

## AGREEMENT OF SALE

THIS AGREEMENT OF SALE ("Agreement") is made as of the \_\_\_ day of May 2014, by and between UNIVERSAL COMMUNITY HOMES, a Pennsylvania non-profit corporation ("SELLER"), and 1520 SOUTH PARTNERS, LP, a Pennsylvania limited partnership ("BUYER").

### TERMS

NOW, THEREFORE, in consideration of these premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. SALE AND PURCHASE OF PROPERTY. SELLER agrees to sell and convey to BUYER and BUYER agrees to purchase from SELLER the following property and assets:

(a) That certain tract of land located at 1520 (OPA #301002800), 1522 (OPA #301002900), 1524-34 (OPA #882921265) and 1536 South Street (OPA #871539700), and 1537 (OPA #301018300) and 1539 Kater Street (OPA #301018400), Philadelphia, Pennsylvania (collectively, the "Land"), on a portio of which is located a three (3) story building (the "Building"), all as described on Exhibit A attached hereto, together with all other buildings and improvements thereon, and all right, title and interest of SELLER in and to (i) any strips and gores or any land lying in the beds of any streets, avenues, alleys or passages, open or proposed, bounding or abutting the Land; and (ii) all of the easements, rights, privileges, and appurtenances belonging or in any way appertaining thereto (collectively, the "Real Property");

(b) All of SELLER's warranties, guarantees, bonds, plans, drawings, surveys, licenses and permits granted by governmental authorities, and all other intangible assets relating to or used in the ownership, operation or maintenance of the Real Property (the "Real Estate Documents").

(c) All of SELLER's rights in and under the contracts and agreements of the SELLER pertaining to and necessary for the operation of the Real Property in the ordinary course, including, all utility, service, equipment and maintenance agreements of SELLER, unless otherwise agreed herein (the "Assumed Contracts");

The Real Property, Real Estate Documents, Assumed Contracts and all other assets to be conveyed, transferred or assigned by SELLER to BUYER under this Agreement are sometimes collectively referred to as the "Property."

2. CONSIDERATION. The purchase price to be paid by BUYER to SELLER for the Property shall be THREE MILLION DOLLARS (\$3,000,000) (the "Purchase Price"), subject to such adjustments, allotments, and credits as are provided in this Agreement.

3. PAYMENT OF CONSIDERATION. The Purchase Price shall be paid as follows:

(a) Within two (2) days after the Effective Date of this Agreement (as defined in Paragraph 22(a) hereof) BUYER shall deliver to Land Services USA or other reputable title insurance company or agency, as determined by BUYER (the "Title Company" or "Escrow Agent"), the sum of Fifty Thousand Dollars (\$50,000), which shall represent an earnest money deposit for the Property (the "Initial Deposit"). It is hereby agreed that the Initial Deposit shall be in the form of a check or wire from BUYER to order of Escrow Agent which shall be deposited by Escrow Agent in an interest bearing

escrow account upon the receipt by Escrow Agent of a Form W-9 signed by BUYER, which interest shall accrue to BUYER's benefit, unless BUYER defaults hereunder. At Closing (as herein defined), the Initial Deposit shall be credited to BUYER as against the Purchase Price.

(b) Within two (2) days after the end of the Due Diligence Period (as defined herein) and provided this Agreement has not been terminated as provided herein, BUYER shall deliver to the Title Company, the sum of One Hundred Thousand Dollars (\$100,000), which shall represent an earnest money deposit for the Property (the "**Additional Deposit**", and together with the Initial Deposit and the Extension Deposit (if any, defined below), the "**Deposits**"). It is hereby agreed that the Additional Deposit shall be in the form of a check or wire from BUYER to order of Escrow Agent which shall be deposited by Escrow Agent in an interest bearing escrow account, which interest shall accrue to BUYER's benefit, unless BUYER defaults hereunder. For purposes of this Agreement, the term "Deposits" shall include any and all interest accrued on any such sum paid by BUYER to Escrow Agent pursuant to this Paragraph 3. At Closing (as herein defined), the Deposits shall be credited to BUYER as against the Purchase Price.

(c) TWO MILLION EIGHT HUNDRED FIFTY THOUSAND DOLLARS (\$2,850,000) of the Purchase Price shall be paid at Closing, subject to the Extension Deposit and other adjustments as provided herein.

#### 4. TITLE TO PROPERTY.

(a) At Closing, SELLER shall convey the Real Property by special warranty deed in customary and recordable form. Title to the Real Property shall be free and clear of all defects, liens, encumbrances, security interests, covenants, restrictions, easements, and other title objections excepting only the (i) zoning and similar laws, codes and ordinances; and (ii) those exceptions that are approved by BUYER pursuant to Paragraph 4(b) below ("**Permitted Exceptions**"); otherwise, title to the Real Property shall be good and marketable and insurable as such at regular rates by the Title Company pursuant to a standard ALTA Owner's Policy of Title Insurance available in Pennsylvania (the "**Title Policy**"). Promptly after the Effective Date of this Agreement BUYER shall order from the Title Company a commitment to insure the title to the Real Property in accordance with the requirements of this Paragraph 4(a), together with true and complete copies of all liens, encumbrances, security interests, covenants, restrictions and easements which are listed as exceptions thereto (the commitment and copies being hereinafter collectively referred to as the "**Title Commitment**"). BUYER shall furnish SELLER with a copy of the Title Commitment promptly after BUYER's receipt of the Title Commitment.

(b) Within fifteen (15) days after BUYER's receipt of the Title Commitment, BUYER shall notify SELLER in writing as to which of such title exception items BUYER has disapproved. All title exceptions which BUYER does not expressly disapprove within such fifteen (15) day period, shall be deemed additional "Permitted Exceptions" with respect to the Real Property for purposes of this Agreement; provided, however, that SELLER shall be obligated to pay and satisfy and remove (i) all mortgages, taxes due and payable, municipal claims and mechanics' liens without limit as to amount, and (ii) all other liens of an ascertainable monetary amount, and none thereof shall be Permitted Exceptions. Paragraph 4(b)(i) and (ii) shall also apply to liens arising between the date of the Title Commitment and Closing. As to any title exception items which BUYER identifies to SELLER as being disapproved (except for items described in this Paragraph 4(b)(i) and (ii), which SELLER shall be obligated to remove), SELLER shall have the option and not the obligation, at or prior to Closing, to cure such title exception item, subject to the next succeeding sentence. If SELLER elects not to cure such title exception, it shall notify BUYER of its election not to cure within ten (10) days of SELLER's receipt of BUYER's disapproval notice. If SELLER so timely notifies BUYER that SELLER elects not to cure any such title exception objected to by BUYER where SELLER is not obligated to cure or if SELLER is

unable to cure any title exception objection which SELLER is obligated to cure, then the Real Property shall be considered a "Defective Parcel" which shall be subject to the provisions of Paragraph 19(b) hereof.

(c) The parties acknowledge that the laws of the Commonwealth of Pennsylvania may require that certain governmental agencies or authorities be notified in advance of the Closing, of the proposed assignment and transfer of the Real Property by SELLER to BUYER, and in certain cases that SELLER obtain and deliver to BUYER a clearance certificate evidencing the payment by SELLER of certain taxes, assessments and contributions to the Commonwealth of Pennsylvania. The parties further acknowledge that, as a result of procedures for the administration of applications for such clearance certificates, and anticipated delays therein, it may not be reasonably possible for SELLER to obtain and deliver such clearance certificates as of the Closing, or for some period of time thereafter. SELLER shall be responsible for providing all notices to governmental agencies required under such laws and for providing, at Closing, evidence reasonably acceptable to BUYER that such notices have been delivered. SELLER agrees to act in good faith and with reasonable diligence to apply for, obtain and deliver to BUYER all required clearance certificates at or as soon after the Closing as is reasonably possible. If any such required clearance certificate is not available at the Closing, the failure to deliver such clearance certificate, and any exception therefor raised by the Title Company, shall not constitute a default by SELLER or a deficiency in title, provided that SELLER shall provide to the BUYER SELLER's written indemnity in the form attached hereto as Exhibit "B", not to expire unless or until SELLER delivers such required clearance certificate to BUYER.

5. SURVEY. In the event that BUYER elects to obtain a survey of the Real Property (the "Survey"), then such plan must be delivered to SELLER promptly after BUYER's receipt of the Survey. Within fifteen (15) days after BUYER's receipt of the Survey but in no event later than the conclusion of the Due Diligence Period, BUYER shall notify SELLER in writing as to whether BUYER disapproves any of the conditions reflected on the Survey. All conditions shown on the Survey which BUYER does not expressly disapprove within such fifteen (15) days or prior to the conclusion of the Due Diligence Period, whichever is earlier, shall be deemed additional "Permitted Exceptions". Any conditions shown on the Survey which BUYER identifies to SELLER as being disapproved shall be disposed of in the same manner as title exceptions pursuant to Paragraph 4(b) hereof.

6. CLOSING. Delivery of the Deed for the Property and consummation of the transactions contemplated by this Agreement (the "Closing") shall take place at a location within Philadelphia, Pennsylvania mutually agreeable to SELLER and BUYER within Forty Five (45) days after the expiration of the Due Diligence Period, as defined in this Agreement (such date, as it may be extended pursuant to the terms of this Agreement, the "Closing Date").

7. BUYER'S DUE DILIGENCE PERIOD.

(a) For a period of Forty Five (45) days (the "Due Diligence Period") commencing the first day after the Effective Date, BUYER shall have the right to have the Real Property inspected and tested, at BUYER's expense, shall have the right to communicate with all tenants, all local, state and federal governmental authorities, zoning officials, and all other parties relating to the Property, shall have the right to file any zoning, development and historical applications on behalf of the SELLER and such other investigations BUYER deems necessary (collectively, "Investigations"). SELLER agrees that it shall grant access to the Real Property to the persons designated by BUYER to perform such inspections and tests of the Real Property, subject to the conditions set forth in this Paragraph 7 below. Notwithstanding anything herein, BUYER shall have the right to extend the Due Diligence Period by thirty (30) days upon sending written notice of the same to SELLER and contemporaneously depositing with Escrow Agent the sum of Fifty Thousand Dollars (\$50,000.00), which shall represent an earnest

money deposit for the Property (the "**Extension Deposit**"). It is hereby agreed that the Extension Deposit shall be paid to Escrow Agent by means of a wire transfer of immediately available federal funds and deposited into the interest bearing escrow account with the First Deposit. Such written notice to Seller extending the Due Diligence Period must be given by the last day of the then current Due Diligence Period.

(b) If BUYER is dissatisfied for any reason or no reason at all with the Property, in BUYER's sole and absolute discretion, then BUYER may terminate this Agreement by delivering written notice of termination to SELLER on or before the expiration of the Due Diligence Period. If such termination notice is delivered by such date, Escrow Agent shall return the Deposits to BUYER, this Agreement shall become null and void, and neither party shall have any further liabilities or obligations hereunder, except as specifically provided in this Agreement to the contrary.

(c) BUYER shall indemnify, defend and hold SELLER harmless of, from and against all claims, attorney's fees and expenses, liens, costs, expenses, causes of action and losses of whatsoever kind or nature resulting from the negligent acts or omissions of BUYER, or anyone acting on BUYER's behalf, in, on or about the Real Property.

(d) SELLER shall, within five (5) days after the Effective Date, furnish BUYER with copies of all books and records, leases, plans, permits, licenses, easements, third party agreements, certificates of occupancy, property records, including those regarding operation and maintenance of the Property for the prior two (2) years, service contracts, appraisals, surveys, title reports and policies, inspection reports, engineering or property condition reports, including any Phase I and Phase II environmental reports, and other information pertaining to the Property in SELLER's possession, control, or easily obtainable (collectively, the "**Diligence Materials**").

## 8. REPRESENTATIONS, WARRANTIES AND COVENANTS OF SELLER.

(a) SELLER, and its partners hereby represent, warrant and covenant to BUYER that the following statements are true and correct as of the Effective Date:

(i) SELLER is a non-profit corporation duly formed and validly subsisting under the laws of the Commonwealth of Pennsylvania, and has full corporate right, power and authority to enter into this Agreement and to perform its obligations hereunder.

(ii) The execution and delivery of this Agreement and the consummation of the transaction contemplated hereby have been duly and validly authorized by SELLER's managers, board of directors and/or shareholders, has been duly and validly executed and delivered by SELLER and constitutes a legal, valid and binding agreement of SELLER, enforceable against SELLER in accordance with its terms.

(iii) SELLER is not a "foreign person" within the meaning of Section 1445 of the United States Internal Revenue Code, as amended, or its regulations.

(iv) The persons executing and delivering this Agreement on behalf of SELLER have the power and authority to so execute and deliver this Agreement and to consummate the transactions contemplated herein, and this Agreement is binding and enforceable against SELLER in accordance with its terms.

(v) This Agreement does not contravene any provisions of the organizational documents of SELLER; any judgments, orders, decrees, writs or injunctions issued against SELLER; or to the actual knowledge of SELLER, any provision of any laws applicable to SELLER, except, in each case, where consents thereto have been obtained. The consummation of the transactions contemplated hereby will not result in a breach or constitute a default or event of default by SELLER under any agreement to which SELLER or any of its or their assets are subject or bound, except where consents thereto have been obtained or in the case of any mortgage, or related agreement, encumbering the Real Property, which will be paid off and released at Closing from the proceeds of Buyer's payment of the Purchase Price, and will not, to the actual knowledge of SELLER, result in a violation of any laws applicable to SELLER.

(vi) There are no pending or, to SELLER's knowledge, threatened condemnation proceedings affecting the Property or any part thereof.

(vii) There are no actions, proceedings, arbitrations, litigation, governmental investigations or adjudicatory proceedings pending, or to SELLER's knowledge threatened against or relating to the Property, SELLER or the contemplated transaction, as applicable, which would, if adversely determined, materially adversely impact upon SELLER's ability to perform its obligations under this Agreement.

(viii) SELLER has received no written notice alleging that all or any part of the Property is in violation of any applicable law, rule, ordinance or other directive of any governmental and/or quasi-governmental entity or authority have jurisdiction over Seller and/or all or any part of the Property (hereinafter "Laws"). SELLER has not received written notice of any pending, or to SELLER's knowledge, threatened judicial or administrative action by adjacent landowners or other persons or with respect to any easements or other recorded instruments encumbering the Real Property.

(ix) SELLER has not instituted any tax appeals, nor has SELLER received written notice of any pending special assessments that affect the Property and no assessments for public improvements against the Property which have not been paid in full.

(x) There are no leases, tenancies, or other rights of use or occupancy, and there are no adverse or other parties in possession of the Property and Seller agrees to deliver the Building vacant.

(xi) There are no management, service, equipment, supply, security, maintenance, construction, concession or other agreements affecting the Real Property (the "Service Contracts"), or if they exist, none that cannot be terminated at or prior to Closing.

(xii) SELLER has not received notice from any insurance company which has issued a policy or has been requested to issue a policy with respect to any portion of the Property or from any board of fire underwriters (or other body exercising similar functions) claiming any defects or deficiencies in the Property or suggesting or requesting the performance of any repairs, alterations or other work to the Property.

(xiii) To the best of SELLER's knowledge and belief and without independent investigation, there are no contaminants, toxic materials, hazardous wastes or hazardous substances (including, without limitation, mold, asbestos, PCB's, petroleum products, or other similar substances (collectively "Contaminants")) or other materially adverse environmental conditions at, under or within the Property.

(xiv) SELLER has not received any written summons, citation, directive, notice, complaint, letter or other written communication, from the United States Environmental Protection Agency, Pennsylvania Department of Environmental Protection or other governmental authority concerning any alleged violation of any environmental law or rule or regulation at the Property. To the best of SELLER's knowledge, the Property has not been used for the storage, handling, generation, or disposal of toxic wastes, hazardous materials or hazardous substances or for manufacturing or other industrial purposes. To the best of SELLER's knowledge, there are no buried fuel tanks within the Property.

(xv) Neither SELLER nor any of its agents have made unrecorded commitments nor do any side agreements exist with any governmental authority, utility company, school board, church or other religious body, or any homeowners or homeowners' association, or with any other organization, group, party, or individual, relating to the Property which would impose an obligation upon BUYER or its successors or assigns to make any contribution or dedication of money or land or to construct, install, or maintain any improvements of a public or private nature on or off the Property, or restricts the use or development of the Property.

(xvi) All bills for work done and materials furnished (including utilities) for the Property have been paid in full or will have been paid in full as of the date of Closing.

(xvii) The Premises is zoned CMX-2 Commercial.

(xviii) The representations, warranties and covenants of this Paragraph 8 shall survive Closing for a period of six months following Closing.

(xix) If, at or prior to the Closing, SELLER obtains knowledge that any representation, warranty or covenant herein made by SELLER is untrue, inaccurate or incorrect in any material respect, SELLER shall give BUYER prompt written notice thereof.

9. DOCUMENTS TO BE DELIVERED AT CLOSING.

(a) Prior to or at Closing hereunder, SELLER shall execute and deliver to BUYER:

(i) A Special Warranty Deed for the Real Property in customary and recordable form.

(ii) An Assignment of all warranties, guarantees, plans and specifications, permits, licenses, certificates of occupancy, books and records, in form and content acceptable to BUYER and SELLER.

(iii) A certificate of SELLER confirming that as of the Closing Date the representations and warranties set forth in this Agreement remain true and correct in all material respects.

(iv) A "FIRPTA" affidavit sworn to by SELLER. BUYER acknowledges and agrees that upon SELLER's delivery of such affidavit, SELLER shall not withhold any portion of the Purchase Price pursuant to Section 1445 of the Internal Revenue Code of 1986, as amended.

(v) Title Affidavits in customary form and all transfer tax forms required to record the Deed.

(vi) An Indemnity Agreement in the form of Exhibit B.

(vii) A certification statement issued by the applicable municipal authority no more than thirty (30) days prior to Closing evidencing that the Real Property is clear of all municipal violations.

(viii) Originals of all Real Estate Documents and Assumed Contracts in SELLER's possession (including all amendments thereto), or copies if originals are not available.

(ix) Documents of authority of SELLER authorizing the transactions contemplated by this Agreement.

(x) All other documents which SELLER is required to deliver pursuant to the provisions of this Agreement or that BUYER reasonably requests in order to effectuate the conveyance of the Property, including, but not limited to such affidavits, resolutions, proofs and other customary documents and instruments, as may be required by the Title Company.

(b) Prior to or at Closing hereunder, BUYER shall execute and deliver to SELLER:

(i) The Purchase Price.

(ii) All other documents which BUYER is required to deliver pursuant to the provisions of this Agreement or that SELLER reasonably requests in order to effectuate the conveyance of the Property, including, but not limited to such affidavits, resolutions, proofs and other customary documents and instruments, as may be required by the Title Company.

#### 10. CLOSING COSTS; APPORTIONMENTS AT CLOSING.

(a) BUYER shall pay for its own attorney's fees, the costs of all inspections performed pursuant to Paragraph 7(a), the cost of any survey, the premiums and charges for the Title Policy and any lender's policy desired by BUYER, including all endorsements thereto desired by BUYER or its Lender, any transfer tax due in connection with a transfer or assignment of this Agreement to BUYER's nominee or assignee, the cost of recording the Deed to the Real Property and 50% of any fees charged by the Escrow Agent. Realty transfer taxes, if any, shall be borne equally by Seller and Buyer.

(b) SELLER shall pay for its own attorneys' fees, the charges of the applicable local municipality or county for a certification statement respecting the Real Property, and any other instruments, including any documents pertaining to the satisfaction of liens described in Paragraph 4(b)(i) and (ii), if any, and 50% of any fees charged by the Escrow Agent.

(c) Ad valorem real estate taxes and assessments shall be adjusted as of the date of Closing on a per diem basis and such apportionments shall be made, where applicable, with relation to the fiscal year of the taxing authority; provided, however that if Closing occurs before the tax rate is fixed for the then current year, taxes shall be estimated on the basis of the tax rate for the immediately preceding year applied to the latest assessed valuation, and appropriate adjustment shall be made by and between SELLER and BUYER based upon actually taxes (if different from the estimate) once the amount of such taxes becomes known, within thirty (30) days after written notice by one party to the other.

(d) Any amounts payable under the Service Contracts which BUYER elects to assume shall be apportioned.

(e) SELLER shall use diligent efforts to obtain readings of the water, electric, gas and other utility meters serving the Property to a date no sooner than five (5) days prior to the Closing

Date. SELLER shall be responsible for payment of all water, electric, gas and other utility charges accruing prior to the date of Closing.

(f) If any of the items subject to proration hereunder cannot be prorated at the Closing because the information necessary to compute such proration is unavailable, or if any errors or omissions in computing prorations at the Closing are discovered subsequent to the Closing, then such item shall be reapportioned and such errors and omissions corrected as soon as practicable after the Closing Date and the proper party reimbursed, which obligation shall survive Closing and delivery of the deed until one (1) year after Closing.

(g) All prorations and apportionments between SELLER and BUYER pursuant to this Paragraph 10 shall be effective as 11:59 p.m. (Eastern Time) on the day before the Closing Date.

(h) All covenants and obligations contained in this Paragraph 10 shall survive Closing and delivery of the Deed.

11. DELIVERY OF POSSESSION. At Closing, SELLER shall deliver to BUYER possession of the Property, along with keys to all doors and lock thereon.

12. CONDITIONS PRECEDENT TO CLOSING. BUYER's obligation to close hereunder shall be expressly conditioned upon the occurrence or fulfillment of each of the following conditions on or prior to the Closing Date (any one of which may be waived in whole or in part in writing by BUYER at or prior to Closing):

(a) All of the representations and warranties by SELLER set forth in this Agreement shall be true and correct in all material respects on, at and as of the Closing Date as though such representations and warranties were made on, at and as of the Closing Date, except to the extent a particular representation or warranty relates to a specific date, in which event the representation or warranty shall be true and correct in all material respects as of such date;

(b) SELLER shall have performed in all material respects all covenants, agreements and conditions required by this Agreement to be performed by SELLER prior to or as of the Closing Date;

(c) There shall be no pending or threatened litigation which, if adversely determined, would have a material adverse effect on the Property or its operation, or would restrain or invalidate the transactions contemplated by this Agreement;

(d) If any of the conditions set forth in this Paragraph 12 are not satisfied as of the Closing Date, BUYER shall have the rights accorded by Paragraph 19 of this Agreement.

13. OPERATIONS PRIOR TO CLOSING.

(a) During the term of this Agreement, SELLER shall maintain the Property in the condition it is in following expiration of BUYER's Due Diligence Period, ordinary wear and tear and damage by fire or other casualty and condemnation excepted.

(b) SELLER shall comply with all federal, state, county and municipal laws, ordinances, regulations and orders relating to the Property and with all terms, conditions and provisions of all liens, mortgages, agreements and other contractual arrangements affecting or pertaining to the Property. If after the Effective Date of this Agreement, SELLER shall receive any written notice

claiming that the Property or any method of operation of the Property is in violation (“Violation”) of any applicable law, ordinance, code, rule, order, regulation or requirement of any governmental authority, the requirements of any local board of fire underwriters (or other body exercising similar functions), then SELLER shall cure, at its expense but not to the extent that the cost to cure all Violations exceeds the Purchase Price in the aggregate, prior to the Closing Date or, at BUYER’s option, as soon after Closing as is reasonably practical, any Violation of which SELLER or BUYER receives written notice. In the event that SELLER is not required to cure a Violation(s) due to the Violation(s) exceeding the Purchase Price in the aggregate, then the Real Property shall be considered a “Defective Parcel” which shall be subject to the provisions of Paragraph 19(b) hereof.

(c) SELLER shall not enter into any contract, lease, license or occupancy agreement relating to the Property (or modify or renew any of the same) without the prior written approval of BUYER for, on behalf of, or affecting the Property, which cannot be terminated without charge, cost, penalty or premium on or before Closing and which would bind or be a charge against the Property or BUYER after Closing.

(d) During the period between the date of this Agreement and the Closing Date, except as specifically contemplated by this Agreement, or consented to in writing by BUYER, SELLER will:

(i) Give BUYER prompt notice of all insurance claims and/or other litigation with respect to the Property, and;

(ii) Keep current levels of policies of insurance in full force and effect with respect to the Property;

(iii) Not settle any insurance claims or other litigation that would materially and adversely affect the Property after the Closing; and

(iv) Not perform any capital renovations or alterations with respect to the Property (or any part thereof), except (A) in connection with the operation of the Property in the ordinary course, (B) as expressly permitted by the terms of this Agreement following a casualty or condemnation, or (C) as required by any applicable law.

(e) Promptly after receipt by SELLER, SELLER shall deliver to BUYER the following:

(i) a copy of any written notice of an actual or alleged violation of any law, code or ordinance relating to the Property; and

(ii) a copy of any notice of condemnation or taking.

(f) SELLER shall promptly notify BUYER of any material changes in any condition with respect to the Property or of the occurrence of any event or circumstance that makes any representation or warranty of SELLER to BUYER under this Agreement untrue or misleading, or any covenant of SELLER under this Agreement incapable or less likely of being performed, it being understood that the SELLER’s obligation to provide notice to BUYER under this Paragraph 13(f) shall in no way relieve SELLER of any liability for a breach by SELLER of any of its covenants under this Agreement.

14. FIRE OR OTHER CASUALTY. If, prior to Closing, the Real Property is subjected to a fire or other casualty of which SELLER becomes aware, SELLER shall give BUYER prompt written notice thereof, and BUYER shall have the right to terminate this Agreement by notice in writing given by BUYER to SELLER within ten (10) days of BUYER's receipt of notice of the casualty from SELLER, as above provided, in which event, upon payment of the Deposits to BUYER, neither party shall have any further liability or obligation hereunder. If BUYER does not elect such termination, then this Agreement shall remain in full force and effect and the purchase contemplated herein shall be concluded with no further adjustment and, at Closing, SELLER shall pay to BUYER the proceeds of any fire or casualty insurance policy paid to and received by SELLER between the date of this Agreement and the date of Closing, and SELLER shall assign, transfer and set over to BUYER all of the right, title and interest of SELLER in and to any insurance policy claims which are unpaid. In addition, SELLER shall provide BUYER a credit as against the Purchase Price for the amount of any insurance policy deductible.

15. EMINENT DOMAIN. For purposes of this Agreement, a "condemnation" shall be any taking or condemnation or threatened taking or condemnation by any body having the power of condemnation or eminent domain which causes damage to the Real Property. If prior to Closing the Real Property is subjected to a condemnation or threatened condemnation of which SELLER becomes aware, SELLER shall give BUYER prompt written notice thereof. Any condemnation shall be considered a "Defective Parcel", which shall be subject to the provisions of Paragraph 19 hereof.

16. NOTICES. All notices and other communications under this Agreement shall be in writing and shall be effectively given only if sent by certified mail, return receipt requested or by nationally recognized overnight courier service, cost prepaid, receipt required, addressed as follows:

To SELLER:

With a copy to:

\_\_\_\_\_

To BUYER:

1520 SOUTH PARTNERS, LP  
2424 E. York Street, suite 217  
Philadelphia, PA 19125

or such other address as the party to be notified shall have designated to the other party hereby by notice delivered in accordance herewith. All such notices shall be deemed given on the business day next following the day such notice is accepted for delivery by the overnight courier service, and on the date of delivery for all hand deliveries. Notices may be given on behalf of a party by its counsel.

17. THIRD PARTY BROKERAGE. SELLER and BUYER hereby represent and warrant to each other that, neither of them has dealt with a broker or finder in connection with the transaction which is the subject of this Agreement, other than Rittenhouse Realty Advisors (the "**Broker**"). Other than with regard to the Broker, each each party hereby agrees to indemnify, save harmless and defend the other from and against all claims, losses, liabilities and expenses, including reasonable attorneys' fees, arising

out of any claim made by any broker, finder or other intermediary who claims to have dealt with such party in connection with the transaction which is the subject of this Agreement. Pursuant to a separate agreement with the Broker, SELLER will be solely liable to pay the agreed-on brokerage commission to the Broker in connection with this transaction. The provisions of this Paragraph 17 shall survive Closing hereunder.

18. ASSIGNMENT. At or prior to Closing, BUYER may assign this Agreement and BUYER's rights hereunder to an entity in which BUYER owns an interest of more than fifty percent (50%) or to which BUYER controls, is controlled by or is under common control with; otherwise this Agreement is not assignable. In the event of any permissible assignment of this Agreement, BUYER shall deliver to SELLER a fully executed copy thereof.

19. FAILURE OF TITLE OR DEFAULT PERFORMANCE.

(a) For purposes of this Paragraph 19, the term "Defective Parcel" shall mean the Real Property which is considered as such in accordance with the provisions of Paragraphs 4(b), 13(b) or 15 hereof.

(b) If the Real Property shall be a Defective Parcel under Paragraph 4(b) or 13(b) hereof, BUYER may either: (i) accept such title and performance as SELLER can convey, in which case title to the Real Property shall settle, but with abatement of the Purchase Price in the amount of liens described in Paragraph 4(b)(i) and (ii) and/or Violations described in Paragraph 13(b), if any, only; or (ii) terminate this Agreement whereupon the Deposits shall be returned to BUYER and neither party shall have any further liability or obligation to the other.

(c) If the Real Property shall be a Defective Parcel under Paragraph 15 hereof, BUYER may either (i) accept such title as SELLER can convey and receive the condemnation award with SELLER assigning all its right, title and interest in any unpaid proceeds to BUYER; or (ii) terminate this Agreement whereupon the Deposits shall be returned to BUYER and neither party shall have any further liability or obligation to the other.

(d) If SELLER shall default in SELLER's obligations under this Agreement, other than as provided in Paragraph 19(b) or 19(c) hereof, BUYER may (i) receive the Deposits from the Escrow Agent together with BUYER's actual, documented out-of-pocket third party costs and expenses associated with this Agreement and BUYER's anticipated acquisition of the Property including, without limitation, BUYER's reasonable counsel fees and costs, title expenses, survey costs, and other costs and expenses associated with BUYER's due diligence, including, without limitation, legal, financial and accounting due diligence, BUYER's structural inspection of the Real Property and BUYER's environmental assessment of the Real Property including, without limitation, any investigations, sampling or other testing (collectively, "Transaction Costs"). The foregoing list is not intended to be exclusive, but representative of the costs and expenses that the parties anticipate that BUYER will incur in anticipation of this transaction; or (ii) institute an action for specific performance of SELLER's obligation pursuant hereto. Notwithstanding anything herein, the SELLER's liability for Transaction Costs shall be capped at Fifty Thousand Dollars (\$50,000).

(e) If BUYER shall default in BUYER's obligations under this Agreement, the Deposits shall be delivered to SELLER by Escrow Agent and, thereupon, BUYER shall be released and relieved of any and all liability hereunder. SELLER shall be paid the Deposits as liquidated damages and not as a penalty. BUYER and SELLER acknowledge that the damages which may be incurred by SELLER in the event of BUYER's default are difficult to quantify as of the date of this Agreement; the Deposits represents the parties' reasonable estimate of SELLER's probable future damages in the event of

BUYER's default; and that the Deposits represents fair and reasonable compensation to SELLER in the event of BUYER's default. The Deposits shall be paid to SELLER as SELLER's exclusive and sole remedy, and SELLER hereby waives any right to recover the balance of the Purchase Price, or any part thereof, and the right to pursue any other remedy against BUYER.

(f) The provisions of this Paragraph 19 shall not limit the liability of a party for its breach or default with respect to a matter which survives Closing or is to be performed after Closing.

20. PROVISIONS WITH RESPECT TO ESCROW.

(a) The duties and obligations of Escrow Agent hereunder shall be entirely administrative and ministerial and not discretionary. Escrow Agent shall be under no responsibility in respect of the Deposits other than to faithfully follow the instructions herein contained. Escrow Agent may conclusively rely upon any instructions or documents delivered to it by BUYER and SELLER and purportedly executed by a duly authorized officer, partner or member thereof and shall be under no duty of independent inquiry with respect to any facts or circumstances recited therein. In the event that any notice or instruction required to be delivered to Escrow Agent hereunder is not so delivered, Escrow Agent may hold the Deposits, if any, pending delivery to Escrow Agent of such instruction or notice and may exercise all of Escrow Agent's rights and remedies hereunder or otherwise provided by law. The parties hereto jointly and severally agree to reimburse and indemnify Escrow Agent for, and hold Escrow Agent harmless against, any loss, liability, cost or expense, including but not limited to, reasonable attorney's fees, which may be asserted against Escrow Agent or to which Escrow Agent may be exposed or which may be incurred by reason of the acceptance of, or the performance of duties and obligations under this Agreement, except any arising from Escrow Agent's negligence or willful misconduct.

(b) In the event of any dispute or disagreement in connection with the performance by Escrow Agent of its duties under this Agreement, including, but not limited to, the respective rights of the parties to the Deposits, Escrow Agent may consult with counsel selected and employed by Escrow Agent, and Escrow Agent shall suffer no liability for any action taken or suffered in good faith in accordance with the opinion of such counsel, if any; provided, however, that the Deposits shall be disbursed in accordance with the terms of this Agreement. Notwithstanding any other provision of this Agreement, if any dispute or difference arises among the parties or if any conflicting demand shall be made upon Escrow Agent, Escrow Agent shall not be required to determine the same or take any action thereon; rather, may place the Deposits with the court and, upon giving notice thereof to the parties hereto, Escrow Agent shall be fully released and discharged from all further obligations hereunder with respect to the Deposits except arising from gross negligence or willful and wanton misconduct of Escrow Agent.

21. CONFIDENTIALITY. BUYER and SELLER agree that prior to Closing neither party will disclose, publish or disseminate information about the purchase price or other financial information about the Property, but may disclose that this Agreement has been executed, provided that BUYER may disclose information about the purchase price or the Property to: (a) those employed by BUYER; (b) those who are actively and directly participating in the evaluation of the Property, including, but not limited to, potential investors, lenders, partners, professional service providers, lawyers, accountants, assignees, buyers, agents and affiliates, or (c) pursuant to law or a court order.

22. MISCELLANEOUS.

(a) As used herein the term "Effective Date" of this Agreement shall mean and refer to the later date that the Agreement is executed by SELLER and BUYER and executed counterparts are delivered to each party.

(b) This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, without regard to choice of law principles.

(c) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors and assigns.

(d) Time is of the essence of this Agreement and of all terms and conditions of this Agreement. In the event that this Agreement requires the payment of any sum of money or the performance of any action on any day which is a Saturday, Sunday, or any day on which commercial banks are required to be closed under the laws of the Commonwealth of Pennsylvania, then such payment or performance shall be excused until the next day which is not a Saturday, Sunday or any day on which commercial banks are required to be closed under the laws of the Commonwealth of Pennsylvania.

(e) This Agreement may be signed in any number of separate counterparts, each of which shall be deemed to be an original hereof, and all of which, when taken together, shall constitute one and the same instrument. This Agreement may be executed by facsimile signature or e-mail delivery of a PDF of a signed signature page, which shall be deemed for all purposes as an original.

(f) The captions in this Agreement are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions hereof, and shall not constitute a part of this Agreement.

(g) The tender of an executed deed by SELLER and the tender by BUYER of the Purchase Price at Closing are hereby mutually waived; but nothing contained in this Section shall be construed as a waiver of SELLER's obligation to deliver the deed and/or of the concurrent obligation of BUYER to pay the Purchase Price at Closing.

23. **EXCLUSIVITY.** SELLER agrees that during the existence of this Agreement, it will not market the Property for sale, or enter into any letters of intent or agreements of sale with a party other than BUYER for the sale or lease of the Property in whole or in part.

(Signatures appear on the following page)

IN WITNESS WHEREOF, and intending to be legally bound, the parties have executed this Agreement effective as of the date first written above.

SELLER:

UNIVERSAL COMMUNITY HOMES

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

Name:

Title:

Date of Execution: \_\_\_\_\_, 2014

BUYER:

1520 SOUTH PARTNERS, LP, a Pennsylvania limited partnership

BY: 1520 SOUTH PARTNERS GP, LLC, its general partner

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

Name: Douglas Jordan

Title: Managing Member

Date of Execution: \_\_\_\_\_, 2014

SCHEDULE OF EXHIBITS

EXHIBIT A	Metes and Bounds Description of the Land
EXHIBIT B	Indemnity Agreement

**EXHIBIT A**

**Metes and Bounds Description of the Land**

(To be included after the Effective Date pursuant to the Title Commitment)

## EXHIBIT B

### INDEMNITY AGREEMENT

THIS INDEMNITY AGREEMENT is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 2014, by UNIVERSAL COMMUNITY HOMES, a Pennsylvania non-profit corporation ("Seller"), in favor of 1520 SOUTH PARTNERS, LP, a Pennsylvania limited partnership ("Buyer").

#### WITNESSETH:

A. Seller has this day conveyed to Buyer certain real property and the improvements thereon, located at 1520 (OPA #301002800), 1522 (OPA #301002900), 1524-34 (OPA #882921265) and 1536 South Street (OPA #871539700), and 1537 (OPA #301018300) and 1539 Kater Street (OPA #301018400), Philadelphia, Pennsylvania (the "Property"), pursuant to its rights under a certain Agreement of Sale dated \_\_\_\_\_, 2014.

B. The parties acknowledge that the procedures of the Pennsylvania Department of Revenue have rendered it impractical or impossible to obtain the Bulk Sales Clearance Certificate required pursuant to 43 P.S. § 788.3, 69 P.S. § 529 and 72 P.S. § 1403, 72 P.S. § 7240 and 72 P.S. § 7321.1. For purposes of inducing Buyer to purchase the Property, Seller has agreed to provide this Indemnity Agreement to Buyer. This Agreement shall survive closing on the Property.

NOW THEREFORE, in consideration of the premises, and intending to be legally bound hereby, Seller hereby (i) confirms that all taxes accruing and due on or before the date hereof by Seller to the Commonwealth of Pennsylvania have been paid and satisfied, and (ii) agrees to indemnify, defend and hold harmless Buyer from and against any and all liability, and related expenses (including reasonable attorney's fees and costs), arising under 43 P.S. § 788.3, 69 P.S. § 529 and 72 P.S. § 1403, 72 P.S. § 7240 and/or 72 P.S. § 7321.1, or under any comparable statutes of the Commonwealth of Pennsylvania, by reason of the failure of Seller to pay any taxes or other sums payable to the Commonwealth of Pennsylvania or any agency thereof, or by reason of Seller's failure to obtain and deliver to Buyer the Bulk Sales Clearance Certificate required to be obtained under such statutes. Promptly following settlement, Seller shall apply for, and shall provide all information required to obtain, the Bulk Sales Clearance Certificate required under such statutes; and Seller shall deliver such Bulk Sales Clearance Certificate to Buyer promptly following receipt thereof.

IN WITNESS WHEREOF, Seller has executed this Indemnity Agreement as of the day and year first above written.

SELLER:

UNIVERSAL COMMUNITY HOMES

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

Name:

Title: