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SUPREME C VIRGINIA
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OCT 20 1981
RICHMOND, VIRGINIA

IN THE

Supreme Court of Virginia

AT RICHMOND

RECORD NO. 801459

BRUCE G. MURPHY AND
LOU ANN MURPHY,

Appellants

v.

NOLTE & CO., INC.,

Appellee

JOINT APPENDIX

Robert J. Roskovich, Esq.
Kerr and Roskovich
2648 Virginia Beach Boulevard
Virginia Beach, Virginia 23452

Counsel for Appellants

James R. McKenry, Esq.
Attorney at Law
Post Office Box 1044
Virginia Beach, Virginia 23451

Counsel for Appellee

LAWYERS PRINTING COMPANY 7th & Franklin Bldg. Richmond, Virginia 23219 (804) 648-3664

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AMENDED
MOTION FOR JUDGMENT

NOW COMES the Plaintiff, Nolte and Company, Incorporated, and moves this Court for judgment against the Defendants and an award of execution in the amount of TWELVE THOUSAND SEVEN HUNDRED SEVENTY-FIVE AND NO/100 DOLLARS ($12,775.00), by reason of the following:

1. That the Plaintiff is a corporation operating and existing under the laws of the Commonwealth of Virginia.

2. That the Plaintiff is a licensed real estate broker employing real estate agents, and was a licensed real estate broker employing real estate agents during the time frame involved in this action.

3. That the Defendants, Bruce G. Murphy and Lou Ann Murphy, offered the real estate known as 1536 East Bayshore Drive, Virginia Beach, Virginia, for sale as indicated by the attached prospectus.

4. That the Defendants employed Bill Murphy Realty Company as a broker to sell the said real estate.

5. That Bill Murphy Realty Company, acting as agent for the Defendants, contacted various real estate firms in and around the City of Virginia Beach, Virginia, including, but not limited to, Nolte and Company, Incorporated, to show the said property by appointment to serious and qualified prospective buyers.

6. That Nolte and Company, Incorporated, as a result of the offer of the Defendants by and through their agent, Bill Murphy Realty Company, began to seek appropriate prospective buyers for the listed property.

7. That Nolte and Company, Incorporated, through its agents, inquired of Bill Murphy Realty Company to determine and confirm that there would be a seven percent (7%) commission paid with a 50/50 split on the gross sales price.

8. That Nolte and Company, Incorporated, was guaranteed and assured by Bill Murphy Realty Company that there would be a seven percent (7%) commission paid with a 50/50 split on the gross sales price; with fifty percent (50%) going to Bill Murphy Realty Company, and fifty percent (50%) going to Nolte and Company, Incorporated, assuming Nolte and Company, Incorporated, was able to produce a serious, qualified, ready, willing and able buyer.

9. That Nolte and Company, Incorporated, produced a serious, qualified, ready, willing and able buyer, and submitted a contract to purchase the said real estate.

10. That the Defendants did sell the aforesaid real estate to the same buyer produced by the Plaintiff; that the Defendants have been advised by the Plaintiff that the buyer produced by the Plaintiff has closed on the property as indicated by a copy of the attached closing statement.

11. That the Plaintiff has not been paid its commission, which is now due and owing.

12. That Bill Murphy Realty Company assured the Plaintiff and other brokers that there would be a seven percent (7%) commission on the gross sales price, with a 50/50 split to each broker on the property when sold.

13. That the property has been sold as indicated by the attached closing statement for $365,000.00.

14. That the Defendants allowed Bill Murphy, as broker and agent for the Defendants, to distribute brochures and to hold himself out to the general public as a broker having authority to sell the property.

15. That Bill Murphy wrote the Plaintiff, and Bill Murphy individually stated to the Plaintiff and others similarly situated, that he had a written listing of the Defendant's property.

16. That the Defendants have accepted the benefit conferred on them by the Plaintiff.

17. That the Defendants did sell the aforesaid real estate to the buyer produced by the Plaintiff, and the property has been closed on.

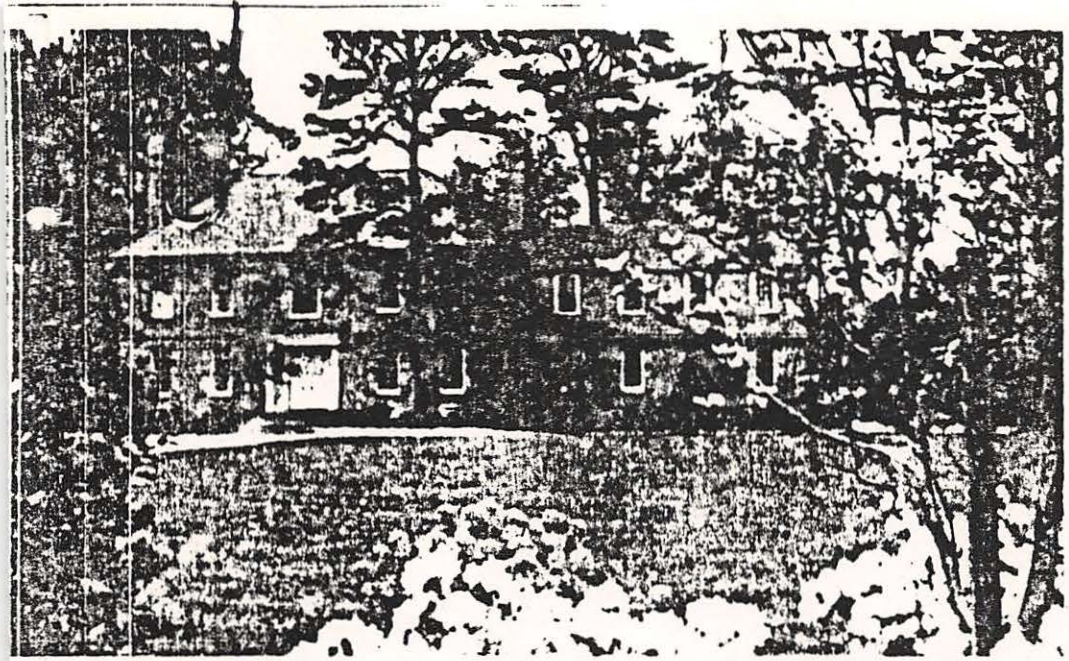
WHEREFORE, the Plaintiff prays that this Court will enter judgment and an award of execution against the Defendants in the amount of TWELVE THOUSAND SEVEN HUNDRED SEVENTY-FIVE AND NO/100 DOLLARS ($12,775.00), plus the costs of these proceedings.

NOLTE AND COMPANY, INCORPORATED

By _____
Of Counsel

James R. McKenry, p.q.
Attorney at Law
Post Office Box 927
Virginia Beach, Virginia 23451

I hereby certify that a true copy of the foregoing Amended Motion for Judgment was mailed to Robert J. Roskovich, counsel for the Defendants, 500 Beach Tower Building, Virginia Beach, Virginia 23451, this 22 day of August, 1979.



Virginia Beach, Virginia

On deep waters, a short sail from teeming Chesapeake Bay, this magnificent Georgian home was made for country entertaining in the old, grand English style. There are six bedrooms, a library for rainy-day browsing, a game room for after-dinner cigars, fireplaces to sit in front of and just relax. And outdoors are golf, tennis, boating, and contemplative strolls in the beautifully tended grounds or in the adjoining, tranquil Sea Shore State Park.

$395,000

Bruce G. Murphy (804) 422-4400
P.O. Box 1027 Virginia Beach, VA 23451

Buying or Selling..

MURPHY REALTY CO.

P.O. Box 793
Virginia Beach, Va. 23451

Bill Murphy 428-3090

BAY COLONY WATERFRONT
1536 E. Bay Shore Drive
Owners: Bruce G. and Lou Ann Murphy

Tucked away in the northeast corner of exclusive Bay Colony is a magnificent Georgian Mansion on deep water with access to Chesapeake Bay and Atlantic Ocean.

Approaching the house, you drive down a brownstone cobblestone-lined driveway to the circular parking area in front of the home. The grounds have been planned and planted by Winn Nursery so that there is something beautiful blooming all year around.

The home is two-story handmade oversized brick with a Buckingham slate roof. After entering the double entrance doors, you immediately notice the beautiful two-level entrance hall with black and white marble on the lower level and handpegged random-width ranch planking on the upper level. Standing in the entrance hall you will see the 10 foot ceilings downstairs capped off with 5 member crown molding copied from the Hoggard house which is one of the oldest homes in Tidewater.

Stepping into the brightly decorated living room, you will see the verdigreen marble fireplace and raised panel wainscot. Double french doors and double brick arches allow you to view tranquil Seashore State Park.

From the living room you may walk onto the Vermont green flagstone terrace which adjoins the library. The library is paneled throughout in rare American butternut. This extremely liveable room contains ample library bookshelves, twelve foot bay window with copper roofing, red lavanto marble fireplace, raised panel wainscot and large wet bar.

The 17' x 18' dining room contains raised panel wainscot, multi-member chair rail and ceiling cornice. The focal point is the 18th Century French Tole Chandelier found at Charles Winston's in New York.

The deluxe kitchen contains an eat-in area, pantry, custom made solid cherry cabinets and all the modern conveniences that a gourmet cook could ever hope to find.

The downstairs also contains a powder room with a black and white marble floor, marble vanity top and silkscreen wallpaper, a maid's bedroom and a full service bath. The two car garage with electrically operated doors has plastered walls, stainless steel sink and counters, a closet and other ample storage area.

You may take either one of the two stairways to reach the upstairs where you will find five bedrooms, three full baths, extra large pine paneled game room and large laundry room. The master bedroom has a dressing area as well as its own private bath.

Some special features throughout the house are the inter-com, music and stereo system, two-zone heating and cooling, humidifier and electronic filters. The sales price includes all of the custom made draperies and cornices, refrigerators, garden equipment and wrought iron terrace furniture.

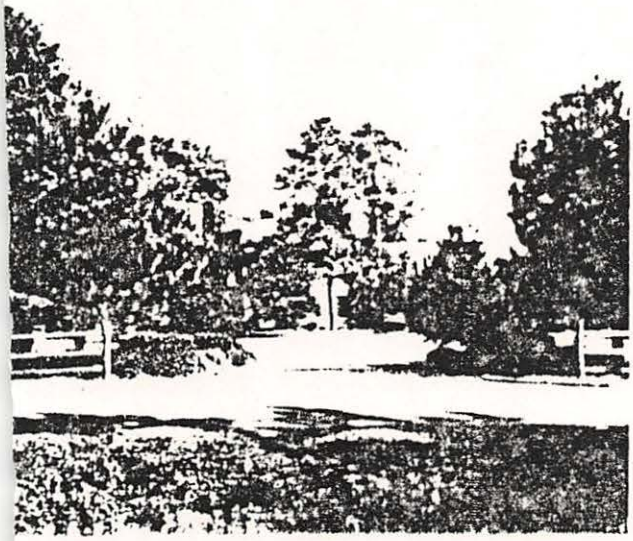
Other features include a 14' x 21' fully equipped Lord & Burnham greenhouse with automatic vent, and a dock for your boat. The grounds contain 1.7 acres and are surrounded by water on three sides.

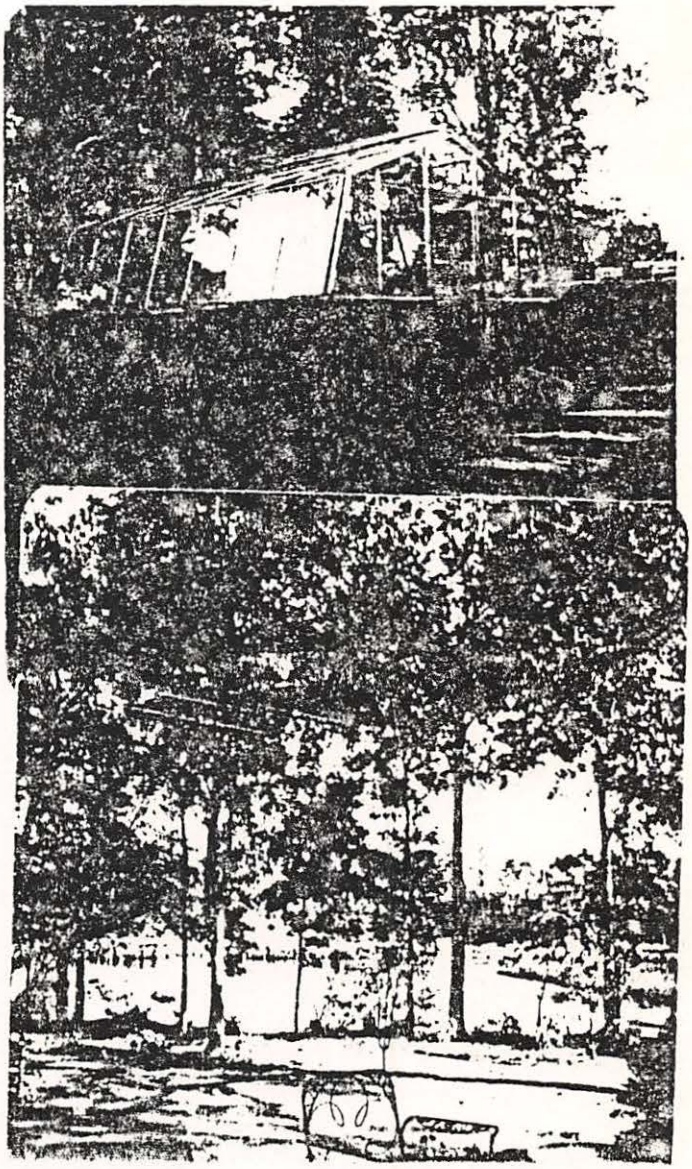
Home built by Jerry Hauser-plans available. Taxes-$1,458.58

Price-$385,000.00, 7% Commission (50/50 split)

Shown by appointment only-call Bill Murphy Realty Company before 1:00 p.m. 428-3090. Serious and qualified prospects only, please.

Open house for brokers Sunday, October 17, 1976, between 4:00 and 6:00 p.m.





Form Approved
OMB No. 63-R1501

U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT

DISCLOSURE/SETTLEMENT STATEMENT

B. TYPE OF LOAN:

1. ☐ FHA 2. ☐ FMHA 3. ☒ CONV. UNINS.
4. ☐ VA 5. ☐ CONV. INS.

6. FILE NUMBER

7. LOAN NUMBER: 670337

8. MORTG. INS. CASE NO.

the Truth-in-Lending Act applies to this transaction, a Truth-in-Lending statement is tached as page 3 of this form.

NOTE: This form is furnished to you prior to settlement to give you information about your settlement costs, and again after settlement to show the actual costs you have paid. The present copy of the form is:

☐ ADVANCE DISCLOSURE OF COSTS. Some items are estimated, and are marked "(e)". Some amounts may change if the settlement is held on a date other than the date estimated below. The preparer of this form is not responsible for errors or changes in amounts furnished by others.

☐ STATEMENT OF ACTUAL COSTS. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in totals.

NAME OF BORROWER	E. SELLER	F. LENDER
[illegible], Robert N. [illegible], Barbara H.	MURPHY, Bruce G. MURPHY, Lou Ann	Assumption FIRST [illegible] NATIONAL BANK

PROPERTY LOCATION	H. SETTLEMENT AGENT	I. DATES	
1536 E. Bayshore Drive Virginia Beach, Va. 23451	PICKETT, SPAIN & LYLE, P.C.	LOAN COMMITMENT	ADVANCE DISCLOSURE
	PLACE OF SETTLEMENT	SETTLEMENT Jan. 8, 1979	DATE OF PRORATIONS IF DIFFERENT FROM SETTLEMENT

J. SUMMARY OF BORROWER'S TRANSACTION		
00. GROSS AMOUNT DUE FROM BORROWER:		
01. Contract sales price		365,000.00
02. Personal property		
03. Settlement charges to borrower *(from line 1400, Section L)*		1,786.00
04. Fuel Oil		308.30
05.		
djustments for items paid by seller in advance:		
06. City/town taxes	to	
07. County taxes	to	
08. Assessments	to	
09.	to	
10.	to	
11.	to	
12.	to	
20. GROSS AMOUNT DUE FROM BORROWER:		367,094.30
00. AMOUNTS PAID BY OR IN BEHALF OF BORROWER:		
01. Deposit or earnest money		5,000.00
02. Principal amount of new loan(s)		
03. Existing loan(s) taken subject to		64,081.39
04. Second deed of trust		39,500.00
205. None - 4530 Oceanfront		55,000.00

K. SUMMARY OF SELLER'S TRANSACTION		
400. GROSS AMOUNT DUE TO SELLER:		
401. Contract sales price		365,000.00
402. Personal property		
403. Fuel Oil		308.30
404.		
Adjustments for items paid by seller in advance:		
405. City/town taxes	to	
406. County taxes	to	
407. Assessments	to	
408.	to	
409.	to	
410.	to	
411.	to	
420. GROSS AMOUNT DUE TO SELLER		365,308.30
NOTE: The following 500 and 600 series sections are not required to be completed when this form is used for advance disclosure of settlement costs prior to settlement.		
500. REDUCTIONS IN AMOUNT DUE TO SELLER:		
501. Payoff of first mortgage loan		
502. Payoff of second mortgage loan		
503. Settlement charges to seller *(from line 1400, Section L)*		2,865.00
504. Existing loan(s) taken subject to		64,081.39

Credits to borrower for items unpaid by seller:			505. Second Deed of Trust		30,500.00
			506. Note - 4530 Oceanfront		55,000.00
506. City/town taxes 1/1	to 1/8	24.64	507. Earnest money deposit		5,000.00
507. County taxes	to		508.		
508. Assessments	to		509.		
509.	to		Credits to borrower for items unpaid by seller:		
510.	to				
511.	to		510. City/town taxes 1/1	to 1/8	24.64
512.	to		511. County taxes	to	
520. TOTAL AMOUNTS PAID BY OR IN BEHALF OF BORROWER		163,606.03	512. Assessments	to	
			513.	to	
600. CASH AT SETTLEMENT REQUIRED FROM OR PAYABLE TO BORROWER:			514.	to	
			515.	to	
601. Gross amount due from borrower *(from line 120)*		367,094.30	520. TOTAL REDUCTIONS IN AMOUNT DUE TO SELLER:		166,471.03
			600. CASH TO SELLER FROM SETTLEMENT:		
602. Less amounts paid by or in behalf of borrower *(from line 220)*		163,606.03	601. Gross amount due to seller *(from line 420)*		365,308.30
			602. Less total reductions in amount due to seller *(from line 520)*		(166,471.03)
603. CASH: ☒ REQUIRED FROM) OR ☐ PAYABLE TO) BORROWER:		203,488.27	603. CASH TO SELLER FROM SETTLEMENT		198,837.27

DISCLOSURE/SETTLEMENT STATEMENT

L. SETTLEMENT CHARGES	PAID FROM BORROWER'S FUNDS	PAID FROM SELLER'S FUNDS
00. SALES BROKER'S COMMISSION based on price $ @ %		
01. Total commission paid by seller		
Division of commission as follows:		2,500.00
02. $ 2,500.00 to Murphy Realty Company		
03. $ to		
04.		
00. ITEMS PAYABLE IN CONNECTION WITH LOAN.		
01. Loan Origination fee %		
02. Loan Discount %		
03. Appraisal Fee to		
04. Credit Report to		
05. Lender's inspection fee		
06. Mortgage Insurance application fee to		
07. Assumption/refinancing fee to First & Marchants National Bank	50.00	
08.		
09.		
10.		
11.		
00. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE.		
01. Interest from to @ $ /day		
02. Mortgage insurance premium for mo. to		
03. Hazard insurance premium for 1 yrs. to Bryant-Fontress-Kitchin p.o.c.		
04. yrs. to		
05.		
000. RESERVES DEPOSITED WITH LENDER FOR:		
001. Hazard insurance mo. @ $ / mo.		
002. Mortgage insurance mo. @ $ / mo.		
003. City property taxes mo. @ $ / mo.		
004. County property taxes mo. @ $ / mo.		
005. Annual assessments mo. @ $ / mo.		
006. mo. @ $ / mo.		
007. mo. @ $ / mo.		
008. mo. @ $ / mo.		
100. TITLE CHARGES:		
1101. Settlement or closing fee to		
1102. Abstract or title search to		
1103. Title examination to Pickett, Spain and Lyle, P.C. p.o.c.		
1104. Title insurance binder to		
1105. Document preparation to Bruce G. Murphy	45.00	
1106. Notary fees to		
1107. Attorney's Fees to		
(includes above items No.:		
1108. Title insurance to Atlantic Title Agency	360.00	
(includes above items No.: 1104		
1109. Lender's coverage $[illegible]		
1110. Owner's coverage $365,000.00		
1111.		
1112.		
1113.		

200. GOVERNMENT RECORDING AND TRANSFER CHARGES		
201. Recording fees: Deed $11.00 ; Mortgage $ 11.00 Releases $	22.00	
202. City/county tax/stamps; Deed $82.50 ; Mortgage $19.75	202.25	
203. State tax/stamps: Deed $547.50 ; Mortgage $59.25	606.75	
204. State Grantor Tax		365.00
300. ADDITIONAL SETTLEMENT CHARGES		
301. Survey to		
302. Pest inspection to p.o.c.		
303.		
304.		
305.		
300. TOTAL SETTLEMENT CHARGES *(entered on lines 103 and 503, Sections J and K)*	1,786.00	2,865.00

OTE: Under certain circumstances the borrower and seller may be permitted to waive the 12-day period which must normally occur between advance disclosure and settlement. In the event such a waiver is made, copies of the statements of waiver, executed as provided in the regulations of the Department of Housing and Urban Development, shall be attached to and made a part of this form when the form is used as a settlement statement.

PLEA OF THE STATUTE OF FRAUDS

The defendants say that neither they, nor anyone by them authorized, did ever sign any contract or agreement in writing, for services to be performed in the sale of real estate by a real estate broker or salesman, or to any such effect, or any memorandum or note in writing of any such agreement, as required by Virginia Code §11-2(6a) in order to maintain an action upon such a contract or agreement.

WHEREFORE, the defendants humbly pray that this Court dismiss plaintiff's Motion for Declaratory Judgment with their reasonable costs and charges in this behalf most wrongfully sustained.

BRUCE G. MURPHY and LOU ANN MURPHY

By Robert J. Roskovich
Of Counsel

Robert J. Roskovich, Esq.
Attorney at Law
Bruce G. Murphy, P.C.
P. O. Box 1027
Virginia Beach, Virginia 23451

I certify that a true copy of the foregoing pleading was mailed or delivered to all counsel of record this 14th day of February, 1979.

Robert J. Roskovich

FILED

FEB 15 1979

JOHN V. FENTRESS, CLERK

BRUCE G. MURPHY, P. C., ATTORNEY AT LAW, VIRGINIA BEACH, VIRGINIA

O R D E R

THIS CAUSE came on, ~~this day~~ Feb. 21, 1979 to be heard on the Special Plea of the Defendants to the Statute of Frauds; and the matter was argued by counsel.

IT APPEARING TO THE COURT that, based on the pleadings, the evidence, and representations of counsel, the above matter is not within the Statute of Frauds; it is, therefore,

ADJUDGED, ORDERED AND DECREED that the Special Plea of the Defendants be, and it hereby is overruled, to which action the Defendants except.

ENTER: 3/1/79

Judge

I ask for this:

, p.q.
James R. McKenry

Seen and Excepted to:

Robert J. Roskovich, p.d.
Robert J. Roskovich

POST-TRIAL MOTION NO. 1
MOTION TO SET ASIDE VERDICT
AND FOR SUMMARY JUDGMENT

NOW COME the defendants and move this court to set aside the jury's verdict on the grounds that said verdict is contrary to the law and evidence, and to enter summary judgment on their behalf on the grounds that:

1. The alleged contract or agreement is unenforceable under the statute of frauds, §11-2 (6a).

~~2. The plaintiff lacks privity of contract and, therefore, lacks standing to bring the present action.~~

WHEREFORE, the defendants move the court to set aside the verdict and enter summary judgment in their behalf.

Bruce G. Murphy
Bruce G. Murphy

LOU ANN MURPHY
By Robert J. Roskovich
Of counsel

Bruce G. Murphy, P.C.
Attorney at Law
Robert J. Roskovich, Esq.
Attorney at Law
P. O. Box 967
Virginia Beach, Virginia 23451

FILED
MAR 11 1980
J. [illegible] FRUIT, Clerk
By [illegible]

I certify that a true copy of the foregoing pleading was mailed or delivered to all counsel of record this 11th day of March, 1980
Robert J. Roskovich

BRUCE G. MURPHY, P.C., ATTORNEY AT LAW, VIRGINIA BEACH, VIRGINIA

POST-TRIAL MOTION NO. 3
MOTION TO LIMIT DAMAGES

Now come the defendants and move the court to reduce and limit the damages of the plaintiff to the sum of Two Thousand Five Hundred Dollars ($2,500.00) on the grounds that:

1. The plaintiff is relying on a contract of sale between the defendants and Robert and Barbara Hudgins to remove this case from the operation of the statute of frauds.

2. To be consistent, plaintiff's damages should be limited to the amount set forth in said contract of sale.

Bruce G. Murphy
Bruce G. Murphy

LOU ANN MURPHY

By Robert J. Roskovich
Of counsel

Bruce G. Murphy, P.C.
Attorney at Law
Robert J. Roskovich, Esq.
Attorney at Law
P. O. Box 967
Virginia Beach, Virginia 23451

FILED

MAR 11 1980

J. CURTIS FRUIT, Clerk

By [illegible]

I certify that a true copy of the foregoing pleading was mailed or delivered to all counsel of record this 11th day of March, 1980

Robert J. Roskovich

BRUCE G. MURPHY, P.C., ATTORNEY AT LAW, VIRGINIA BEACH, VIRGINIA

O R D E R

THIS CAUSE came on this 30th day of May, 1980, to be heard on the Defendant's post-trial Motions, and Plaintiff's Memorandum in support of the jury verdict; and the matter was argued by counsel.

IT APPEARING TO THE COURT that on the 12th day of February, 1980, the jury returned a verdict for the Plaintiff and assessed its damages at $12,775.00; and

IT FURTHER APPEARING TO THE COURT that the Defendants' post-trial Motions should not be granted and that the jury's verdict should not be set aside; it is, therefore,

ADJUDGED, ORDERED AND DECREED that the Plaintiff shall recover and have judgment against the Defendants in the amount of $12,775.00, plus costs, and that interest on said judgment shall run from the date of the jury's verdict; to-wit: February 12, 1980; and it is further

ADJUDGED, ORDERED AND DECREED tha the Clerk shall docket this judgment in the appropriate judgment book showing judgment rendered in favor of the Plaintiff.

To which action the Defendants note their exception.

ENTER: 6/20/80

JWD.

Judge

I ask for this:

_____, p.q.
James R. McKenry

Seen and Objected to:

_____, p.d.
James M. Pickrell

_____, p.d.
Robert J. Roskovich

I. ASSIGNMENTS OF ERROR

1. The lower court erred in overruling defendants' Special Plea of the Statute of Frauds, and in failing to set aside the jury verdict and enter summary judgment on behalf of the defendants in that the alleged contract or agreement is unenforceable under the Statute of Frauds, Va. Code Ann. §11-2(6a).

2. The lower court erred in failing to limit the plaintiff's damages to the amount set forth in the contract of sale, $2,500.00.

SALES CONTRACT

THIS AGREEMENT OF SALE, Made this 25th day of July, 19 78, between ROBERT W. HUDGINS and BARBARA N. HUDGINS, husband and wife, (hereinafter known as the Buyer) and BRUCE G. MURPHY and LOU ANN MURPHY, husband & wife, (hereinafter known as the Seller), and NOLTE & CO., INC. and MURPHY REAL ESTATE, (hereinafter known as the Agents):

WITNESSETH: That for and in consideration of the sum of FIVE THOUSAND DOLLARS ($5,000.00) Dollars, receipt whereof is hereby acknowledged, the Buyer agrees to buy and the Seller agrees to sell, for the sum of THREE HUNDRED SIXTY FIVE USAND and 00/100 ($365,000.00) Dollars, all that certain piece, parcel or lot of land situated in the City of Virginia Beach, Virginia, described as follows:

1536 East Bay Shore Drive, Crystal Lake, Parcel - 143' x 510'

Included in sale are all interior window treatments, stove, dishwasher, refrigerators, wrought iron terrace furniture and garden equipment.

The purchase price is to be paid as follows:

SEE ADDENDUM TO CONTRACT.

The Seller agrees to convey the above property with a General Warranty Deed with the usual covenants of title, same to be prepared at the expense of Seller. Seller shall pay the cost of revenue stamps on deed and any expense in connection with the removal of title defects. Buyer shall pay the cost of recording all deeds.

All taxes, premiums on insurance, and interest are to be prorated as of

Settlement is to be made at such place mutually agreeable to the parties hereto, on or before January 15, 1979.

In the event that the premises are so badly damaged, prior to delivery of premises to Buyer, by fire, hurricane or other act of God as to make the same uninhabitable and not capable of being repaired at the cost and expense of Seller in such manner as to place the premises back in the same or similar condition within sixty days from the date of such damage, the Buyer shall, at his option, be relieved of any obligation under his Contract and all sums paid by Buyer shall be returned to Buyer and this agreement shall be of no further effect. Seller shall maintain all fire or other insurance on said premises pending date of settlement and/or possession, and Buyer shall be under no obligation to do so.

PLAINT. EXH. 1

It is understood that the title is to be free and clear of all liens and encumbrances of every kind other than those set forth herein, it being further understood that the property is to be conveyed subject to any ~~conditions, restrictions, easements and reservations of record, which shall not be deemed to be encumbrances affecting the use or marketability of property.~~ subdivision restrictions & utility easements

Seller shall have a period of sixty days from date of notification to correct any defects in the title reported by the title examiner. If Seller is unable to convey a marketable title, then upon demand of Buyer, all sums paid by Buyer shall be returned to Buyer, and this agreement as between Buyer and Seller shall be of no further effect, and Seller thereupon shall become obligated to pay all expenses incurred in connection with examination of title.

The Seller agrees to pay the Agent a commission on the sales price at the following rate:
See addendum to contract.

WITNESS the following signatures and seals:

NOLTE & CO., INC.

By_____

MURPHY REAL ESTATE

By W. L. Murphy

Robert W. Hudgins (SEAL)

Barbara N. Hudgins (SEAL)

Bruce G. Murphy (SEAL)

Lou Ann Murphy (SEAL)

ADDENDUM TO CONTRACT
DATED JULY 25, 1978
ROBERT W. HUDGINS & BARBARA N. HUDGINS (BUYERS)
AND
BRUCE G. MURPHY & LOU ANN MURPHY (SELLERS
FOR PURCHASE OF PROPERTY AT
1536 EAST BAY SHORE DRIVE
VIRGINIA BEACH, VIRGINIA

1. Sellers shall provide Buyers on or before settlement written proof from a reputable exterminator that the premises are free from wood-destroying insects and that there is no damage resulting from same. The cost of inspection and cost of repair to be paid by Sellers.

2. This contract is contingent upon settlement of sale of Buyers' home at 4530 Oceanfront, Virginia Beach, Virginia, on or before January 15, 1979.

3. The purchase price shall be paid as follows:

8-19-78 BGM BNH LAM

(a) $5,000. deposit to be held in escrow by ~~Nolte & Co.~~ SELLERS, Inc. and applied toward purchase price at settlement $ 5,000.00

(b) $66,000. by Buyers assuming a note secured by an existing first deed of trust on premises held by First & Merchants Bank, 7% interest. Payments on loan shall be current at settlement and loan shall be assumable by Buyers without any change in terms. 66,000.00

(c) $55,000. by Buyers delivering to Sellers a note secured by a second deed of trust bearing interest at 8-3/4% annually, payable interest only for five (5) years with principal due in full at end of five (5) years, on property owned by Buyers at 4530 Oceanfront, Virginia Beach, Va., said second deed of trust subject to a first deed of trust not exceeding the principal sum of $60,000. Buyers to provide title insurance to Sellers with respect to deed of trust securing this note. Sellers to be named as insured mortgagee in loss payable clause on both fire and flood insurance policies on premises. 55,000.00

Said note to be personally endorsed by Buyers.

BNH

(d) $ 39,500. by note of Buyers payable to Sellers secured by a second mortgage on herein property, bearing interest at 8-3/4% payable interest only for seven (7) years, due in full at end of seven (7) years with full right of anticipation. Sellers to be named as insured mortgagee in loss payable clause on both fire and flood insurance policies on premises. $ 39,500.

(e) $200,000. balance by cash at settlement 200,000.

TOTAL.... $ 365,000.

4. Possession of property shall be delivered to Buyers at settlement.

5. The total sales commission to be paid to brokers herein shall be $5,000. to be divided equally between the participating brokers. Such commission shall be deemed earned only upon settlement and shall be paid by Sellers at settlement.

6. Subsequent changes, if any, to this contract and addendum may be made in writing between Buyers and Sellers, excluding brokers, as long as brokers' commission or the terms of payment thereof are not affected.

7. All risks of loss or damage shall remain with Sellers until settlement is held pursuant to this agreement.

8. Sellers warrant that all heating, plumbing and electrical systems shall be in good working order at the time of settlement and that the roof of the premises shall be in good repair.

9. This contract and addendum must be accepted by Sellers on or before 5 P.M. on July , 1978, and notice of such acceptance given to Buyers prior to such time.

WITNESS the following signatures and seals:

Robert W Hedgins (SEAL)

Barbara N Hedgins (SEAL)

Bruce g murphy (SEAL)

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(SEAL)