

NORTH CAROLINA

CHATHAM COUNTY

THIS CONTRACT OF PURCHASE AND SALE is dated and made effective on the Effective Date (as hereinafter defined) by and between Chatham County, a body politic and corporate of the State of North Carolina (“Seller”) and 130 of Chatham, LLC, a North Carolina limited liability company (“Buyer”);

WITNESSETH:

WHEREAS, Buyer has signed and submitted an offer to purchase real property from Seller pursuant to the negotiated offer, advertisement, and upset bids procedure of N.C. Gen. Stat. §160A-269; and

WHEREAS, Seller has stated its intent to accept Buyer’s offer if no qualifying upset bids are received and after complying with the provisions of N.C. Gen. Stat. §160A-269; and

WHEREAS, the terms and conditions of Buyer’s offer are hereinafter set out;

NOW THEREFORE, for valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Buyer offers to purchase and Seller, upon acceptance by the execution of this Contract of Purchase and Sale, agrees to sell and convey the Property on the terms and conditions set out in this Contract and any addendum or modification made in accordance with its terms (together the “Contract”).

1. **TERMS AND DEFINITIONS:** The terms listed below shall have the respective meaning given them as set forth adjacent to each term.

(a) “**Seller**”: Chatham County

(b) “**Buyer**”: 130 of Chatham, LLC

(c) “**Property**”: A total of approximately 187.97 acres comprising (i) the land identified in Exhibit A as lot 1, 2, 3, 4, 5, and 10, and (ii) the portion of the Common Area east of Progress Blvd identified on Exhibit A as comprising approximately 36.74 acres, such land extending to the existing parcel boundaries on or within the Rocky River; together with all appurtenances thereto including the improvements located thereon. The Property is subject to a Right of First Refusal held by the Hospital Parcel Owner as provided in the Declaration of Covenants and Restrictions (hereinafter defined) and Seller’s obligations hereunder, including, without limitation, the obligation to convey the Property to Buyer, are subject to the Hospital Parcel Owner’s release of the Right of First Refusal or the failure of the Hospital Parcel Owner to exercise its Right of First Refusal within sixty (60) days of receipt of notice of Buyer’s offer to purchase as provided in the Declaration of Covenants and Restrictions.

(d) “**Purchase Price**”:

\$1,128,000.00 paid in U.S. Dollars upon the following terms:

\$ 56,400.00 deposit held by Seller.

\$1,071,600.00 balance of the Purchase Price in cash at Settlement

The Purchase Price may be modified or amended in the event there is more or less acreage based upon the per acre price. Land with any private road right of way or containing a utility easement, other than general utility and sewer easements shall be excluded for the determination of total acreage for the purpose of determining purchase price.

(e) “**Deposit**”: The Deposit shall be deposited and held in escrow by Seller until Closing, at which time it will be credited to Buyer, or until this Contract is otherwise terminated. In the event: (1) this offer is not accepted by Buyer; or (2) a condition of this Contract is not satisfied, then the Deposit shall be refunded to Buyer. In the event of breach of this Contract by Seller, the Deposit shall be refunded to Buyer upon Buyer’s request, but such return shall not affect any other remedies available to Buyer for such breach. In the event of

Buyer initials _____ Seller initials _____

APPENDIX 2-RESOLUTION

breach of this Contract by Buyer, the Deposit shall be retained by Seller as liquidated damages and as Seller's sole and exclusive remedy for such breach, but without limiting Seller's rights under Paragraphs 2(c) Obligation to Repair Damages and 2(d) Indemnity for damage to the Property. It is acknowledged by the parties that payment of the Deposit to Seller in the event of a breach of this Contract by Buyer is compensatory and not punitive, such amount being a reasonable estimation of the actual loss that Seller would incur as a result of such breach. The retention of the Deposit by Seller shall not constitute a penalty or forfeiture but actual compensation for Seller's anticipated loss, both parties acknowledging the difficulty determining Seller's actual damages for such breach. If legal proceedings are brought by Buyer or Seller against the other to recover the Deposit, the prevailing party in the proceeding shall be entitled to recover from the non-prevailing party reasonable attorney fees and court costs incurred in connection with the proceeding. The Deposit shall be nonrefundable, except as specifically provided for in Paragraph 2(e) Buyer's Right to Terminate section hereof.

(f) **"Settlement Agent"**: James R. Rogers III.

(g) **"Effective Date"**: The date Buyer's offer is accepted by Seller by the execution of this Contract.

(h) **"Settlement"**: The proper execution and delivery to the Settlement Agent, by the party responsible for the same, of all documents necessary to complete the transaction contemplated by this Contract, including the deed, settlement statement executed by the parties, deed of trust and other loan or conveyance documents, and the Settlement Agent's receipt of all funds necessary to complete such transaction.

(i) **"Closing"**: The legal process which results in the transfer of title to the Property from Seller to Buyer. Closing includes the following steps: (1) the Settlement (defined above); (2) the completion of a satisfactory title update to the Property following the Settlement; (3) the Settlement Agent's receipt of authorization to disburse all necessary funds; and (4) recordation in the appropriate county registry of the deed(s) and deed(s) of trust, if any, which shall take place as soon as reasonably possible by the Settlement Agent after Settlement. Upon such recordation of the deed(s) and deed(s) of trust, if any, Closing shall be deemed completed and the proceeds of sale shall be disbursed by the Settlement Agent in accordance with the settlement statement and the provisions of Chapter 45A of the North Carolina General Statutes. If the title update should reveal unexpected liens, encumbrances or other title defects, or if the settlement agent is not authorized to disburse all necessary funds, then the Closing shall be suspended and the Settlement deemed delayed under Paragraph 10 (Delay in Settlement/Closing).

(j) **"Special Assessments"**: A charge against the Property by a governmental authority in addition to ad valorem taxes which may be a lien against the Property. A Special Assessment may be either proposed or confirmed.

"Proposed Special Assessment": A Special Assessment that is under formal consideration but which has not been approved prior to Settlement.

"Confirmed Special Assessment": A Special Assessment that has been approved prior to Settlement whether or not it is fully payable at time of Settlement.

(k) **"No Repurchase Right"**: Seller agrees to release Buyer from the Article III 3.31 Repurchase Rights of the Declaration of Covenants and Restrictions for Central Carolina Business Campus recorded in Book 1292, Page 1071 Chatham County Registry (the "Declaration of Covenants and Restrictions").

(l) **"Existing Parcel Road Maintenance Obligation"**: Seller agrees to retain responsibility for the cost of all maintenance to the existing paved roads until maintenance is taken over by either the State of North Carolina or the Town of Siler City.

2. **BUYER'S DUE DILIGENCE PROCESS:**

FEASIBILITY STUDY PERIOD: The Buyer shall be granted a period of **45** days from the Effective Date to determine whether or not the Property is suitable for the purpose and intended use of the Buyer (the "Feasibility Study Period"). The Buyer may terminate this Contract, in its sole and absolute discretion, anytime during the Feasibility Study Period.

Buyer initials _____ Seller initials _____

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(a) **Property Investigation:** During the Feasibility Study Period, Buyer or Buyer's agents or representatives, at Buyer's expense, shall be entitled to conduct all desired tests, surveys, appraisals, investigations, examinations and inspections of the Property as Buyer deems appropriate, including but NOT limited to the following:

(i) **Soil, Utilities And Environmental:** Reports to determine whether the soil is suitable for Buyer's intended use and whether there is any environmental contamination, law, rule or regulation that may prohibit, restrict or limit Buyer's intended use.

(ii) **Water:** Any applicable investigation(s) to determine: (1) the condition of an existing private drinking water well, (2) the costs and expenses to install a private drinking water well approved by an existing Construction Permit, (3) the availability, costs and expenses to connect to a public or community water system, or a shared private well, and/or (4) whether a Construction Permit may be obtained from the County Health Department for a private drinking water well.

(iii) **Review of Documents:** Review of the Declaration of Restrictive Covenants, Bylaws, Articles of Incorporation, Rules and Regulations, and other governing documents of any applicable owners' association and/or subdivision. If the Property is subject to regulation by an owners' association, it is recommended that Buyer review the completed Owners' Association Disclosure And Addendum (Standard Form 2A12-T) provided by Seller prior to signing this offer.

(iv) **Appraisals:** An appraisal of the Property.

(v) **Survey:** A survey to determine whether there are any encroachments on the Property from adjacent properties (fences, driveways, etc.), encroachments from the Property onto adjacent properties, road or utility easements crossing the Property, lack of legal access to a public right-of-way, or indefinite or erroneous legal descriptions in previous deeds to the Property.

(vi) **Zoning and Governmental Regulation:** Investigation of current or proposed zoning or other governmental regulation that may affect Buyer's intended use of the Property, adjacent land uses, planned or proposed road construction, and school attendance zones.

(vii) **Flood Hazard:** Investigation of potential flood hazards on the Property, and/or any requirement to purchase flood insurance in order to obtain the Loan.

(c) **Buyer's Obligation to Repair Damage:** Buyer shall, at Buyer's expense, promptly repair any damage to the Property resulting from any activities of Buyer and Buyer's agents and contractors, but Buyer shall not be responsible for any damage caused by accepted practices applicable to any N.C. licensed professional performing reasonable appraisals, tests, surveys, examinations and inspections of the Property. This repair obligation shall survive any termination of this Contract.

(d) **Indemnity:** Buyer will indemnify and hold Seller harmless from all loss, damage, claims, suits or costs, which shall arise out of any contract, agreement, or injury to any person or property as a result of any activities of Buyer and Buyer's agents and contractors relating to the Property except for any loss, damage, claim, suit or cost arising out of pre-existing conditions of the Property and/or out of Seller's negligence or willful acts or omissions. This indemnity shall survive this Contract and any termination hereof.

(e) Buyer shall have the right to terminate this Contract for any reason or no reason, by delivering to Seller written notice of termination (the "Termination Notice") during the Feasibility Period (or any agreed-upon written extension of the Feasibility Period). If Buyer timely delivers the Termination Notice, this Contract shall be terminated and the Deposit held by Seller shall be refunded to Buyer.

(f) **CLOSING SHALL CONSTITUTE ACCEPTANCE OF THE PROPERTY IN ITS THEN EXISTING CONDITION UNLESS PROVISION IS OTHERWISE MADE IN WRITING.**

3. **BUYER REPRESENTATIONS:**

(a) **Performance of Buyer's Financial Obligations:** To the best of Buyer's knowledge, there are no other circumstances or conditions existing as of the date of this offer that would prohibit Buyer from performing Buyer's financial obligations in accordance with this Contract, except as may be specifically set forth herein.

4. **BUYER OBLIGATIONS:**

Buyer initials _____ Seller initials _____

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- a. Responsibility for Proposed Special Assessments: Buyer shall take title subject to all Proposed Special Assessments disclosed by Seller in Paragraph 5(b), if any. If any proposed special assessments are not disclosed, they remain the obligation of the Seller. Closing shall not terminate this obligation.

5. SELLER REPRESENTATIONS: As of the Effective Date Seller hereby makes the following representations and warranties, which shall also be true as of the date of Closing of the Property and which shall survive the Closing.

- a. To the best of Seller's knowledge, Seller has complied with all applicable laws, ordinances, regulations and restrictions relating to the Property.
- b. To the best of Seller's knowledge, there are no parties, other than Seller, occupying any portion of the Property as lessees, and there are no leases applicable to or affecting the Property.
- c. Seller has received no notice of and Seller has no knowledge of any pending or threatened condemnation or similar proceeding or special assessment affecting the Property, or any part thereof and Seller has no knowledge of any such proceeding or assessment contemplated by any Governmental Authority. As used herein, the term "Governmental Authority" shall mean the United States, the State of North Carolina, and any agency, department, commission, board, bureau or instrumentality of any of them. If Seller receives such notice during the term of this Contract, Seller shall immediately notify Buyer in writing.
- d. Seller has no knowledge of any unpaid charges, debts, liabilities, claims or obligations arising from the construction, occupancy, ownership, use or operation of the Property, which could give rise to any mechanics' or materialmen's or other statutory lien against the Property, or any part thereof,
- e. Seller has neither caused nor does Seller have any knowledge of any Hazardous Materials having been placed, held, stored, located, dumped or disposed of on the Property in a manner which violates applicable law. If such knowledge becomes available, Seller shall immediately notify Buyer in writing. For purposes of this Contract, "Hazardous Materials" means any substance: (i) the presence of which requires investigation or remediation under any applicable law or federal, state or local statute, regulation, rule, ordinance, order, action, policy or common law; or (ii) which is or becomes defined as a "hazardous substance," pollutant or contaminant under any applicable law or federal, state or local statute, regulation, rule or ordinance or amendments thereto including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act (42 USC § 6901 et seq.) and the Resource Conservation and Recovery Act (42 USC § 6901 et seq.); or (iii) which is toxic, radioactive, carcinogenic, or otherwise hazardous and is or becomes regulated by any governmental authority; or (iv) without limitation which contains polychlorinated biphenyls (PCB's), asbestos or area formaldehyde insulation.
- f. There is no pending, or to Seller's knowledge, threatened litigation or administrative proceedings which could adversely affect title to the Property or any part thereof or the ability of Seller to perform any of its obligations hereunder. If such notice or knowledge becomes available to the Seller during the term of this Contract, Seller shall immediately notify Buyer in writing.
- g. To the best of Seller's knowledge performance of this Contract will not result in any breach of, or constitute any default under, or result in the imposition of any lien or encumbrance upon the Property under any agreement or other instrument to which Seller is a party or by which Seller or the Property is bound.
- h. To the best of Seller's knowledge, all documents and information delivered or to be delivered by Seller to Buyer are complete, true and correct in all material respects unless otherwise stated, provided that Seller is not warranting in any way the accuracy or correctness of any statement made by third parties with such documents.
- i. Seller is not a "foreign person" within the meaning of Section 1445 of the Internal Revenue Code of 1954, as amended.
- j. To the best of Seller's knowledge, there are not unrecorded leases or claims of lien affecting the

Buyer initials _____ Seller initials _____

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Property.

- k. Promptly upon obtaining knowledge of the institution of foreclosure or any proceedings for the condemnation of the Property, or any portion thereof, or any other proceedings arising out of injury or damage to the Property, or any portion thereof, Seller will notify Buyer of the pendency of such proceedings.
- l. Not to knowingly act in a manner that would cause any of Seller's representations and warranties to be breached between the date hereof and Closing, provided that Seller shall have no obligation, nor shall this Contract be affected by, acts of third parties that are inconsistent with such representations.
- m. **Assessments:** To the best of Seller's knowledge there are no Proposed Special Assessments except as follows (Insert "None" or the identification of such assessments, if any): None. Seller warrants that there are no Confirmed Special Assessments except as follows (Insert "None" or the identification of such assessments, if any): None.
- n. Seller shall deliver to Buyer the following items related to the Property (hereinafter the "Preliminary Information"):
 - a. Copies of any notices received by Seller from governmental authorities relating to the utilities on the Property, the water and/or sewer system, roads, dams, wetlands, or other similar information in Seller's possession which may help the Buyer in its inspection of the Property.
 - b. Copies of the latest survey in Seller's possession.

6. SELLER OBLIGATIONS:

(a) **Evidence of Title:** Seller agrees to use best efforts to deliver to Buyer as soon as reasonably possible after the Effective Date, copies of all title information in possession of or available to Seller, including but not limited to: title insurance policies or title opinion, attorney's opinions on title, surveys, covenants, deeds, notes and deeds of trust and easements relating to the Property. Seller authorizes (1) any attorney presently or previously representing Seller to release and disclose any title insurance policy in such attorney's file to Buyer and both Buyer's and Seller's agents and attorneys; and (2) the Property's title insurer or its agent to release and disclose all materials in the Property's title insurer's (or title insurer's agent's) file to Buyer and both Buyer's and Seller's agents and attorneys.

(b) **Access to Property:** During the term of this Agreement, at the Buyer's sole expense, the Buyer, its agents, independent contractors, and employees shall have the right to enter upon the Property with men, equipment and materials for the purpose of making such tests, inspections and surveys as Buyer shall desire, including, but not limited to, the right to conduct soil borings, test pit excavations, soil, surface water and ground water sampling and such other environmental tests as Buyer shall deem appropriate. Buyer shall not remove any materials or things from the Property excepting that necessary to perform such test, inspections or surveys. In the event Buyer shall disturb the Property in the course of making such tests, inspections or surveys, Buyer, at its own expense shall restore the Property. Buyer will indemnify and hold Seller harmless from all loss, damage, claims, suits or costs, or injury to any person or property as a result of any activities of Buyer, its agents and contractors relating to the Property and not caused by the negligent or willful acts or omissions of Seller or its employees or agents. This indemnity shall survive this Contract and any termination hereof if terminated, Buyer shall provide Seller with copies of all soil tests, feasibility studies, surveys, environmental audits, and the like, if any, relating to the Property which Buyer received as a result of the Tests. Buyer makes no warranty or representations as to the accuracy or completeness of these studies or reports.

(c) **Removal of Seller's Property:** Seller shall remove, by the date possession is made available to Buyer, all personal property which is not a part of the purchase and all garbage and debris from the Property.

(d) **Affidavit and Indemnification Agreement:** Seller shall furnish at Settlement an affidavit and indemnification agreement in form satisfactory to Buyer and Buyer's title insurer, if any, executed by Seller and any person or entity who has performed or furnished labor, services, materials or rental equipment as described in N.C.G.S. §44A-8 to the Property within 120 days prior to the date of Settlement verifying that

Buyer initials _____ Seller initials _____

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each such person or entity has been paid in full and agreeing to indemnify Buyer, Buyer's lender(s) and Buyer's title insurer against all loss from any cause or claim arising therefrom.

(e) **Payment and Satisfaction of Liens:** All deeds of trust, liens and other charges against the Property, not assumed by Buyer, must be paid and satisfied by Seller prior to or at Settlement such that cancellation may be promptly obtained following Closing. Seller shall remain obligated to obtain any such cancellations following Closing.

(f) **Title, Legal Access:** Seller shall execute and deliver a LIMITED WARRANTY DEED for the Property at Settlement, which shall convey fee simple marketable and insurable title, free of all encumbrances by any person claiming by, through, or under Seller except: ad valorem taxes for the current year (prorated through the date of Settlement); utility easements and unviolated restrictive covenants that do not materially affect the value of the Property; and such other encumbrances as may be assumed or specifically approved by Buyer in writing. The Property must have legal access to a public right of way.

(g) **Deed, Excise Taxes:** Seller shall pay for preparation of a deed and all other documents necessary to perform Seller's obligations under the Offer, and for state and county excise taxes required by law. The deed is to be made to: **130 of Chatham, LLC.**

(h) **Payment of Confirmed Special Assessments:** Seller shall pay all Confirmed Special Assessments, if any, provided that the amount thereof can be reasonably determined or estimated.

(i) **Late Listing Penalties:** All property tax late listing penalties, if any, shall be paid by Seller.

(j) **Seller's Failure to Comply or Breach:** If Seller fails to materially comply with any of Seller's obligations under this Paragraph 6 or Seller materially breaches this Contract, and Buyer elects to terminate this Contract as a result of such failure or breach, then the Deposit shall be refunded to Buyer without affecting any other remedies.

7. **PRORATIONS AND ADJUSTMENTS:** Unless otherwise provided, the following items shall be prorated through the date of Settlement and either adjusted between the parties or paid at Settlement:

- (a) **Taxes on Real Property:** Ad valorem taxes on real property shall be prorated on a calendar year basis;
- (b) **Rents:** Rents, if any, for the Property;
- (c) **Dues:** Owners' association regular assessments (dues) and other like charges.

8. **CLOSING SCHEDULE AND ACTION AT CLOSING:** The closing pursuant to this Contract (the "Closing") shall be held on or before the date which is **15** days from the later of (i) the expiration of the Feasibility Study Period or any extension thereof, or (ii) the expiration or release of the Hospital Parcel Owner's Right of First Refusal. Closing shall take place at such location as may be mutually agreed upon by the Parties. In the event the Closing date is on a Saturday, Sunday, State or National Holiday, or a date upon which the county Register of Deeds is closed, the closing shall be postponed to the next possible business day.

At the Closing of the purchase and sale of the Property hereunder:

- (A) Seller shall:
 - (i) Execute and deliver to Buyer, or such other grantee as named by Buyer, a Limited Warranty Deed to the Property, in reasonable form and content satisfactory to Buyer in Buyer's reasonable discretion, conveying good and marketable title in fee simple, as hereinabove provided, and based upon legal description of the Property from a survey prepared for Buyer, and acceptable to Seller, or in the event the Buyer does not obtain a survey, the property description on Exhibit A shall be used to prepare the deed from Seller to Buyer. Title shall be conveyed subject to the following:
 - (a) Zoning ordinances in effect;
 - (b) All easements and rights of way;
 - (c) Taxes for the year in which the closing takes place (which shall be prorated on the calendar year basis);
 - (d) Such other exceptions as are approved or deemed approved by Buyer;

Buyer initials _____ Seller initials _____

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- (e) The Declaration of Covenants and Restrictions (except to the extent specifically hereinabove released); and
- (f) Rights of others in and to the Common Area under the Declaration of Covenants and Restrictions.

All of the foregoing are hereinafter referred to as the "Permitted Exceptions". Notwithstanding the foregoing, Seller shall satisfy and discharge of record any and all mortgages or deeds of trust encumbering the Property and in no event shall any such mortgage or deed of trust be considered a Permitted Exception.

- (ii) Pay Seller's closing costs as hereinafter specified;
- (iii) Deliver to Buyer an affidavit indicating that Seller is not a foreign entity;
- (iv) Deliver to Buyer and Buyer's title insurer an affidavit and indemnity agreement in standard form regarding contractor's and materialmen's liens on the Property reasonably acceptable to Buyer's title insurer;
- (v) Deliver to Buyer a resolution reasonably satisfactory to Buyer, authorizing the transaction contemplated herein; and
- (vi) Satisfy and discharge of record any mortgage, deed of trust, and other liens encumbering the Property.
- (vii) In the event that the Seller does not perform any obligation set forth Section (A)(i) though (vi) the Closing shall be extended for the time or period equal to the time elapsed.

(B) Buyer shall:

- (i) Pay the Purchase Price as hereinafter defined;
- (ii) Pay Buyer's closing costs as hereinafter specified;
- (iii) Pay any other cost incident to the purchase and sale of the Property not specifically assumed by Seller herein.

Closing costs at the Closing shall be paid as hereinafter specified:

(A) By Seller:

- (i) Pay all taxes for years prior to the year of the Closing of the Property;
- (ii) Seller's portion of the prorated ad valorem real property taxes for the year of the Closing on the Property;
- (iii) Seller's own attorney's fees;
- (iv) The cost of deed preparation, revenue stamps required by law, any assessments, pending or confirmed, and the cost to clear any lien, encumbrance or other title exception on the Property required to be cleared by Seller;
- (v) All late payment penalties, if any, and personal property taxes on the Property for the entire year in which the Closing occurs; and
- (vi) Such other incidental costs and fees customarily paid by sellers in Chatham County, North Carolina, land transactions of this nature.

(B) By Buyer:

- (i) Buyer's own attorney's fees;
- (ii) Buyer's portion of the ad valorem and real property prorated taxes for the year of the Closing on the Property;
- (iii) The cost of recording the Limited Warranty Deed to the Property;
- (iv) Cost of the surveys and fees and premiums for the Commitment for title insurance; and fees and premiums for the policies of title insurance for the Property, if any; and
- (v) Such other incidental costs and fees customarily paid by Buyers in Chatham County, North Carolina land transactions of this nature.

After the Closing, Seller agrees that it will take such actions and properly execute and deliver to Buyer such further instruments of assignment, conveyance and transfer as may be reasonably necessary to assure the full and effective transfer and conveyance of the Property.

Buyer initials _____ Seller initials _____

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9. **CONDITION OF PROPERTY AT CLOSING:** The Property must be in substantially the same or better condition at Closing as on the Effective Date.
10. **RISK OF LOSS:** The risk of loss or damage by fire or other casualty prior to Closing shall be upon Seller. If the improvements on the Property are destroyed or materially damaged prior to Closing, Buyer may terminate this Contract by written notice delivered to Seller or Seller's agent and the Deposit shall be refunded to Buyer. In the event Buyer does NOT elect to terminate this Contract, Buyer shall be entitled to receive, in addition to the Property, any of Seller's insurance proceeds payable on account of the damage or destruction applicable to the Property being purchased. Seller is advised not to cancel existing insurance on the Property until after confirming recordation of the deed.
11. **DELAY IN SETTLEMENT/CLOSING:** Absent agreement to the contrary in this Contract or any subsequent modification thereto, if a party is unable to complete Settlement by the Settlement Date but intends to complete the transaction and is acting in good faith and with reasonable diligence to proceed to Settlement ("Delaying Party"), and if the other party is ready, willing and able to complete Settlement on the Settlement Date ("Non-Delaying Party") then the Delaying Party shall give as much notice as possible to the Non-Delaying Party and settlement agent and shall be entitled to a delay in Settlement. If the parties fail to complete Settlement and Closing within fourteen (14) days of the Settlement Date, or to further extend the Settlement Date by written agreement, then the Delaying Party shall be in breach and the Non-Delaying Party may terminate this Contract and shall be entitled to enforce any remedies available to such party under this Contract for the breach.
12. **POSSESSION:** Unless otherwise provided herein, possession shall be delivered at Closing. No alterations, excavations, tree or vegetation removal or other such activities may be done before possession is delivered.
13. **ASSIGNMENTS:** This Contract may not be assigned without the written consent of both parties.
14. **PARTIES:** This Contract shall be binding upon and shall inure to the benefit of Buyer and Seller and their respective heirs, successors and assigns. As used herein, words in the singular include the plural and the masculine includes the feminine and neuter genders, as appropriate.
15. **SURVIVAL:** If any provision herein contained which by its nature and effect is required to be observed, kept or performed after the Closing, it shall survive the Closing and remain binding upon and for the benefit of the parties hereto until fully observed, kept or performed.
16. **ENTIRE AGREEMENT:** This Contract contains the entire agreement of the parties, and there are no representations, inducements or other provisions other than those expressed herein. All changes, additions or deletions hereto must be in writing and signed by all parties. Nothing contained herein shall alter any agreement between a REALTOR[®] or broker and Seller or Buyer as contained in any listing agreement, buyer agency agreement, or any other agency agreement between them. Each party shall be responsible for paying its own broker or agent outside of Closing and no portion of the Purchase Price shall be reduced or used to pay any broker or agent. Each Party agrees to indemnify and hold the other Party harmless with respect to claim by any broker or agent claim under such party, which indemnity and hold harmless obligations shall survive the Closing.
17. **NOTICE:** All notices or other correspondence given or made pursuant to this Contract shall be in writing, delivered in person, mailed by certified mail, return receipt requested, or delivered by a recognized overnight courier, postage or fees prepaid, addressed to a party at the address given below, and shall be deemed effective

Buyer initials _____ Seller initials _____

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upon the date received, via personal delivery, certified mail, or overnight delivery. The parties shall be responsible for notifying each other of any change of address. Mailing addresses for Parties are as follows:

If to County: Chatham County
Post Office Box 1809
Pittsboro, North Carolina 27312
Attention: County Manager

If to 130 of Chatham, LLC: 130 of Chatham, LLC
3409 Birk Bluff Court
Cary, North Carolina 27518

18. **EXECUTION:** This Contract may be signed in multiple originals or counterparts, all of which together constitute one and the same instrument, and the parties adopt as their seals the word "SEAL" beside their signatures below.

19. **COMPUTATION OF DAYS:** Unless otherwise provided, for purposes of this Contract, the term "days" shall mean consecutive calendar days, including Saturdays, Sundays, and holidays, whether federal, state, local or religious. For the purposes of calculating days, the count of "days" shall begin on the day following the day upon which any act or notice as provided in this Contract was required to be performed or made.

20. **NOTICE OF DEFAULT:** The parties hereto agree that they shall not declare a default in the terms and conditions of this Contract until they have given 10 days written notice of the default and/or the failure to act, object or take action as allowed under this contract as requested herein. This notice shall specifically apply but not be limited to title objection and title exceptions or failure to extend the Feasibility Study Period and/or closing. The defaulting party shall be allowed to cure said default during the 10 day notice period. Upon curing the default, this Contract shall be in full force and effect as though the action or failure to take action had never occurred.

This offer shall become a binding contract on the Effective Date.

130 OF CHATHAM, LLC

CHATHAM COUNTY

By: _____
Member Manager

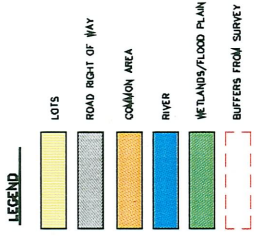
By: _____
Charlie Horne,
County Manager

Settlement Agent subscribes to this Contract to accept and acknowledge his duties hereunder.

James R. Rogers III
Settlement Agent

Buyer initials _____ Seller initials _____

EXHIBIT A- CONTRACT



H

Hobbs, Upchurch & Associates, P.A.
Consulting Engineers, Surveyors & Land Planners
 Southern Pines, North Carolina 28387
 300 S.W. Broad Street, Southern Pines, North Carolina 28387
 Phone (910) 682-5616 - Fax (910) 682-7342