND ALSO BEING THE SAME LOT OR PARCEL OF LAND DEVISED TO MARGARET P. DICKINSON BY THE WILL OF FRANCIS PARSONS, JR., OF RECORD IN THE AFORESAID CLERK'S OFFICE IN WILL BOOK 43, PAGE 281.

(2)ALL THAT CERTAIN LOT OR PARCEL OF LAND, WITH THE BUILDING AND IMPROVEMENTS THEREON, SITUATE ON THE SOUTH SIDE OF RANDOLPH AVENUE IN THE TOWN OF CAPE CHARLES, NORTHAMPTON COUNTY, VIRGINIA, NUMBERED WITH THE NUMBER 641 ON A PLAT OF SAID TOWN RECORDED WITH A DEED FROM WILLIAM L. SCOTT ET UX TO WILLIAM BAUMAN ET ALS IN DEED BOOK 41, PAGES 483, 484 AND 485, IN THE CLERK'S OFFICE OF NORTHAMPTON COUNTY, VIRGINIA, AND BEING THE SAME LOT OR PARCEL OF LAND CONVEYED BY MINNIE W. HORSEY ET AL TO FRANK PARSONS, JR., BY DEED DATED APRIL 18, 1945, OF RECORD IN THE AFORESAID CLERK'S OFFICE IN DEED BOOK 106, PAGE 549, AND ALSO BEING THE SAME LOT OR PARCEL OF LAND DEVISED TO MARGARET P. DICKINSON BY THE WILL OF FRANCIS PARSONS, JR., OF RECORD IN THE AFORESAID CLERK'S OFFICE IN WILL BOOK 43, PAGE 281.

TOGETHER WITH THE BUILDINGS AND IMPROVEMENTS THEREON AND PRIVILEGES AND APPURTENANCES THEREUNTO BELONGING OR IN ANYWISE APPERTAINING, UNTO THE SAID VIRGINIA NATIONAL BANK, ITS SUCCESSORS AND ASSIGNS FOREVER.

(Legal Descriptions for the Property to be verified by title commitment and survey.)

EXHIBIT B

EARNEST MONEY ESCROW AGREEMENT

This Escrow Agreement is made as of the _____ day of _____, 2011, by and among BANK OF AMERICA, NATIONAL ASSOCIATION, a national banking association, ("Seller") and _____, a _____ (Buyer"), and FIRST AMERICAN TITLE INSURANCE COMPANY ("Escrow Agent").

RECITALS

Seller and Buyer have entered into a certain purchase agreement ("Purchase Agreement") concerning real property located in _____ (the "Property").

In connection with the Purchase Agreement, Seller and Buyer have requested Escrow Agent to receive funds to be held in escrow and applied in accordance with the terms and conditions of this Escrow Agreement.

NOW THEREFORE, in consideration of the above recitals, the mutual promises set forth herein and other good and valuable consideration, the parties agree as follows:

ESCROW AGENT. First American Title Insurance Company hereby agrees to act as Escrow Agent in accordance with the terms and conditions hereof.

INITIAL DEPOSIT/ADDITIONAL DEPOSITS. Escrow Agent shall receive an initial deposit in the amount of \$_____. Any additional amounts deposited with Escrow Agent shall be added to the initial deposit and together with the initial deposit and all interest and other earnings thereon shall be referred to herein collectively as the "Escrow Fund".

DEPOSITS OF FUNDS. All checks, money orders or drafts will be processed for collection in the normal course of business. Escrow Agent may initially deposit such funds in its custodial or escrow accounts which may result in the funds being commingled with escrow funds of others for a time; however, as soon as the Escrow Fund has been credited as collected funds to Escrow Agent's account, then Escrow Agent shall immediately deposit the Escrow Fund into an interest bearing account with any reputable trust company, bank, savings bank, savings association, or other financial services entity. Deposits held by Escrow Agent shall be subject to the provisions of applicable state statutes governing unclaimed property. Seller and Buyer will execute the appropriate Internal Revenue Service documentation for the giving of taxpayer identification information relating to this account. Seller and Buyer do hereby certify that each is aware the Federal Deposit Insurance Corporation coverages apply to a maximum amount of \$250,000.00 per depositor. Further, Seller and Buyer understand that Escrow Agent assumes no responsibility for, nor will Seller or Buyer hold same liable for any loss occurring which arises from a situation or event under the Federal Deposit Insurance Corporation coverages.

All interest will accrue to and be reported to the Internal Revenue Service for the account of Buyer, as set forth below:

Name:

Address:

Phone:

Tax Identification No:

Escrow Agent shall not be responsible for any penalties, or loss of principal or interest, or any delays in the withdrawal of the funds which may be imposed by the depository institution as a result of the making or redeeming of the investment pursuant to Seller and Buyer instructions.

DISBURSEMENT OF ESCROW FUND. Escrow Agent may disburse all or any portion of the Escrow Fund in accordance with and in reliance upon written instructions from both Seller and Buyer. The Escrow Agent shall have no responsibility to make an investigation or determination of any facts underlying such instructions or as to whether any conditions upon which the funds are to be released have been fulfilled or not fulfilled, or to whom funds are released. No instructions or consents shall be required from any party with respect to a return of the Earnest Money to Buyer pursuant to a termination of the Purchase Agreement during the inspection period ending with the Inspection Date, Escrow Agent's duty being to disburse the Escrow Fund to Buyer promptly upon receipt of a written certification from Buyer (with a simultaneous copy thereof to Seller) that there has been a termination or deemed termination under Section 4.2 of the Purchase Agreement and that Buyer is entitled to a return of the Earnest Money deposit.

DEFAULT AND/OR DISPUTES. In the event any party to the transaction underlying this Agreement shall tender any performance after the time when such performance was due, Escrow Agent may proceed under this Agreement unless one of the parties to this Agreement shall give to the Escrow Agent written direction to stop further performance of the Escrow Agent's functions hereunder. In the event written notice of default or dispute is given to the Escrow Agent by any party, or if Escrow Agent receives contrary written instructions from any party after the Inspection Date, the Escrow Agent will promptly notify all parties of such notice. Thereafter, Escrow Agent will decline to disburse funds or to deliver any instrument or otherwise continue to perform its escrow functions, except upon receipt of a mutual written agreement of the parties or upon an appropriate order of court. In the event of a dispute, the Escrow Agent is authorized to deposit the escrow into a court of competent jurisdiction for a determination as to the proper disposition of said funds. In the event that the funds are deposited in court, the Escrow Agent shall be entitled to file a claim in the proceeding for its costs and counsel fees, if any.

PERFORMANCE OF DUTIES. In performing any of its duties under this Agreement, or upon the claimed failure to perform its duties hereunder, Escrow Agent shall not be liable to anyone for any damages, losses or expenses which may occur as a result of Escrow Agent so acting, or failing to act; provided, however, Escrow Agent shall be liable for damages arising out of its willful default or gross negligence under this Agreement. Accordingly, Escrow Agent shall not incur any such liability with respect to (i) any good faith act or omission upon advice of counsel given with respect to any questions relating to the duties and responsibilities of Escrow Agent hereunder, or (ii) any good faith act or omission in reliance upon any document, including any written notice or

instructions provided for in the Agreement, not only as to its due execution and to the validity and effectiveness of its provisions but also as to the truth and accuracy of any information contained therein, which Escrow Agent shall in good faith believe to be genuine, to have been signed or presented by the proper person or persons and to conform with the provisions of this Agreement.

LIMITATIONS OF LIABILITY. Escrow Agent shall not be liable for any loss or damage resulting from the following:

The effect of the transaction underlying this Agreement including without limitation, any defect in the title to the real estate, any failure or delay in the surrender of possession of the property, the rights or obligations of any party in possession of the property, the financial status or insolvency of any other party, and/or any misrepresentation of fact made by any other party;

The default, error, act or failure to act by any other party to the escrow;

Any loss, loss of value or impairment of funds which have been deposited in escrow while those funds are in the course of collection or while those funds are on deposit in a depository institution if such loss or loss of value or impairment results from the failure, insolvency or suspension of a depository institution;

Any defects or conditions of title to any property that is the subject of this escrow provided, however, that this limitation of liability shall not affect the liability of First American Title Insurance Company under any title insurance policy which it has issued or may issue. NOTE: No title insurance liability is created by this Agreement.

Escrow Agent's compliance with any legal process including but not limited to, subpoena, writs, orders, judgments and decrees of any court whether issued with or without jurisdiction and whether or not subsequently vacated, modified, set aside or reversed.

HOLD HARMLESS. Buyer and Seller shall indemnify the Escrow Agent and hold the Escrow Agent harmless from all damage, costs, claims and expenses arising from performance of its duties as Escrow Agent including reasonable attorneys' fees, except for those damages, costs, claims and expenses resulting from the gross negligence or willful misconduct of the Escrow Agent.

RELEASE OF PAYMENT. Payment of the funds so held in escrow by the Escrow Agent, in accordance with the terms, conditions and provisions of this Escrow Agreement, shall fully and completely discharge and exonerate the Escrow Agent from any and all future liability or obligations of any nature or character at law or equity to the parties hereto or under this Agreement.

NOTICES.

IF TO SELLER:

If Property is in
AR, CA, FL, GA, IA, IL, KS, MI,
MO, NC, OK, PA, SC, TX, VA, WA

Bank of America, National Association
101 East Kennedy, 16th Floor (FL1-400-16-12)
Tampa, Florida 33602
Attention: Patricia L. Ramos
Ph: (813) 225-8176
Fax: (704) 409-0874

If Property is in
CT, MA, ME, NH, NJ,
NY, RI

Bank of America, National Association
225 Franklin Street, 2nd Floor (MA1-225-02-01)
Boston, Massachusetts 02110
Attention: Joan Arria
Ph: (617) 346-2047
Fax: (617) 310-3033

IF TO BUYER:

Attn: _____
Ph: () _____
Fax: () _____

WITH A COURTESY COPY TO:

Attn: _____
Ph: () _____
Fax: () _____

IF TO ESCROW AGENT/
TITLE COMPANY:

First American Title Insurance Company
Six Concourse Parkway
Suite 2000
Atlanta, GA 30328
Attn: Robert G. Bennett, III
Ph: (770) 390.6507
Fax: (866) 735.3071

This Agreement shall be binding upon and inure to the benefit of the parties respective successors and assigns.

This Agreement shall be governed by and construed in accordance with the Laws of the State in which the Property is located.

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which, when taken together, shall constitute but one and the same instrument.

Time shall be of the essence of this Agreement and each and every term and condition hereof.

In the event a dispute arises between Buyer and Seller under this Agreement, the losing party shall pay the attorney's fees and court costs of the prevailing party.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be duly executed and sealed as of the date first stated above.

SELLER:

BANK OF AMERICA, NATIONAL
ASSOCIATION

By: _____
Name: Jay Taylor
Title: Senior Vice President

BUYER:

By: _____
Name: _____
Title: _____

ESCROW AGENT:

FIRST AMERICAN TITLE INSURANCE
COMPANY

By: _____
Name: _____
Title: _____

EXHIBIT C

PERMITTED EXCEPTIONS
TO DEED

1. Rights of parties in possession.
2. Governmental rights of police power or eminent domain unless notice of the exercise of such rights appears in the public records as of the date hereof; and the consequences of any law, ordinance or governmental regulation including, but not limited to, building and zoning ordinances.
3. Defects, liens, encumbrances, adverse claims or other matters 1) not known to the Grantor and not shown by the public records but known to the Grantee as of the date hereof and not disclosed in writing by the Grantee to the Grantor prior to the date hereof; 2) resulting in no loss or damage to the Grantee; or 3) attaching or created subsequent to the date hereof.
4. Visible and apparent easements and all underground easements, the existence of which may arise by unrecorded grant or by use.
5. Any and all unrecorded leases, if any, and rights of parties therein.
6. Taxes and assessments for the year of closing and subsequent years.
7. All judgments, liens (excluding construction liens), assessments, code enforcement liens, encumbrances, declarations, mineral reservations, covenants, restrictions, reservations, easements, agreements and any other matters as shown on the public records.
8. Any state of facts which an accurate survey or inspection of the Premises would reveal, including inland/tidal wetlands designation if applicable.
9. Any liens for municipal betterments assessed after the date of this Agreement and/or orders for which assessments may be made after the date of this Agreement.

EXHIBIT D

BILL OF SALE
AND ASSIGNMENT

FOR VALUE RECEIVED, BANK OF AMERICA, NATIONAL ASSOCIATION ("Seller"), hereby sells, bargains, conveys, assigns, transfers and sets over to _____ ("Purchaser"), its successors and assigns forever, all of Seller's right, title and interest in and to the furniture, fixtures, equipment and other items of personal property (collectively, the "Personal Property") all as located on or attached to the real estate and the building and improvements erected thereon located at _____ (the "Property").

TO HAVE AND TO HOLD the above-mentioned Personal Property unto Purchaser, its successors and assigns forever.

Seller covenants, represents and warrants that it has good and legal title to the Personal Property free and clear of all claims, liens, security interests, charges and encumbrances, subject to the Permitted Exceptions shown in any public records or listed in the Deed from Assignor to Assignee of even date herewith conveying the Property, and that Seller has the right to transfer and convey such title to the Personal Property to Purchaser. All terms, covenants, representations and warranties contained herein shall be for and inure to the benefit of, and shall bind, the parties hereto and their respective successors and assigns.

Purchaser takes the Personal Property "AS IS" and "WITH ALL FAULTS" and acknowledges that Seller has not made and does not make any representations or warranties as to physical condition, operation, merchantability, marketability, profitability, suitability or fitness for a particular use or purpose or any other matter.

Notwithstanding anything contained herein to the contrary, no computer servers, desktop stations, laptops, files, documents, records or other personal property which could reasonably be expected to contain customer information, proprietary information or other confidential information (collectively, the "Protected Items") shall become the property of or shall be disposed of by Purchaser. In the event any Protected Items remain on the Property after closing, Purchaser agrees to notify Seller immediately and to promptly provide access during normal business hours for Seller to retrieve said items; it being acknowledged by both Purchaser and Seller that such items may contain sensitive, confidential and/or proprietary information which is subject to federal regulations as to ownership, possession, storage, disposal, removal or other handling. Further, Purchaser agrees not to make any copies of the information contained on the Protected Items, nor display or disseminate the Protected Items or the information contained therein to any third parties. Purchaser agrees that it will not contact any media outlet or other third party to publicize any Protected Items left on the Property. In addition, upon request, Purchaser agrees to execute a certificate in a form prepared and provided by the Seller, attesting under penalty of perjury to the foregoing.

IN WITNESS WHEREOF and intending to be legally bound hereby, the undersigned have executed this Bill of Sale as of the ___ day of _____, 2011.

BANK OF AMERICA, NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

PURCHASER:

By: _____
Name: _____
Title: _____

**ADDENDUM TO AMEND THE PURCHASE AND SALE AGREEMENT
BY AND BETWEEN BANK OF AMERICA, N.A., AS SELLER, AND
_____, AS PURCHASER,
DATED _____, 2012**

The undersigned parties hereby acknowledge and agree that their execution of the Purchase and Sale Agreement ("Agreement") is subject to and conditioned upon the amendment set forth in this Addendum hereinbelow:

1. The Agreement is hereby amended by adding the following Section 5.7:

"5.7. Underground Storage Tank. Purchaser acknowledges that there is an underground storage tank on the Property (the "UST") and acknowledges receipt of the Phase I Environmental Site Assessment dated September 8, 2011, prepared by Arcadis U.S., Inc. and a letter from Arcadis U.S., Inc., dated May 31, 2012, regarding the results of a UST Tank Tightness Test with the results attached (collectively, the "Reports"). Purchaser acknowledges and agrees that Sections 5.1 through 5.6 of the Agreement shall apply to the UST. In addition to and not as a limitation of the foregoing, Purchaser agrees to be responsible and liable for the maintenance and handling of the UST and for any discharge from or contamination or Hazardous Materials emanating from said UST (collectively, the "Discharge") and shall indemnify and hold Seller harmless from and against any and all claims, costs, damages or other liability, including attorneys' fees, incurred by Seller as a result or arising out of or in connection with the UST and any Discharge therefrom and Purchaser's maintenance and handling of the UST and any Discharge therefrom. Purchaser also releases and discharges Seller from any claims, causes of action, damages or liability in any way related to or in connection with the UST and any Discharge therefrom. This provision shall survive the Closing of the Agreement."

2. Unless otherwise provided herein, all capitalized and/or defined terms herein shall have the same meaning given to such capitalized and/or defined terms in the Agreement.
3. Except as amended by this Addendum, all the terms and provisions of the Agreement are in full force and effect. In the event that there is a conflict between terms and provisions of the Agreement and the terms and provisions of this Addendum, the terms and provisions of this Addendum shall control.
4. Seller and Purchaser represent and warrant to each other that each has full authority to execute this Addendum and that the joinder or approval of any person or entity to this Addendum or with respect to the Seller's or Purchaser's execution of this Addendum is not required.

The undersigned execute this Addendum.

SELLER:

PURCHASER:

BANK OF AMERICA, N.A.,
a national banking association

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____