



## BAY CREEK RESERVATION AGREEMENT

### MUIRFIELD BLUFFS

THIS RESERVATION AGREEMENT ("Agreement") for a homesite in Muirfield Bluffs at Bay Creek is made this \_\_\_\_ day of \_\_\_\_\_, 2021, by and between Bay Creek Development, its successors and/or assigns ("Developer"); and \_\_\_\_\_ ("Reserving Party")

### BACKGROUND

Developer is the owner of certain real property located in the Bay Creek subdivision in Cape Charles, Virginia on which 19 homesites are intended to be developed and offered for sale. ("Project"). Concurrent with the recordation of the Project at the Northampton County, Virginia, Register of Deeds, Developer intends to enter into contracts for the sale of a limited number of homesites within the Project (each a "Unit" and collectively "Units"). The Reserving Party has expressed an interest in purchasing a Unit and wishes to reserve the right to enter into a contract for the purchase of a Unit concurrent with the commencement of the Project's official release. Developer wishes to extend such right to the Reserving Party. In consideration thereof, the parties agree as follows:

### AGREEMENT

1. Reservation Deposit. Reserving Party hereby expresses an interest in and reserves the right to purchase a Unit, subject to the terms and conditions contained herein. To evidence Reserving Party's good faith and true interest in acquiring a Unit, Reserving Party makes herewith a **fully refundable** reservation deposit ("Reservation Deposit") of **\$5,000.00** via personal check or wire transfer, which shall be deposited in and held in escrow by Escrow Agent in accordance with the terms and conditions of this Agreement.
2. Assignment of Priority Positions. Reserving Party shall be assigned a Preferred Purchaser number ("Priority Position") to participate in the selection of Units on a certain date ("Selection Date") determined by Developer once the Project has been recorded and Developer is prepared to enter into contracts for the Units. Based on signing this Agreement along with depositing the Reservation Deposit with the Escrow Agent, Reserving Party's Priority Number is \_\_\_\_\_. Reserving Party acknowledges that the total number of Priority Numbers may exceed the number of available Units and there is no guarantee Reserving Party will have a Unit available to purchase.
3. Selection Day. **It is anticipated that Selection Day will be scheduled for July 17<sup>th</sup>, 2021**, but this date cannot be defined as of the Effective Date and could be sooner or later than anticipated herein. If this Agreement is still in effect, Developer will provide to Reserving Party the opportunity to buy two (2) Units by delivering to Reserving Party a contract for purchase on Developer's standard form purchase contract (the "Purchase Contract") with a copy of the same to the Escrow Agent. If Reserving Party elects to purchase a Unit, Reserving Party must sign and return the Purchase Contract to Developer, together with the earnest money deposit required under the Purchase Contract (in an amount to be determined by Developer), within three (3) business days of Reserving Party receiving the purchase contract from Developer. Upon written notice to the Escrow Agent by Reserving Party and direction to transfer the Reservation Deposit to Developer, the Reservation Deposit may be applied to the earnest money deposit required under the Purchase Contract.
4. Termination, Term, Expiration. **Notwithstanding anything provided herein to the contrary, this Agreement may be terminated at any time by either Developer or Reserving Party** by delivering written notice of termination to the other at the addresses noted herein with a copy to the Escrow Agent. If Reserving Party elects to so terminate, such notice shall specify that Reserving Party intends to terminate this Agreement and relinquishes all rights to purchase the Unit, that he or she has not assigned or transferred any rights under this Agreement to any other

party, and that upon return of the Reservation Deposit by the Escrow Agent, Reserving Party releases Developer and Escrow Agent from any further obligations or liability under this Agreement. This Agreement shall also terminate (i) if Reserving Party fails to enter into a Purchase Contract for the purchase of the Unit within the allotted 3-day period or (ii) upon notice to Reserving Party of Developer's decision to cancel its plans to develop the Project. Upon receipt of a termination notice, the Reservation Deposit shall be refunded to Reserving Party, without interest, within thirty (30) days of such termination by the Escrow Agent and thereafter Developer and Reserving Party will have no further rights or obligations hereunder.

5. Termination Upon Execution of Purchase Agreement. Upon the effective date of the Purchase Contract and the release of the Reservation Deposit by Escrow Agent to Reserving Party (or the application of the Reservation Deposit to the earnest money deposit required under the Purchase Contract as herein provided), this Agreement shall terminate and be of no further force or effect.

6. No Obligation. **Neither Developer nor Reserving Party shall have any legal obligation hereunder with respect to the Unit unless and until a Purchase Contract to purchase a Unit is entered into and fully executed by both parties.**

7. No Assignment. Reserving Party shall not assign its rights under this Agreement, and any assignment or attempted assignment shall be void unless approved by Developer in writing to the Reserving Party and the Escrow Agent.

8. Representations. **Reserving Party acknowledges that this Agreement is not an agreement to purchase or sell the Unit** and does not confer any lien upon or interest in the Unit or the Project and any plans, specifications, models, displays, pictures or other materials which Reserving Party may have viewed are subject to change at the Developer's discretion and without notice and Reserving Party shall not be entitled to rely on any representations, whether written or oral, relating to the Project or the Unit except those specifically set forth in this Agreement, and any contract for purchase and sale entered into by the parties. It is the parties' intent that the Project will subject to the Interstate Land Sales Act. If for whatever reason, Developer cannot or elects not to build the Project, Reserving Party's sole remedy is return of the Reservation Deposit.

9. Notices. All notices to be given hereunder shall be effective only if in writing and shall be deemed delivered upon actual receipt by the addressee, or on the date of delivery to the address of the addressee as evidenced by the records of a reputable commercial overnight delivery service, or on the third day after deposit in the United States mail, properly addressed and postage prepaid. All notices shall be addressed to the addressee at its address as set forth below each party's signature, unless the party has previously specified a different address by written notice in accordance with this paragraph, in which case the notice shall be addressed to such new address.

10. Entire Agreement. This Agreement constitutes the entire agreement between the parties and cannot be waived or amended except by a written instrument executed by both parties. Reserving Party has not been induced by or relied upon any information, representation, warranties or statements, whether oral or written, express or implied, made by Developer or by any other person representing or purporting to represent Developer, which are not expressly set forth or provided for in this Agreement.

11. Escrow Provisions. The Escrow Agent will hold the Reservation Deposit and shall return or release the Reservation Deposit in accordance with the terms of this Agreement, upon judicial decree or the delivery to the Escrow Agent of a mutual declaration signed by the Reserving Party and Developer directing the Escrow Agent to act. Escrow Agent shall have no obligation or liability hereunder except as a depository to retain the cash which may be deposited with it hereunder and to dispose of the same in accordance with the terms hereof. Escrow Agent shall be entitled to rely and act upon any written instrument received by it from the parties. Upon disposition by Escrow Agent, in accordance with the terms hereof, of the funds deposited with or retained by Escrow Agent hereunder, Escrow Agent shall be fully and finally released and discharged from any and all duties, obligations, and liabilities hereunder. The Escrow Agent's sole liability hereunder shall be to hold the Reservation Deposit, to make payments and distributions in accordance with the terms of this Agreement, and otherwise to discharge its obligations hereunder. Escrow Agent shall not be liable for any act performed in good faith or in reliance on any document instrument or statement believed by it to be genuine. The Reserving Party and Developer jointly and severally agree to indemnify and hold harmless Escrow Agent from all losses, costs and expenses that may be incurred as a result of its involvement in any litigation, including, but not limited to, attorneys' fees, arising from the performance of its duties hereunder, provided that such losses, costs and expenses shall not have resulted from any action taken or omitted by the Escrow Agent and for which it shall have been adjudged grossly negligent or engaged in willful misconduct.

12. Applicable Law. This Agreement shall be construed and interpreted under the laws of the Commonwealth of Virginia.

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

BAY CREEK DEVELOPMENT, LLC

RESERVING PARTY

By: \_\_\_\_\_

\_\_\_\_\_  
Signature

Title: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name(s) of Reserving Party

\_\_\_\_\_  
Current Permanent Address

\_\_\_\_\_  
Telephone Number / Mobile Number

\_\_\_\_\_  
E-mail Address

ESCROW AGENT:

Basnight, Kinser, Leftwich and Nuckolls, PC

By: \_\_\_\_\_

Title: \_\_\_\_\_