

## AGREEMENT OF SALE

**THIS AGREEMENT OF SALE** dated as of December \_\_, 2012, is made by and between MOT Charter School, Inc. ("**Buyer**") and Churchtown, LLC (the "**Seller**").

### 1. PROPERTY

Seller agrees to sell and convey to Buyer, and Buyer agrees to purchase and pay for that certain property, consisting of approximately 33 acres +/-, as shown on the attached exhibit A (the "Property").

### 2. PURCHASE PRICE

(a) Buyer shall pay Seller \$30,000 per acre for the Property to be paid at Settlement in accordance with paragraph 4. The parties recognize and agree that the \$30,000 per acre price is less than fair market value, and Seller agrees to donate the difference between fair market value and \$30,000 per acre as a charitable contribution to Buyer. Buyer represents that it is a qualified charitable organization, and Buyer agrees to execute all customary or necessary paperwork to accomplish this purpose. Seller shall obtain and pay for any necessary appraisal.

(b) Buyer shall deposit with Saul Ewing, LLP ("Escrow Agent") an amount equal to \$25,000 (the "Deposit") to be held in non-interest bearing escrow account pending Settlement. Escrow Agent shall not be precluded from representing one party or the other by virtue of service as escrow agent.

### 3. CONTINGENCIES

Buyer's obligations hereunder are expressly conditioned upon the following, the satisfaction of which may be waived by Buyer, except for condition (e), which may not be waived without the consent of Seller:

(a) **Due Diligence.** The satisfactory evaluation in Buyer's sole discretion of the site by Buyer for soil types, water table, and other requirements of Buyer, such evaluation to be completed on or by June 1, 2013 (the "Due Diligence Period"); and, in connection therewith, Buyer shall be entitled to enter onto the Property for the purpose of placing test borings and performing other tests, and Buyer shall notify Seller prior to entering onto the Property, shall indemnify Seller with respect to any damage caused by such inspections, and shall have adequate insurance in place in connection with such inspections;

(b) **Approvals from Delaware Department of Education ("DOE").** Buyer shall, on or by the end of the Due Diligence Period have received the necessary approvals, satisfactory to Buyer, to open a charter high school beginning the 2014-15 school year;

(c) **Approvals from New Castle County and other governmental authorities.** Buyer shall have received the necessary approvals, satisfactory to Buyer, for the

construction of a high school facility using “modular” classrooms for the 2014-2015 school year from New Castle County and such other governmental authorities as necessary;

(d) **Financing.** Buyer shall, on or by, September 30, 2013, have obtained satisfactory financing commitments for the acquisition of the Property and construction of the high school facility;

(e) **Cross-Access Agreement.** Prior to the end of the Due Diligence Period, Buyer shall have entered into a mutually-acceptable cross-access and infrastructure cost-sharing agreement with the owner of the adjoining parcel, tax parcel number 13-013.00-246.

#### 4. SETTLEMENT

(a) Absent written extension signed by Seller, and if all contingencies set forth in paragraph 3 are satisfied or waived, settlement shall occur in Wilmington, Delaware at the offices of Buyer's attorneys on or by thirty (30) days following the satisfaction of all contingencies..

(b) In the event all contingencies are not satisfied or waived on or by December 31, 2013, then either party shall have the option to cancel this Agreement of Sale at any time thereafter and Buyer shall receive back the Deposit. In the event that Buyer determines that one or more of the contingencies cannot be satisfied, and Buyer is not willing to waive the same, Buyer shall provide notice to Seller thereof and shall receive back any Deposit(s) and this Agreement of Sale shall be null and void.

#### 5. POSSESSION AND INSPECTION

Possession of the Property shall be delivered by Seller to Buyer at settlement. Buyer may make an inspection of the Property within a period of forty-eight (48) hours prior to settlement, and shall also have the right to come on the Property at any reasonable time for the purpose of conducting inspections, surveys and other tests in connection with the contingencies described above.

#### 6. TRANSFER TAXES; PRO-RATED CHARGES

Applicable transfer taxes shall be paid one-half by Buyer and one-half by Seller. Taxes, water, sewer and any other lienable charges imposed by the State of Delaware, any political subdivision thereof, any school district or any neighborhood association expenses shall be apportioned pro-rata at the time of settlement. Any and all rollback or farmland assessment taxes relating to the Property prior to Settlement shall be the responsibility of Seller, and this obligation shall survive closing; Buyer shall be responsible for any rollback taxes relating to the time period post-Settlement.

#### 7. TITLE

Title to the Property is to be conveyed by deed of special warranty and is to be

good, marketable, fee simple absolute title of record, free and clear of all liens and encumbrances (including, without limitation, leases), and zoning and governmental subdivision violations, but subject to all existing easements and restrictions of record. If Seller is unable to give a good and marketable title meeting the foregoing requirements, such as will be insured at regular rates by a title insurer duly authorized to transact insurance in Delaware, Buyer shall have the option of taking such title as Seller can give, without reduction of the purchase price, or of being repaid all deposit money, and this Agreement shall be null and void. Seller may use the purchase price payable to Seller at settlement to discharge liens and encumbrances of record in fixed and ascertainable amounts.

8. RISK OF LOSS

Any loss or damage to the Property by fire, windstorm or other casualty prior to settlement shall be borne by Seller. Seller shall maintain any existing casualty insurance through the date of settlement.

9. REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby warrants and represents to Buyer, upon which warranties and representations Buyer has relied in the execution of the Agreement, that:

(a) **Authority to Sell.** Seller has the full right and lawful authority to execute this Agreement and sell the Property, in the manner and upon the conditions and provisions herein contained;

(b) **Compliance with Environmental Regulations.** To the best of Seller's knowledge:

(i) There are no pending or threatened suits or investigations or orders by governmental authorities relating to environmental matters with respect to the Property; and

(ii) The Property is, and will be until the date acquired by Buyer, in compliance with all applicable federal, state and local laws, rules, regulations and orders relating to environmental matters.

Seller's representations, warranties and obligations, set forth above, will survive closing.

10. TIME OF ESSENCE; DEFAULT OF BUYER OR SELLER; TENDER

Time is of the essence for this Agreement. Notwithstanding that time is of the essence, neither party shall be in default unless and until it has received written notice of any alleged default and ten (10) days opportunity to cure. If Buyer fails to perform any of the terms or conditions of this Agreement, then Seller shall have as its sole remedy for Buyer's failure to purchase lots in accordance with paragraph 4 hereof the right and option to declare this Agreement null and void and

to retain any deposit money as liquidated damages for such default by Buyer. Buyer's sole remedies for default by Seller hereunder shall be to either sue for specific performance or terminate this Agreement and receive back any Deposit then held in escrow. Tender of deed is hereby waived.

#### 11. NOTICES; DELIVERY OF DOCUMENTS

Whenever a notice is to be given or a document is to be delivered to Buyer hereunder, it shall be addressed or delivered to:

MOT Charter School, Inc.  
Attn: Linda Jennings  
1156 Levels Road  
Middletown, DE 19709

and whenever a notice is to be given or a document is to be delivered to Seller hereunder, it shall be addressed or delivered to:

Churchtown, LLC  
Attn: Richard C. Woodin  
111 Patriots Drive, Suite D  
Middletown, DE 19709

All notices shall be in writing, shall be delivered or mailed by first class mail, postage prepaid, or Federal Express (or a similar overnight delivery service) and shall be effective when delivered or when mailed.

#### 12. SUCCESSION

This Agreement shall benefit and bind the parties hereto, their respective heirs, personal representatives, successors and assigns.

#### 13. MISCELLANEOUS

(a) Delaware law governs this Agreement. The paragraph captions of this Agreement are inserted for purposes of convenient reference only and are not intended to limit or enlarge the substance of this Agreement.

(b) Neither party may assign this Agreement, without the prior written consent of the other, which consent may be withheld for any reason.

(c) Neither this Agreement nor any memorandum thereof shall be recorded. Any recordation shall be an event of default and shall entitle Seller to terminate this Agreement and retain any remaining deposit monies.

(d) This Agreement sets forth the full and complete understanding of the

parties, and neither party shall be bound by any covenants, agreements, statements, representations or warranties, oral or written, not set forth in this Agreement. This Agreement may not be modified or amended unless such modification or amendment is in writing and signed by the parties hereto. No waiver of any of the provisions of this Agreement shall be valid unless the same is in writing and is signed by the party against whom enforcement is sought.

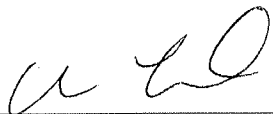
(e) Each party represents and warrants to the other that it has not dealt with any real estate agent or broker in connection with this transaction, and shall indemnify the other with respect to any losses, claims or expenses resulting from a breach of this representation and warranty.

(f) The following Notice is required, by 25 Del.C. §313, to be incorporated within all contracts for the sale of unimproved real estate located in the State of Delaware:

If the property being purchased hereunder is an unimproved parcel of land, Buyer should consult with the appropriate public authorities to ascertain whether central sewerage and water facilities are available, or, if not, whether the property will be approved by appropriate public authorities for the installation of a well and private sewerage disposal system. If central sewerage and water facilities are not available, then this agreement is contingent upon: 1) a satisfactory site evaluation which will allow the least costly, including installation and recurring maintenance costs, approved on-site disposal system in accordance with regulations promulgated by the Department of Natural Resources and Environmental Control that is acceptable to Buyer; 2) the availability of a water supply; and 3) that the Lot shall conform with the local zoning ordinance or this Contract will become null and void and all deposits will be returned to the Buyer. The Buyer will request the site evaluation within five (5) days of the effective date of this Agreement and Buyer shall pay all costs related thereto. The Buyer and Seller may modify these provisions or the Buyer may waive these provisions of this Agreement by attaching an addendum signed by the Buyer and Seller.

**IN WITNESS WHEREOF**, the parties hereto have hereunto set their hands and seals the day and year first above written.

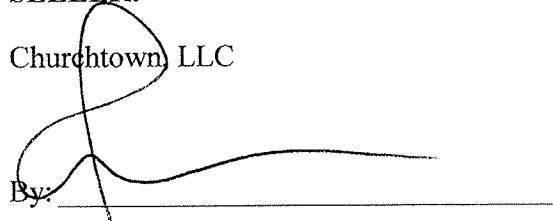
Witness/Attest:

By: 

Name/Title: Chandler Lauf

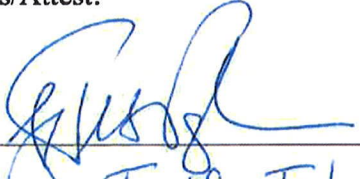
**SELLER:**

Churchtown, LLC

By: 

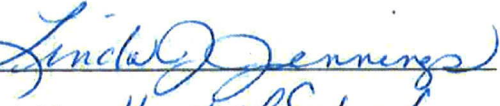
Name/Title: Richard C. Woodruff  
Authorized Member  
RCM Investments, LLC  
Member

Witness/Attest:

By:   
Name/Title: Jennifer Taylor  
MOT Board Vice-Chair

**BUYER:**

MOT Charter School, Inc.

By:   
Name/Title: Head of School

