

THIS CONTRACT OF SALE, made and entered into this 18<sup>th</sup> day of February 2021, by and between CLR Development, LLC., (the "Seller") and Love Grove Development, LLC., (the "Buyer").

WITNESSETH:

IN CONSIDERATION of the mutual covenants, promises and conditions hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties, the parties hereto agree as follows:

1. PROPERTY: Seller agrees to sell to the Buyer and the Buyer agrees to purchase from the Seller the fee simple property lying in Harnett County, North Carolina:

Being all of the +/- 60 acres according to PIN: 9579-14-3391 / PID: 039589 0060 of the same duly recorded in DB 3881 Page 0206, Harnett County, North Carolina.

2. PURCHASE PRICE AND DEPOSIT. Buyer shall pay to the Seller the sum of Four Hundred Thousand and No/100 Dollars (\$400,000.00), the "Purchase Price". The Purchase price shall be paid as follows:

3. CONDITIONS TO BUYER'S OBLIGATIONS. The Buyer's obligation to purchase the Property pursuant to this Contract is contingent upon the following, all or any of which may be waived by the Buyer:

- A. All deeds of trust, liens, and other charges against the Property must be paid and satisfied by Seller prior to or at closing such that cancellation may be promptly obtained following closing. Seller shall remain obligated to obtain any such cancellations following closing.
- B. Title must be delivered at closing by General Warranty Deed unless otherwise stated herein, and title must be fee simple marketable title, free of all encumbrances except ad valorem taxes for the current year (pro-rated as of the day of Closing), utility easements, unviolated restrictive covenants that do not materially affect the value of the Property, zoning ordinances, road rights-of-way of record, other easements, and such other encumbrances as may be assumed or specifically approved by Buyer. Buyer acknowledges all deed notifications or restrictions to include those requiring compliance with wetlands regulations. Buyer further agrees to indemnify and hold harmless Seller for any Purchaser actions which result in

noncompliance with a deed restriction to include compliance with wetland regulations.

- C. The Buyer determining, in his sole discretion, that the Buyer's intended use of the Property for single family residential development is economically feasible.
- D. The Seller has complied with and otherwise performed each of the covenants and obligations of the Seller under this Contract.
- E. All representations and warranties of Seller as set forth in this Contract shall be in all respects true and accurate as of the date of the Closing.
- F. After the date of the execution of this Contract by the Seller, Buyer shall, at Buyer's expense, cause a title examination to be made of the Property. In the event that such title examination shall show that Seller's title is not good, marketable, fee simple and insurable, then the Buyer shall immediately notify the Seller in writing of all such title defects and exceptions, as of the date Buyer learns of the title defects, and Seller shall have thirty (30) days to cure said noticed defects. Should Seller elect not to cure such defects, then he immediately shall give notice to Buyer that Seller is terminating the Contract, and the Earnest Money shall be returned to Buyer. If Seller does not cure the defects or objections within thirty (30) days of notice thereof, the Buyer may terminate this Contract and receive a return of Earnest Money. If the Buyer is to purchase title insurance, the insuring company must be licensed to do business in the State of North Carolina. Title to the Property must be insurable at regular rates, subject only to standard exceptions and permitted exceptions. Seller warrants that as of the date of this Contract he holds fee simple title to the Property.
- G. Seller represents and warrants that, to the best of Seller's knowledge, use of the Property for its intended use will not violate any private restrictions or governmental regulations. If Buyer determines, prior to the date of Closing, that use of the Property for its intended use will violate any private restrictions or governmental regulations, then Buyer may terminate the Contract by written notice and receive a return of Earnest Money, and neither party shall then have any further obligations in connection with this Contract.
- H. Buyer, its agents or representatives, at Buyer's expense and at reasonable times during normal business hours, shall have the right to enter upon the Property for the purpose of inspecting, examining, performing soil boring and any other testing and surveying required by Buyer. Buyer assumes all responsibility for the acts of himself, his agents or representatives in exercising his rights under this paragraph

and agrees to indemnify and hold Seller harmless from any damages resulting therefrom. All such inspections shall be completed by the Buyer no later than thirty (30) days after execution of this Contract by Seller. Any inspections not completed by such date shall be deemed waived by the Buyer. If the Buyer determines, as the result of any such inspections, that the Property is unsuitable for its intended use, then in Buyer's sole discretion, Buyer may provide Seller written notice thereof and may terminate this Contract, with the Buyer receiving a return of Earnest Money.

4. **CLOSING. Closing to occur on or before 3/3/21.** Possession shall be delivered at Closing, unless otherwise agreed between the parties. At Closing, Seller shall deliver to Buyer a General Warranty Deed, an Owner's Affidavit Regarding Liens, lien waiver forms, and any other documents customarily executed by Seller in similar transactions. Buyer shall deliver the balance of the Purchase price to Seller, giving credit to the Buyer for Earnest Money held. The Closing shall be complete as of the date and time of the recording of the deed. The deed is to be made as directed by Purchaser.

5. **PRORATIONS AND CLOSING EXPENSES.** Seller and Buyer agree that all real property taxes and property owner's association dues, if applicable, for the current calendar year shall be prorated based on the calendar year as of the date of Closing. Seller shall pay all deferred ad valorem taxes, past due taxes or assessments, any late penalties, and any and all taxes on personal property. Seller shall pay for the deed preparation, revenue stamps, and any other conveyance fees or taxes due from Seller and Buyer shall pay all other expenses.

6. **PROPERTY OWNERS ASSOCIATION DUES.** Seller and Buyer mutually acknowledge that, if property owner's association dues are applicable to the Property, such dues shall be current as of the date of the Closing. Dues for the current calendar year shall be pro-rated as of the date of Closing.

7. **ENVIRONMENTAL STATUS.** Seller represents and warrants that it has no actual knowledge or notice of the presence or disposal on the Property of hazardous or toxic waste or substances, which are defined as those substances, materials, and wastes, including, but not limited to, those substances, materials and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101, as amended) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302, as amended) and amendments thereto, or such substances, materials, and wastes which are or may become regulated under any applicable local, state, or federal law. Seller further states that he has no actual knowledge or notice of any contamination of the Property from such substances as may have been disposed of or stored on neighboring tracts, and it has no reason to suspect that such use or disposal has occurred, either during or prior to his ownership of the Property.

8. RISK OF LOSS/DAMAGE REPAIR. Until the Closing, the risk of loss or damage to the Property, except as otherwise provided herein, shall be borne by Seller. In the event the Property is damaged so that the Property cannot be conveyed in substantially the same condition as it was prior to Closing, Buyer may elect to terminate the Contract, and the Earnest Money shall be returned to Buyer. Except as to maintaining the Property in its present condition as of the date of the offer under this Contract, Seller shall have no responsibility for the repair of the Property, including any improvements, unless the parties hereto agree in writing.

9. EARNEST MONEY DISBURSEMENT. In the event this offer is not accepted, or in the event that any of the conditions hereto are not satisfied, or in the event of a breach of this Contract by Seller, then the Earnest Money shall be returned to Buyer, but such return shall not affect any other remedies available to Buyer for such breach. In the event this offer is accepted and Buyer breaches this Agreement, then the Earnest Money shall be forfeited, but such forfeiture shall not affect any other remedies available to Seller for such breach. NOTE: In the event of a dispute between Seller and Buyer over the return or forfeiture of Earnest Money held in escrow, such Earnest Money shall remain in escrow until such time as either (a) all parties hereto execute a written release consenting to the disposition of the Earnest Money, or (b) a court of competent jurisdiction issues its order regarding disbursement of the Earnest Money.

10. SELLER KNOWLEDGE OR NOTICE. Seller has no knowledge or notice of (a) condemnation proceedings affecting or contemplated with respect to the Property; (b) actions, suits, or proceedings pending or threatened against the Property; (c) changes contemplated in any applicable laws, ordinances or restrictions affecting the Property; or (d) governmental special assessments, either pending or confirmed, for sidewalk, paving, water, sewer, or other improvements on or adjoining the Property. Any confirmed assessments of any kind or nature shall be paid by Seller, and Buyer shall take title subject to any and all pending assessments, if any, unless otherwise agreed by the parties.

11. COMPLIANCE. To the best of Seller's knowledge and belief, (a) Seller has complied with all applicable laws, ordinances, regulations, statutes, rules and restrictions pertaining to or affecting the Property; (b) performance of this Contract will not result in the breach of, constitute 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; and (c) there are no legal actions, suits or other legal or administrative proceedings pending or threatened against the Property, and Seller is not aware of any facts which might result in any such action, suit or other proceeding.

12. SURVIVAL OF REPRESENTATIONS AND WARRANTIES. All representations, warranties, covenants and agreements made by the parties hereto shall survive the Closing and delivery of the deed. 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.

13. APPLICABLE LAW. This Contract shall be construed under the laws of the State of North Carolina.


14. TAX-DEFERRED EXCHANGE. In the event that Buyer or Seller desire to effect a tax-deferred exchange in connection with the conveyance of the Property, Buyer and Seller agree to cooperate in effecting such exchange; provided, however, that the exchanging party shall be responsible for all additional costs associated with such exchange, and provided further, that a non-exchanging party shall not assume any additional liability with respect to such tax-deferred exchange. Seller and Buyer shall execute such additional documents, at no cost to the non-exchanging party, as shall be required to give effect to this provision.

15. ASSIGNMENT. This Contract may not be assigned by either party hereto without the prior written consent to the assignment by the non-assigning party.

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 hereto.

17. EXECUTION. This instrument shall become a binding contract when signed by both Buyer and Seller.

IN WITNESS WHEREOF, this Contract is executed under seal in signed multiple originals, all of which constitute one and the same instrument, with a signed original being retained by each party, and the parties adopt the word "seal" beside their signatures below.

BUYER:  (SEAL)  
Love Grove Development, LLC  
By: Charles D. Blackwell

SELLER:  (SEAL)  
CLR Development, LLC.  
By: E. Frank Weaver, III

Date: 2/18/21

Date: 2/18/21