

## PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT ("Agreement") dated \_\_\_\_\_, 2015 is made by and between TWIN CEDARS LLC with an address of 5427 York Lane Bethesda Maryland 20814 ("**Seller**"), and \_\_\_\_\_ with an address of \_\_\_\_\_ or its assignee or designee ("**Purchaser**").

1. **CONVEYANCE**. Seller agrees to sell and convey to Purchaser and Purchaser agrees to purchase from Seller, fee simple interest to the real estate located Sussex County 36108 Zion Church Road Frankford Delaware commonly referred to as: **TWIN CEDARS** and containing approximately +/- 64.22 acres fronting Route 20 (Zion Church Road, and comprising Tax Map ID# 533 – 11.00 – 42.00 further shown as (**Exhibit "A"**) attached hereto;

and recorded in the Office of the Recorder of Deeds in and for Sussex County Maryland together with (a) all rights, easements and appurtenances belonging or appertaining thereto, (b) all right, title and interest of Seller in and to any and all roads, streets, alleys or public and private rights of way bounding such property and (c) all buildings and other improvements thereon, if any (collectively, the "Property").

2. **PURCHASE PRICE / EARNEST MONEY**. The purchase price of the property is \_\_\_\_\_ (**\$ xxx,xxx.00**) (the "Purchase Price"), which shall be due and payable at Closing (as defined herein). Within five (5) business days after the Effective Date (as defined herein) Purchaser shall deposit **TEN PERCENT of the Purchase Price (\$ \_\_\_\_\_)** as earnest money (the "Earnest Money Deposit"), to be held by the Escrow Agent (as defined herein). If the purchase of the Property is consummated, the Earnest Money Deposit shall be applied to the Purchase Price at Closing. If the purchase of the Property is not consummated, then the Escrow Agent shall disburse the Earnest Money Deposit in the manner provided for elsewhere herein. For purposes of this Agreement, the "Escrow Agent" shall mean Broker Post RE Escrow Account.

The Earnest Money Deposit shall be held in escrow in a federally-insured bank selected by the Escrow Agent. No interest shall be paid on the Earnest Money Deposit. Prior to disbursing the Earnest Money Deposit, or any portion thereof, the Escrow Agent may (but is not required to) require written consent from one or both of the parties. If a good faith dispute arises between the parties concerning the disposition of the Earnest Money Deposit, the Escrow Agent may pay the Earnest Money Deposit to a court of competent jurisdiction for judicial resolution. The Escrow Agent is obligated to act in good faith and shall not be liable to any of the parties for any act or omission on its part unless taken or suffered in bad faith or involving gross negligence.

3. **SURVEY; TITLE INSURANCE**

(a) Within five (5) business days after the Effective Date, Seller shall provide to Purchaser, at Seller's sole cost and expense, a current abstract of title (or existing title policy) and a survey, to the extent Seller has such items in its possession or control.

(b) Purchaser shall order a survey of the Property prepared by a surveyor of Purchaser's choice (the "Survey"), and a title insurance commitment on the Property

prepared by an attorney or title company of Purchaser's choice (the "Title Commitment") on behalf of a title insurance underwriter of Purchaser's choice (the "Title Company") together with good legible copies of the recorded plat and all documents constituting exceptions to Seller's title as reflected in the Title Commitment.

(c) Seller will convey good and marketable title to the Property at Closing, free and clear of all occupancies and tenancies and, except as provided for herein, the Property shall be conveyed free, clear and unencumbered on the Closing Date (as defined herein). In the event the Survey or the Title Commitment reflect encumbrances or other conditions not acceptable to Purchaser ("Defects"), then Seller, upon Purchaser's notification of Defects, shall immediately and diligently proceed to cure the Defects and shall have thirty (30) days from the date of such notice of Defects within which to cure the Defects to Purchaser's satisfaction. If, after the exercise of all reasonable diligence, Seller is unable to remove the Defects, then, at Purchaser's sole option, Purchaser may accept the Defects or Purchaser may terminate this Agreement, in which case Purchaser shall be entitled to the return of the Earnest Money Deposit and the parties shall be released from further liability hereunder. Notwithstanding the foregoing, Seller shall be required to cure (i) all existing monetary liens and (ii) any and all encumbrances created by Seller after the Effective Date, at Seller's sole cost and expense. Seller's failure to cure such defects shall be a default by Seller hereunder.

4. **DUE DILIGENCE PERIOD AND CONDITIONS PRECEDENT.** N/A

5. **PERMITTING PERIOD:** N/A

6. **RISK OF LOSS.** Prior to Closing, the risk of loss or damage to the Property shall remain with Seller.

7. **CLOSING**

(a) **Time.** Closing shall take place on that date which is the later of: (i) Forty Five (45) days after Contract date (the "Closing Date").

(b) **Place.** Closing shall be held at a mutually convenient place; provided, however, that either party may elect by written notice to the other to close the transaction in escrow by mail through the Escrow Agent.

(c) **Documents from Seller.** Seller shall deliver at closing the following executed documents in form and content acceptable to Purchaser:

(i) **Deed.** A Special Warranty Deed ("Deed"), conveying good, marketable and insurable fee simple title and warranting title to be free and clear of all Defects subject only to the Permitted Exceptions in the form required by the Escrow Agent and/or Title Company. As used herein, the term "Permitted Exceptions" shall mean (i) agreements, easements, and restrictions of record as of the date of this Agreement which do not interfere with or adversely affect Purchaser's use and development of the Property, and (ii) any title exceptions created by or with the consent of Purchaser.

- (ii) Affidavits. Any affidavits as Purchaser or Title Company may reasonably require, including, without limitation, an Affidavit of Title, to allow the Title Company to issue to Purchaser a title policy with all standard exceptions deleted and subject only to the Permitted Exceptions.
  - (iii) Closing Statement. Six (6) signed copies of a closing statement approved by Purchaser.
- (d) Documents from Purchaser. Purchaser shall deliver at closing six (6) signed copies of a closing statement approved by Seller.
- (e) Documents from Purchaser and Seller. Purchaser and Seller shall provide the following documents at Closing:
- (i) Authority. Such evidence or documents as may be reasonably required by the Escrow Agent or the Title Company evidencing the status and capacity of Seller or Purchaser and the authority of the person or persons who are executing the various documents on behalf of Seller or Purchaser in connection with the sale of the Property, including, but not limited to, a good standing certificate from the Secretary of State in which the Property is located and corporate resolutions, if applicable.
  - (ii) Other Documents. Such other documents required by this Agreement and/or which the Escrow Agent or the Title Company may reasonably require.
- (f) Payment. The Purchase Price, subject to any applicable reimbursements, adjustments, or credits (such as without limitation Earnest Money, proration of real estate taxes or closing costs) shall be paid in cash, by wire transferred funds or by any other means as may be acceptable to both parties and the Escrow Agent.
- (g) Real Estate Taxes. General and special real estate taxes and other state or city taxes affecting the Property shall be prorated as of the Closing Date.
- (h) Transfer Taxes. Any recordation, transfer or sales tax, including without limitation, tax(s) on the Deed, taxes required to be paid in connection with the recording of the Deed, documentary stamp taxes or intangible taxes shall be paid by Purchaser at Closing.
- (i) Recording Fees. Recording any documents needed to convey title as set forth in Section 3(c) shall be paid by Seller on or before Closing. Purchaser shall pay and be responsible for costs associated with recording the Deed.
- (j) Brokers. Seller will be solely responsible for a Commission when the Purchaser has closed on said property, without any reimbursement or liability from or to Purchaser with respect to such Commission. Seller agrees to indemnify, defend and hold Purchaser, and Purchaser's nominees, successors and assigns harmless from any and all claims, costs, commissions, fees or damages by any person or firm claiming to have negotiated, instituted or brought about this Agreement due to contact with Seller.

(k) Escrow Fees. Any escrow and/or closing fees charged by the Escrow Agent shall be paid for by the Purchaser at Closing.

(l) Title Policy. It shall be a condition precedent to Purchaser's obligation to close that Purchaser shall have received an ALTA Owner's Policy of title insurance (the "Title Policy") issued by the Title Company, insuring good and marketable title to the Property in Purchaser, subject only to the Permitted Exceptions. The cost of the Title Policy shall be borne by Purchaser.

(m) Possession. From and after the date of this Agreement Seller shall grant no lease or other right to use or occupy the Property to any third party if not previously approved prior to Settlement by Purchaser. Seller shall provide to Purchaser a full and complete copy of any lease(s) affecting the Property, together with all amendments and guaranties thereto. Seller shall deliver possession of the Property to Purchaser at Closing, free of all tenants and occupants. Without limiting the foregoing, Seller shall terminate the existing tenant's leasehold of the Property no later than sixty (60) days prior to Closing.

## 8. INDEMNIFICATION

(a) Seller agrees to indemnify and hold Purchaser and its respective nominees, successors, assigns, parent company (if any), officers, directors, partners, agents, employees and beneficiaries harmless from any and all third-party liabilities, claims, causes of action, penalties, demands and expenses, of any kind or nature whatsoever (except those items which by this Agreement specifically become the obligation of Purchaser) arising out of, resulting from, relating to or incident to the Property prior to the Closing Date or which are in any way related to the ownership, development, maintenance or operation of the Property during Seller's ownership thereof, and all expenses related thereto, including without limitation, court costs and attorneys' fees.

(b) Purchaser agrees to indemnify and hold Seller and its respective nominees, successors, assigns, officers, directors, partners, agents, employees and beneficiaries harmless from any and all third-party liabilities, claims, causes of action, penalties, demands, and expenses of any kind or nature whatsoever (except those items by which this Agreement remain the obligation of Seller) arising after Closing and during the Purchaser's ownership of the Property, which are in any way related to the ownership, development, maintenance or operation of the Property by Purchaser, and all expenses related thereto, including without limitation, court costs and attorneys' fees.

9. NOTICE All notices, demands, or other communications of any type given, or required to be given, pursuant to this Agreement shall be in writing and shall be delivered to the person to whom the notice is directed, either in person with a receipt requested therefor, or sent by a recognized overnight service for next day delivery or by United States certified mail, return receipt requested, postage prepaid to the addresses or by facsimile as follows:

If to Seller:

Twin Cedars LLC  
5427 York Lane  
Bethesda MD 20814

If to Seller's Agent:            John Hanenfeld Broker of Record  
   1310 Bridgeville HWY  
   Seaford DE 19973

If to Buyer:

With a Copy to:

Any notice given by personal delivery or courier delivery service will be deemed effective when received. Any notice given by United States Mail will be deemed effective on the third (3rd) business day following deposit in the United States mail, postage prepaid, registered or certified mail, return receipt requested, addressed as set forth above. Any notice sent by facsimile shall be deemed given by the date reflected by the facsimile confirmation receipt. Any notice that may be given by either party in connection with this Agreement may be given by such party's attorney.

10.    **REPRESENTATIONS AND WARRANTIES OF SELLER; DISCLOSURES**

To induce the Purchaser to execute, deliver and perform this Agreement and without regard to any independent investigations made by Purchaser, Seller represents and warrants to Purchaser on the Effective Date and as of the Closing Date as follows:

(a)    Title. Seller owns the Property in fee simple, free of any liens, claims or encumbrances other than the Permitted Exceptions (and except as to mortgages that shall be paid off at Closing)

(b)    Litigation. There are no claims, causes of action or other litigation or proceedings pending or, to the best of Seller's knowledge, threatened in respect to the ownership, operation or environmental conditions of the Property or any part thereof (including disputes with mortgagees, governmental authorities, utility companies, contractors, adjoining land owners or suppliers of goods or services).

(c)    Violation. There are no violations of any health, safety, pollution, zoning or other laws, ordinances, rules or regulations with respect to the Property, which have not been heretofore entirely corrected. In the event Seller has knowledge of any such violations, Seller shall (i) immediately provide Purchaser with copies of all documents evidencing any such violation and (ii) cure such violation prior to Closing.

(d)    No Proffers. Seller has not made, and prior to the Closing Date will not make, any commitments to any governmental authorities, utility company, school board,

church or other religious body, or any homeowner or homeowners' association, or to any other organization, group or individual, relating to the Property which would impose any obligation on Purchaser, or its successors or assigns, after the Closing Date to make any contributions of money, dedications of land or grant of easements or rights-of-way, or to construct, install or maintain any improvements of a public or private nature on or off the Property.

(e) Zoning. The Property having a Worcester County zoning classification of Agriculture (A1) and there are no proceedings threatened or pending with respect to a change in such zoning.

(f) Environmental. Seller has no actual knowledge that the building or Property contains hazardous substances and/or wastes, toxic and nontoxic pollutants and contaminants, including, but not limited to, inks, dyes, toners, petroleum products, asbestos ("Hazardous Substances") in excess of limits established by the Maryland Department of Natural Resources and Environmental Control. In the event the Property has any above or underground storage tanks, Seller shall remove such tanks and all related apparatus prior to Closing and shall enter into a form of Environmental Agreement with Purchaser in connection with such removal, in form acceptable to Seller and Purchaser. Seller shall obtain a No Further Action Letter ("NFA Letter") in connection with any such tank removal, and shall indemnify and hold Purchaser harmless from any and all costs and expenses in connection therewith. Complete and correct copies of the NFA Letter and all associated reports will be provided to the Purchaser within five (5) days of receipt by Seller.

## 11. REMEDIES ON DEFAULT

(a) Seller's Default; Purchaser's Remedies. In the event that Seller shall be in default hereunder, Purchaser may deliver a written notice to Seller stating with particularity the alleged default of Seller and the action required by Seller to cure such default, and stating Purchaser's intent to terminate this Agreement or to seek legal or equitable remedies against the Seller if the default is not cured, whereupon Seller shall have fifteen (15) days after receipt of such notice in which to cure the alleged default to Purchaser's reasonable satisfaction (and the Closing Date shall be delayed, if necessary, until the end of such fifteen (15) day period). In the event such default is not cured within such fifteen (15) day period, then Purchaser may, in addition to any and all other rights and remedies available at law or in equity, terminate this Agreement by written notice to Seller and the Escrow Agent, and receive a full refund of the Earnest Money Deposit, together with an amount equal to Purchaser's out-of-pocket expenses, and/or enforce all of the terms of this Agreement by specific performance.

(b) Purchaser's Default; Seller's Remedies. In the event Purchaser shall be in default hereunder, Seller may, as Seller's sole and exclusive remedy for such default, deliver a written notice to Purchaser stating with particularity the alleged default of Purchaser and the action required by Purchaser to cure such default, and stating Seller's intent to terminate this Agreement if the default is not cured, whereupon Purchaser shall have fifteen (15) days after receipt of such notice in which to cure the alleged default to Seller's reasonable satisfaction (and the Closing Date shall be delayed, if necessary, until the end of such fifteen (15) day period). In the event such default is not cured within such fifteen (15) day period, then Seller may terminate this

Agreement by written notice delivered to Purchaser, whereupon Seller shall be entitled to the Earnest Money Deposit it being agreed between Purchaser and Seller that such sum shall be its sole and liquidated damages (and not a penalty) for such default of Purchaser hereunder because of the difficulty, inconvenience and uncertainty of ascertaining actual damages for such default. Seller hereby waives any right to sue Purchaser for damages or for specific performance.

12. **ASSIGNMENT**. Purchaser shall have the right to assign this Agreement at any time to any affiliate (controls, is controlled by, or is under common control with Purchaser) at Purchaser's sole discretion.

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

14. **EFFECTIVE DATE**. The term "Effective Date" shall have the meaning set forth in Section 4(c)(ii) above.

15. **ATTORNEYS' FEES**. In the event that either party commences suit to recover damages arising from a breach of this agreement or otherwise to seek enforcement hereof, the prevailing party shall be entitled to an award of reasonable attorneys' fees, together with court costs and litigation expenses reasonably incurred and actually paid.

16. **SEVERABILITY**. Nothing contained herein shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision herein and any present or future statute, law, ordinance or regulation contrary to which the parties have no legal right to contract, the latter shall prevail, but the provision of this Agreement affected shall be limited only to the extent necessary to bring it within the requirements of such statute, law, ordinance or regulation.

17. **CHOICE OF LAW**. This Agreement, and the interpretation and enforcement thereof, shall be governed by the laws of the State of Delaware.

18. **FURTHER ASSURANCES; COOPERATION**. Seller agrees that it will, at any time and from time to time after the Closing Date, upon request of Purchaser, do, execute, acknowledge and deliver, or will cause to be done, executed, acknowledged or delivered, all such further acts, deeds, assignments, conveyances, and assurances as may reasonably be required for the better conveying, transferring, assigning, assuring and confirming the Property to Purchaser. Seller agrees to cooperate with Purchaser in Purchaser's due diligence activities, including without limitation the execution of any applications, requests and similar documents that may be required of Seller as the owner of the Property.

19. **AUTHORIZATION**. Seller and Purchaser each represent and warrant to the other that it has full capacity, right, power and authority to execute, deliver and perform this Agreement and all documents to be executed pursuant hereto and all required action and approvals therefor have been fully taken and obtained. .

20. **NUMBER AND GENDER**. Unless the context otherwise requires, singular nouns and pronouns used in this Agreement are to be construed as including the plural

thereof. For convenience and brevity, masculine pronouns are used herein in their generic sense as a reference to all persons, without regard to sex.

21. **MISCELLANEOUS.** No term or condition of this Agreement will be deemed to have been waived or amended unless expressed in writing, and the waiver of any condition or the breach of any term will not be a waiver of any subsequent breach of the same or any other term or condition. This Agreement constitutes the entire agreement of the parties which incorporates and supersedes all prior written and oral understandings. This Agreement shall be binding upon, and inure to the benefit of, the parties, their heirs, executors, personal representatives, nominees, successors or assigns.

22. **FIRST RIGHT OF REFUSAL.** N/A

23. **CONFIDENTIALITY.** Seller and its agents, or representatives shall not disclose any subject matter or terms of this Agreement or the transaction contemplated hereby unless written consent is obtained by Purchaser, which consent may be withheld at Purchaser's sole discretion. Further, Seller agrees that upon acceptance and full execution of this Agreement that Seller will not present the property to another Purchaser, lessee, or sublessee. In addition, any existing tenant(s) shall not be permitted to lease, extend lease(s), assign or sub lease his/her existing leasehold during term designated by this Agreement without Purchaser's written consent.

**IN WITNESS WHEREOF**, the Seller and Purchaser have caused this Agreement to be executed under seal as of the date first above written.

**SELLER:**

**PURCHASER:**

Twin Cedars LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_ / Date  
Its: Managing Member

By: \_\_\_\_\_  
Name: \_\_\_\_\_ / Date  
Its: Managing Member

Witness: \_\_\_\_\_  
Name: \_\_\_\_\_ / Date

Witness: \_\_\_\_\_  
Name: \_\_\_\_\_ / Date



**EXHIBIT "A"**