

PURCHASE AGREEMENT
MAYPINE FARM

This LOT PURCHASE AGREEMENT ("Agreement") is made by and between WHITE ROAD DEVELOPMENT, INC., an Ohio corporation ("Seller") and _____, a(n) _____ ("Buyer"). The Effective Date of this Agreement shall be the date this Agreement is signed by Seller, if Seller is the last to sign, or by Buyer, if Buyer is the last to sign. Seller and Buyer are sometimes collectively referred to in this Agreement as the "Parties" and individually as a "Party."

SECTION 1 – THE PROPERTY AND THE CLOSING DATE.

1.1 **Identification of the Subject Property:** Seller agrees to sell and Buyer agrees to purchase, upon the terms and conditions set forth in this Agreement, the following real property located in the City of Highland Heights, Cuyahoga County, Ohio (the "Property"):

Lot(s) # _____ of the Maypine Estate Subdivision, as shown by the Subdivision Plat attached to this Agreement as **Exhibit A** and made a part hereof (the "Plat") together with all easements, appurtenances, rights, privileges and hereditaments appertaining thereto or thereunto belonging.

1.2 **Declaration of Easements, Covenants and Restrictions.** Seller has recorded with the Cuyahoga County, Ohio Recorder's Office a Declaration of Easements, Covenants and Restrictions ("**Declaration**") encumbering the real property comprising the Maypine Estate Subdivision, including, without limitation, the Property. The Declaration shall, among other things, include: (a) certain terms and conditions applicable to the formation and governance of the Maypine Estate Subdivision Homeowners' Association (the "**Association**") and (b) certain restrictions and covenants which are customary for subdivisions of similar character. The Declaration will be provided to Buyer prior to the expiration of the due Diligence Period.

SECTION 2 – PURCHASE PRICE AND CLOSING DATE.

2.1 **Purchase Price for the Property:** Buyer agrees to pay Seller, as the purchase price for the Property, the sum of _____ (\$ _____) ("**Purchase Price**"). On the date of this Agreement, Buyer shall deposit with Seller \$ _____ of the Purchase Price as an earnest money deposit (the "**Earnest Money Deposit**"). The balance of the Purchase Price, less the sum of the prorations and other credits to which Buyer is entitled under this Agreement, shall be deposited by Buyer in immediately available funds with the Escrow Agent at least two (2) business days prior to the Closing Date (as defined in Section 2.3, below). The Earnest Money Deposit shall be held by Seller in such manner as Seller deems appropriate without the payment of interest and shall be disbursed as follows: (a) on the closing of the sale of the Property from Seller to Buyer in accordance with the terms and conditions of this Agreement, the Earnest Money Deposit shall be applied against the Purchase Price due from Buyer to Seller; (b) if, during the Due Diligence Period, Buyer properly terminates this Agreement, Seller shall, promptly upon receipt of written notice from Buyer, return the Earnest Money Deposit then being held to Buyer; or (c) after the expiration of the Due Diligence Period, the Earnest Money Deposit shall be non-refundable unless Seller defaults in its obligations under this Agreement and such a default continues beyond any applicable grace or cure period.

2.2 **Seller Improvements.** Seller shall, at its cost, be responsible for performing or causing to be performed all work necessary to make the following utilities available at the perimeter of the Property: WATER, SEWER, ELECTRICITY, TELEPHONE, CABLE and GAS (collectively, the "**Utilities**"). The work necessary to make the Utilities available at the perimeter of the Property shall be known as the "**Seller Improvements**". Seller shall, at its cost, be responsible for obtaining all required building permits from the City of Highland Heights, Ohio to perform the Seller Improvements (collectively, the "**Building Permits**"). The Seller Improvements shall be completed by Seller in accordance with all applicable laws, building codes and ordinances.

2.3 **Closing Date.** The closing of the sale of the Property from Seller to Buyer shall occur within five (5) business days after Seller has provided Buyer with written notice that building permits are available. On or prior to the Closing Date, Seller will deliver into escrow with the Escrow Agent (as defined in Section 3.1, below): (a) the Deed (as defined in Section 4, below), (b) any affidavits reasonably required by the Title Company (as defined in Section 3.1, below) to facilitate the Closing and the issuance of the Title Policy (as defined in Section 3.2, below), and (c) any other documents or documentation reasonably required by the Title Company to facilitate the sale of the Property pursuant to this Agreement.

Buyer acknowledges that Seller cannot estimate or guarantee any date at which building permits will be available. Buyer acknowledges and agrees that Buyer will have no right to terminate this contract or seek damages from Seller due to the fact that building permits are not available for any period of time.

SECTION 3 – ESCROW AND TITLE INSURANCE.

3.1 **Designation of Escrow Agent.** Lander Title Agency, 29325, suite 200 Chagrin Boulevard, Cleveland, Ohio 44124, is hereby designated as the "**Escrow Agent**" and "**Title Company**" in connection with this transaction. This Agreement shall serve as escrow instructions and shall be subject to the usual conditions of acceptance of the Escrow Agent, insofar as the same are not inconsistent with any of the terms hereof.

3.2 **Title.** As soon as practicable after the Effective Date, Seller shall obtain and deliver to Buyer a commitment by the Title Company ("**Commitment**") to issue an ALTA Owner's title insurance policy ("**Title Policy**") with respect to the Property. Buyer shall have until the expiration of the Due Diligence Period to review the Commitment and provide written notice to Seller of any objections Buyer may reasonably have to any item set forth in the Commitment that adversely affects title to the Property. If Buyer fails to notify Seller of any such title objection prior to the expiration of Due Diligence Period, Buyer shall be deemed to have approved all such matters set forth in the Commitment. If Buyer notifies Seller of any title objection(s), Seller shall either: (i) cure such objections prior to the Closing Date or (ii) decline to cure such objections. If Seller elects to cure such objections, it shall so notify Buyer within ten (10) days after receipt of Buyer's title objections notice. If Seller elects to attempt to cure any such title objection, then Seller may, by written notice to Buyer, extend the Closing Date for such period of time as is reasonably necessary to cure the title objection, but in no event longer than sixty (60) days. If Seller elects not to cure such objection or is unable to cure such objection prior to the Closing Date, Buyer may either waive such objections in writing and proceed to Closing without a reduction in the Purchase Price or terminate this Agreement by written notice to Seller. In the event Buyer terminates this Agreement, the Parties shall be fully released from any further obligation to the other under this Agreement and shall be entitled to demand and be entitled to the return of the Earnest Money Deposit, the same being Buyer's sole and exclusive remedy. On the Closing Date, the Title Company shall update its Commitment with respect to the Property and, in the event any exceptions appear which have not been previously approved (or waived) by Buyer, then Buyer shall have the right to object, in which case the same procedures for title objections and cure as set forth above shall apply. On the Closing Date, Seller shall execute and deliver affidavits and other closing documents which are reasonably required in order for the Title Company to issue the Title Policy (with standard exceptions deleted) to Buyer. All charges of the Title Company in connection with the issuance of the Commitment and the Title Policy shall be split equally between the Seller and the Buyer. Each Party will pay its own escrow fee in connection with services by Escrow Agent as escrow agent.

SECTION 4 – CONVEYANCE. Seller shall convey marketable fee simple title to the Property to Buyer by General Warranty Deed ("**Deed**"), free and clear of all liens, claims and encumbrances, except the following (collectively, the "**Permitted Exceptions**"): (a) easements, conditions, covenants, rights, agreements, conditions and restrictions of record which are approved or deemed approved by Buyer pursuant to Section 3.2 above; (b) all building and zoning and other ordinances and regulations of governmental authorities having jurisdiction over the Property; (c) taxes and assessments, both general and special, not yet due and payable; (d) those matters shown on the Plat; and (e) the Declaration. The cost of deed preparation shall be paid by Seller. The conveyance fee in connection with the transfer of the Property shall be split equally by the Parties.

SECTION 5 – PRORATION AND CLOSING COSTS.

5.1 **Prorations.** Real estate taxes and assessments shall be prorated by the Escrow Agent as of the Closing Date on the basis of the latest available rates and valuations furnished for the Property by the taxing authorities and such proration shall be binding and conclusive upon the parties. The parties shall prorate outside of escrow any

charges and expenses for water, sewer, electric, gas, municipal garbage and rubbish removal, fuel, utility bills and charges under service contracts as of the Closing Date, with the Closing Date being treated as the last day of ownership by Seller. Such proration shall be made as soon as the necessary figures are available.

5.2 Costs to be Paid by Seller. Seller shall pay or be charged with the following costs and expenses in connection with the sale of the Property:

- (a) The cost of preparing the Deed and one-half (1/2) of the conveyance fee charged in connection with the transfer of the Property;
- (b) One-half (1/2) of all charges of the Title Company in connection with the issuance of the Commitment and the Title Policy;
- 1. Seller's prorata share of all items to be prorated in escrow;
- (d) Any reasonable escrow fee charged by Escrow Agent to Seller for Escrow Agent's services to Seller as escrow agent in this transaction
- (e) Expenses in connection with discharging any mortgage encumbering the Property; and
- (f) All broker commissions to Brokers (as defined below).

5.3 Costs to be Paid by Buyer. Buyer shall pay the following costs and expenses in connection with the transaction:

- (a) One-half (1/2) of the conveyance fee charged in connection with the transfer of the Property;
- (b) One-half (1/2) of all charges of the Title Company in connection with the issuance of the Commitment and the Title Policy;
- (c) Buyer's pro-rata share of all items to be prorated in escrow;
- (d) The cost of recording the Deed;
- (e) Any reasonable escrow fee charged by Escrow Agent to Buyer for Escrow Agent's services to Buyer as escrow agent in this transaction ;
- (f) All other costs and expenses in connection with Buyer's acquisition of the Property from Seller.

SECTION 6 – POSSESSION. Seller shall deliver possession of the Property to Buyer in the condition required by this Agreement on the Closing Date.

SECTION 7 - BUYER'S REPRESENTATIONS AND WARRANTIES TO SELLER AND CONDITION OF PROPERTY. Buyer represents and warrants to Seller that Buyer has the full power and authority to enter into this Agreement and to perform its obligations hereunder. Buyer acknowledges and agrees that: (a) this Agreement, when fully executed, will constitute the legally binding obligation of Buyer and will be enforceable against Buyer in accordance with its terms, subject to bankruptcy, insolvency, and similar laws or equitable principles and (b) Buyer has examined and investigated or will, during the Due Diligence Period, examine or investigate to the full satisfaction of Buyer, the Property and has agreed to take the Property in its "AS IS" physical condition, except as otherwise expressly set forth in this Agreement.

SECTION 8 – DUE DILIGENCE.

8.1 Inspections. During the period commencing with the Effective date and expiring at 6:00 p.m. on the fifteenth (15th) day after the Effective date (the "**Due Diligence Period**"), Seller shall permit Buyer and Buyer's representatives to enter the Property for the purpose of conducting inspections, or any other activities reasonably required by Buyer in order to determine the physical condition of the Property and the suitability of the Property for Buyer's purposes (collectively the "**Inspections**").

8.2 Termination Right. If Buyer's due diligence and feasibility investigation of the Property, as determined by the results of the Inspections, is not reasonably acceptable to Buyer, then Buyer shall have the right to terminate this Agreement by sending Seller written notice of Buyer's election on or before the expiration of the Due Diligence Period. If Buyer elects to terminate this Agreement prior to the expiration of the Due Diligence Period, then both Parties shall be relieved of any further liability hereunder and the Earnest Money Deposit shall be returned to Buyer. If Buyer fails to deliver written notice of termination to Seller prior to the expiration of the Due Diligence Period, then Buyer shall be deemed to have waived the contingency set forth in this paragraph and this Agreement shall remain in full force and effect.

SECTION 9 - REPRESENTATIONS AND WARRANTIES OF SELLER. Seller represents, warrants, and covenants to Buyer as follows:

9.1 Organization. Seller is a corporation duly organized, validly existing, and in full force and effect under the laws of the State of Ohio. Seller has the power and authority to execute and deliver this Agreement and all other documents or instruments that this Agreement obligates Seller to execute or deliver and to perform and carry out all covenants and obligations arising under this Agreement. The person signing this Agreement on behalf of Seller have full power and authority to bind Seller.

- 1. Binding. This Agreement constitutes the legal, valid, and binding obligation of Seller enforceable

against Seller in accordance with its respective terms, covenants, and conditions, subject to bankruptcy, insolvency, and similar laws or equitable principles relating to or affecting the enforcement of creditors' rights generally.

9.3 No Conflict. The execution, delivery, and performance of this Agreement does not and will not result in any violation of, conflict with, or constitute a default under any provision of Seller's Articles of Incorporation or any other organizational document or any material contract or agreement to which Seller is bound.

- 1. No Proceedings. There is no pending or, to Seller's actual knowledge, threatened litigation or

proceeding by any organization, person, individual or governmental agency against Seller with respect to the Property or against the Property. Seller has not received notice of and is not aware of any violation of the Property's compliance with applicable fire safety laws, building code ordinances, zoning ordinances or any statutes, ordinances, laws, rules or regulations. To Seller's actual knowledge, there are no proceedings which could cause the change, redefinition or other modification of the zoning classifications or of other legal requirements applicable to the Property or any part thereof or any pending or threatened condemnation proceeding that would affect the Property.

- 1. No Third Party Rights. No person other than Buyer has any right, agreement, commitment,

option, right of first refusal or any other agreement, whether oral or written, with respect to the purchase, lease, possess or use the Property. Seller owns good and marketable title to the Property, free and clear of any and all liens or encumbrances except for liens to be released at closing and Permitted Exceptions. No third party has made any claim to ownership of the Property or any party thereof by adverse possession or otherwise.

9.6 Mechanics Liens. All work done or materials furnished to the Property has been paid in full or will be paid in full prior to the Closing Date and no mechanic's liens or rights to obtain mechanic's liens will exist on the Closing Date.

9.7 Assessments As of the date hereof, there may be a special sewer assessments placed on the property, to Seller's knowledge such assessment will be for less than One Hundred and Fifty Dollars per year. To Sellers knowledge there are no other special assessments outstanding or proposed which affect the Property, other than as may be shown on the Title Commitment.

9.8 Utilities. All utilities (including, gas, electric, water, sewer, telephone and cable) have been (or will be, pursuant to this Agreement be) installed and are available to the Property at the perimeter of the Property without additional cost to Buyer other than any applicable hook-up or connection fee.

9.9 Permits. Seller has received or will receive all necessary permits and authorizations to complete the improvements on the Property as required by applicable law and is in full compliance with the terms and conditions of all permits. Seller will comply with all permit requirements during the term of this Agreement.

SECTION 10 – DEFAULT. In the event that Seller defaults under this Agreement and such a default continues beyond any applicable grace or cure period, Buyer may, as its sole and exclusive remedy, terminate this Agreement and demand and be entitled to the return of the Earnest Money Deposit being held by Seller. Notwithstanding the foregoing sentence, Buyer agrees that Seller shall not be in default under this Agreement unless: (a) Buyer shall have first given written notice to Seller of a default by Seller under this Agreement and (b) Seller shall have failed to cure such default within thirty (30) days of the date such written notice is received by Seller. In the event that Buyer defaults under this Agreement and such a default continues beyond any applicable grace or cure period, Seller may, as its sole and exclusive remedy, terminate this Agreement and retain, as liquidated damages, the Earnest Money Deposit being held by Seller. Buyer agrees and acknowledges that the remedy of liquidated damages set forth in the prior sentence is reasonable and will not serve as a penalty.

SECTION 11 – BROKERS. The Parties represent and warrant to each other that, except for the following brokers _____ (collectively, the “**Brokers**”), neither Party has engaged or enlisted the assistance of any real estate agent or broker in connection with the transaction evidenced by this Agreement. Seller covenants and agrees to pay the entire commission due and owing to Brokers upon the Closing of the sale of the Property in accordance with this Agreement. Each Party agrees to indemnify and hold the other Party harmless from all claims, liabilities, and expenses suffered by the other Party as a result of the breach of the foregoing representation and warranty. The provisions of this Section 12 shall survive any termination of this Agreement and the closing of the transaction contemplated hereunder.

SECTION 12 – CONDEMNATION. In the event of a taking of all or any part of the Property by eminent domain or institution of proceedings therefor, at or prior to the Closing Date, Buyer, at its option, by notice in writing to Seller, shall have the right to terminate this Agreement, and, upon such notice, this Agreement shall wholly cease and terminate, all funds, instruments and documents deposited with the Escrow Agent shall be returned to the party depositing or paying the same to the Escrow Agent, and neither Party shall have any further claim against the other, and the expenses of the Escrow Agent shall be paid by Seller. If Buyer agrees to complete this transaction, then the entire proceeds paid in any eminent domain proceedings, whether obtained by way of judgment, compromise or settlement, shall be paid to Buyer.

SECTION 13 - MISCELLANEOUS.

13.1 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Ohio.

13.2 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document.

13.3 Entire Agreement. This Agreement, together with the attached exhibits, contains all of the terms and conditions of the agreement between the Parties, and any and all prior and contemporaneous oral and written agreements are merged herein. No amendments, waivers, or modifications of this Agreement shall be made or deemed to have been made unless in writing executed by both Parties. The representations, warranties, covenants and indemnities contained in this Agreement shall survive the Closing Date and the filing of the Deed for a period of one year.

13.4 Parties Bound. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, successors, and assigns of the Parties hereto.

13.5 Assignment. Buyer shall not be permitted to assign its interest under this Agreement without Seller’s prior written consent, which consent may be withheld in Seller’s sole discretion. No assignment shall relieve Buyer of primary responsibility hereunder for the payment of the Purchase Price.

13.6 Notices. Any notice, demand, request or other communication required or permitted to be given under this Agreement shall be in writing and delivered in person or sent by United States certified or registered mail, return receipt requested, postage prepaid, or sent by overnight courier, addressed as follows:

To Seller: White Road Development, Inc.
c/o Josh Simon
Frontier Land Limited
26401 Emery Road, Suite 102
Beachwood, Ohio 44128

To Buyer: _____

13.7 Binding Contract. This Agreement, when duly executed by the Parties, shall constitute a legally binding contract.

14. Buyer is responsible for the following:

- 1. Home Owner Association Fee (HOA) - \$500.00
- 2. Mail Box - \$285.00

The Parties hereto have caused this Agreement to be duly executed on the respective dates specified below.

SELLER:

WHITE ROAD DEVELOPMENT, INC.

By: _____

Its: _____

Date: _____, 2007

BUYER: _____

By: _____

Its: _____

Date: _____, 2007

