

The Villages at Beacon Meadows
AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT, made this _____ day of _____, A.D. _____.

BETWEEN MOORE-GRANT PROPERTIES, LLC. organized and existing under the laws of the State of Delaware, hereinafter "SELLER".

AND

hereinafter "Buyer"

Address

Telephone

WITNESSETH:

PROPERTY. Buyer(s) hereby agree(s) to purchase from Seller(s) and Seller(s) agree(s) to convey to Buyer(S) the property known as lot No. _____ as shown of the final plan and recorded in the Office for the Recording of Deeds, in and for Sussex County, Delaware, hereinafter "the Property", under the following terms and conditions:

1) PURCHASE PRICE. The purchase price is

_____ Dollars (\$ _____), of which _____ Dollars (\$ _____), as forfeit money, is hereby paid by the Purchaser and deposited with INDIAN RIVER LAND CO., INC. (unless otherwise designated in paragraph 7.).

2) The balance will be paid as follows: _____

3) SELLER AGENCY: Indian River Land Co., Inc., Seller(s) Broker, is the exclusive Agent of the Seller(S) and _____ Cooperating broker, is the Subagent of the Seller(s). The Seller(s) Broker, any cooperating Broker, and any Salesperson working with either, are representing the Seller's interest and have fiduciary responsibilities to Seller(s), but are obligated to treat all parties with honesty. The Seller(s) Broker, any cooperating Broker, and any Salesperson working with either, without breaching the fiduciary responsibilities to the Seller(s), may, among other services, provide a potential Buyer with information about the attributes of properties and available financing, show properties, and assist in preparing an offer to purchase. The Seller(s) Broker, any cooperating Broker, and any Salesperson working with either, also have the duty to respond accurately and honestly to a potential Buyer's questions and disclose material facts about properties, submit promptly all offers to purchaser and offer properties without unlawful discrimination.

COMMISSION. Buyer(s) and Seller(s) agree(s) that the Agents were responsible for procuring this Contract, and agrees(s) to pay a brokerage fee, in the amount of 5% of the purchase price, for services rendered as specified in a separate agreement. In the event of a cooperating broker, the commission will be split 50/50.

4) BUYER'S ATTORNEY: Buyers represent that the following attorney(s) shall represent their interest in connection with settlement pursuant to this agreement of sale: _____ . Haller and Hudson shall prepare the deed for Seller. Contact Stephanie at 302-856-4525.

5) SETTLEMENT DATE: Final settlement shall be held on or before _____
In the event this contract is contingent upon Buyers' obtaining mortgage financing, then settlement shall be held within thirty (30) days after all the condition of paragraphs foregoing, and in no event shall settlement occur more than sixty (60) days from the execution of this agreement.

6) SPECIAL TERMS: _____

Seller is a Licensed Real Estate Broker in the State of Delaware.

7) DEED AND TITLE: Seller shall deliver to Buyers at settlement a properly executed and acknowledged special warranty deed for the property, conveying a good, marketable, fee simple title and such as would be insured at regular rates by a reputable title insurance company licensed in Delaware, free and clear of all liens and encumbrances, excepting covenants, easements, agreements, reservations and restrictions of record, (a copy of which is attached hereto) and zoning, subdivision and other state, county or municipal laws, ordinances and regulations, that do not prohibit or unreasonably limit Buyers' use of the property for residential purposes. In the event title is not as aforesaid, Buyers may cancel this agreement and, thereupon, all payments made by Buyers pursuant hereto shall be

returned to them forthwith and the parties hereto shall be under no further obligation hereunder.

8) RISK OF LOSS: Risk of loss or damage to the property by fire, windstorm or other casualty until final settlement rests with Seller. In the event of any such loss or damage, Buyers may cancel this agreement and, thereupon, all payments made by Buyers pursuant to this contract shall be returned to them forthwith and the parties hereto shall be under no further obligation hereunder.

9) POSSESSION OF THE PROPERTY: Possession of the property shall be delivered by Seller to Buyers at settlement.

10) CLOSING ADJUSTMENTS: Taxes, Homeowners Association dues and any other charges of annual and recurrent nature assessed and/or paid, shall be pro-rated at settlement. Any state, county or municipal transfer taxes upon the conveyance of the land shall be paid one-half by Seller and one-half by Buyer.

11) SURVEY, WATER, SEWAGE, ETC. Seller shall not be obligated to make or to pay for any survey, subdivision plan, title search, abstract, certificates of title or title policy covering the property except as otherwise provided in paragraph 8 hereof. Seller represents that the lot will be approved for a septic system. Buyer will receive a copy of site evaluation, either at the time of signing of contract or settlement. **SELLER SHALL BE REIMBURSED BY BUYER FOR THE COST OF THE SITE EVALUATION IN THE AMOUNT OF \$ 525.00 AT THE TIME OF FINAL SETTLEMENT.** In the event it should appear prior to settlement, through proper testing performed at Buyer's direction and expense, that an adequate water supply will not be available or that the property will not be approved for a septic system, then Buyers may cancel this agreement, and, thereupon, all payments made by Buyers pursuant hereto shall be returned to them forthwith and the parties hereto shall be under no further obligation hereunder.

12) BUYERS DEFAULT: If Buyers shall, for some reason not excused hereunder, fail or refuse to perform their obligation to Seller, and Seller shall not also be in default, all monies paid hereunder by Buyers on account of the purchase price may be retained by Seller as liquidated damages, whereupon, all rights and obligations hereunder shall cease.

13) SELLER'S DEFAULT: If Seller shall, for some reasons not excuse hereunder, fail or refuse to perform their obligations to Buyers and Buyer shall not also be in default, Buyers may have their deposit refunded forthwith, whereupon, all rights and obligations hereunder shall cease.

14) ASSIGNMENT: Buyers may assign this agreement only with the written consent of Seller.

15) MAINTENANCE OF THE ROADS: Buyer acknowledge that upon acceptance of a deed in Beacon Meadows Phase II they shall be obligated to pay their proportionate share for maintaining, repairing and replacing all streets, roads, entrance areas and drainage swales

in Beacon Meadows. Buyers further acknowledge they shall be obligated to become a member of Beacon Meadows Phase II Property Owners Association, whose duties are further described in the restrictions of Beacon Meadows Phase II. The present annual maintenance fee of \$250.00 for calendar years 2006 and 2007 is due and payable on January 1st of each year. Developer presently agrees to contribute at the time of each lot settlement one thousand dollars (\$1000.00) to the Beacon Meadows Phase II Property Owners Association. This in no way is a guarantee that it will continue for all 49 lots in Beacon Meadows Phase II.

16) ENTIRE UNDERSTANDING OF THE PARTIES: This agreement constitutes the entire agreement and understanding between the parties hereto relating to the sale and purchase of the property and superseded all prior or other agreements and representations in connections with the sale and purchase of the property.

17) JOINT AND SEVERAL LIABILITY: The liabilities and obligations of the Seller, if there be more than one named hereunder and the liabilities and obligation of the Buyers, if there be more than one named hereunder, shall be joint and several.

18) USE OF GENDER AND NUMBER: The singular of any word may denote two or more, the plural one alone, and the words of one gender may denote another gender whenever appropriate under the actual circumstances.

19) BENEFIT AND DETRIMENT OF AGREEMENT: This agreement shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, executors, administrators, successors and assigns.

20) PERSONAL INSPECTION: Buyer(s) represent that each of them, or if they are not married, at least one of them, has made a personal on-the-lot inspection of the property prior to the signing of this agreement and said Buyer(s) represent that they have received and read a copy of the recorded restrictions for Beacon Meadows Phase II.

21) FAIR HOUSING: Seller agree(s) to comply with all Fair Housing and Civil Rights laws in the sale of the property and further agrees specifically not to discriminate against any person because of RACE, COLOR, NATIONAL ORIGIN, RELIGION, CREED, SEX, MARITAL STATUS, FAMILIAL STATUS, AGE OR HANDICAP.

22) INDEMNIFICATION FOR DAMAGE: Buyer shall indemnify and hold Seller harmless from and against all damages, liabilities, claims and expenses, including reasonable attorneys' fees and reasonable litigation costs, incurred by Seller as a result of Buyer's (or its agents', contractors' or employees') activities upon the Property; provided, however, that such indemnification shall not cover any liability, cost of expense of any kind or nature arising from the results of Buyers investigations. Notwithstanding any other provision of the Agreement, Buyer's indemnification and restoration obligations under this Paragraph shall survive termination of this Agreement for a period of one (1) year.

23) SPECIAL CONDITION: Attached hereto and incorporated herein is a rider disclosing important details relating to the property.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

Signed, Sealed and Delivered
in the presence of:

WITNESS

SELLER: Moore -Grant Properties, LLC

WITNESS

BUYER(s)

WITNESS

BUYER(s)

RIDER

TO THE CONTRACT OF PURCHASE AND SALE FOR BEACON MEADOWS PHASE II

1) NOTICE TO BUYER - Title to the lot will be transferred to Buyer under and subject to agreements, covenants and restrictions and the Articles of Incorporation and Bylaws of the Beacon Meadows Phase II Property Owners Association. Copies of these important documents have been supplied to you at, or before, signing of the Agreement of Sale. The Beacon Meadows Phase II Property Owners Association will have an encumbrance or lien on all lots for payment of fees and assessments.

2) BUYER'S ACKNOWLEDGEMENT - The undersigned Buyer hereby acknowledges receipt of the Declaration of Covenants, Restrictions for Beacon Meadows Phase II and of the foregoing Notice to Buyer. The undersigned understands that he/she and all other Heritage Farms owners are obligated to pay fees and assessments for maintaining the community.

3) HOUSE BILL NO. 729 - This Act would impose the realty transfer tax (at a rate of 1%) against amounts exceeding \$ 10,000 on the value at cost of construction of improvements on property when the contract for construction is entered into within one year of the transfer of the underlying land. This tax would be required to be paid as a precondition of obtaining a building permit and any adjusted amount required prior to being issued a certificate of occupancy.

4) Purchasers are aware that they are to reimburse Seller in the amount of Five Hundred and Twenty Five Dollars (\$ 525.00) at settlement for the cost of the soil evaluation.

WITNESS

SELLER: Moore-Grant Properties, LLC

WITNESS

BUYER

WITNESS

BUYER