

PURCHASE AGREEMENT

THIS AGREEMENT is made and entered into this 24th day of December 1987, by and between JEAN MINER O'CONNELL, ANTHONY M. O'CONNELL, TRUSTEE and HERBERT A. HIGHAM, TRUSTEE ("Seller") and LYNCH PROPERTIES LIMITED PARTNERSHIP, a Virginia limited partnership, or assigns ("Purchaser"). The Seller and the Purchaser are sometimes hereinafter referred to as the "parties".

RECITALS:

R-1 Seller is the owner of a certain parcel of unimproved real property in Fairfax County, Virginia, bearing Fairfax County Tax Map Number 90-2-((1))-0085 and outlined in red on Exhibit "A" attached hereto, and which parcel of real property contains approximately 155,500 square feet of land. Seller also owns an adjacent abandoned right-of-way, the size of which is unknown. Both Parcel 85 and the abandoned right-of-way are hereinafter referred to as the "Subject Property."

R-2 Purchaser desires to acquire the Subject Property, and Seller desires to sell the Subject Property to the Purchaser upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, THIS AGREEMENT

W I T N E S S E T H :

That for and in consideration of the mutual premises hereinafter set forth in this Agreement, and in consideration of

the Purchaser's Deposit (as defined below) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

Section 1. Purchase and Sale.

Pursuant to the provisions of this Agreement, Seller agrees to sell and convey, and Purchaser agrees to purchase, the Subject Property. Seller shall convey the Subject Property, together with any existing improvements to the Subject Property, and all pertaining rights and appurtenances thereto, including any right, title and interest the Seller enjoys in the adjacent streets, roads, alleys, parking areas and rights-of-way, and any other existing rights, interests and easements, as well as all mineral, oil, gas, air and water rights, appurtenant to the Subject Property. All major appliances in the residence will convey with the property.

Section 2. Purchase Price; Survey.

The purchase price shall be \$10.00 per square foot of land, the total amount to be determined by a survey to be performed at Purchaser's expense.

Section 3. Deposit.

Simultaneously with the execution of this Agreement by Purchaser, Purchaser shall deposit with McGuire, Woods, Battle & Boothe, 8280 Greensboro Drive, Suite 900, McLean, Virginia 22102 ("Escrow Agent"), cash or other immediately

available funds in the amount of Ten Thousand Dollars (\$10,000.00), who shall place same in an interest bearing account. Purchaser shall post Ninety Thousand Dollars (\$90,000.00) additional deposit and release the deposit to the Seller at the expiration of the Feasibility Period, as hereinafter defined. The amount of cash paid to the Escrow Agent or Seller hereunder plus interest thereon, as held by the Escrow Agent or Seller, shall be collectively referred to as the "Deposit."


Section 4. Terms of Payment.

Purchaser shall pay the purchase price as follows:

4.01 Cash Due at Settlement. At Settlement, the Purchaser shall pay the Seller cash, or other immediately available funds, Two Hundred Fifty-Thousand (\$250,000.00), of which the Deposit, plus all interest accrued thereon, shall constitute a portion.

4.02. Purchase Money Note. Seller will hold a purchase money note for the balance of the purchase price secured by a first deed of trust. The note shall bear interest at nine percent (9.0%). The note shall be payable in two annual installments of interest only followed by five equal annual installments of principal plus accrued interest (for a total of seven annual installments). There shall be no penalty for prepayment in full or in part. It is expressly agreed that this note and deed of trust shall not be subordinated to any other loan on the property.

4.03. Dedication by the Trustees. Said deed of trust shall contain a provision requiring the trustees under said deed of trust, without the necessity of obtaining the prior consent of the deed of trust note holder, to release land to be dedicated for public use such as for streets, public utilities, sanitary sewer, water, storm sewer, etc. from the above mentioned trust without curtailment and at no cost to the Purchaser.

 4.04. Trustees. Trustees in all deeds of trust are to be named by the parties secured thereby. Seller agrees to instruct trustees on said deed of trust to sign plats of subdivision as desired by and without cost to purchaser or assigns so long as said subdivision meets the requirements of Fairfax County.

Section 5. Feasibility Tests and Studies.

5.01 Access; Indemnification. From the date of full execution of this Purchase Agreement, and continuing for a period of sixty (60) days thereafter (the "Feasibility Period"), Purchaser (and Purchaser's agents, employees or other parties designated by Purchaser) shall have the right, at any reasonable time or times, to enter onto the Subject Property to perform such tests, examination, surveys and studies as Purchaser deems appropriate, including, but not necessarily limited to, studies concerning economics, zoning, utility availability, soils and environmental studies, and a Preliminary Layout to the Subject Property. Purchaser shall reasonably restore the Subject Property to its condition existing prior to undertaking any such

tests or other work on the Property, at Purchaser's sole cost and expense. Purchaser shall pay for all costs associated with any examinations of tests done on the Subject Property by Purchaser.

5.02 Feasibility Date. In the event that Purchaser determines, in Purchaser's sole and unreviewable discretion, prior to the expiration of the Feasibility Period ("Feasibility Date"), that Purchaser's acquisition and ownership or development of the Subject Property is not feasible for Purchaser in light of (1) the tests and studies referred to in the preceding paragraph, (2) any financial feasibility study made by Purchaser or (3) any other investigations or studies made by Purchaser, Purchaser shall have the right to terminate this Agreement by giving written notice to Seller on or before the Feasibility Date. After Purchaser gives such notice, this Agreement shall automatically terminate, the Escrow Agent shall return the Deposit to the Purchaser, and the parties shall hereafter be relieved of all further obligations under this Agreement. If Purchaser does not give written notice of termination prior to the Feasibility Date, then Purchaser's acquisition and ownership or development of the Subject Property shall be deemed to be feasible, this contingency shall be deemed to have been automatically satisfied and removed, and this Agreement shall automatically remain in full force and effect and shall be fully binding on both parties without further notice.

Section 6. Title to Subject Property.

(a) Title to the Subject Property shall at Settlement be free and clear of all liens and encumbrances, easements, limitations, covenants, restrictions, leasehold rights and tenancies, except only for (i) those liens and encumbrances which are to be satisfied and released with the cash due the Seller at Settlement hereunder, and (ii) the Permitted Title Exceptions, defined below. Title shall be good of record and in fact, fully marketable and insurable by a title insurance company of Purchaser's choice which is licensed to conduct business in Virginia ("Title Company"), and subject to no exceptions other than the Permitted Exceptions, defined below. Such title insurance coverage shall be available to the Purchaser at standard rates, for standard coverage, without special endorsements of any kind..

(b) During the Feasibility Study Period, Purchaser shall obtain, at its expense, from the Title Company, a title insurance binder evidencing the state of title of the Subject Property and evidencing that the Title Company will issue, at standard rates and without special endorsement, an ALTA Form B Owner's Title Insurance Policy in the amount of the purchase price, ensuring that fee simple estate to the Subject Property will be vested in the Purchaser with no exceptions other than the Permitted Title Exceptions. In the event such title examination discloses defects of title (other than those liens and encumbrances which are to be paid off and satisfied at

Settlement out of the cash due Seller at Settlement) Purchaser shall promptly notify Seller in writing of such defects prior to the expiration of the Feasibility Study Period, and Seller shall thereafter be obligated to remove such defects at its expense prior to Settlement so that Seller will be prepared at Settlement to deliver good, marketable and insurable title (at standard rates) to the Subject Property, subject only to the Permitted Title Exceptions, defined below.

(c) In the event the Purchaser fails to notify the Seller, prior to the end of the Feasibility Study Period, of title defects required to be corrected prior to Settlement, title to the Subject Property shall conclusively be deemed satisfactory to Purchaser. Seller agrees that, following the date of full execution of this Agreement, it will not create or consent to the imposition of any lien, encumbrance, easement, limitation, covenant, servitude, restriction or tenancy on the Subject Property, without the prior written consent of the Purchaser.

(d) The Purchaser agrees to accept title to the Property subject only to the following exceptions ("Permitted Title Exceptions"):

(i) Real estate taxes which are not due and payable as of the date of Settlement; and

(ii) Any existing exceptions which the Purchaser fails to object to in writing prior to the end of the Feasibility Study Period.

Section 7. Deed.

Title to the Subject Property shall be conveyed to the Purchaser at Settlement by General Warranty Deed with English Covenants of Title, subject to no exceptions other than the Permitted Title Exceptions.

Section 8. Settlement.

8.01 Date and Place. The consummation of the transaction described in this Agreement ("Settlement") shall take place one hundred twenty days (120) days from the date of ratification of this contract at the offices of McGuire, Woods, Battle & Boothe, 8280 Greensboro Drive, Suite 900, McLean, Virginia 22102 ("Settlement Agent"). Purchaser shall notify Seller in writing if Purchaser elects to go to Settlement earlier than the date specified by this Agreement. Such notice shall be received by Seller at least fifteen (15) days prior to the earlier Settlement Date proposed by Purchaser.

8.02 Adjustments. Real estate taxes shall be adjusted as of the date of settlement.

8.03 Settlement Costs. Purchaser and Seller hereby authorize the Settlement Agent to settle this Agreement. Seller shall pay the Virginia Grantor's tax, and the cost of preparation of the general warranty deed. Purchaser shall pay for title insurance, title examination, conveyancing and notary fees, survey preparation, recordation taxes and charges, and all other settlement costs, expenses and charges. Seller and Purchaser shall each pay their respective attorneys' fees.

Section 9. Default; Damages.

9.01 Purchaser's default prior to Settlement.

The Seller and Purchaser agree that the payment of the Deposit by the Escrow Agent as provided for hereunder does not constitute a penalty but rather is an agreed upon manner of establishing the amount of damages, and is the Seller's exclusive remedy for Purchaser's breach of this Agreement.

9.02 Seller's Default. If Seller refuses or is unable to settle according to the terms of this Agreement then, in addition to Purchaser's right to have the Deposit returned, Purchaser shall also have the option to exercise any additional and appropriate legal and equitable remedies available to it, including the remedy of specific performance.

Section 10. Brokers.

Each party represents and warrants to the other that such party has employed no brokers or finders in respect of this transaction. The Seller hereby agrees to indemnify and hold the Purchaser harmless from and against any and all claims, costs, loss or liability, including attorney's fees, for brokerage commissions asserted against the Purchaser by reason of the breach of Seller's representation and warranty contained in this Section 10. The Purchaser hereby agrees to indemnify and hold the Seller harmless from and against any and all claims, costs, loss or liability, including attorney's fees, for brokerage commissions asserted against the Seller by reason of the breach

of Purchaser's representation and warranty contained in this Section 10.

Section 11. Notices.

All notices or communications required or permitted under this Agreement shall be in writing and shall be deemed duly given if in writing and delivered personally, or sent by registered or certified United States mail, return receipt requested, first class, postage prepaid, to the following addresses, (or such other addresses as may be designated in writing):

(a) if to the Seller:

Anthony M. O'Connell, Trustee
2337 S. 13th Street
St. Louis, Mo. 63104

and (b) with a copy to:

Jean Miner O'Connell
6541 Franconia Road
Springfield, Va. 22150

and (c) if to Purchaser:

Lynch Properties Limited Partnership
P. O. Box 607
Springfield, Virginia 22150

and (d) with a copy to:

Allan B. Goldstein
McGuire, Woods, Battle & Boothe
8280 Greensboro Drive, Suite 900
McLean, Virginia 22102

Section 12. Miscellaneous.

12.1 Modifications and Waivers. No modification, waiver, amendment, discharge or change of this Agreement, except

as otherwise provided herein, shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is sought. This Agreement contains the entire agreement between the parties relating to the transactions contemplated hereby, and all prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged herein.

12.2 Successors and Assigns; Assignment. All terms of this Agreement shall be binding upon, and inure to the benefit of and be enforceable by the parties hereto and their respective legal representatives, heirs, successors and assigns.

12.3 Time of the Essence. Time is of the essence for all purposes of this Agreement.

12.4 Risk of Loss. Each portion of the Subject Property shall be held at the risk of the Seller until Settlement hereunder.

12.5 Governing Law. This Agreement is intended to be performed in the Commonwealth of Virginia and shall be construed and enforced in accordance with the internal laws thereof.

12.6 Survival of Representations and Warranties. All representations and warranties made by either party herein shall survive Settlement and shall not merge into the deed to be delivered to Purchaser at Settlement.

12.7 Exhibits. All exhibits referred to herein and attached hereto shall be and are incorporated in this Agreement by reference as though fully set forth herein.

12.8 Captions. The captions of this Agreement are inserted for convenience of reference only and do not define, describe or limit the scope of the intent of this Agreement or any term hereof.

12.9 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

12.10 Offer and Acceptance; Effective Date. This Agreement has been executed first by Purchaser and shall be deemed a continuing offer of the Purchaser to purchase the Subject Property from the Seller for ten (10) working days after the date of Purchaser's execution. The effective date of this Agreement for all purposes shall be deemed to be the date of execution by the last executing party.

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

WITNESS:

Mary J. Ruel
Date: 12/21/87

Carolyn R. Pflug
Date: 12/22/87

WITNESS:

PURCHASER:

LYNCH PROPERTIES LIMITED
PARTNERSHIP

By: E. W. Lynch, Jr.
E. W. Lynch, Jr.
General Partner

By: Wayne M. Lynch
Wayne M. Lynch
General Partner

SELLER:

Jean Miner O'Connell
Jean Miner O'Connell

Anthony M. O'Connell, Trustee

Herbert A. Higham, Trustee

STATE OF VIRGINIA
COUNTY OF FAIRFAX

The foregoing instrument was acknowledged before me this 21st day of December, 1987, by E. W. Lynch, Jr., as General Partner, on behalf of Lynch Properties Limited Partnership, a Virginia Limited Partnership.

Judy S. Gudebar
Notary Public

My Commission expires: June 19, 1988

STATE OF VIRGINIA
COUNTY OF FAIRFAX

The foregoing instrument was acknowledged before me this 22nd day of December, 1987, by Wayne M. Lynch, as General Partner, on behalf of Lynch Properties Limited Partnership, a Virginia Limited Partnership.

Judy S. Gudebar
Notary Public

My Commission expires: June 19, 1988

COMMONWEALTH OF PENNSYLVANIA
~~STATE OF VIRGINIA~~
COUNTY OF ~~FAIRFAX~~ WESTMORELAND

The foregoing instrument was acknowledged before me this 24 day of December, 1987, by Jean Miner O'Connell.

Daniel J. [Signature]
Notary Public

My Commission expires: _____

DAVID J. [Signature]
NEW REGISTRATION REQUIRED BY PA. STATUTE
MY COMMISSION EXPIRES SEPTEMBER 30, 1991
Member, Pennsylvania Association of Notaries

STATE OF MISSOURI
COUNTY OF _____

The foregoing instrument was acknowledged before me
this _____ day of _____, 19____, by Anthony M.
O'Connell, Trustee.

Notary Public

My Commission expires: _____

STATE OF VIRGINIA
COUNTY OF _____

The foregoing instrument was acknowledged before me
this _____ day of _____, 19____, by Herbert A. Higham,
Trustee.

Notary Public

My Commission expires: _____