

**Agreement of Sale**

This Agreement dated this 2 day of December, 2012 is by and between Toll MD V Limited Partnership ("Seller") and [REDACTED]

1. **PURCHASE:** Seller shall sell to Buyer who shall purchase from Seller a Wayne Heritage style home on [REDACTED] in the community known as Marlboro Ridge - The Hunt having a street address [REDACTED] Upper Marlboro, MD 20772 (the Lot and the home are hereinafter referred to as the "Premises"). The Purchase Price shall be Five Hundred Sixty-Nine Thousand Nine Hundred Ninety-Five Dollars (\$ 569,995) payable as follows:

Buyer's check on non-binding lot reservation agreement	\$ 1,000
Buyer's check at signing of this Agreement	\$ 4,000
Promissory Note Due March 3, 2013	\$ 14,850
Buyer's bank check or federal wired funds at settlement	\$ 550,045
Note for balance of 10% down is \$ 37,050.	
<b>TOTAL BASE PRICE</b>	<b>\$ 569,995</b>

2. **DEPOSIT:** Simultaneously with the execution of this Agreement by Buyer, Buyer shall deliver to Seller the Deposit in the amount set forth in Paragraph 1 above. The Deposit shall be held by Seller in accordance with Section 10-301 of the Real Property Article of the Annotated Code of Maryland. The entire Deposit shall be held by Seller until settlement hereunder or until the Deposit is forfeited or refunded pursuant to the terms of this Agreement. Interest shall not be paid or credited to Buyer on the amount of the Deposit unless required by any applicable law. Buyer acknowledges having received a fully completed New Home Disclosure Form relating to the Deposit.

3. **DEED; TITLE:** Title to the Premises shall be conveyed by Seller's special warranty deed at settlement and shall be insurable as good and marketable by a licensed title company, subject to restrictions, agreements, conditions and easements of record, rights of way, covenants, conditions and notes on the recorded plat or plan and any amendments thereto, and any utility and drainage easements.

4. **MORTGAGE APPLICATION:** Buyer has the right to select a mortgage lender of Buyer's choosing. Buyer shall in good faith make a truthful and complete application to TBI Mortgage and any other lender of Buyer's choosing. Buyer represents to Seller that the information contained in the loan qualification questionnaire already provided to Seller is truthful and accurate as of the date of Buyer's execution hereof. Buyer understands that Seller is relying on Buyer's information and on Buyer demonstrating that Buyer has or shall have sufficient funds to complete settlement in order for Seller to proceed with building the home.

Within fourteen (14) days of Buyer's execution of this Agreement ("Mortgage Application Period"), Buyer agrees to submit, at no cost to Buyer, a loan application to TBI Mortgage, under conditions herein stated for a mortgage amount not to exceed \$ 373,050 at market rates applicable to the Buyer. Buyer may also submit, at Buyer's own expense, an application to any mortgage lender of Buyer's choosing within the Mortgage Application Period. If Buyer chooses to apply to a lender other than TBI Mortgage Company, Buyer shall, within the Mortgage Application Period, return to Seller the completed Request for Lender Information form. Buyer shall cause each prospective mortgage lender to disclose to Seller all requested information regarding Buyer's loan application and credit report.

Buyer shall take all necessary action to secure financing. Buyer agrees to inform Seller on an ongoing basis of the status of each loan application. Buyer shall furnish all information required by any prospective lender, within five (5) days of any such request. Buyer agrees to immediately send Seller copies of any notice from Buyer's lender(s) rejecting Buyer's loan application(s). If Buyer is not approved for a mortgage within forty-five (45) days of the date of Buyer's execution of this Agreement, Seller shall extend the mortgage application approval process until such time as (1) Seller submits another application on substantially the same terms described above to a lender chosen by Seller, with no additional application fee to Buyer, or (2) Seller declares this Agreement null and void, in which event, if Buyer has timely applied for a mortgage, pursued a mortgage diligently, and otherwise satisfied all obligations under this paragraph, the Deposit shall be returned to Buyer, together with all sums paid on account of the Purchase Price and extras without interest, and neither party shall have any further rights or liabilities hereunder.

PURSUANT TO SECTION 14-117(J-1) OF THE REAL PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND, SELLER HEREBY ADVISES BUYER OF THE FOLLOWING: FOR PURPOSES OF SECTION 14-117(J-1) ONLY, PARAGRAPH 4 IS THE ONLY FINANCING CONTINGENCY AVAILABLE TO BUYER UNDER THIS AGREEMENT. EXCEPT AS DESCRIBED IN THIS PARAGRAPH 4, THIS AGREEMENT IS NOT EXPRESSLY CONTINGENT UPON BUYER OBTAINING FINANCING TO PURCHASE THE PROPERTY.

WITH REGARD SOLELY TO THE FINANCING CONTINGENCY DESCRIBED IN THIS PARAGRAPH 4, BUYER SHALL NOT BE OBLIGATED TO ACCEPT PURCHASE FINANCING AT AN INTEREST RATE GREATER THAN 3% ABOVE THE CONVENTIONAL MORTGAGES INTEREST RATE FOR THE MOST RECENT WEEK ENDING AS OF THE DATE OF THE AGREEMENT AS PUBLISHED IN THE WEEKLY FEDERAL RESERVE STATISTICAL RELEASE H.15 (SELECTED INTEREST RATES). THE FEDERAL RESERVE STATISTICAL RELEASE CAN BE VIEWED AT [WWW.FEDERALRESERVE.GOV](http://WWW.FEDERALRESERVE.GOV)

Within five (5) days receipt of a loan commitment from the lender that Buyer intends to use for settlement, Buyer agrees to (i) accept the commitment and (ii) mail an executed copy of the commitment to Seller. Buyer agrees to execute all documents and pay all fees required to consummate the mortgage transaction. Buyer agrees to take no action which shall have a materially detrimental impact on Buyer's financial condition. By accepting the loan commitment, Buyer agrees to be responsible for and bear the risk of meeting all terms and conditions of the commitment, if any, including, but not limited to, the sale of other real estate presently owned by Buyer, and for any changes in the interest rate until the Buyer locks the interest rate. Buyer's failure to fulfill any of such conditions or the termination or expiration of the mortgage commitment after it is received, for any reason, shall not release Buyer from Buyer's obligations under the Agreement.

8. **SETTLEMENT COSTS; APPORTIONMENTS:** SECTION 14-104 OF THE REAL PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND PROVIDES THAT, UNLESS OTHERWISE NEGOTIATED IN THE AGREEMENT OR PROVIDED BY LOCAL LAW, THE COST OF ANY RECORDATION TAX OR ANY STATE OR LOCAL TRANSFER TAX SHALL BE SHARED EQUALLY BETWEEN THE BUYER AND THE SELLER. BUYER AND SELLER ACKNOWLEDGE THAT THEY HAVE SPECIFICALLY NEGOTIATED AND AGREED THAT BUYER ALONE SHALL PAY ALL COSTS OF SETTLEMENT, INCLUDING, BUT NOT LIMITED TO, STATE AND LOCAL TRANSFER AND RECORDATION TAXES, ALL RECORDATION CHARGES, FEES FOR THE PREPARATION OF SELLER'S DOCUMENTS AND ALL MORTGAGE INSTRUMENTS, NOTARY FEES, TITLE INSURANCE, SURVEY AND ALL OTHER CUSTOMARY AND USUAL SETTLEMENT COSTS. Buyer shall reimburse Seller at settlement for prepaid real estate taxes, insurance premiums, homeowners' association dues and assessments, governmental assessments, utility charges, and other prepaid items, if any, for the Lot, all of which shall be prorated as of the date of settlement and thereafter assumed by Buyer. If a separate real estate tax bill has not been issued for the Lot prior to settlement, Buyer shall comply with such arrangements as may be established by Seller to assure payment of such taxes.

6. **TITLE INSURANCE:** Buyer has the right to select the title insurance company for settlement; however, if Buyer fails to notify Seller in writing of Buyer's selection within thirty (30) days of Buyer's execution hereof, or if Buyer's title company is unwilling to insure title as good and marketable, then, in order to facilitate the preparation of settlement documents, Seller is authorized to obtain title insurance for Buyer at Buyer's expense at prevailing rates.

7. **DEFAULT:** (a) If Buyer defaults in performing any of its obligations under this Agreement, and such default continues for seven (7) days after written notice, Seller shall have the right, as its sole remedy, to terminate this Agreement and retain all sums paid to Seller or its parents, subsidiaries or affiliates and to enforce any promissory notes given by Buyer to Seller or its parents, subsidiaries or affiliates, as liquidated damages. Buyer and Seller agree that such damages are not a penalty, but represent the parties' best estimate of the actual damages which Seller will sustain upon a default by Buyer, which damages are substantial but are not capable of precise determination. No delay or forbearance by Seller in exercising any right or remedy hereunder shall be deemed to be a waiver thereof; (b) If Seller defaults under this Agreement and such default continues for seven (7) days after written notice, Seller shall return all sums paid on account of the Purchase Price and extras to Buyer and this Agreement shall be terminated in all other respects. In no event shall Seller be liable for specific performance or punitive damages and Buyer hereby releases and waives any claims for such damages. It is the express intent of the parties hereto that the Buyer's rights under this Section 7(b) be construed in the manner necessary to satisfy the requirements of the Maryland Consumer Protection Act (the "CPA"), and Seller hereby expressly waives any provision of Section 7(b) that would otherwise violate the CPA, and such provision shall be severed from this Agreement and given no effect; (c) Notwithstanding anything contained in this Agreement to the contrary, in the event of Seller's default under Section 10(b) of this Agreement, Buyer shall have all remedies available at law and in equity without limitation or restriction.

8. **APPROVAL OF SELLER:** This Agreement will not be binding upon Seller unless executed by an officer of Seller within thirty (30) days of Buyer's execution of this Agreement; Seller's salesperson has no authority to bind Seller hereunder. This Agreement shall constitute an irrevocable offer by Buyer for this thirty (30) day period. Notwithstanding the foregoing, Seller may deposit into any one or more of its banking accounts any such sums paid on account of the purchase price and extras during said thirty (30) day period. Any such deposit of funds shall not constitute Seller's approval of this Agreement.

8. **CONSTRUCTION:** The home will be completed substantially similar to the home depicted in the brochure insert, without extras, for the style home set forth in Paragraph 1, and will be built to the standard specifications for the model home (the "Model"), without extras, located on Lot [REDACTED], or if no Model is open, then to the standard specifications set forth in Exhibit D.

The furnishings, decorations, landscaping (including sodding), upgrades and all optional, decorator and other extra cost items displayed in the Model are not included as part of the Premises in this sale unless specifically itemized on Exhibits attached hereto. All dimensions or illustrations exhibited to Buyer or any promotional or other materials provided to Buyer by Seller or any agent of Seller are approximate only.

The Premises will be graded and seeded (except in wooded areas). Buyer shall be solely responsible for growing and establishing the lawn after seeding by Seller. Seller may remove or leave any trees or other vegetation on the Premises in Seller's sole discretion and shall not be liable for any damage to trees or other vegetation. Siting of the home, final grading of the Lot and the number of exterior steps are at Seller's sole discretion. Seller reserves the right to reverse the plan of the home at Seller's sole discretion. Seller shall have the right to substitute substantially equivalent materials (in value and quality) for any of those materials called for or displayed in the Model or in any other plans and specifications for the house to be built on the Lot.

Certain items of outside work (e.g., grading, seeding, and driveway) may not be completed prior to settlement. Seller agrees to complete such items after settlement as soon as practical and weather permitting, and Buyer agrees that there will be no holdback or escrow of any part of the Purchase Price for such items.