

LAND PURCHASE AGREEMENT

THIS AGREEMENT ("Agreement") made this ____ day of _____, 2012 (the "Effective Date"), by and between _____ (the "Buyer") and JOHN T. HARDISTY, (the "Seller").

Recitals

The Seller is the owner, in fee simple, of a parcel of unimproved real property, which comprises approximately 3.25 acres which is depicted on Anne Arundel County Tax Map 40, Parcel 298. Tax ID # 020300014320600. The Property is noted in red on the attached Exhibit A (the "Property").

The Buyer wishes to purchase the Property from the Seller pursuant to the terms and conditions of this Agreement.

Agreements

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, and in further consideration of the Recitals, above, which shall be deemed to constitute a substantive portion of this Agreement, the parties agree as follows:

1. **SALE AND PURCHASE.** The Seller agrees to bargain and sell to the Buyer, and the Buyer agrees to purchase from the Seller the fee simple real property totaling approximately 3.25 acres, lying in Anne Arundel County, Maryland, depicted as Parcel 298, Tax Map 40, together with all improvements thereon and all appurtenances thereto.

2. **PURCHASE PRICE; DEPOSITS.**

(a) **Purchase Price.** The Purchase Price to be paid to the Seller by the Buyer for the Property (the "Purchase Price") shall be _____ (\$ _____) paid in cash at settlement.

(b) **Deposit.** Contemporaneously with the execution and delivery of this Agreement, the Buyer has paid to Northco Title Corporation, as Escrow Agent, the sum of _____ (\$ _____) as a deposit toward the Purchase Price, (the "Deposit"), which deposit the Escrow Agent shall hold in an interest bearing account in a federally insured depository institution.

The Deposit, together with all interest accrued thereon, shall be referred to herein below, collectively, as the "Deposit" or "Deposits".

3. **TITLE EXAMINATION.** The Buyer shall obtain, at its expense, a title report covering the Property from a licensed title company or attorney selected by the Buyer. The Buyer shall give written notice to the Seller, within fifteen (15) business days after the Effective Date, of those title matters which are not acceptable to the Buyer (the "Exceptions"). The Seller shall have fifteen (15) business days, from the receipt of Buyer's notice, to determine whether they elect to cure or remove the Exceptions. In the event that Seller elects not to cure the Exceptions, Buyer, in its sole discretion, may (a) elect to terminate this Agreement, whereupon any Deposit monies, and any interest earned thereon, will be

returned to Buyer and this Agreement shall become null and void and of no further force or effect; or (b) waive the cure of the Exceptions or any one or more thereof. The Seller shall be required to convey the Property to the Buyer at closing subject only to those title exceptions acceptable to the Buyer or which have been created subsequent to the date of this Agreement with the consent of the Buyer.

4. BUYER'S RIGHT OF ENTRY AND INSPECTION. During the term of this Agreement, the Buyer, its agents, employees, contractors and engineers shall have the right from time to time to enter upon the Property, at their risk, for the purpose of inspecting same and conducting surveys, borings, soil tests, investigations, percolation tests, feasibility studies and similar activities. To the extent that it is practical to do so, all such entries shall be made in such a manner as to minimize interference with the Seller's present use and occupancy of the Property, and the Buyer shall promptly restore the Property, to the extent practicable, to its condition prior to such entries. The Buyer agrees to indemnify and save the Seller harmless from all claims resulting by reason of such entries.

5. "AS-IS" CONDITION. Except as otherwise provided in this Agreement, Buyer is accepting the Property "As-Is" in its present condition, relying upon such examination as to the condition, character, size, utility, and zoning of the Property.

6. CLOSING.

(a) Time and Place. Closing or settlement hereunder (the "Closing") shall be held at the offices of Northco Title Corporation, 7419 Baltimore-Annapolis Boulevard, Glen Burnie, Maryland 21060, or such other place as the Buyer shall designate, no later June 29, 2012 at 5:00 PM EST (the "Closing Date").

(b) Payment of Purchase Price. At the Closing, the Buyer shall pay the balance of the Purchase Price (giving credit for the Deposit) to the Seller in cash, by certified check, by wired funds or escrow check of a reputable attorney or title company.

(c) Delivery of Deed. Upon payment of the Purchase Price as provided above, the Seller shall, at Buyer's expense, execute and deliver to Buyer a Deed for the Property. The Deed shall contain covenants of special warranty and further assurances, and against encumbrances, and shall transfer and convey the subject property to the Buyer in fee simple, by a good and merchantable title, both of record and in fact, free of all liens and encumbrances except those specifically accepted or consented to by Buyer pursuant to Section 4 above.

(d) Possession. Possession of the Property shall be delivered to the Buyer at Closing.

7. ALLOCATION OF COSTS OF TRANSFER. At Closing, Buyer shall pay all transfer taxes and conveyance fees, all costs payable with respect to the Title Commitment and Title Policy, all of the costs relating to the escrow, all fees of inspections conducted pursuant hereto, all costs associated with the survey and environmental assessment(s), and the cost of recording the Deed. Each party shall be solely responsible for its own attorneys' fees incurred in connection with this transaction.

8. AGRICULTURAL TRANSFER TAX AND INHERITANCE TAXES. In the event that an agricultural transfer tax is imposed with respect to the conveyance of the Property from the Seller to

the Buyer pursuant to Title 13, Subtitle 3, of the Tax-Property Article of the Annotated Code of Maryland, then such tax shall be paid by the Seller.

9. DEFAULT.

(a) By Buyer. In the event of a default by the Buyer hereunder, the Seller, as its sole and exclusive remedy, shall retain the Deposit as fixed and agreed liquidated damages and not as penalty. The Seller hereby waives any right to sue for damages or specific performance on account of this Agreement.

(b) By Seller. In the event of a default by the Seller, the Buyer may avail itself of such remedies as may be available under law or at equity, and shall in any event be entitled to a refund of the Deposit.

(c) Right to Cure. Buyer shall not be deemed to have defaulted under this Agreement unless and until (i) the Buyer is given written notice of the alleged breach or default, in accordance with the notice provisions of this Agreement, and (ii) the condition constituting the alleged breach or default is not cured within ten (10) days after such notice is given; provided, however, in the event the condition complained of is not capable of being cured within such ten (10) day period, the Buyer shall have such additional time as required if within such ten (10) day period the Buyer commences the cure and diligently prosecutes same to completion.

10. SELLER'S REPRESENTATIONS. The Seller represents and warrants to the Buyer that:

(a) Seller is the sole owner, in fee simple, of the Property.

(b) Title to be conveyed is good of record, and in fact, marketable and insurable by title insurance company reasonably satisfactory to Buyer at standard rates and will be maintained as such during the period of this Agreement.

(c) Seller has not and will not, while this Agreement is in effect, enter into any other option or contract of sale or execute any deeds, easements, or rights-of-ways affecting the Property, or otherwise convey or encumber the sale.

(d) There is no litigation or proceeding of any type pending or, to the knowledge of the Seller, threatened against or relating to the Property or to the Seller's ability to sell the Property. The Seller knows of no reasonable grounds or any basis for any such action relative to the Seller or the Property.

(e) Seller has not and will not while this Agreement is in full force and effect cause or allow any trees, bushes, or other vegetation located on the Property to be removed or reduced in size or allow other waste to occur to the Property.

(f) The Property (i) has not been used at any time for the manufacture, storage, processing, disposal or dumping of hazardous substances or wastes, and (ii) is not, nor has it ever been, in violation of any federal, state or local laws or regulations regarding air, water or solid pollution or occupational health or safety. The Seller will cooperate in supplying all information and executing all

documents necessary to satisfy any requirements of federal, state and local authorities, and the Buyer's acquisition lender, with respect to such matters.

(g) Neither the Seller nor or any related party is a Foreign Person under Section 1445 of the Internal Revenue Code, as amended, and will make an affidavit of this fact at time of Closing.

If at any time prior to the conveyance of the Property", any of the above items (a) through (g) shall be other than as represented by the Seller, then Buyer shall have the right to terminate this Agreement and receive a refund of the Deposit.

11. HEADINGS. The headings of the sections, sub-sections, paragraphs and sub-paragraphs herein are for convenience only and shall not affect the meanings or interpretations of the contents hereof.

12. COMPLETE AGREEMENT. This Agreement represents the complete understanding between the parties hereto and supersedes all prior negotiations, representations and agreements, whether written or oral, as to the matters described herein. This Agreement may only be amended by written instrument executed by both parties. No requirement, obligations, remedy or provisions of this Agreement shall be deemed to have been waived unless so expressly waived in writing, and any such waiver of any provision shall not be considered a waiver of any right to enforce such provision thereafter.

13. NOTICES. All notices authorized or required herein shall be in writing and shall be considered given (a) when hand delivered, or (b) three (3) business days after the same have been deposited in the United States mails, certified mail, return receipt requested, postage prepaid, to the parties at the addresses below:

If to Seller: Mr. John T. Hardisty
5700 Springfield Drive
Bethesda, MD 20816

If to Buyer: _____

or such other addresses as the parties may, from time to time, designate in writing.

14. RIGHTS AND DUTIES OF ESCROW AGENT.

(a) In the event of any dispute as to who is entitled to receive the Deposit, the Escrow Agent shall deliver it only in accordance with joint written instructions of the Seller and Buyer. If such instructions are not received by Escrow Agent in a timely fashion, the Escrow Agent shall have the right to retain the Deposit and deliver it in accordance with the final order of a court of competent jurisdiction, or to deposit such amounts with the court, pending a final decision of the controversy.

(b) The parties hereto further agree that the Escrow Agent shall not be liable for failure of the banking depository for the Deposits. No claim shall be made by the Seller or Buyer against the Escrow Agent except for the Deposit remaining in its possession, claims for the Escrow Agent's own willful default hereunder. The Escrow Agent shall be protected in acting upon any notice, request, consent, demand, statement, note or other paper or document believed by it to be genuine and to have been signed by the party or parties purporting to sign the same. Buyer and Seller hereby agree to indemnify and hold harmless Escrow Agent against any loss, liability, damage or expense incurred by it in acting in its capacity as Escrow Agent, including, but not limited to, any reasonable attorneys' fees arising out of an action in interpleader. Except for such reimbursement, the Escrow Agent shall not charge any fee for its services as Escrow Agent.

(c) By joining herein, the Escrow Agent assumes responsibility only for performance of those obligations imposed upon it under the terms of this Agreement and does not undertake to perform any other covenant, term, condition or provision of this Agreement incumbent upon the Seller or Buyer hereunder.

15. REAL ESTATE COMMISSIONS. Seller and Buyer represent and warrant to one another that except for Hogan Companies, LLC and Buy At Auction INC dba DIRTauction.com, they have not employed the services of any brokers, agents or other individuals or concerns which would be entitled to a commission or finder's fee on account of this Agreement or the transaction contemplated herein. Each party agrees to, and shall, indemnify and save the other party harmless from any claims made through the indemnifying party for fees or commissions in connection with this Agreement or the contemplated transactions.

16. TIME OF THE ESSENCE. Time shall be considered of the essence in connection with this Agreement.

17. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed to have the full force and effect of an original.

18. PERFORMANCE ON SATURDAYS, SUNDAYS AND HOLIDAYS. Whenever the date fixed for the payment of funds, the giving of notice, or the performance of any other provision of this Agreement falls on a Saturday, Sunday, legal holiday or any day on which banking institutions in the city of payment are authorized by law to close, then such payment, notice or performance need not be made on such date, but may be made on the next succeeding regular business day with the same force and effect as if made on the date fixed (and, as to payments, no interest shall accrue on such payment to the date payment is made).

19. CONSTRUCTION. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland, without regard to choice of law.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Land Purchase Agreement to be duly executed the day and year first above written.

WITNESS/ATTEST:

SELLER:
JOHN T. HARDISTY

By: _____(SEAL)

BUYER:

By: _____
Name:

BUYER:

By: _____
Name:

JOINDER OF ESCROW AGENT

_____ hereby joins in as a party to this Agreement for the purposes of (a) agreeing to be bound by all provisions set forth herein with regard to the rights and duties of Escrow Agent, and (b) evidencing its receipt of Buyer's check, representing the Deposit.

By: _____

Name: _____

Title: _____

EXHIBIT A
Anne Arundel County Tax Map 40, Parcel 298

