

CONTRACT OF SALE

THIS CONTRACT OF SALE is made by and between **SNAPP FAMILY LLC**, care of Sandra S. Apple, 8611 Pulliam Court, Richmond, Virginia 23235, hereinafter referred to as the "Seller", and _____, hereinafter referred to as the "Purchaser".

WITNESSETH:

For and in consideration of the mutual promises, covenants, agreements and conditions herein set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser hereby covenant and agree with each other as follows:

Section 1. Property. Seller hereby agrees to sell and convey to Purchaser, and Purchaser hereby agrees to purchase from Seller, at the price and upon terms and conditions hereinafter set forth, the following described real property located at in Frederick County, Virginia:

Tax Map Parcel 61-A13A (97.011 acres), and Tax Map Parcel 60-A-69 (123.930 acres). The above described land shall be hereinafter referred to as the "Property".

Section 2. Deposit.

(a) Initial Deposit. Upon execution hereof, Purchaser shall make a good faith deposit of TEN THOUSAND AN NO/100 DOLLARS (\$10,000.00), hereinafter referred to as the "Deposit", by a check made payable to the order of Seller's attorney, Hairfield & Morton, hereinafter referred to as the "Escrow Agent". Upon final execution hereof both parties (hereinafter referred to as the "Effective Date"), and receipt of the Documents in paragraph 4(b), the Purchaser shall place the Deposit in a separate interest bearing escrow account, with all interest thereon to be accumulated and reinvested. All interest earned on the Deposit shall be deemed a part thereof for all purposes and shall be disbursed with the Deposit principal unless otherwise provided herein.

(b) Additional Deposit. In the event that Purchaser does not elect to terminate this Contract during the Feasibility Studies Period pursuant to Section 4 hereof, then upon expiration of the Feasibility Studies Period, Purchaser shall deposit with Escrow Agent, the additional sum of FIFTY THOUSAND AND NO/100 DOLLARS (\$50,000.00), which additional sum shall be placed in the same interest bearing escrow account as the existing Deposit, and thereafter the term "Deposit" as used herein shall be deemed to refer to the total \$60,000.00 Deposit plus accrued interest held in escrow by the Escrow Agent. The \$60,000.00 Deposit shall be applied as part payment of the total purchase price at settlement hereunder, and any accrued interest included in the Deposit shall be paid to Purchaser at settlement.

Section 3. Purchase Price. The total purchase price of the Property shall be _____ DOLLARS (\$_____) without any setoff or deduction in the purchase price for dedicated areas or variances in the gross square foot area of the Property which may be disclosed by a title search or survey. At settlement, the Purchaser shall pay to Seller the total purchase price, in collected funds, of which sum the Deposit shall be a part.

Section 4. Feasibility Studies.

(a) It is understood and agreed that the Property shall be conveyed in its present "AS IS" condition, without any representation or warranty by Seller or Broker regarding the Property, its condition, title, or any aspect of the Property. Therefore, Purchaser shall have a period commencing on the Effective Date hereof and expiring Thirty (30) calendar days thereafter (hereinafter referred to as the "Feasibility Studies Period") during which period Purchaser shall investigate the Property to determine to Purchaser's satisfaction whether or not the Property, its physical condition, the existing leases, the title, and any and all other aspects of the Property are satisfactory to Purchaser in its discretion.

(b) Within Five (5) calendar days after final execution hereof by all parties, if not before, Seller shall deliver to Purchaser copies of any and all existing leases to which any part of the Property is subject, and any extensions, renewals and modifications of such leases, along with true and accurate operating statements for the Property, any requests for repairs or other notices received from any tenants of the Property or any governmental authority, any service or maintenance contracts affecting the Property, any warranties or guarantees for any part of the Property or any fixtures to be conveyed therewith, any licenses or permits, any leasing and management agreements to which the Property is now subject, and copies of all plats, plans, engineering and architectural plans with respect to the Property. Delivery of the lease documents, service or maintenance contracts, and leasing and management agreements to Purchaser shall operate as Seller's warranty and representation that such documents are accurate and that the Property is not subject to any other lease, service or maintenance contracts, and leasing and management agreements other than those documents delivered to Purchaser. In the event that Seller takes any action or becomes aware of any event which would alter the status or effect of any document delivered to Purchaser pursuant to this paragraph, Seller shall immediately notify Purchaser of such action or event so that Purchaser shall be made aware of such action or event in connection with Purchaser's review of the aforementioned documents. Purchaser shall hold in strict confidence all such leases, operating statements, and other documents delivered to Purchaser by Seller and shall use such leases and other documents only for the purpose of ascertaining the economic status and feasibility of the Property.

(c) Additionally, during the Feasibility Studies Period, Purchaser may at its sole cost and expense conduct a title search, and all engineering, surveys, architectural, zoning, and subsoil analyses, financing and economic feasibility studies, inspection of the roof and all mechanical, electrical and plumbing systems, lease and tenant analyses, termite and pest inspections, and any other studies and investigations (collectively the "Studies") which are necessary or which the Purchaser deems appropriate or desirable to determine to Purchaser's satisfaction the status of title to the Property, the condition of the Property, the status of the

leases, the availability of financing, and the suitability of the Property for Purchaser's contemplated use.

(d) Seller hereby grants to the Purchaser, its agents, contractors and assigns, the right to enter upon the Property for the purpose of conducting any of the Studies as aforesaid, and to contact any tenants, agents and employees of any tenants of the Property during regular business hours for the purpose of inspecting the interior of the building on the Property and discussing the status of any existing leases with said tenants and their representatives, provided Purchaser shall exercise due discretion in making any such contacts, and further provided any such entry on the Property shall be at the sole risk of Purchaser and Seller and Broker shall have no responsibility whatsoever arising from any injury to person or property in connection with any such entry on the Property. Purchaser agrees to indemnify and hold Seller and its officers, directors, shareholders and Agents harmless from and against any claims, liabilities, losses, costs or expenses, including, without limitation, reasonable attorneys' fees and costs incurred as a result of Purchaser's exercise of its right of access to the Property. The foregoing indemnification shall survive closing or the termination of this Agreement.

(e) In the event Purchaser determines that any of the leases or other documents which Seller shall deliver to Purchaser are unacceptable to Purchaser for any reason whatsoever, or in the event that any of the Studies indicate that the Property, its condition or the title thereto is not suitable for Purchaser's purposes, in Purchaser's sole, exclusive and unreviewable judgment, then Purchaser may terminate this Contract by written notice to Seller, given at any time after signature hereof, but in no event later than Thirty (30) calendar days following the Effective Date of this Contract, whereupon the Deposit shall be promptly returned to Purchaser, this Contract shall be declared null and void, and the parties shall be relieved of any further liability hereunder, except as provided in subsection (d) above. In the event of termination of this Contract by Purchaser for any reason not resulting from the fault of the Seller, the Purchaser shall, at its expense and before return of the Deposit, return to Seller any and all leases and other documents which Seller has delivered to Purchaser pursuant to other terms hereof and Purchaser shall make available to Seller copies of, and all ownership rights in, the results of any Studies of the Property which have been completed, if any, together with evidence that the charges for such items have been paid. In the event Purchaser does not elect to terminate this Contract by giving written notice to Seller within **Thirty (30)** calendar days following the Effective Date of this Contract, then Purchaser's right to terminate this Contract as set forth in this Section 4(e) shall be deemed automatically waived.

Section 5. Settlement.

(a) Time is of the essence in this Contract. Settlement hereunder shall take place within Thirty (30) calendar days following expiration or waiver of the Feasibility Studies Period. The exact date, time and place of settlement shall be designated by Purchaser in writing to Seller. Notwithstanding any other provision hereof, Purchaser shall have the right to waive any of the conditions precedent to settlement and to elect to proceed to settlement hereunder by giving advance written notice to Seller at any time during the period this Contract is in effect.

(b) If Purchaser defaults in its obligation to settle within the time and manner provided herein, then the Deposit shall be forfeited to Seller and stand as agreed liquidated and final damages, whereupon the parties shall be relieved of any further liability or obligation to the other hereunder, and this Contract shall be terminated and of no further force or effect, it being expressly understood and agreed that the payment of the Deposit to the Seller shall be the sole and exclusive right and remedy of the Seller upon any such default by Purchaser hereunder. In the event of default by Seller, Purchaser's sole and exclusive remedies shall be to (i) terminate this Agreement by notice in writing to Seller in which event the Deposit shall be returned to Purchaser, or (ii) to seek specific enforcement of Seller's obligations under this Agreement. Notwithstanding the foregoing, Seller's remedies with respect to Purchaser's indemnification obligations set forth in Section 4(d) herein shall not be so limited.

(c) Settlement is to be made at the office of the title company or attorney designated by the Purchaser. Deposit with said title company or attorney of the purchase money, the deed, and such other papers as are required of either party by the terms of this Contract shall be considered good and sufficient tender of performance of the terms hereof. If required, funds arising out of this transaction may be used at settlement to pay off any existing financial encumbrances. At settlement Seller shall convey the Property by General Warranty Deed with English covenants of title, which Purchaser hereby agrees to accept.

(d) Rents, taxes, water, insurance and interest on existing encumbrances, if any, and operating charges are to be adjusted to the date of transfer. Annual assessments for improvements completed prior to the date hereof, whether assessment therefor has been levied or not, annual public sewer and water systems benefit charges, and the like, are to be adjusted to the date of transfer and assumed thereafter by the Purchaser. **Both parcels of land have been taxed by Frederick County under the agriculture land use provisions for over five years. Any land use roll back taxes will be the responsibility of the Purchaser.** Examination of title, tax certificate, conveyancing, notary fees, survey, appraisal fees, Purchaser's legal fees, document preparation charges, and all recording charges, including those for the Purchase Money Deed of Trust, if any, and all other expenses of settlement are to be paid by Purchaser, except that the cost of the grantor's tax shall be paid by Seller.

(e) The Property shall be conveyed subject to all existing leases to which the Property is subject. At settlement, Seller shall transfer to Purchaser all of Seller's right, title and interest in all leases, licenses, permits, easements and other agreements to which the Property is subject, and Purchaser shall assume all right, title, interest and obligation in all such leases and other agreements. Seller shall cooperate with Purchaser in notifying the tenants of the Property that said tenants are to attorn to Purchaser as of the date of settlement. The Property shall be conveyed subject to any and all existing leasing and management commission obligations pursuant to all leases to which the Property is subject, and at settlement, Purchaser shall assume Seller's obligations with respect to any and all such commission obligations.

(f) Seller agrees that, upon request by Purchaser, Seller will, and will cause each tenant of the Property to, execute, acknowledge and deliver to Purchaser or any prospective mortgagee of the Property, a certificate stating that (i) each of said leases is unmodified and in force and effect (or if there have been modifications, that the lease is in force and effect as

modified, and identifying the modification agreements); (ii) the date to which rents and additional rents have been paid under the lease; (iii) whether or not there is any existing default by any tenant in the payment of any rent or other sum of money under the lease, and if there is any such default, specifying the nature and extent thereof; and (iv) whether or not there are any existing requests for repairs from any tenant of the Property or any setoffs, defenses, or counterclaims against enforcement of the obligations of the tenant thereunder.

(g) In the event that any rents, real estate taxes, utility bills and other payments due Seller from any tenant under any existing lease for any period prior to the date of settlement has not been paid by the tenant as of settlement, then such amounts shall not be credited to Seller's account at the time of settlement, but in the event that thereafter Purchaser collects from any tenant any such rents and other amounts attributable in whole or in part to a period prior to the date of settlement, then Purchaser shall pay to Seller such collected rents and other amounts which are attributable to a period prior to settlement, prorated on a per diem basis to the date of settlement. Purchaser shall have no obligation to diligently pursue collection of any such rents and other amounts and no liability to Seller if such sums are not collected. Seller reserves the right to pursue the tenants for any such rents and other amounts. Purchaser may apply any payments received from tenants subsequent to settlement first to the amounts due Purchaser and then to any amounts due Seller from the tenant. Any rent, real estate taxes, and other payments received by Seller or paid in advance from any tenant for any period after the date of settlement shall be prorated and credited to Purchaser's account at settlement. Any security deposits and accrued interest thereon held by Seller pursuant to any leases shall be credited to Purchaser's account at settlement. Prior to settlement, Seller shall provide all information necessary to make the foregoing adjustments. At settlement, Seller shall deliver to Purchaser any and all plans, specifications, warranties, contracts, leases, keys and any other documents affecting the Property which Seller may then have in Seller's possession.

(h) At settlement Seller shall transfer to Purchaser all licenses, permits and easements which may be legally transferable and Purchaser shall assume all right, title and interest therein and all obligations arising therefrom.

(i) Title to the Property shall be good and marketable of record, free of financial encumbrances and subject to any and all easements, covenants, restrictions and conditions of record. During the Feasibility Studies Period, Purchaser shall conduct a title examination at Purchaser's expense and shall give Seller written notice of any particular objections which Purchaser may have to the status or nature of the title to the Property within Twenty-Five (25) calendar days after the Effective Date. If Purchaser fails to notify Seller of any objections to the nature and status of the title within such Twenty-Five (25) calendar day period, then Purchaser shall be deemed to have waived any such objection. Seller will advise Purchaser, in writing, within Ten (10) days after receipt of the Purchaser's notice, which objections which Seller is willing to cure. If Purchaser is not willing to accept Seller's proposed cure, Purchaser may terminate this Agreement by notice in writing to Seller within Ten (10) days after receipt of Seller's response, the Deposit will be returned to Purchaser and neither party shall have any further obligation except for Purchaser's indemnification obligation in Section 4(d) herein. Seller has no obligation to remove any title condition referenced in this Contract or any covenant, condition, easement or restriction of record. Purchaser's right to terminate pursuant to this

paragraph is Purchaser's sole and exclusive remedy in the event of a defect in the title, and the **Seller is hereby expressly** released from any liability or damages arising from the condition of the title to the Property.

(j) Purchaser shall have the right of possession of the **Property** as of the date of settlement. If for any reason the Seller is unable to deliver possession as of settlement, then at Purchaser's option, Purchaser may either postpone settlement until possession is delivered or nevertheless proceed to settlement and proceed to recover possession of the Property pursuant to appropriate landlord and tenant proceedings.

(k) Title to the Property is to be given in the name or names of such parties as may be directed by the Purchaser at or prior to the date of conveyance, provided the Purchaser shall remain liable for the performance of all terms and provisions under this Contract.

Section 6. **Brokerage. Seller hereby warrants and represents to the Purchaser that he has not contracted with, contacted, engaged or dealt with any broker, agent or finder regarding this sale, and agrees to hold harmless the Purchaser against any claim, including reasonable attorney fees, for brokerage or finder fees resulting from a breach of this representation and warranty. Purchaser hereby warrant and represent to the Seller that he has not contracted with, contacted, engaged or dealt with any other broker, agent or finder regarding this sale, and agrees to hold harmless the Seller against any claim, including reasonable attorney fees, for brokerage or finder fees resulting from a breach of this representation and warranty**

Section 7. Notices. All notices hereunder shall be in writing and shall be hand delivered or mailed, Registered or Certified U.S. Mail, Return Receipt Requested, First Class postage prepaid, to the parties hereto at their respective addresses set forth below, or at such other address of which either party shall notify the other **party** in accordance with the provisions hereof. Any notice required or permitted to be given hereunder on or before a specified date shall be deemed to have been duly and timely given if hand delivered before 5:00 P.M. on such day, or when given by mail as aforesaid, if postmarked before midnight of such day. Notices given by mail shall be delivered:

IF TO SELLER:

Snapp Family, LLC
c/o Sandra S. Apple
8611 Pulliam Ct.
Richmond, VA 23235

IF TO PURCHASER:

Section 8. Additional Provisions.

(a) This Contract contains the entire agreement between Purchaser and Seller and is intended to be an integration of all prior or contemporaneous agreements, conditions or undertakings between Purchaser and Seller. There are no promises, agreements, conditions, undertakings, warranties or representations, oral or written, express or implied, between the parties other than as herein set forth.

(b) No change or modification of this Contract shall be valid unless the same is in writing and signed by both the Seller and the Purchaser. Except as otherwise herein expressly provided, no purported or alleged waiver of any of the provisions of this Contract shall be valid or effective unless contained in a writing signed by the party against whom it is sought to be enforced.

(c) This Contract and all provisions hereof shall be binding upon and shall enure to the benefit of the parties hereto and their respective personal representatives, administrators, heirs, devisees, legatees, successors and assigns. It is the intent of the parties hereto that all questions with respect to the construction of this Contract and the rights and liabilities of the parties hereto shall be determined in accordance with the laws of the State of Virginia.

(d) If any one or more of the provisions hereof shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Contract shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

(e) This Contract may not be assigned by the Purchaser.

(f) The captions appearing in this Contract are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of any paragraph or section of this Contract nor in any way affect this Contract. For the convenience of the parties hereto, this Contract is executed in several counterparts, each of which shall be deemed an original for all purposes without the necessity of producing any counterpart.

(g) Each of the undersigned signatories acknowledges that he or she has had full opportunity to obtain legal counsel prior to signing this Contract. Both Purchaser and Seller agree to furnish, upon request by the other party, satisfactory evidence of its authority to execute, acknowledge and deliver this Contract.

(h) If during the period that this Contract is in effect, Seller receives any notice from any public, quasi-public, or private authority or entity regarding any litigation, governmental action or eminent domain proceeding which may affect the Property, then Seller shall promptly deliver a copy of such notice to Purchaser. Seller shall take no action and shall enter into no agreement with any public, quasi-public or private authority or entity during the period that this

Contract is in effect which shall in any way affect the title to the Property or the condition of the Property, without the Purchaser's prior written consent, which consent shall not be unreasonably withheld or delayed.

(i) If during the period that this Contract is in effect, all or any material part of the Property is taken by any public or quasi-public authority under power of eminent domain, then at Seller's option, either Seller may terminate this Contract and return the Deposit to Purchaser or this Contract shall remain in effect without amendment, in which event Seller shall assign to Purchaser any and all rights which Seller may have to payment in consideration of any acquisition or taking under threat or power of eminent domain, and the total purchase price payable hereunder shall not be reduced, but the Purchaser shall reimburse Seller for any expenses incurred by Seller in defending the condemnation action.

(j) The risk of loss or damage to the Property by fire or other casualty until the Deed of Conveyance is recorded is assumed by the Seller. In the event of any such damage, at Seller's option, Seller may either terminate this Contract and return the Deposit to Purchaser or require Purchaser to proceed to settlement, whereupon an equitable reduction in the purchase price shall be made.

(k) To the best of the Seller's knowledge, the Property has not been used as a processing, storage, or handling facility for any "hazardous substance", as defined in 42 U.S.C. Section 9601, et seq., and Seller has no knowledge of any dangerous hazardous substance condition or dangerous asbestos condition on the Property.

IN WITNESS WHEREOF, the parties hereto have duly executed this Contract of Sale.

WITNESS:

PURCHASER:

By: _____ DATE: _____

WITNESS:

SELLER: Snapp Family, LLC

By: _____ DATE: _____

Effective Date: _____ 2010. The Effective Date of this Contract is the date of final signature of a mutually acceptable agreement by both Seller and Purchaser.