

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT is dated for reference on September 25, 2013

BETWEEN:

BANK OF TENNESSEE
10431 Wallace Alley Dr
Kingsport, TN 37663
(423) 279-3413
dbolinger@bankoftennessee.com

(the "Seller")

AND

Name: _____

Address: _____

Telephone: _____

Fax: _____

Email: _____

(the "Purchaser").

- 1. AGREEMENT TO PURCHASE:** The Purchaser agrees to purchase from the Seller the property (the "Property") legally described on **Exhibit A** hereto, together with all buildings, improvements and appurtenances thereon, on the following terms and conditions:

HIGH BID PRICE.....\$ _____

10% BUYER'S PREMIUM.....\$ _____

PURCHASE PRICE.....\$ _____

The Purchase Price shall be paid as follows:

- (a) Deposit:** Concurrently with the execution and delivery of this Agreement, the Purchaser shall pay to First Title and Escrow Company, Inc. (the "Title Company"), as Escrow Agent, an earnest money deposit (the "Deposit") of 10%

of the Purchase Price, in the amount of

_____ DOLLARS (\$_____). **The Deposit shall be non-refundable except as provided in Sections 7 and 9 of this Agreement.**

(b) **Balance of Purchase Price:** The balance of the Purchase Price, plus or minus prorations as set forth below, shall be paid by the Purchaser at Closing (as defined below) by wire transfer or cashier's check, payable to the Title Company, as Escrow Agent.

THE PURCHASER ACKNOWLEDGES AND AGREES THAT ITS OBLIGATIONS UNDER THIS AGREEMENT ARE NOT CONTINGENT OR CONDITIONED UPON THE PURCHASER OBTAINING FINANCING FROM ANY LENDER.

2. **CLOSING:** The closing (the "Closing") of the purchase shall occur no later than 4:00 pm, local time, on October 25, 2013 (the "Closing Date") or such later date as may be mutually agreed in writing. The Closing shall occur at the offices of the Title Company. At Closing, the Seller shall deliver to the Purchaser a warranty deed in recordable form conveying fee simple title to the Property free and clear of all liens, subject to such permitted encumbrances and exceptions to title set out in the Title Commitment.
3. **POSSESSION:** Possession of the Property will be given at Closing.
4. **CLOSING COSTS:**
 - (a) **Seller:** Seller will pay for its escrow and closing fees, the cost of preparation of the warranty deed and its attorney's fees.
 - (b) **Purchaser:** Purchaser will pay for its escrow and closing fees, the costs of recording the warranty deed and transfer taxes associated therewith, premiums payable for the owner's policy of title insurance, if desired, and its attorney's fees.
5. **PRORATIONS / TAXES:** Seller's hazard insurance will be cancelled and Purchaser will obtain a new policy as of the date of Closing. Taxes for the year of closing will be prorated between the parties, and Seller will be responsible for any delinquent taxes. If the tax assessment for the calendar year of closing is not known at the Closing Date, the proration will be based on taxes for the previous tax year.
6. **TITLE:** Seller will provide Purchaser with a Title Commitment issued by a reputable title insurance company selected by Seller, and Purchaser hereby agrees to accept title to the Property subject to (a) all standard exclusions and printed exceptions set forth in the Title Commitment, (b) liens for taxes not yet due and payable, (c) easements for public utilities affecting the Property; (d) all other easements or claims to easements, covenants, restrictions and rights-of-way affecting the Property, (e) rights and claims of parties in possession and (f) all permitted title exceptions referenced in the Title Commitment. All

applicable zoning ordinances and other land use laws and regulations shall be deemed as permitted title exceptions.

7. **RISK / DAMAGE TO PROPERTY:** *Intentionally deleted.*
8. **CONDITION OF THE PROPERTY:** THE PURCHASER SHALL ACCEPT THE PROPERTY IN AN “AS-IS” CONDITION AS OF THE CLOSING DATE, AND PURCHASER SPECIFICALLY AGREES THAT THE SELLER HAS NOT AND DOES NOT MAKE ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, TO THE PURCHASER REGARDING THE PROPERTY OR ANY IMPROVEMENTS THEREON INCLUDING, WITHOUT LIMITATION, ANY ZONING RESTRICTIONS, THE DIMENSION OR ACREAGE OF THE PROPERTY OR IMPROVEMENTS, ANY ASPECT OF THE CONDITION OF THE PROPERTY OR IMPROVEMENTS OR THE FITNESS OF THE PROPERTY OR IMPROVEMENTS FOR ANY INTENDED OR PARTICULAR USE, ANY AND ALL SUCH REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, BEING HEREBY EXPRESSLY WAIVED BY THE PURCHASER AND DISCLAIMED BY THE SELLER. THE PURCHASER REPRESENTS AND WARRANTS TO THE SELLER THAT THE BUYER HAS NOT BEEN INDUCED TO EXECUTE THIS AGREEMENT BY ANY ACT, STATEMENT OR REPRESENTATION OF THE SELLER OR ITS AGENTS, EMPLOYEES OR REPRESENTATIVES.

The Purchaser acknowledges and agrees that it is the Purchaser’s responsibility to make such legal, factual and other inquiries and investigations as the Purchaser considers necessary with respect to the Property, and the Purchaser hereby represents and warrants that they have executed this Agreement based solely on their own independent due diligence and investigation, and not in reliance upon any information provided by the Seller or McLemore Auction Company, LLC or their agents, employees, or representatives.

9. **BREACH OF CONTRACT BY SELLER:** If the Seller defaults in the performance of any of its obligations hereunder and Closing fails to occur by reason thereof, the Purchaser may terminate this Agreement and shall be entitled to the return of the Deposit, or seek specific performance of this Agreement.
10. **BREACH OF CONTRACT BY PURCHASER:** If the Purchaser defaults in the performance of any of its obligations hereunder and Closing fails to occur by reason thereof, the Deposit shall be forfeited to the Seller and McLemore Auction Company, LLC.
11. **AUCTIONEER’S AGENCY DISCLOSURE:** The Purchaser acknowledges that McLemore Auction Company, LLC, the auctioneer of the Property, is acting as a single agent representing the Seller exclusively in this transaction and is not acting as a subagent, a buyer’s agent, a facilitator or a limited consensual dual agent in connection with this transaction.
12. **OTHER:**

- (a) **Time:** Time is of the essence hereof.
- (b) **Counterparts:** This Agreement may be executed in any number of original counterparts, with the same effect as if all the parties had signed the same document, and will become effective when one or more counterparts have been signed by all of the parties and delivered to each of the other parties. All counterparts will be construed together and evidence only one agreement, which, notwithstanding the dates of execution of any counterparts, will be deemed to be dated the date first above written.
- (c) **Electronic Execution:** This Agreement may be executed by the parties and transmitted by fax, email, Internet and/or other electronic means and if so executed and transmitted this Agreement will be for all purposes as effective as if the parties had executed and delivered an original Agreement.
- (d) **Notices:** All notices under this Agreement shall be deemed delivered when personally delivered or sent by registered mail or courier service to the address of either party as set forth on page 1 above.
- (e) **Binding Effect:** This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective heirs, successors, administrators, executors and permitted assigns.
- (f) **Choice of Law:** This Agreement shall be interpreted according to the laws of the state in which the Property is located.
- (g) **Enforcement Costs:** In the event it becomes necessary for the Seller, the Purchaser or McLemore Auction Company, LLC to enforce this Agreement through litigation, the prevailing party shall be entitled to recover all of its costs of enforcement, to include attorneys' fees, court costs, costs of discovery and costs of all appeals.
- (h) **Entire Agreement:** This Agreement constitutes the entire agreement between the Purchaser and the Seller, and all prior agreements and understandings, whether written or oral, are merged herein.
- (i) **Conveyance Instructions:** The Property shall be conveyed to (and Purchaser hereby directs Seller to execute and deliver the deed to) the party(ies) identified below Purchaser's signature under "Exact name(s) to appear on deed" (the "Deed Grantee"). If the Deed Grantee is different than the party executing this Contract as Purchaser, then: (a) if requested by Seller, Purchaser will, before closing, execute and deliver an appropriate instrument prepared or approved by Seller assigning Purchaser's rights to acquire the Property to the Deed Grantee; and (b) the Purchaser shall nevertheless be bound by all of the terms of the Contract unless Seller hereafter agrees in writing to release Purchaser from this Contract.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

SELLER: **BANK OF TENNESSEE**

Denise Bolinger, Collections Manager

PURCHASER: _____

Signature: _____

Exact name(s) to appear on deed: _____

EXHIBIT "A"

Legal Description of Property

TRACT 1:

Land in Davidson County, Tennessee, described as follows:

Beginning at a steel fence post in the north margin of Hamilton Church Road at the southeast corner of a 16.6 acre tract conveyed to Herbert Gleaves and wife, Maggie Mai Gleaves, by deed of record in Book 3162, page 377; thence with the east line of said Tract, North 13 degrees 30 minutes East, 903 feet to a stake and iron pin in the south line of the Oliver Dale Tract; thence with said Tract, South 85 degrees 10 minutes East along a fence, 510 feet to a concrete monument, a corner of the property conveyed to the United States of America, by Herchel Gleaves, as of record in Book 3923, page 778, said Register's Office; thence along the west boundary of the U. S. Government Tract, South 36 degrees 21 minutes West 1,055 feet, more or less, to a concrete monument in the north margin of Hamilton Church Road; thence, with said road, North 70 degrees 35 minutes West 162.4 feet to the beginning, containing 7 acres more or less.

TRACT 2:

Land located in the 2nd Civil District of Davidson County, Tennessee, being a 16.6 acre tract, more or less, according to an unrecorded survey by E. C. Miller, Jr., dated November 25, 1960, and more particularly described by metes and bounds as follows:

Beginning at a stake and iron pin at steel fence post, the same being in the northerly margin of Hamilton Church Road and running thence with the northerly margin of Hamilton Church Road, N 70 degrees 35 minutes W 298 feet to a post; thence continuing with the northerly margin of Hamilton Church Road N 70 degrees 40 minutes W 59.5 feet to a post; thence continuing with the northerly margin of Hamilton Church Road N 76 degrees 50 minutes W 94.5 feet to a post; thence continuing with the northerly margin of Hamilton Church Road, N 78 degrees 55 minutes W 87.3 feet to a stake and cor. post; thence leaving the northerly margin of Hamilton Church Road (with fence), N 2 degrees 20 minutes W 352 feet to iron pin and corner post; thence N 87 degrees 40 minutes W 483 feet to an iron pin and corner post; thence N 7 degrees 05 minutes E 448 feet (with fence) to stake and corner post; thence S 85 degrees 10 minutes E 1,170 feet (with fence) to stake and iron pin in fence; thence S 13 degrees 30 minutes W 903 feet to the point of beginning.

Being the same property conveyed to Bank of Tennessee by Trustee's Deed dated April 7, 2010, from J. Frank Rudy, Jr., as Trustee, of record in Instrument No. 20100413-0027923, Register's Office for Davidson County, Tennessee.