

STATE: VIRGINIA
CITY: MANASSAS PARK

DIVISION: NORTHERN VIRGINIA
PROJECT: DIGITAL DRIVE

LAND PURCHASE CONTRACT

THIS LAND PURCHASE CONTRACT (this "Contract") is made by and between **D.R. Horton, Inc.**, a Delaware corporation ("Buyer"), and the **City of Manassas Park**, a Virginia municipal corporation (solely in its capacity as owner of the Property (as defined below), and under no circumstances in its capacity as a political subdivision of the Commonwealth of Virginia, "Seller"; in its capacity as a political subdivision of the Commonwealth of Virginia, the "City"). The Buyer and the Seller state and acknowledge as follows:

A. Seller owns certain land located in Manassas Park, Virginia, and described in **Exhibit A** attached hereto and incorporated herein (the "Land"). The Land, all rights, permits, privileges, licenses, and easements appurtenant thereto, and all vegetation and improvements located thereon, are hereinafter collectively referred to as the "Property".

B. Seller desires to sell the Property to Buyer, and Buyer desires to purchase the Property from Seller.

THEREFORE, for and in consideration of the reciprocal covenants stated herein, the parties agree as follows:

1. **Conveyance.** The above recitals are true and correct and are hereby incorporated into this Contract. Seller shall sell and convey the Property to Buyer, and Buyer shall purchase the Property from Seller, on the terms and conditions stated herein.

2. **Effective Date.** The "Effective Date" means the latest of the following dates: (a) the date this Contract is executed by Seller, and (b) the date of Buyer's corporate ratification, as required by Section 21 below (the "Corporate Ratification").

3. **Purchase Price.** The purchase price of the Property (the "Purchase Price") shall be ONE MILLION FORTY SEVEN THOUSAND THREE HUNDRED THREE AND NO/100 DOLLARS (1,047,303.00). The Purchase Price shall be payable at closing on the sale and purchase of the Property ("Closing") by delivery of cash or other immediately available funds, subject to adjustments, prorations and credits as herein provided.

4. **Earnest Money.**

a. Within ten (10) days of the Effective Date, the parties shall execute an escrow agreement in form substantially as shown by **Exhibit B** attached hereto and incorporated herein (the "Escrow Agreement"), whereupon Buyer shall deposit ("Initial Deposit") the sum of ONE THOUSAND AND NO/100 DOLLARS (\$1,000.00) with DHI Title Agency, Attn: Allison Irwin, 7925 Jones Branch Road, Suite 5350, Tysons Corner, VA 22102, Phone: 703-677-9481, Fax: 866-304-4372, Email: AMIrwin@dhititle.com ("Escrow Agent" or "Title Company"). The Escrow Agent shall deposit such cash in an escrow account with a federally insured bank, as required by the Escrow Agreement.

b. Provided that Seller is not in default hereunder, if Buyer delivers to Seller a Notice of Suitability, as provided in Section 10 below, then no later than ten (10) days following Buyer's issuance of Notice of Suitability, Buyer shall deposit as additional earnest money with Escrow Agent (the "Additional Earnest Money"), the sum of FORTY NINE THOUSAND AND NO/100 DOLLARS (\$49,000.00). The Escrow Agent shall deposit the Additional Earnest Money in the escrow account described in Subsection 4.a above.

c. The Initial Deposit, the Additional Earnest Money, any additions thereto, and any proceeds thereof, together with all earnings thereon, shall be collectively referred to herein as the "Earnest Money". Escrow Agent shall hold and disburse the Earnest Money pursuant to the terms of this Contract and the Escrow Agreement. Upon the request of either Buyer or Seller, the other party shall promptly execute and deliver written instructions to the Escrow Agent to disburse the Earnest Money as required by this Contract. Buyer shall determine, at Buyer's reasonable discretion, whether the escrow account shall be interest-bearing; however, any interest earned on any funds held in escrow shall be for the benefit of Buyer. In the event the Escrow Agent is obligated to deliver all or

any portion of the Earnest Money to Seller, then Escrow Agent shall first give Buyer seven (7) business days' notice of Escrow Agent's intention to do so.

d. If Buyer fails to timely deliver any portion of the Earnest Money (*i.e.*, the Initial Deposit or the Additional Earnest Money) as required by Subsections 4.a and 4.b above and such failure continues for a period of ten (10) days after written notice from Seller, then Seller may terminate this Contract by written notice to Buyer at any time prior to the deposit of that portion of the Earnest Money. If this Contract is so terminated, this Contract shall be deemed to have terminated as of the date that that portion of the Earnest Money was originally to have been delivered by Buyer, and there shall be no remedy hereunder to either Seller or Buyer other than the termination of this Contract.

e. The Earnest Money shall be credited against the Purchase Price payable at Closing.

5. **Primary Contingencies; Definitions.**

a. Primary Contingencies. Buyer's obligation to close on the purchase of the Property under this Contract is contingent upon each and all of the following (collectively, the "Primary Contingencies"):

- i. all of Seller's warranties, representations and covenants contained in this Contract shall be and remain true, correct, complete, and fully performed;
- ii. all applicable governmental authorities having jurisdiction over the Property, including, without limitation, the City and the Commonwealth of Virginia (and their respective agencies) (collectively and as applicable, the "Governing Jurisdiction") shall have issued all final, non-appealable site plan approvals, construction plan approvals, zoning approvals, variances, FAR approvals, land disturbance permits, wetlands permits, curb cut approvals, and other Federal, State and municipal approvals that Buyer deems, in its sole and absolute discretion, necessary or desirable for the development of the Property as intended by Buyer (collectively the "Approvals"), including but not limited to (a) Final Plat Approval (as defined in Subsection 5.d below) with conditions to approval of the final subdivision plat acceptable to Buyer in Buyer's sole and absolute discretion; (b) Final Sewer Approval (as defined in Subsection 5.d below); (c) Final Water Approval (as defined in Subsection 5.d below); and (d) Rezoning Approval (as defined in Subsection 5.d below);
- iii. there shall have occurred no material adverse change in the physical (including environmental) or legal conditions of the Property from the conditions existing as of the Effective Date;
- iv. all applicable utility service providers have irrevocably committed in writing to provide the following underground utilities to sufficiently serve all Approved Units (as defined in Subsection 5.d below) within the Property: natural gas for heating, water heaters, cooking and fireplaces, telephone, electric, cable television, and high-speed internet service;
- v. Buyer shall have obtained any offsite easements and rights-of-way, and enter into any binding agreements, that in Buyer's sole discretion are necessary and sufficient to install, locate, or relocate any utilities in order to allow Buyer to construct the Approved Units and related improvements intended to be constructed by Buyer shown on the Final Plat;
- vi. Seller shall be ready, willing and able to deliver good and marketable title (as defined in Section 8 below) to the Property to Buyer, and the Title Company shall be unconditionally prepared to issue a standard ALTA owner's form title policy insuring good and marketable fee simple title to the Property with a liability limit in the amount of the Purchase Price at standard premium rates; and
- vii. All of the conditions to closing and primary contingencies more particularly set forth in that certain Land Purchase Agreement by and between Buyer and Lake Jackson Developers LLC (the "Adjacent Land Purchase Contract") shall have been satisfied such that closing on the Property and the property under the Adjacent Land Purchase Contract (the "Adjacent Land") shall occur simultaneously. In the event that the Adjacent Land Purchase Contract is terminated, Buyer

shall have the right, in its sole discretion, to terminate this Contract by giving written notice to Seller, in which event, all of the Earnest Money shall be immediately refunded to Buyer.

b. Additional Provisions; Periodic Updates. Buyer shall diligently pursue and use commercially reasonable efforts to apply for, pursue, and obtain the Approvals, and in connection therewith, Seller shall cooperate with Buyer's efforts and shall execute such applications and take such actions as are reasonably requested by Buyer. Furthermore, Buyer agrees that after the delivery of a Notice of Suitability hereunder, and continuing through the earlier of the termination of this Contract or any Closing hereunder, it shall endeavor to deliver periodic updates and/or progress reports to Seller (which may be delivered via email at the email address set forth in Section 16 below) regarding the status of the Approvals; *provided, however*, that notwithstanding anything in this Contract to the contrary, any failure by Buyer to provide any such updates and/or progress reports shall not constitute a default under this Contract.

c. Primary Contingency Deadline. Should any of the Primary Contingencies not be satisfied or waived in writing by Buyer prior to Closing, then Buyer, in its sole and absolute discretion, may terminate this Contract in its entirety or waive such Primary Contingency and proceed to Closing. In the event of a termination of this Contract, the Earnest Money shall be returned to Buyer, and neither party shall thereafter have any further obligations hereunder except for those obligations that expressly survive termination.

d. Definitions.

- i. Final Plat Approval. As used herein, "Final Plat Approval" means: (1) the Governing Jurisdiction has issued written and final approval of the final site plan, construction plan approvals; zoning and density approvals, FAR approvals, and all other Federal, State and Governing Jurisdiction approvals and permits that Buyer deems, in its sole and absolute discretion, necessary or desirable to permit Buyer to construct not less than one hundred two (102) market rate units ("Approved Units") and six (6) affordable dwelling units or workforce housing units (collectively, "Affordable Units") on the Property and Adjacent Land, as more particularly depicted on **Schedule 5.d.i** attached hereto and pursuant to the final plat approved as part of the Final Plat Approval (the "Final Plat"), on terms and conditions acceptable to Buyer, but for purposes of this Contract, Approved Units shall not include Affordable Units, and (2) that Buyer shall be authorized by the Governing Jurisdiction to develop the Property and Adjacent Land pursuant to the Final Plat. Seller agrees to cooperate in obtaining Final Plat Approval, including signing such applications and attending such meetings as may be required by Buyer. Buyer shall pay all fees required by the Governing Jurisdiction.
- ii. Final Sewer Approval. As used herein, "Final Sewer Approval" means that Buyer has obtained written evidence from the Governing Jurisdiction, in form and content acceptable to Buyer, that sufficient sewer capacity exists to serve all Approved Units and amenities shown by the Final Plat and that Buyer shall be allowed to utilize that sewer capacity to serve all Approved Units and amenities shown by the Final Plat, without any conditions or restrictions unacceptable to Buyer. Seller agrees to cooperate in obtaining Final Sewer Approval for the Property and Adjacent Land, including signing such applications and attending such meetings as may be required by Buyer. Buyer shall pay all fees required by the Governing Jurisdiction in connection with the sewer taps and Final Sewer Approval.
- iii. Final Water Approval. As used herein, "Final Water Approval" means that Buyer has obtained written evidence from the Governing Jurisdiction, in form and content acceptable to Buyer, that sufficient water capacity exists to serve all Approved Units and amenities shown by the Final Plat and that Buyer shall be allowed to utilize that water capacity to serve all Approved Units and amenities shown by the Final Plat, without any conditions or restrictions unacceptable to Buyer. Seller agrees to cooperate in obtaining Final Water Approval for the Property and Adjacent Land, including signing such applications and attending such meetings as may be required by Buyer. Buyer shall pay all fees required by the Governing Jurisdiction in connection with Final Water Approval.
- iv. Rezoning Approval. As used herein, "Rezoning Approval" means a final, non-appealable, and irrevocable ordinance(s) shall have been approved by the Governing Jurisdiction evidencing that

the Property and Adjacent Land (i) is approved for Buyer's intended residential development, (ii) is appropriate and permits Buyer's intended use of the Property and Adjacent Land for the construction of the Approved Units and such other uses as Buyer may deem necessary or required, in Buyer's sole discretion, and (iii) is on such other terms and conditions as may be acceptable to Buyer, in Buyer's sole discretion. Within thirty (30) days of the date on which Buyer delivers Notice of Suitability to Seller, Buyer shall make the initial submission(s) to the Governing Jurisdiction in order to obtain Rezoning Approval.

e. **Mutual Cooperation.** Seller and Buyer will each cooperate with each other, their employees, and agents, in a reasonable and timely fashion in the execution of such documents and instruments as may be required to effectuate the transaction herein envisioned and to facilitate the purpose and intent of this Contract.

6. Closing and Possession. Closing shall be held no more than thirty (30) days after the later of: (a) the date on which Buyer delivers Notice of Suitability for the Property (as provided in Subsection 10.c) or (b) the date on which all of the Primary Contingencies have been either satisfied or waived by Buyer; provided that Closing must take place on a Tuesday, Wednesday or Thursday that is a business day (a "Permitted Closing Day"), and may be extended no more than an additional five (5) days in order to be scheduled on one of those days of the week. Closing shall be held at a time, date and location designated by Buyer. Furthermore, if Closing is scheduled to occur on any date from September 15 through September 30, it shall automatically be extended to the next Permitted Closing Day in October, and if Closing is scheduled to occur on any date from December 18 through January 5, it shall automatically be extended to the next Permitted Closing Day in January. At Closing, Seller shall deliver a special warranty deed conveying fee simple title to the Property in recordable form, subject only to the Permitted Exceptions, and otherwise acceptable to Buyer in Buyer's sole and absolute discretion (the "Deed"). At Closing, Seller shall also execute and deliver to Buyer a general assignment of rights against third-parties in the form of **Exhibit D** attached hereto and incorporated herein, and specific assignments of any Seller Entitlements (defined below) that Buyer desires to assume, including any consents to such assignments from the applicable authority if required. Seller shall deliver exclusive possession of the Property to Buyer at Closing.

7. Closing Costs and Prorations. The provisions of this Section 7 shall survive Closing.

- i. Seller shall pay (i) the Grantor's tax imposed on the Deed, (ii) any roll-back taxes or other taxes attributable to any portion of the Property assessed or exempted for agricultural or other special uses prior to Closing, whether such taxes become due before, at or after Closing, and any applicable congestion relief tax imposed in addition to the grantor tax (iii) the cost of satisfaction of any liens on the Property, (iv) Seller's attorneys' fees, (v) one-half of any closing fee charged by the Title Company related to Closing, up to a maximum amount of \$300.00, and (vi) all other expenses incurred by Seller related to Closing.
- ii. Buyer shall pay (i) the cost for preparation and issuance of an owner's title insurance policy, (ii) all State and local transfer and recordation taxes imposed on the Deed other than the Grantor's tax and any rollback tax, (iii) Buyer's attorneys' fees, (iv) the cost of preparation of the Deed from Seller to Buyer, and (v) one-half of any closing fee charged by the Title Company related to Closing.
- iii. Ad valorem taxes on the Property for the tax year of Closing shall be prorated between Seller and Buyer as of Closing based on the latest assessment available. Should such proration be inaccurate based on the actual ad valorem tax bill when received, either party may demand, and shall receive, a payment from the other correcting such apportionment.
- iv. Seller shall be solely responsible for any deferred or past due taxes.

8. Conveyance of Title. At Closing, Seller shall convey good and marketable title to the Property to Buyer pursuant to the Deed. As used in this Contract, "good and marketable title" shall mean fee simple title that is free and clear of all liens, encumbrances, leases, licenses, and other occupancy agreements and arrangements, and other exceptions to title and rights of others except those Permitted Exceptions listed on **Exhibit E** attached hereto and incorporated herein. Buyer shall examine title and the "Survey" (defined below) to the Property and give written notice to Seller of any objections that Buyer may have prior to the delivery by Buyer to Seller of the Notice of Suitability (the "Initial Objection to Title Notice"). Within fifteen (15) business days after receipt of the Initial

Objection to Title Notice, Seller shall provide written notice to Buyer whether Seller will cure any such objections or refuse to cure such objections. Failure by Seller to give written notice of its election within fifteen (15) business days after receipt of the Initial Objection to Title Notice shall be deemed an election by Seller not to cure the objections. In the event Seller elects, or is deemed to have elected, not to cure any objections, then Buyer shall have the right to elect either: (a) to waive the unsatisfied objections and proceed with Closing, or (b) to terminate this Contract in its entirety and receive an immediate refund of the Earnest Money. In the event Seller elects to cure the objections, Seller shall have forty-five (45) days from the date of the notice to cure all such objections, at Seller's sole cost. The Closing shall be delayed during and extended for any such cure period. If Seller fails for any reason to cure the objections within forty five (45) days, then Buyer may: (1) waive the unsatisfied objections and complete the purchase of all portions of the Property scheduled for Closing, including those subject to the unsatisfied objections, or (2) terminate this Contract in its entirety and receive an immediate refund of the Earnest Money. Any objections that are waived in writing by Buyer, or deemed to be waived by Buyer pursuant to this Section 8, shall become "Permitted Exceptions." Notwithstanding anything to the contrary contained herein, no later than Closing, Seller shall be obligated to remove any exception that can be cured by the payment of money in the nature of a deed of trust, mortgage, lien, judgment, deferred tax or confirmed assessment (subject to the prorations of current year taxes required under Section 7 above) (collectively, "**Monetary Liens**"). Buyer may re-examine title up to the time of the Closing and give written notice to Seller of any objections that Buyer may have as to matters first appearing of record subsequent to the date of the title report or title commitment referenced in Buyer's Initial Objection to Title Notice, or in the event Buyer did not provide an Initial Objection to Title Notice, as to matters that did not exist or were not of public record as of the Effective Date, which new title objections shall be addressed as set forth above. At Closing, Seller shall execute an Owner's Affidavit and other affidavits, certificates and documents reasonably required by Buyer or Title Company to deliver title as required by this Contract.

9. **Buyer's Survey.** Buyer may obtain at its expense an ALTA survey ("Survey") of the Property. If Buyer obtains a survey, Buyer shall provide Seller with a copy of a plat of the survey, and the legal description of the Property in the Deed shall include a metes and bounds description of the Property derived from the Buyer's survey. Within fifteen (15) days after delivery of the plat of survey to Seller, Seller shall notify Buyer in writing of any objection to the Buyer's survey. If a notice of objection is not timely received, the Buyer's survey shall be deemed accepted by Seller. If Seller objects to the Buyer's survey, then Seller shall cause the Property to be surveyed by a Registered Land Surveyor within thirty (30) days thereafter, and shall furnish a copy of a plat of Seller's survey to Buyer. If Buyer does not accept Seller's survey, then the surveyors who prepared Buyer's and Seller's surveys shall select a third Registered Land Surveyor who shall survey the Property. The results of said third survey shall be conclusive, the legal description of the Property in the Deed shall be derived from that survey, and, if applicable, the Purchase Price shall be based on the net acreage of the Property as shown by that survey. Seller shall bear the cost of any survey obtained by Seller. Buyer and Seller shall equally bear the cost of any third survey of the Property obtained pursuant to the terms of this Section 9.

10. **Inspection Period.**

a. Duration. The period of time beginning with the Effective Date and ending at 11:59 p.m. on that date which is ninety (90) days after the Effective Date is hereinafter referred to as the "Inspection Period."

b. Rights and Obligations. From the Effective Date through Closing, Buyer may enter upon the Property to inspect and examine the Property and to perform whatever tests and studies of the Property Buyer deems necessary or appropriate. Seller shall cooperate with Buyer in its entry upon, and its inspections, tests, examinations and studies of, the Property. Buyer shall indemnify Seller for any and all claims of bodily injury or damage to property (including the Property itself) arising out of Buyer's inspections of the Property. Buyer shall also indemnify Seller for liens which may be filed against the Property by persons or entities employed or contracted by Buyer to perform inspections of the Property. However, Buyer's indemnity of Seller shall not cover or apply to: (1) any loss, cost or expense arising or resulting from acts or omissions of Seller, (2) any diminution in the value of the Property arising or resulting from matters discovered by Buyer during its investigations of the Property, (3) any latent defects in the Property discovered by Buyer, or (4) the release or spread of any Hazardous Substance discovered, but not deposited, by Buyer on or under the Property. Buyer's indemnity of Seller pursuant to this Subsection 10.b shall survive Closing or any earlier termination of this Contract for a period of two (2) years. Buyer shall repair any damage to the Property caused by such Buyer inspections and examinations.

c. Notice of Suitability. The results of all inspections, tests, examinations and studies of the Property performed during the Inspection Period must be suitable to Buyer, in its sole and absolute discretion. Prior to the expiration

of the Inspection Period, Buyer may notify Seller that such results are suitable to Buyer by delivering to Seller a written notice of suitability (the "Notice of Suitability") signed by one of the executive officers of Buyer listed in Section 21 below (collectively, the "Authorized Officers"). No such Notice of Suitability shall be valid and effective unless signed by one of the Authorized Officers. If Buyer fails for any reason to send Seller the Notice of Suitability by the end of the Inspection Period, and such failure continues for a period of ten (10) days after written notice from Seller, this Contract shall automatically terminate. Also, if Buyer notifies Seller in writing at any time prior to issuance of a Notice of Suitability that the results of its inspections, tests, examinations or studies are not suitable to Buyer, then this Contract shall automatically terminate. Upon such termination, Buyer shall be entitled to an immediate refund of all Earnest Money then held by the Escrow Agent, and thereafter neither party shall have any further obligation to the other hereunder, except such obligations that survive termination by express provision herein.

11. **Delivery of Information.** Within twenty (20) days after the Effective Date, Seller shall deliver to Buyer:

a. Copies of all of the following materials, to the extent they are in the possession or control of Seller: (i) all surveys, (ii) all title reports, commitments and policies, (iii) all zoning documents, construction plans, approved site plans or plats, permits, development orders or other documents of entitlement obtained by or assigned to Seller prior to Closing, including any applications therefor (collectively, "Seller Entitlements"), (iv) all reports, documents and surveys regarding rock tests and other soil conditions, (v) all environmental studies and reports, (vi) all wetland delineation studies, (vii) all other reports, studies and other materials that pertain to environmental hazards, wetlands, flood studies or any aspect of the physical or environmental condition of the Property or other property in the vicinity of the Property, (viii) geotechnical reports, (ix) development plans and specifications, (x) title reports or abstracts, (xi) proffer statements, and (xii) all existing or proposed leases, licenses, easements and contracts affecting the Property; and

b. A written notice (the "Notice of Transmittal"), signed by Seller, certifying that each of the items listed in Subsection 11.a above are enclosed in the transmittal or have been previously delivered to Buyer, or identifying any such items that are not within the possession or control of Seller.

In addition to constituting a default hereunder, failure of Seller to deliver both the required materials and the Notice of Transmittal within the required time period shall automatically extend the Inspection Period one day for each day delivery of any of the materials or the Notice of Transmittal is delayed.

c. **Buyer Diligence Information.** In the event of any termination of this Contract for any reason other than a default by Seller hereunder, then Buyer shall within ten (10) days after receipt of a written request from Seller, at no cost to Buyer, but without any recourse, representation or warranty with respect to the same, provide to Seller complete copies of all studies, reports, plans, specifications, applications, information and other materials prepared by third parties for, on behalf of or at the request of Buyer (collectively, "Due Diligence Information") in connection with its feasibility studies of the Property. The term "Due Diligence Information" shall not be deemed to include any environmental reports obtained by Buyer or any reports or materials which are privileged, proprietary or confidential. Buyer does not represent or warrant to Seller that it will obtain any Due Diligence Information. With respect to any Due Diligence Information provided to Seller and any other information made available to Seller by or on behalf of Buyer, Seller acknowledges and agrees that (i) Buyer makes no covenant, representation or warranty whatsoever as to such information, including, without limitation, its content, reliability, accuracy or completeness, (ii) if Seller uses or relies on any information provided by Buyer, Seller shall do so solely at Seller's own risk, and Buyer makes no representation, warranty or assurance as to whether Seller has any right to use or rely thereon, (iii) the parties preparing any such information are not the agents of Buyer, (iv) Buyer shall have no duty to advise Seller of any misrepresentations, misstatements, mistakes, errors or other inaccuracies contained in such information, and (v) Buyer shall have no liability, and is hereby released from all liability, to Seller, its successors and/or assigns, with respect to such information, including, without limitation any liability for misrepresentations, misstatements, mistakes, errors or other inaccuracies contained in such information. The terms of this Subsection 11.c shall survive any termination of this Contract in all respects.

12. **Condemnation and Casualty.** If prior to Closing, all or any portion of the Property is condemned or taken, or threatened to be condemned or taken, by any authority, or any portion of the Property suffers a casualty loss, Seller shall give Buyer immediate Notice thereof with a complete description of all relevant information and complete copies of all relevant documentation. Within thirty (30) days of such Notice, Buyer may elect either: (i) to terminate this Contract, in which event all of the Earnest Money shall be immediately refunded to Buyer; or (ii) to keep this Contract in full force and effect, in which case Seller shall promptly execute all documents and undertake all such actions

reasonably required by Buyer to assign Seller's rights therein to Buyer and to cause all such condemnation or eminent domain or insurance awards or proceeds to be delivered to Escrow Agent, to be credited against the Purchase Price at Closing.

13. Seller's Representations and Warranties. Seller represents, warrants and covenants to Buyer that, as of the Effective Date and continuing through Closing:

- a. Seller has good and marketable fee simple title to the Property, free and clear of all liens, encumbrances, leases, licenses, and other occupancy agreements and arrangements, and other matters other than the Permitted Exceptions;
- b. Seller is in sole and exclusive possession of the Property, and no person or entity claims any right of possession to all or any portion of the Property; no party has a right of first refusal, option to purchase, or any other right of a similar nature with respect to all or any portion of the Property;
- c. Seller has full authority to execute this Contract and convey the Property to Buyer and execute and deliver the Deed and such other documents, instruments, affidavits and certificates as are necessary or desirable to effectuate this transaction, and no other signatures are required for this Contract to be fully enforceable by Buyer;
- d. All assessments against the Property are shown in the official records of the Governing Jurisdiction; no site or area improvements have been constructed or installed by any public authority, the cost of which may be assessed in whole or in part against any part of the Property; the Property is not subject to the imposition of impact or development fees; and Seller has not been notified of any possible future improvements that might create an assessment against any part of the Property;
- e. To the best of Seller's knowledge, there is no pending or threatened taking or condemnation of the Property or any portion thereof, and no pending or threatened action, litigation or proceeding by any organization, entity, person or governmental agency affecting the Property or Seller;
- f. Seller has no notice or knowledge of any violation of law, order, ruling, ordinance, rule or regulation with respect to Seller or the Property or the use thereof;
- g. During the time Seller has owned the Property, and to the best of Seller's knowledge with regard to the time prior to Seller's ownership of the Property: (i) none of the Property has been excavated; (ii) no landfill has been located on or in the vicinity of the Property; (iii) no debris or materials (including, without limitation, organic materials, strippings, rocks, stumps or concrete) have been buried upon the Property; (iv) the Property has not contained a bury or borrow pit, and no fill has been taken from or deposited on the Property; and (v) no wetlands or other protected areas on the Property have been filled or altered;
- h. The Property has not been, and is not being, assessed or taxed under any agricultural, special use, open space, "Conservation Use," "Current Use," or "Green Acres" valuation or program, or similar valuation or program;
- i. Seller has filed all federal, state and local tax returns as required by law with respect to Seller and the Property;
- j. The Property has access to and from public streets and/or roads pursuant to an easement recorded by deed recorded as Instrument No. 201612220104863 among the land records of Prince William County, Virginia;
- k. The execution and delivery of this Contract, and the consummation of this transaction, will not result in a breach of any of the terms of, or constitute a default under, any (i) indenture, contract or instrument to which Seller is a party or by which Seller or the Property is bound, or (ii) law, order, ruling, ordinance, rule or regulation with respect to Seller or the Property or the use thereof;
- l. To the best of Seller's knowledge, there are no attachments, executions, assignments for the benefit of creditors or voluntary or involuntary proceedings in bankruptcy or under any applicable debtor relief laws pending or threatened against Seller or the Property;
- m. To the best of Seller's knowledge, the Property contains no threatened or endangered species or endangered or protected habitats or items of archaeological significance as defined by applicable state or federal laws;

- n. There are no signs, billboards or leases for same located on or promised in connection with the Property;
- o. There are no cemeteries, grave sites or burial sites located on or immediately adjacent to the Property;
- p. The information and materials furnished and to be furnished to Buyer by Seller, and Seller's representations and warranties made herein or in connection herewith, are true, complete and accurate and do not omit to include any material information necessary to make the same true or not misleading;
- q. Neither Seller nor any of its direct or indirect members, partners, shareholders, or equity owners nor any of their respective employees, managers, officers or directors, is a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control of the Department of the Treasury ("OFAC"), (including those named on OFAC's Specially Designated and Blocked Persons List) or under any similar statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism) or other similar governmental action;
- r. Seller is not a "foreign person" as that term is defined in Internal Revenue Code Section 1445 (f)(3), nor is the sale of the Property subject to any withholding requirements imposed by the Internal Revenue Code, including, without limitation, Section 1445 thereof; and, at Closing, Seller shall execute and deliver to Buyer a Non-Foreign Person Affidavit in form reasonably acceptable to Buyer stating such; and
- s. There are no cash proffers, in-kind proffers, use requirements, use restrictions, cash tenders, in-kind tenders, or commitments of any kind or type (collectively, the "Proffers"), affecting the Property that would materially impact Buyer's ability to build Buyer's intended improvements, except those Proffers that are the sole and exclusive obligation and cost of Buyer.

Seller will not allow or cause any action to be taken that will cause any of the foregoing representations or warranties to be untrue or incorrect at Closing, or fail to take any action that may be required to keep such representations and warranties true and correct at Closing. To the extent permitted by applicable law, Seller shall indemnify and hold Buyer harmless from and against any and all liabilities, losses, costs, damages and expenses (including attorneys' fees and expenses and costs of litigation) incurred by Buyer as a result of the untruth, incorrectness or incompleteness when made and through Closing of any representation or warranty made herein or in connection herewith. The representations, warranties and obligations of Seller pursuant to this Section 13 shall survive Closing or any termination of this Contract.

14. **Broker Fees.** Seller represents to Buyer that Seller has not discussed this Contract or the subject matter hereof with any real estate broker, agent, or salesperson in any manner or context that would create any legal right of any such broker, agent, or salesperson to claim a real estate commission, finder's fee, or similar compensation from Buyer with respect to the sale and/or conveyance of the Property contemplated in this Contract. To the extent permitted by applicable law, Seller shall indemnify and hold Buyer harmless from and against any and all liabilities, losses, costs, damages and expenses (including reasonable attorneys' fees and expenses and costs of litigation) that Buyer may suffer or incur because of any claim by any broker, agent, or salesperson, whether or not meritorious, for any compensation with regard to this Contract or the sale and purchase of the Property contemplated herein, arising out of any acts or agreements of Seller. Buyer represents to Seller that Buyer has not discussed this Contract or the subject matter hereof with any real estate broker, agent, or salesperson, in any manner or context that would create any legal right of any such broker, agent, or salesperson to claim a real estate commission, finder's fee, or similar compensation from Seller with respect to the sale and/or conveyance of the Property contemplated in this Contract. Buyer shall indemnify and hold Seller harmless from and against any and all liabilities, losses, costs, damages and expenses (including reasonable attorneys' fees and expenses and costs of litigation) that Seller may suffer or incur because of any claim by any broker, agent, or salesperson, whether or not meritorious, for any compensation with regard to this Contract or the sale and purchase of the Property contemplated herein, arising out of any acts or contracts of Buyer. The provisions of this Section 14 shall survive Closing or any termination of this Contract.

15. **Default.**

- a. **Buyer's Default.** If Buyer defaults in the performance of any obligation or covenant hereunder, Seller's sole and exclusive remedy shall be to terminate this Contract and receive payment of the Earnest Money then held by the Escrow Agent as Seller's full liquidated damages as a result of such default. The parties hereby agree and

acknowledge that: (i) ascertaining the actual damages in the event of a default by Buyer would be difficult, (ii) it is impossible more precisely to estimate the damages to be suffered by Seller upon Buyer's default, (iii) such payment of Earnest Money is intended not as a penalty, but as full liquidated damages, and (iv) the amount of the Earnest Money constitutes a good faith estimate of the potential damages that could arise from a default by Buyer hereunder.

b. Seller's Default. If Seller defaults in the performance of any covenant or obligation hereunder, or if any of Seller's representations or warranties prove to be false, inaccurate, incomplete, or misleading in any material respect, then Buyer's sole and exclusive remedy shall be to either (i) seek specific performance of this Contract, or (ii) terminate this Contract, and receive an immediate refund of all Earnest Money then held by Escrow Agent. If Buyer terminates this Contract as the result of Seller's default as provided in the preceding sentence, and Seller enters into a new purchase and sale agreement for the Property with a third party within six (6) months following such default, then Buyer may sue Seller for damages; provided, however, that any damages recoverable from Seller for its default shall not exceed (iii) if the purchase price for the Property listed in the new purchase and sale agreement is more than the Purchase Price, the amount of the purchase price for the Property listed in the new purchase and sale agreement that is in excess of the Purchase Price, or (iv) if the purchase price for the Property listed in the new purchase and sale agreement is less than the Purchase Price, FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$500,000.00). This Subsection 15.b shall survive any termination of this Contract.

c. Post-Closing and Post-Termination Remedies. Notwithstanding Subsections 15.a and 15.b above, from and after the Closing or any termination of this Contract, each party shall have the right to pursue its actual (but not consequential or punitive) damages against the other party for: (1) a breach of any covenant or agreement contained herein that is performable after or that expressly survives the Closing or termination of this Contract (including the indemnification obligations contained in this Contract), and (2) a breach of any representation or warranty in this Contract.

d. Notice and Cure Rights. In the event of a default hereunder, the non-defaulting party shall give the defaulting party notice of such default, specifying in reasonable detail the nature of the default. Thereafter, the defaulting party shall have forty-five (45) days from the date notice of default is given to cure the default. If the defaulting party cures the default within the 45-day period, it shall not incur any liability to the other party for the default. Each party shall reasonably cooperate with any and all attempts by the other to cure any default within the aforesaid cure period.

e. Legal Fees. In the event of any litigation between Buyer and Seller regarding this Contract, the losing party shall promptly pay the prevailing party's reasonable attorneys' fees and expenses and costs of litigation.

16. **Notices.** All notices required or permitted to be given hereunder shall be in writing and shall be deemed given: (a) upon hand-delivery, receipt required, (b) the next business day after deposit with Federal Express, UPS, or other nationally recognized overnight courier service, or (c) when transmitted via email or facsimile, provided a copy is sent the next business day by method (a) or (b) or by regular first-class U.S. Mail. All notices shall be addressed as follows:

<u>If to Buyer:</u>	Jonathon Pentecost, Region President D. R. Horton, Inc. 137 Mitchells Chance Road, Suite 400 Edgewater, MD 21037 Phone: (239) 872-1676 Email: jmpentecost@drhorton.com
<u>With a copy to:</u>	Leeann K. Kelly-Judd Region Counsel – Mid-Atlantic D.R. Horton, Inc. 137 Mitchells Chance Road, Suite 400 Edgewater, MD 21037 Phone: (301) 407-2571 Email: LKKellyJudd@drhorton.com
<u>And:</u>	D.R. Horton, Inc. 1341 Horton Circle Arlington, TX 76011 Attn: Mark Karnes, Esq. Phone: (817) 390-8200

	Fax: (817) 390-1709 Email: mkarnes@drhorton.com
<u>And:</u>	Tony V. Free City Manager – Northern Virginia D.R. Horton, Inc. 7925 Jones Branch Dr. Ste. 6200 Tysons, VA 22102 Phone: (301) 481-8934 Email: TVFree@drhorton.com
<u>And:</u>	Womble Bond Dickinson (US) LLP One West Fourth Street Winston-Salem, NC 27101 Attn: Kimberly Richards, Esq. Ethan Siler, Esq. Phone: (336) 728-7018; (336) 728-3521 Email: Kimberly.Richards@wbd-us.com Ethan.Siler@wbd-us.com
<u>If to Seller:</u>	Laszlo Palko, City Manager Manassas Park City Hall 100 Park Central Plaza Manassas Park, VA 20111 Phone: (703) 335-8813 Fax: (703) 335-0053 Email: l.palko@manassasparkva.gov
<u>With a copy to:</u>	Dean Crowhurst, City Attorney Manassas Park City Hall 100 Park Central Plaza Manassas Park, VA 20111 Phone: (703) 335-0052 Fax: (703) 335-0053 Email: d.crowhurst@manassasparkva.gov
<u>Escrow Agent:</u>	DHI Title Agency 7925 Jones Branch Drive, Suite 5350 Tysons, VA 22102 Attn: Allison M. Irvin Phone: 703-677-9481 Fax: 866-304-4372 Email: amirwin@dhititle.com

With copies to: The other party at the applicable addresses shown above.

Notwithstanding any other provision herein, Buyer may serve the Notice of Suitability upon Seller utilizing email and DocuSign or another similar online, electronic, or digital signature technology, or by any of the means described above.

17. Covenants Pending Closing. From and after the Effective Date through Closing, Seller shall: (a) operate and maintain the Property in a good and workmanlike manner, at least as well as Seller has operated and maintained it prior to the Effective Date, and shall not commit or allow any waste of or on the Property; (b) within 3 business days after Seller's receipt thereof, give notice to Buyer of any litigation, arbitration or administrative proceeding concerning or affecting the Property, together with copies of all relevant documents; and (c) comply with all requirements of all laws, orders, rulings, ordinances, rules and regulations of any governmental authority having jurisdiction over Seller over the Property and/or the use thereof. From and after the Effective Date through Closing, Seller shall not convey or encumber any portion of the Property or any rights therein, nor enter into any conveyance, mortgage, security document, option, right of first refusal, easement, lease or other contract granting to any person or entity any rights or interests in any portion of the Property.

18. Standard Provisions.

a. This Contract shall be interpreted in accordance with the laws of the Commonwealth of Virginia. The parties agree to the jurisdiction of any state court located within Prince William County, Virginia, and that all actions or

proceedings arising out of or relating to this Contract or the Property shall be litigated in such courts or the United State District Court for the Eastern District of Virginia, Alexandria Division.

b. Time is of the essence in the occurrence of all events, the satisfaction of all conditions and the performance of all obligations hereunder.

c. This Contract constitutes the sole and entire agreement between the parties with regard to its subject matter. All prior discussions, negotiations and agreements regarding the subject matter of this Contract are merged herein and shall have no further force or effect. No representations or warranties have been made by either party except as stated herein.

d. All representations and warranties of both parties contained in this Contract, together with all covenants expressly surviving Closing, shall survive Closing and delivery of the Deed and other documents delivered at Closing, and shall not be merged with delivery thereof.

e. The term "business day" shall mean Monday through Friday, excluding days on which federally-chartered banks or banks chartered by the state in which the Property is located are closed for business. If the day for any action under this Contract falls on a day other than a business day, the day for the action shall automatically be extended until the next business day.

f. If any provision of this Contract shall be declared invalid or unenforceable by laws applicable thereto, or unenforceable as to certain parties, then the performance of such provision shall be excused by the parties hereto and the remaining provisions of this Contract shall remain in full force and effect.

g. The titles, captions and paragraph headings herein are inserted for convenience only and are in no way intended to interpret, define or limit the scope or content of this Contract or any provision hereof. Both parties have been represented by counsel in the drafting and negotiation of this Contract, and this Contract shall be construed without regard to any presumption or other rule requiring construction against the party causing this Contract to be drafted.

h. BUYER AND SELLER EACH KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVE TRIAL BY JURY IN ANY DISPUTE, ACTION, PROCEEDING, OR COUNTERCLAIM INVOLVING ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH: (I) THIS CONTRACT; (II) THE RELATIONSHIP OF THE BUYER AND SELLER; (III) THE PROPERTY; OR (IV) THE RIGHT TO ANY STATUTORY RELIEF OR REMEDY. BUYER AND SELLER FURTHER ACKNOWLEDGE THAT EACH HAS BEEN REPRESENTED (OR HAS HAD THE OPPORTUNITY TO BE REPRESENTED) IN THE MAKING OF THIS WAIVER BY INDEPENDENT COUNSEL OF ITS OWN ELECTION.

i. Any failure or delay of Buyer or Seller to enforce any term of this Contract shall not constitute a waiver of such term. Any waiver of any term of this Contract by either party must be specifically stated in a writing delivered to the other party in compliance with Section 16 above. Any such waiver by Buyer or Seller shall not be deemed to be a waiver of any other term of this Contract or of a subsequent breach of the same term.

j. If this Contract is terminated prior to Closing, the Earnest Money shall be refunded to Buyer, unless Buyer is in default hereunder and Seller is entitled to the Earnest Money pursuant to Section 15 above. Upon termination of this Contract and return of the Earnest Money to Buyer, Buyer and Seller shall thereafter have no further rights, obligations or liabilities hereunder, other than those expressly surviving termination; provided that if this Contract is terminated prior to Closing but after Buyer's issuance of a Notice of Suitability pursuant to Section 10 above, the parties shall execute a written Termination Agreement on terms reasonably acceptable to counsel for both parties and the Escrow Agent. Failure of the parties to execute a Termination Agreement shall not negate or otherwise affect the termination; however, either party shall have the right to sue for its actual damages resulting from the refusal or willful failure of the other party to execute a written Termination Agreement upon reasonable terms.

k. This Contract shall be binding upon and shall inure to the benefit of Seller and Buyer, their respective heirs, successors, legal representatives and permitted assigns. Buyer may assign its rights and obligations hereunder. Seller may not assign its rights and obligations hereunder without the prior written consent of Buyer, which shall not be unreasonably withheld. If Seller consists of more than one person or entity, then: (1) each reference to Seller herein shall be deemed to refer to each person or entity constituting Seller, both individually and in the

aggregate, and (2) each person or entity constituting Seller shall be jointly and severally liable for all liabilities and obligations of Seller hereunder.

l. This Contract may be executed in any number of identical counterparts which, taken together, shall constitute collectively one agreement. The parties acknowledge and agree that execution of this Contract and the Earnest Money instrument (if any) may be accomplished by electronic signature utilizing DocuSign or any other mutually acceptable similar online, electronic, or digital signature technology. The parties agree that the Notice of Suitability may also be executed by Buyer (including Buyer's Authorized Officer) utilizing DocuSign or another similar online, electronic, or digital signature technology. The parties agree that this Contract may be transmitted by facsimile machine or by electronic scanning and email, and the parties intend that faxed, scanned, and electronic signatures shall constitute original signatures. A facsimile or scanned copy or any counterpart or conformed copy of this Contract, including use of Adobe PDF technology to merge pages and create a conformed copy of this Contract, with the signature (original, faxed, or scanned signature or permitted electronic signature) of all of the parties shall be binding on the parties. Except as provided in this Subsection 18.l with respect to electronic signatures (*e.g.*, DocuSign) and faxing, scanning, and emailing, (1) Seller and Buyer do not assent or agree to and will not be bound by any electronic record, and without limiting the foregoing, (2) Buyer and Seller agree that the Electronic Signatures in Global and National Commerce Act, any version of the Uniform Electronic Transactions Act, including without limitation Code of Virginia Section 59.1-479 *et seq.*, and any other laws applicable to contracting electronically do not and shall not apply to the execution of this Contract or any amendment hereto.

m. This Contract may only be amended, modified, or changed by a traditional written document properly executed by Seller and Buyer (including Corporate Ratification pursuant to Section 21 below); provided, however, the provisions of Subsection 18.l above, including without limitation execution by DocuSign or similar technology, shall apply to any such amendment. Such amendment may be transmitted by electronic scanning, email, facsimile, or any other method permitted by the provisions for counterpart execution and for the giving of notice in this Contract.

19. **Environmental Matters/Hazardous Substances.**

a. As used in this Contract, "Hazardous Substance" shall mean and include all hazardous or toxic substances, wastes or materials, any pollutants or contaminants (including, without limitation, petroleum, oil and gas, asbestos and raw materials which include hazardous constituents, radon and urea formaldehyde), and any other similar substances or materials which are regulated by, or are the subject of, any Environmental Law. As used in this Contract, "Environmental Law" shall mean and include any and all local, state, or Federal laws, rules, or regulations pertaining to regulation of the air, water, groundwater, land, natural resources and/or pertaining to the contamination, clean-up or disclosure of Hazardous Substances, including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act of 1980, the Superfund Amendments and Reauthorization Act of 1986, the Resource Conservation and Recovery Act, the Toxic Substances Control Act, the Clean Water Act, the Clean Air Act, the Safe Drinking Water Act, the Endangered Species Act, the Federal Insecticide, Fungicide and Rodenticide Act, as amended, or by tort or other common law.

b. Seller hereby represents and warrants to Buyer that, to the best of Seller's knowledge: (i) Seller is in full compliance with all Environmental Laws, including, without limitation, that Seller has all permits required by Environmental Laws, (ii) neither Seller, nor any person during Seller's ownership of the Property, nor any previous owner of the Property or any other person or entity, has ever used, generated, processed, stored, disposed of, released or discharged any Hazardous Substance on, under, or about the Property or transported it to or from the Property, nor has any party ever alleged that any such activities have occurred, (iii) no use by Seller, or any prior owner of the Property or any other person, has occurred which violates or violated, any applicable Environmental Law, nor has any party ever alleged that such violations have occurred, and (iv) the Property is not on any "Superfund" list under any applicable Environmental Law, nor is it subject to any lien related to any environmental matter. Notwithstanding anything to the contrary contained herein, the representations and warranties in this paragraph shall be deemed remade as of Closing, and such representations and warranties and the indemnification provisions in this paragraph shall survive Closing and shall not be merged therein. The provisions of this paragraph are in addition to any other rights Buyer may have under this Contract.

c. Buyer's obligation to close on the purchase of the Property hereunder is expressly conditioned upon: (i) Buyer's receipt, at Buyer's expense, of an environmental report (or reports), addressed to Buyer, the form, content and preparer of which must be acceptable to Buyer in its sole and absolute discretion, presenting the

results of an investigation of the Property, and such property in the vicinity of the Property, as may be deemed appropriate by Buyer, in Buyer's sole and absolute discretion in light of the intended use of the Property, with regard to the presence, generation, processing, storing, disposal, release or discharge of any Hazardous Substances, from, on, under, about, or in the vicinity of the Property and compliance with Environmental Laws relating to or affecting the Property, which investigation is commonly referred to as a Phase I Environmental Site Assessment, which report has been prepared or updated no more than six (6) months prior to the date of Closing, and such further investigations and/or reports as Buyer may require (collectively, the "Environmental Inspections and Reports"); and (ii) Buyer's satisfaction with the results of the Environmental Inspections and Reports.

d. In the event Buyer is not satisfied with the results of any Environmental Inspections and Reports, or in the event there has been any change to the environmental condition of the Property or the property in the vicinity of the Property as such condition was reflected in the Environmental Inspections and Reports, then Buyer, at its sole and absolute discretion and in addition to any other provision of this Contract, may (i) terminate this Contract as to any or all of the Property, in which event all of the Earnest Money shall be immediately returned to Buyer, (ii) proceed to closing on the Property, or (iii) extend the Closing by a period of time specified by Buyer, not to exceed ninety (90) days. During any such extension period, Seller may make commercially reasonable efforts to satisfy Buyer regarding the condition of the Property. In the event that Buyer, at the end of the extension period, is not satisfied with the condition of the Property, in its sole and absolute discretion, then Buyer may exercise any of its rights and remedies under clauses (i) or (ii) of this Subsection 19.d.

20. Reserved.

21. Corporate Ratification. NOTWITHSTANDING ANY OTHER PROVISION HEREIN, NEITHER THIS CONTRACT NOR ANY AMENDMENT HERETO SHALL BE A VALID, BINDING OR ENFORCEABLE OBLIGATION OF BUYER UNLESS AND UNTIL SUCH DOCUMENT IS RATIFIED IN WRITING BY ONE OF THE FOLLOWING EXECUTIVE OFFICERS OF BUYER: DONALD R. HORTON, DAVID V. AULD, MICHAEL J. MURRAY, BILL W. WHEAT, PAUL J. ROMANOWSKI OR JONATHON M. PENTECOST.

22. Binder/Option Fee. Seller acknowledges receipt of One Hundred Dollars (\$100.00) paid to Seller by Buyer as a Binder/Option Fee, in consideration for which Seller shall be irrevocably bound by the terms of this Contract from and after the date of Seller's execution hereof. The Binder/Option Fee shall not be applied against the Purchase Price of the Property at Closing.

23. Moratoriums or Governmental Delays. In the event any local, state or federal regulatory authority having authority over the Property imposes a moratorium (including zoning conditions and restrictions) on the issuance of building permits, septic system permits, sewer taps, water taps, public school attendance rights or certificates of occupancy, then the Closing shall, at Buyer's election, be suspended and extended by the time period that such conditions exist. If such moratorium or delay is in effect for a period greater than one hundred eighty (180) days, then Buyer, at Buyer's option, shall have the right to terminate this Contract upon written notice to Seller. In the event of such termination, the Earnest Money then on deposit shall be refunded to Buyer.

SIGNATURES ON NEXT PAGE

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed on the dates shown below.

Seller:

City of Manassas Park

By: _____

Print Name: Laszlo Palko

Title: City Manager

Date: _____

Buyer:

D.R. Horton, Inc.

By: _____

Print Name: Tony V. Free

Title: City Manager

Date: _____

Buyer:

D.R. Horton, Inc.

By: _____

Print Name: _____

Title: _____

Date: _____

Pursuant to Section 21 above, the undersigned hereby ratifies this Contract on behalf of D.R. Horton, Inc.

Print Name: _____

Title: _____

Date: _____

Exhibit A

LEGAL DESCRIPTION OF THE LAND

Parcel "1A-2", BELMONT RESERVE, as the same appears duly dedicated, platted, and recorded in that certain Deed of Consolidation and Resubdivision, Easements and Vacations dated October 17, 2012 and recorded as Instrument No. 201210190101212, and accompanying plat dated July 6, 2012 and recorded as Instrument No. 201210190101213 (the "Original Deed" and the "Original Plat", respectively, both among the land records of Prince William County, Virginia (the "Land Records"); as amended by that certain Deed of Correction and Amendment dated September 20, 2013 and recorded as Instrument No. 201309240096583, and accompanying plat dated June 14, 2013 and recorded as Instrument No. 201309240096584 (the "Amended Deed" and the "Amended Plat", respectively), both among the Land Records; and as further amended by that certain Deed of Correction, Gift and Vacation dated December 14, 2016 and recorded as Instrument No. 201612220104863, and accompanying plat dated July 20, 2016 and recorded as Instrument No. 201612220104864 (the "Corrected Deed" and the "Corrected Plat", respectively), both among the Land Records;

AND BEING the same property acquired by Seller by that certain Deed of Correction, Gift and Vacation dated December 14, 2016 and recorded as Instrument No. 201612220104863 among the Land Records;

TOGETHER WITH: blanket easement over and across Parcel "1A-1", BELMONT RESERVE, as the same appears duly subdivided, platted and recorded in the Original Deed and the Original Plat; as amended by Amended Deed and the Amended Plat; and as further amended by the Corrected Deed and the Corrected Plat, for the purpose of pedestrian ingress and egress by the public and vehicular ingress and egress by City of Manassas Park (the "City") emergency, maintenance and police personnel and vehicles over and across Parcel 1A-1 to and from Parcel 1A-2 from the public street known as Manassas Drive. SUBJECT TO the requirement that in the event that Parcel 1A-2 is developed in the future, the City and CalAtlantic Group, Inc., their successors and assigns, shall reasonably cooperate with each other to establish adequate location(s) for permanent, non-emergency, physical, and legal pedestrian and vehicular ingress and egress to and from Parcel 1A-2 for the public and for City emergency, maintenance and police personnel and vehicles, subject to compliance with applicable City ordinances and other applicable laws for such development.

B

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (hereinafter referred to as this "Agreement"), is made and entered into _____, by and among: **City of Manassas Park, Virginia**, having as a mailing address: Manassas Park City Hall, 100 Park Central Plaza, Manassas Park, VA 20111 (hereinafter referred to as "Seller"); **D.R. Horton, Inc.**, having as a mailing address: 181 Harry S Truman Pkwy., Suite 250, Annapolis, MD 21401 (hereinafter referred to as "Buyer"); and **DHI Title Agency**, having as a mailing address: 7925 Jones Branch Dr., Suite 5350, Tysons Corner VA 22102 (hereinafter referred to as "Escrow Agent")

W I T N E S S E T H

WHEREAS, Seller and Buyer have entered into that Land Purchase Agreement having an Effective Date of _____ (hereinafter referred to as the "Contract") as to certain real property situated in Manassas Park, Prince William County, Virginia (hereinafter referred to as the "Property"); and

WHEREAS, Buyer and Seller have appointed Escrow Agent to hold all Earnest Money (as defined in the Contract) in accordance with the terms of the Contract and this Agreement.

NOW, THEREFORE, in furtherance of the transaction contemplated hereby and for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

1. Seller and Buyer hereby designate, constitute and appoint Escrow Agent as the "Escrow Agent" under this Agreement to hold all Earnest Money under the Contract (hereinafter referred to as the "Escrow Funds"), and Escrow Agent accepts such designation and appointment and agrees to act in accordance with the terms of the Contract and this Agreement. In the event or a conflict between the terms of this Agreement and those of the Contract, the terms of the Contract shall control. Seller and Buyer agree (a) that Escrow Agent shall be a stakeholder only and not liable for any losses, costs or damages it may incur in performing its responsibilities hereunder unless such losses, costs or damages shall arise out of the willful default or negligence of Escrow Agent or its agents, (b) that no releases or disbursements shall be made hereunder except upon consistent written instructions from both Seller and Buyer or their successors or assigns; and (c) that in the event of a dispute hereunder between Seller and Buyer (or their successors or assigns), Escrow Agent shall have the right, exercisable in its sole and absolute discretion, to be discharged by tendering unto the registry or custody of any court of competent jurisdiction, the closing documents and Escrow Funds held by Escrow Agent, together with any such legal pleadings as it deems appropriate. Seller and Buyer shall each be responsible for fifty percent (50%) of Escrow Agent's expenses, costs and reasonable attorney's fees incurred in connection with such interpleader action.

2. Upon receipt of consistent written instructions from both Seller and Buyer, or their respective counsel, then Escrow Agent shall disburse the Escrow Funds held in escrow in accordance with the written instructions signed by both Buyer and Seller, or their respective counsel. Said written instructions may be given in duplicate counterparts and by facsimile or e-mail. Escrow Agent shall have the right to deduct any costs Escrow Agent has incurred for overnight delivery charges or wire transfer fees from the Escrow Funds held prior to disbursement.

3. All checks, money orders or drafts deposited with Escrow Agent under this Agreement will be processed for collection in the normal course of business. Escrow Agent will not commingle Escrow Funds received by it in escrow with funds of others and shall deposit the Escrow Funds in a separate escrow account with a federally insured Bank (hereinafter referred to as the "Depository Bank"). Escrow Agent shall not be liable for any loss caused by the failure, suspension, bankruptcy or dissolution of any such investment vehicle or fund.

4. Escrow Agent shall not be liable for any loss or damage resulting from the following:

(a) Any default, error, action or omission of any other party;

(b) The expiration of any time limit unless such time limit was known to Escrow Agent and such loss is solely caused by failure of Escrow Agent to proceed in its ordinary course of business;

(c) Any loss or impairment of the Escrow Funds while on deposit with the Depository Bank resulting from failure, insolvency or suspension of such institution; or

(d) Escrow Agent's complying with any and all legal process, writs, orders, judgments and decrees of any court whether issued with or without jurisdiction and whether or not subsequently vacated, modified, set aside or reversed.

5. Escrow Agent shall be entitled to rely upon the instructions and other matters covered thereby, and shall not be required to investigate the authority of the person executing and delivering such instructions, or otherwise verify the accuracy of the statements of information presented therein.

6. The terms and provisions of this Agreement are for the benefit of Seller, Buyer and Escrow Agent and their respective successors and assigns only. Nothing contained herein shall be deemed or construed to inure to the benefit of any other person or party, it being the express intent of Seller, Buyer and Escrow Agent that no such person party shall be entitled to any of the benefits hereof, except as herein expressly provided.

7. Time is of the essence of this Agreement.

8. This Agreement is intended as a contract under the laws of the Commonwealth of Virginia and shall be governed thereby and construed in accordance therewith, notwithstanding its conflict of laws provisions.

9. This Agreement may be executed by signatures delivered via facsimile or e-mail, which for all purposes shall be deemed to constitute originals. This Agreement may be executed in counterparts, all of which when taken together shall be deemed one original.

10. Any interest earned on the Escrow Funds held in escrow shall accrue to the benefit of Buyer, whose tax identification number is 75-2386963.

[Signatures on Following Page]

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

Seller:

City of Manassas Park

By: _____

Print Name: Laszlo Palko

Title: City Manager

Date: _____

Buyer:

D.R. Horton, Inc.

By: _____

Print Name: Tony V. Free

Title: City Manager

Date: _____

Escrow Agent:

DHI Title Agency

By: _____

Print Name: _____

Title: _____

Date: _____

Exhibit C
RESERVED.

Exhibit D

FORM OF GENERAL ASSIGNMENT

GENERAL ASSIGNMENT

THIS GENERAL ASSIGNMENT (this "**Assignment**") is made as of the ____ day of _____, 20__, by the City of Manassas Park, a Virginia municipal corporation (solely in its capacity as owner of the Property (as defined below), and under no circumstances in its capacity as a political subdivision of the Commonwealth of Virginia, "Seller"; in its capacity as a Virginia body corporate and politic, the "City") ("**Seller**"), to D.R. Horton Inc., a Delaware corporation ("**Buyer**").

WHEREAS, of even date herewith, Seller has conveyed to Buyer the land described in Exhibit "A" attached hereto ("**Land**"), together with all improvements (the "**Improvements**") located thereon (the Land and Improvements are referred to herein collectively as the "**Property**"); and

WHEREAS, Seller and Buyer intend that Seller also convey to Buyer all of the Conveyed Property Rights (as hereinafter defined).

NOW, THEREFORE, Seller, for and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, hereby agrees as follows:

1. Seller has GRANTED, BARGAINED, SOLD, CONVEYED and ASSIGNED, and by these present does hereby GRANT, BARGAIN, SELL, CONVEY and ASSIGN to Buyer all of Seller's right, title and interest in and to the following, but only to the extent same pertain to the Property ("**Conveyed Property Rights**"):

(a) all surveys, engineering, soils, seismic, geological, environmental, reports, studies and certificates and other technical descriptions;

(b) all warranties, guaranties and indemnities received from third parties, and all claims, demands and causes of action against third parties, but only to the extent they are for the benefit of, and applicable to, the Property or the owner thereof, including, without limitation, any warranties, guaranties, indemnities, contractual rights, claims, demands and causes of action pertaining to the development, construction, design or completion of the Property and/or the common areas, streets, utilities or other subdivision infrastructure;

(c) all licenses, permits, governmental approvals, utility commitments, utility rights (including rights to capacity or service), drainage and detention rights, development rights or other similar rights, inclusive of any prepaid impact fees, impact fee credits or other similar development credits (but excluding any rights to MUD reimbursables other than reimbursement rights (i) accruing to Buyer by reason of funds expended by Buyer, or on behalf of Buyer, after the date hereof, or (ii) otherwise expressly agreed to by Seller in writing pursuant to the contract of sale for the Land by and between Seller and Buyer);

(d) all rights under any plats (preliminary or final) of any portion of the Property or any rights-of-way abutting the Property or any portion thereof, including any boundary plats and any right-of-way plats, submitted, approved or recorded;

(e) all unpaid awards or proceeds, including awards in connection with insurance and any eminent domain taking; and

(f) all other rights, powers, privileges, options, or other benefits associated with, that pertain to, are attributable to, are appurtenant to, apply to, or which otherwise benefit the Property.

TO HAVE AND TO HOLD the Conveyed Property Rights unto Buyer and Buyer's successors and assigns forever.

2. This Assignment does not constitute an assignment of any of the City's rights nor a delegation of any of the City's obligations in its capacity as a Virginia body corporate and politic.

3. This Assignment shall be binding on Seller, its successors and assigns, and shall inure to the benefit of Buyer, its successors and assigns.

4. This Assignment does not constitute an assumption of any liability or obligation by Buyer, nor shall it be deemed to impose on Buyer any liability or obligation. This Assignment is made WITHOUT RECOURSE. Furthermore, Seller assigns the Conveyed Property Rights only to the extent they may exist and in fact be assignable, and without any representation or warranty whatsoever.

5. Seller and Buyer will each cooperate with each other, their employees, and agents to facilitate the purpose and intent of this Assignment including, without limitation, the providing of information and documentation that may be reasonably required for the enforcement of the rights and interests assigned hereby.

6. This Assignment may be executed in several counterparts, each of which shall be fully effective as an original and all of which together shall constitute one and the same instrument.

EXECUTED as of the date first above written.

NOTE: THIS IS AN EXHIBIT. INITIAL ONLY – DO NOT EXECUTE.

Exhibit E

Permitted Exceptions

1. Ad valorem taxes for the year of Closing (to be prorated) and subsequent years.

- END -



FOR ILLUSTRATIVE PURPOSES ONLY.

NOTES:

- 1. SCHEDULE 5.d.i - 14.5% AC
 - 2. THE CITY OF MANASSAS PARK IS A MULTIFAMILY RESIDENTIAL DISTRICT DEVELOPMENT STANDARDS.
 - 3. PROPOSED RESIDENTIAL UNITS CONFORM TO ANY APPLICABLE MULTIFAMILY UNITS WITH A MINIMUM UNIT CONCEPT CONFORMANCE.
 - 4. THIS CONCEPT HAS BEEN PREPARED FOR CLIENT REVIEW AND SHOULD BE USED FOR CONCEPTUAL PURPOSES ONLY.
- TABULATIONS**
- MULTIFAMILY DWELLING UNITS = 108
 - PROPOSED DENSITY = 18.3 UNITS PER ACRE (FOR UNITS 1, 2 & 3)
- PARKING**
- PARKING REQUIRED = 200 (1.85 SPACES PER RESIDENTIAL UNIT)
 - PARKING PROVIDED: 200 (THE DRAWING SHOWS 184 SPACES IN THE COURTYARD AND 16 SPACES IN THE SIDE COURTYARD. A TOTAL OF 200 SPACES ARE PROVIDED AS A SPACE COUNTED AS A SPACE).

1 COMMUNITY LAWN

2 COURTYARD PARK

3 MEW

4 MINI PARK

DIGITAL DRIVE

CONCEPT PLAN - 24X50 UNITS
 DATE: 9/17/2023
 CITY OF MANASSAS PARK, VIRGINIA
 PAGE 1 OF 1



SCALE: 1" = 30'

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