

**PURCHASE AGREEMENT
FOR PRESIDENTIAL CONDOMINIUM**

THIS PURCHASE AGREEMENT ("Agreement") made this ___ day of _____, 2005, by and between _____ ("Purchaser"), and INVESTORS USA II, LLC, a Delaware limited liability company ("Declarant").

1. PROPERTY.

For and in consideration of the mutual promises and agreements set forth herein, Purchaser hereby agrees to buy from Declarant and Declarant hereby agrees to sell to Purchaser Unit No. _____ ("Unit") in that residential condominium project known as Presidential Condominium. The address of the Unit is _____ W. Franklin Street, Unit _____, Richmond, Virginia 23220.

The Unit is to be subject to the provisions of the Declaration, By-laws, Plats and Plans, which will be recorded at the Clerk's office of the Circuit Court of the City of Richmond, Virginia. This Agreement is subject to the following terms and conditions:

2. PRICE.

Purchase Price is _____ Dollars (\$_____).

3. TERMS OF PAYMENT.

A. An Earnest money deposit of \$2,500.00, payable upon execution of this Agreement, to be held by the Declarant and applied to purchase price at settlement, or disbursed as otherwise called for herein.

B. The balance of the Purchase Price to be paid at settlement by cash or cash equivalent subject to the terms of this Agreement, and disbursed pursuant to the provisions of the Virginia Wet Settlement Act.

4. PROMPT APPLICATION FOR FINANCING.

A. If Purchaser has elected to obtain financing, Purchasers' obligation to close on this contract shall be contingent on them obtaining a loan sufficient to purchase this property. Within five (5) days from the date this Agreement is fully executed, Buyer shall deliver to Seller a letter from a recognized licensed lender stating that (1) the Purchasers have completed and submitted a loan application and paid the lender's fee for the appraisal fee

and credit report, and (2) that the lender has checked the credit of the Purchasers and that based on that credit report the Purchasers qualify for a loan necessary to purchase this property. Within thirty days after the date this Agreement is fully executed, Purchasers shall deliver to Seller a commitment for a loan sufficient to purchase this property pursuant to the terms of this contract, which is not contingent upon an appraisal. The interest rate on said loan shall be the maximum permissible interest rate as authorized by a conventional lender for the type of loan set out above, at the time of closing, unless other specific financing is stated above. Although Declarant may, in its discretion, provide assistance for Purchaser in securing said loan, this offer of assistance shall not excuse Purchaser from making a good faith effort to obtain said loan. In the event Purchaser is unable to obtain a commitment for such loan by virtue of a refusal on the part of the Mortgage Lender to approve his application for credit or eligibility reasons, other than as hereinafter set out in paragraph 4.b dealing with the conduct of Purchaser, this contract shall be null and void, and all cash paid hereunder by Purchaser to Declarant will be refunded to Purchaser, less expenses advanced by Declarant for extras agreed to by the parties.

B. Without limiting any of Declarant's other remedies set forth in this Agreement, if Purchaser commits any act or fails to do any act, the effect of which places Purchaser in a position where Purchaser does not qualify for such loan, this Agreement, at the sole option of Declarant, may be terminated and all cash paid hereunder by Purchaser to Declarant may be retained by Declarant as liquidated damages. In addition to the foregoing, Declarant shall have the option to recover such other sums, if any, as may be necessary to place Declarant in the position Declarant was in prior to the date this Agreement was entered into, including the time value of the Purchase Price, the actual cost of installation and the cost of removing any extras contracted for, including optional equipment and property, and the cost of restoring the Unit to its original state but for the extras, together with any other damages as may be sustained by Declarant. Purchaser further agrees that after a commitment for such a loan has been obtained by Purchaser that Purchaser will not act or fail to act in any manner that will result in a revocation of such commitment.

5. WARRANTY.

The Declarant warrants the property against structural defects for two years from the date of conveyance and all of the Common Elements for two years as set forth in Section 55-79.79(b) of the Code of Virginia, as amended. In addition, the Declarant warrants that the unit is fit for habitation and constructed in a workmanlike manner so as to pass without objection in the trade. Nothing contained in the warranty provided by the Declarant shall limit the protection afforded by the statutory warranty. The Declarant shall not be responsible for maintenance or upkeep of the unit or common elements. The Declarant gives no warranty with respect to consumer products sold with the Unit except as required by the statutory warranty.

6. ASSESSMENT DISCLOSURE.

At closing, the current month association dues will be prorated and a capital contribution equal to 2 months of assessments shall be payable to the Unit Owners Association (Association) will be collected. This assessment for the common expenses is specified in the Public Offering Statement and shall be payable to the Association.

7. TITLE TO BE CONVEYED.

Declarant will convey the Unit by General Warranty Deed with English Covenants of Title free and clear of liens and encumbrances, subject to: (a) the provisions of the Declaration, Bylaws, Plats and Plans of the Condominium and such administrative rules and regulations adopted pursuant to the condominium instruments, as the same may be amended from time to time; (b) the requirements of the Virginia Condominium Act; (c) the covenants, conditions, easements and restrictions of record; (d) such zoning or other restrictions upon the use of the property as may be imposed by governmental authorities having jurisdiction thereof; and (e) easements of record that do not render the title unmarketable or prevent the use of the property for residential purposes.

8. FINAL SETTLEMENT AND CLOSING COSTS.

A. This Transaction shall close on or before seven (7) days after Purchaser's Loan, if any, is approved, or issuance of the occupancy permit by the City of Richmond. If loan settlement has not occurred within 30 days from the date of issuance of an occupancy permit, the Declarant may, at its sole option, terminate this agreement by notifying purchaser in writing, in which case, Declarant shall be entitled to retain Purchaser's earnest money deposit and all of its other remedies set forth in this Agreement.

B. The closing will be at the law office of Phillips & Fleckenstein, P.C., 311 S. Boulevard, Richmond, Virginia 23220, or at such other law firm as the parties may agree. If Purchaser uses the law firm of Phillips & Fleckenstein, P.C. to handle the settlement of this Agreement, Declarant shall credit Purchaser at settlement with the sum of \$250.00 toward Purchaser's closing costs, points and prepaid items. If Purchaser chooses to use another law firm or settlement agent, no such credit shall be given.

C. The following expenses will be prorated as of the Closing Date: (1) real estate taxes; (2) utilities charges, if any; (3) condominium dues, common expense assessments and limited common expense assessments for the month of closing; (4) rent; and (5) interest, if any.

D. Purchaser shall pay the following costs: (1) its lender fees including but not limited to any prepaid charges, prorated interest, escrows for taxes and insurance, premiums for mortgage insurance, mortgagee and title insurance, appraisal fees, credit check, (2) title

search and insurance; (3) any closing costs not hereinafter agreed to be paid by Declarant, (4) any attorney fees for an attorney retained by Purchaser other than as set forth in B above; (5) recording costs; and (6) and courier fees and other customary closing costs.

E. In addition, Purchaser shall pay at closing an initial capitalization cost for the Unit Owner's Association in the amount of 2 months association dues, which shall be collected by Declarant and forwarded to the Unit Owner's Association, as disclosed in Section 6 above.

F. Declarant shall pay (1) its own attorney fees for preparation of the deed and other required seller documents; and (2) the grantor's recordation tax.

9. DEFAULT.

A. If Declarant shall default in the performance of this Agreement, then Purchaser, at his option, after sixty (60) days' written notice to Declarant and an opportunity for Declarant to cure such default within such period, may elect to void this Agreement and all sums paid by Purchaser hereunder shall be returned to Purchaser upon demand as liquidated damages. Failure by Purchaser to so elect in writing and to deliver such election to Declarant or the curing by Declarant of such default within such period shall constitute a waiver of Declarant's default.

B. If Purchaser defaults in the performance of this Agreement, then Declarant may:

(1) terminate this Agreement, in which event the amount of damages suffered by Declarant because of such default shall be liquidated and shall include all deposits and interest thereon paid by Purchaser. If Declarant makes this election, Declarant shall give or mail to Purchaser a statement of Declarant's election to terminate this Agreement, describing Purchaser's default, and Declarant shall then be entitled to withdraw and retain all deposits paid by Purchaser held in escrow as described herein; or

(2) take any action available at law or in equity, including filing a suit for specific performance.

The failure of Purchaser to close on the Closing Date, except for delays caused by Declarant or by a third party through no fault of Purchaser, shall constitute a default by Purchaser. In its sole discretion, Declarant may defer action on other available remedies, and without waiving its right to said remedies, allow Purchaser to close later than the Closing Date if Purchaser pays the sum of one hundred dollars (\$100) per day inclusive from the contract closing date through the date of actual closing.

In addition to any other sums due from Purchaser to Declarant pursuant hereto in the

event of default, Purchaser shall also pay to Declarant all court costs and costs of collection, incurred by Declarant, including reasonable attorney fees, in the enforcement of this agreement by court action or non-court actions.

10. NON-ASSIGNMENT BY PURCHASER; NON-RECORDING, NON-ADVERTISING AND SUBORDINATION.

This Agreement cannot be assigned or advertised for sale or recorded by Purchaser without approval of Declarant in writing and any such assignment or advertisement or recordation shall be void ab initio, and constitute a default by Purchaser. Subject to Section 7 above, it is agreed that Purchaser's rights hereunder are and shall be inferior and subordinate to the lien of any deed of trust heretofore or hereafter placed on the Condominium and/or Unit by Declarant, and to any easements or agreements, recorded or which may be recorded by Declarant, which are reasonably necessary to develop the Condominium. This Agreement may be assigned by Declarant to any party and it shall remain binding on Purchaser and enforceable by the assignee.

11. DECLARATION.

Purchaser agrees to be bound by the Declaration relating to the Condominium (the "Declaration") recorded in the Clerk's office of the Circuit Court of the City of Richmond, Virginia, and by all amendments or additions thereto that are of record, as well as restrictions shown on the plats and plans describing the Condominium, and further, to perform all the obligations imposed upon Purchaser by virtue of any and all covenants, conditions and restrictions.

12. POSSESSION.

Purchaser shall be entitled to the possession of the Unit upon recordation of the deed and disbursement of Declarant's net proceeds of sale.

13. CHANGES OR AMENDMENTS.

Changes or amendments, including a change in the legal description of the Condominium, may be made from time to time in the Condominium Instruments that do not materially affect the rights of Purchaser or the value of the Unit, without the approval of Purchaser. Such changes or amendments that do not materially affect the rights or liabilities of the parties under this Agreement shall not be a cause or reason for termination or rescission of this Agreement by any party. Changes or amendments may be in the Condominium Instruments, from time to time, if required by any governmental authority or deemed necessary by Declarant. If a change materially affects the rights of Purchaser or the value of the Unit, Declarant shall notify the Purchaser in writing of said change or amendment and Purchaser shall have ten (10) days from the date of said notice within which

to notify Declarant in writing that Purchaser does not approve of the change. In that event, Purchaser may cancel this Agreement and shall receive a refund of the deposit paid hereunder. Failure of Purchaser to object to changes within the time specified shall be deemed an approval thereof by Purchaser.

14. INSPECTION.

Prior to the closing of the transaction, it shall be the duty of Purchaser to inspect the Unit and the appurtenances in the presence of Declarant and to present to Declarant at that time a written list of any defects in workmanship and material, which list is to be signed by Purchaser and Declarant. As to those items set forth in such list that are truly defects in workmanship and material, keeping in mind the standards of construction prevalent in Richmond, Virginia, relative to the type and price of construction involved in this development, Declarant shall be obligated to correct the same at its cost within a reasonable period of time. Declarant's obligation to correct shall neither be a ground for deferring closing, nor the imposition of any condition upon closing. Failure of Purchaser to make inspection when requested shall not delay the closing and shall be deemed a waiver of Purchaser's right to inspection and request correction of deficiencies. This clause shall survive the closing contemplated herein and delivery of the deed to Purchaser.

15. NOTICE.

The delivery of any item and the giving of notice in furtherance of any part of this Agreement shall be accomplished by hand-delivery of a written item or written notice to the party intended to receive it, or by mailing same within the continental United States by first class, certified mail, return receipt requested, postage prepaid and addressed to the party to be notified, at the addresses set forth under each party's name under their respective signature lines.

16. MISCELLANEOUS.

A. Purchaser acknowledges that Purchaser acquires no right, title, interest or lien rights in the Condominium or Unit prior to the conveyance of title to the Unit and Purchaser agrees not to file a Lis Pendens or claim of lien concerning any dispute with Declarant relative to the subject matter of this Agreement.

B. The risk of loss to the Unit prior to closing shall remain with Declarant. If a casualty occurs to the Condominium or Unit prior to closing, Declarant may, at Declarant's option, cancel this Agreement and return the deposit, without interest, or rebuild as soon as possible, in which event this Agreement shall be in full force and effect, and the closing shall be postponed for the rebuilding period. Under no circumstances shall Purchaser have any interest in any insurance proceeds attributable to said casualty.

C. TIME IS OF THE ESSENCE AS TO PURCHASER'S PERFORMANCE UNDER ALL THE TERMS HEREOF, EXCEPT WHERE OTHERWISE SPECIFICALLY PROVIDED.

D. Purchaser agrees that he shall not restrict, interrupt, harass, or in any manner interfere with either the improvement or sale of the Units of the Condominium. Doing so shall constitute a breach of this Agreement by Purchaser, and a failure to perform, and Declarant shall be entitled to all of its remedies set forth in this Agreement in the event of a default. This clause shall survive closing of the Unit. Purchaser shall not have access to the Unit prior to recordation of Deed and receipt of payment by Declarant.

E. It is agreed that this Agreement, together with all attachments, constitutes the entire agreement between the parties hereto, and that there are no contemporaneous agreements, written or oral. It is further agreed that this Agreement may not be supplemented, altered, modified or otherwise amended in any way except in writing, signing by all parties, in the same manner as this Agreement.

F. The provisions of this Agreement shall be interpreted and governed in accordance with the laws of the State of Virginia. In the event suit should be instituted pursuant to this Agreement, the parties agree that such suit shall only be filed in the City of Richmond Circuit Court, and the parties hereto waive a trial by jury. Declarant and Purchaser agree that, in the event legal proceedings are required to enforce the terms of this Agreement, the prevailing party shall be entitled to reimbursement of reasonable legal and court costs by the other party.

G. At closing, Declarant shall provide Purchaser with a statement from a licensed pest inspector, showing the absence of termites and structural damage in the Unit. The cost of inspection and any necessary treatment or repairs shall be Declarant's expense.

H. Whenever used herein, the singular shall include the plural, the plural shall include the singular and the use of any gender shall include the other gender. The captions and paragraph headings contained herein are for convenience only and shall not be used in construing or enforcing any portion of this Agreement.

17. DECLARANT RESERVES THE RIGHT TO MAKE MODIFICATIONS TO UNIT.

If the Unit contracted for herein is not complete at the time this Agreement is executed, then Declarant reserves the right to make any changes or substitutions, without notification to, or approval of Purchaser, as Declarant deems necessary or desirable in the plans and specification, construction, materials, fixtures and other integral elements of the Unit which are of substantially equal quality and utility, or better, and which meet the approval of the lender the VA or FHA as appropriate, and the appropriate local governmental authorities having jurisdiction, to assure continuity of construction and

delivery of completed Units. Consultation with Purchaser with respect to the specifications of the Unit to be built shall not in any case be deemed a waiver of Declarant's rights to make any such changes as are herein provided.

18. OPTIONS.

In the event Purchaser advances funds as requested by Declarant for the installation of certain options or for the modification of any element of the Unit, and the contract of sale is subsequently canceled by mutual agreement of all parties, and the options have been ordered or installed or the modifications made, Purchaser is aware that these funds will not be returned until such time as the dwelling is resold and the options are added to the then current sales price for the new Purchaser. In the event these funds cannot be recovered from the new Purchaser, then Purchaser agrees that said funds would be retained by Declarant with no further obligation on the part of the Declarant and no right to legal action on the part of Purchaser. In the event of default by Purchaser, the terms of the default portion of this contract of sale shall apply and take precedence over this paragraph.

19. ACKNOWLEDGMENTS.

Purchaser acknowledges that he has read and understands each and every part of this Agreement. Execution of this agreement by Purchaser alone shall only constitute an offer to purchase. Upon execution by an authorized officer or agent of Declarant and delivery of a fully executed copy hereof to Purchaser, this document shall become binding upon the parties hereto, their heirs, successor and assigns, subject, however, to Purchaser's rights under Paragraph 1 hereof and may be altered, amended or changed only by an instrument in writing signed by the parties hereto.

20. PERFORMANCE TIME LIMITATION.

Notwithstanding any other provision contained herein which may be construed to the contrary, completed performance of all obligations hereunder is required within two (2) years from the date of execution of this Agreement, time being of the essence. This provision is included to comply with Section 11-2.3 of the Code of Virginia of 1950, as amended, and is not intended to, and shall not extend the period of performance for any party where a shorter period is provided for herein by direct provision or implication.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

WITNESS the following signatures:

DECLARANT:

Investors USA II, LLC

**511 E. Main Street
Richmond, Virginia 23219**

by: Asset Management Advisors II, LLC

By: _____
its Manager

Date

PURCHASER(S):

Name

Name

Signature

Signature

Address

Address

City, State, Zip

City, State, Zip

Date

Date