

# PASS Realty, LLC

6879 CRUMPLER BLVD. STE.101  
OLIVE BRANCH, MISSISSIPPI 38654  
662-895-7277 901-521-8128 FAX 662-893-3269

## CONTRACT FOR THE SALE AND PURCHASE OF COMMERCIAL REAL ESTATE

Date: February 13, 2006

**THE SELLERS: AGREES TO SELL,**

**AND THE PURCHASER EBI**, their successors or assigns, agrees to purchase the following described real estate (called "Property") situated in the County of DeSoto, and State of Mississippi, City of Olive Branch being described as **80 +/- acres located on the north side of Vaiden Road, located east of Craft Road and West of Highway 305. in Section 5, Township 3 South, Range 6 West**

**PURCHASE PRICE: The Purchaser will pay a total sum of ( \$1,200,000.00) One Million Two Hundred Thousand and no/100 Dollars.**

**EARNEST MONEY: A sum in the amount of , Ten Thousand and no/100 Dollars (\$10,000.00 )**

as earnest money will be deposited with **PASS Realty, LLC**, Broker/Trustee, and held in an escrow account until the transaction has been consummated or terminated. All such funds will be deposited by the Broker/Trustee in federally insured accounts. In the event the transaction is not consummated, the Broker/Trustee shall hold such funds in escrow until: (a) all parties to the transaction have agreed in writing as to their disposition; or (b) a court of competent jurisdiction orders disbursement of the funds; or (c) the Broker/Trustee can pay the funds to the party who is entitled to receive them in accordance with the clear and explicit terms of this Purchase Agreement which established the deposit. In the latter event, prior to disbursement, the Broker/Trustee shall give written notice to each party not to be paid, by either: (a) hand delivery signed for by the addressee; or (b) by certified mail, both stating that this payment will be made unless a written protest from that party is received by the Broker/Trustee within 5 business days of the delivery of the mailing, as appropriate, of that notice.

**SELLER COVENANTS AND AGREES to sell and convey Property, with all improvements thereon: including building and land, lighting, heating, cooling and plumbing fixtures and equipment (free and clear of all security interests and liens as of the date of closing), or cause to be conveyed, by good and sufficient warranty deed, to Purchaser, or to such person or persons as Purchase may designate; Purchaser, however, shall not be released from any of Purchaser's agreements and undertakings as set forth herein unless otherwise stated.**

**TERMS: This contract is contingent upon the following:**

1. Purchaser shall have **180 days** due diligence to determine the amount and extent of land in the flood way, to do any testing he may deem to be needed, to complete engineering required to obtain rezoning and to obtain zoning requested by the Purchaser. If the Purchaser determines that the property will not suit his needs he will notify the Purchaser before the end of the due diligence period and all earnest money will be refunded and the contract shall become null and void. If the Purchaser determines that the property will suit his needs he will so notify the Seller before the end of the due diligence period and closing will be in 45 days.
2. Purchaser shall be able to extend the due diligence for two 60 day periods in the event the flood issues can not be determined in order for the zoning to proceed. Purchaser will deposit within 10 working days of notification an additional \$10,000.00 for each extension, which will become nonrefundable at the time of the deposit.
3. Purchaser shall have the right to enter the property for any of the above testings, surveying, engineering or other fact finding visits.
4. Seller agrees that he will cooperate with the Purchaser in his rezoning application and will be available to sign any consent forms required.
5. Purchaser agrees that the Seller may remain in the house up to 12 months after the closing on this property.

**If any of the above contingencies cannot be met, Purchaser has the option to void contract and have all earnest money returned, or to waive contingencies and close on property.**

**PURCHASER ACCEPTS PROPERTY** in its existing condition, no warranties or representation having been made by Seller or Agent which are not expressly stated herein.

**ALL PROPERTY TAXES, ASSESSMENTS AND/OR RENTALS** shall be prorated as of the closing date. NOTE: Taxes are based upon current information furnished by the County Tax Office.

**CONVEYANCE AND TITLE:** Property is conveyed by Seller and accepted by Purchaser subject to all restrictions, general utility, sewer and drainage easements of record upon which building(s) do not encroach, zoning ordinances and all other laws of any governmental authority, covenants of record, articles of association or incorporation, by-laws, master deed, and rules and regulations. At the election of Purchaser, Seller agrees promptly to furnish, for examination only, either title search or adequate abstracts of title, taxes, and judgements, covering the Property, or at Seller's option, a policy of title insurance by one of the title insurance companies with offices in Mississippi for the amount of the above purchase price, insuring marketability of title and paid for by Seller. Adequate abstracts of title, taxes, and judgements are those required by a title insurance company with an office in Mississippi as the basis for the issuance of a policy of title insurance. In the event of controversy regarding title, a title insurance policy covering Property, issued by any local title insurance company for the above purchase price, shall constitute and be accepted by Purchaser as conclusive evidence of good and merchantable title. If the title is not good and cannot be made good within a reasonable time after written notice has been given that the title is defective, specifically pointing out the defects, then the earnest money shall be returned to Purchaser.

*Handwritten signature and initials: "S-OK" and "OC" with a checkmark.*

**SELLER'S EXPENSES:** Preparation of deed, notary fee on deed, ~~surety~~, Seller's attorney and closing fees.

**PURCHASER'S EXPENSES:** Preparation of note, or notes, and trust deed, notary fee on trust deed, recording of deed, state tax and Register's fee on deed, and expense of title examination or title insurance, if any, and Purchaser's attorney and closing fees. If Purchaser obtains a loan on Property, he is to pay all expenses incident thereto. Should there be any tax, insurance or other accrual items on deposit with the holder of any debt secured by Property and assumed by Purchaser, at the time of closing Purchaser shall reimburse Seller therefor.

**ATTORNEYS AND CLOSING:**

Attorney for the Purchaser : James E. Woods 662-895-2996

Attorney for the Seller : \_\_\_\_\_

**Closing shall be on or before February 27, 2007**

**POSSESSION OF PROPERTY SHALL BE DELIVERED TO PURCHASER: At Closing With Warranty Deed.**

**BREACH OF CONTRACT BY PURCHASER:** In the event of breach of this Contract by Purchaser, Seller shall have the right to declare this Contract null and void, and upon election, Earnest Money shall be divided, one-half (1/2) retained by the seller as liquidated damages and one-half (1/2) retained by the Listing and/or Selling Brokers to be divided equally as commission, but in no event shall the Broker's commission exceed the commission agreed upon in the listing or other agreement between the Seller and the Broker(s). The right given Seller to make the above election shall not be the Seller's exclusive remedy, as he shall have the right to elect to affirm this Contract and enforce its specific performance for its breach.

**BREACH OF CONTRACT BY SELLER:** In the event of breach of contract by Seller, or if Seller fails for any reason to complete the sale of Property in accordance with the terms set forth herein, then Seller shall pay the commission provided for in the listing or other agreement between the Broker(s) and the Seller, plus all costs of collection, including attorney fees, and the Purchaser shall have the right to: (a) affirm this Contract and enforce its specific performance; or (b) require the immediate return of the Earnest Money and recover full damages for its breach.

**COST TO ENFORCE CONTRACT:** Should any party to this Contract bring an action against any other party to this contract to enforce any claim hereunder, the prevailing party or parties shall be entitled to recover all costs of said action and reasonable attorney fees. The term "prevailing party or parties" as used in this paragraph shall be defined as the party or parties in whose favor a court shall rule or against whom no relief is granted, provided such ruling becomes final and non-appealable.

**NOTICES:** All notices shall be in writing and effective upon delivery at the appropriate address shown below.

**ENTIRE AGREEMENT:** This Contract and attached Addendum(s) is the entire and final agreement of the parties and cannot be changed except by their written consent. Neither party has relied upon any statement or representation made by the other party or the Brokers bringing the parties together. Neither party shall be bound by any terms, conditions, oral statements, warranties or representations not herein contained. Attached addendum(s): \_\_\_\_\_

**COMMISSION:**

~~1%~~ of the Sale Price shall be paid to: **PASS Realty, LLC** by the seller.

5% PAID BY PURCHASER

2-15-06  
*[Signature]*

The Listing Agency/Broker represents the interest of the Purchaser.  
The Selling Agency/Broker represents the interest of the Purchaser.

**PURCHASER AGREES THAT ALL TERMS** of this offer are expressed above and that this offer expires on February 21, 2006\_ At 5:00 P.M. if not accepted.

**CONSULT YOUR ATTORNEY:** None of the brokers or agents associated with this Contract can give you legal or tax advice. This is intended to be a legal and binding Contract. **READ IT CAREFULLY.** Federal law may impose certain duties when Seller and/or Purchaser is a foreign party, or Seller receives a certain amount of U.S. currency in connection with a real estate closing. **IF YOU DO NOT UNDERSTAND THE EFFECT OF ANY PART OF THIS CONTRACT, CONSULT YOUR ATTORNEY OR TAX CONSULTANT BEFORE YOU SIGN THIS CONTRACT.**

**WITNESS** the signatures of all parties the day and year below written:

*Subject to clearance of any check given, the undersigned Agent acknowledges Receipt of the above mentioned earnest money which is held in trust subject to the terms of this contract.*

By: \_\_\_\_\_

*As used herein, where applicable: "Seller" and "Purchaser" include the plural; the masculine includes the feminine or neuter gender. The Purchasers and Sellers warrant that they have full power and authority to enter into this contract.*

**CONTRACT EFFECTIVE DATE:** 2-13-06  
**PURCHASER:** *[Signature]* **SELLER:** *[Signature]*  
*EBI, INC.* *PRESIDENT*  
**Purchaser:** \_\_\_\_\_ **Seller:** *[Signature]*  
**ADDRESS:** \_\_\_\_\_ **ADDRESS:** \_\_\_\_\_  
**TELEPHONE:** \_\_\_\_\_ **TELEPHONE:** \_\_\_\_\_  
**Date of Execution:** \_\_\_\_\_ **Time:** \_\_\_\_\_ **Date of Execution:** \_\_\_\_\_ **Time:** \_\_\_\_\_

STATE OF MISSISSIPPI

COUNTY OF DESOTO

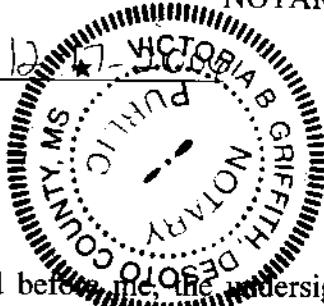
Personally appeared before me, the undersigned authority in and for said County and State, on this 13<sup>th</sup> day of February, 2006, within my jurisdiction, the within named, ROBERT M. BAILEY, who acknowledged that he is President of EBI, Inc., a Mississippi Corporation, and that for and on behalf of said corporation and as its act and deed he executed the above and foregoing Contract For The Sale And Purchase Of Commercial Real Estate after first having been duly authorized by said corporation so to do.

Victoria B Griffith  
NOTARY PUBLIC

My Commission Expires: 12-17-2006

STATE OF MISSISSIPPI

COUNTY OF DESOTO



Personally appeared before me, the undersigned authority in and for said County and State, on this 13<sup>th</sup> day of February, 2006, within my jurisdiction, the within named, SOON HEUNG LEE and OK NYEO LEE, who acknowledged that they executed the above and foregoing Contract For The Sale And Purchase Of Commercial Real Estate.

Victoria B Griffith  
NOTARY PUBLIC

My Commission Expires: 12-17-2006

