

AGREEMENT FOR SALE OF REAL ESTATE

This Agreement of Sale is made this 5th day of December, 2009, between Kathleen A. Smith, in care of McConnell, Lenard & Campbell, with a mailing address 4 Waterloo Road, P0 Box 111, Stanhope, NJ 07874, referred to as the SELLER,

and

whose address is

_____ New Jersey, referred to as BUYER.

The words "BUYER" and "SELLER" include all Buyers and Sellers listed above.

1. Agreement. The Seller desires to sell and the Buyer desires to purchase the Property, subject to and in accordance with the terms and conditions set forth below. The Seller has conducted an open public sale at auction to sell the Property. By executing this Agreement, the Buyer makes an irrevocable offer to purchase the Property, subject to acceptance by the Seller. The Seller reserves the right to reject any or all bidders in its sole discretion. Should Buyer's bid be rejected by Seller, Buyer's Initial Deposit shall be returned and Buyer and Seller shall have no further rights or obligations with respect to each other.
2. Property. The Property to be sold consists of: (a) the land and all the buildings, other improvements and fixtures on the land; (b) all the Seller's rights relating to the land; and (c) whatever personal property, if any, that is specifically included in this Agreement. The Property is commonly known as 46 West River Styx Road in the Borough of Hopatcong, County of Sussex, State of New Jersey. It is shown on the tax map as Lots 13 in Block 11.
 - a. This Property consists of **.47-i-** acres and are the same lands and premises conveyed to Kathleen Smith, unmarried from Nicholas Colaviot, Executor of the Estate of Edward B. Flick, deceased, by Deed dated September 23, 2003, and recorded in the Sussex County Clerk's Office on December 8, 2005 in Deed Book 2993, at Page 332, and following. A copy of said Deed is attached hereto as **Schedule A**.

- b. The Property shall be conveyed by bargain and sale deed with covenants against grantor's acts. Title to be delivered by Seller to Buyer shall be insurable by a title company authorized to do business in the State of New Jersey at standard rates, subject to all covenants, restrictions, conditions, reservations of record, easements established of record or by prescription, laws, municipal ordinances and zoning regulations; water and sewer connection fees, if any; such state of facts as an accurate survey or inspection of the premises may disclose; and all terms and conditions set forth in this Agreement.
- c. Buyer shall have the right, at its sole cost and expense, to obtain a new survey of the Property. Seller shall use the legal description drawn in accordance with such survey in its Deed, provided such survey depicts the Property and is certified to Seller, Buyer shall provide Seller with such legal description and a copy of the survey not less than one week prior to the date set for Closing of Title.
- d. The Deed will be signed by Dennis R. McConnell, who is the Executor pursuant to a Will executed by Kathleen A. Smith on September 4, 2008. Kathleen A. Smith died on September 13, 2008. The Will was probated and Dennis R. McConnell was appointed Executor, a copy of Surrogate's Short Certificate attached hereto.
- e. Except as provided in Paragraph 2.b. above, the Property is sold in "AS IS" condition, exclusive of any representations, express or implied, as further described in Paragraph 9 below.

3. Total Contract Price. The Property's selling price and scheduled payments are as follows:

High Bid Price	\$ _____
Add 10% Buyer's Premium	\$ _____
Total Contract Price	\$ _____
Less Bidder Deposit	\$ <u>25,000.00</u>

Additional deposit within 10 days after Seller's Acceptance of Buyer's irrevocable offer (the Bidder Deposit and additional Deposit together shall total 10% of the Total Contract Price). \$ _____

Balance of Total Contract Price Due at Closing \$ _____

4. Deposit Monies. The Initial Deposit and the Additional Deposit shall be paid by bank check, certified check, attorney trust account check, or cash. The balance due at closing shall be paid by bank check or attorney trust account check. All checks shall be made payable to "McConnell, Lenard & Campbell Trust Account, attorney for the Seller" and shall be held in a non-interest bearing escrow account by McConnell, Lenard & Campbell, until closing or until released in accordance with the terms of this Agreement.
5. Closing Date. Closing shall occur on or before December 29, 2009, at the offices of McConnell, Lenard & Campbell, 4 Waterloo Road, Stanhope, N.J. 07874
6. Closing Costs. The Buyer shall pay all closing costs, including but not limited to the following:
 - a. Premium for Owner's and Lender's Title Policy, if title insurance is purchased.
 - b. Costs to record the Deed and other closing documents.
 - c. Buyer's attorney's fees, survey fees and costs.
 - d. Costs to inspect the property and test the well water.
 - e. Certificate of Occupancy, if required, and/or smoke/carbon monoxide and fire extinguisher.
7. Fixtures and Personal Property. Many items of property become so attached to a building or other real property that they become a part of it. These items are called fixtures. They include such items as fireplaces, patios, and built in shelving. All fixtures are included in this sale. All personal property is excluded in this sale unless listed here:
8. No Representations. Buyer acknowledges that Buyer has been given the opportunity to and has adequately inspected the premises or has waived the opportunity to make such an inspection. Buyer further acknowledges that Buyer has entered into this Agreement solely as a result of the inspection made by Buyer and not as a result of any advertisement, handbill or any other representation, either oral or written, made by Seller, Coldwell Banker, Residential Brokerage, Auction Division, or any agent of Seller.

9. Physical and Environmental Condition of the Property. This property is being sold “as is”, with no representations, warranties or guarantees expressed or implied as to the physical or environmental condition of the Property, or as to the condition, quality or usability of the heating, cooling, plumbing, electrical system, roof, basement, sewer/septic system, or any structural members of the Property, or any fixtures or equipment located in or on said Property. The Seller does not make any claims or promises about the physical or environmental condition or value of the Property included in this sale and expressly disclaims any and all implied warranties of habitability or usability with respect to the Property.

The Buyer assumes all risks that the Property may contain toxic, hazardous, extremely hazardous, or otherwise dangerous materials, or other adverse or potentially adverse physical or environmental conditions, including, but not limited to, the following: underground oil or gas storage tanks whether or not revealed by Buyer’s investigation; electromagnetic fields, cell towers or cables; asbestos; radon; lead, including lead-based paint; termites or other wood-destroying insects. On and after the Closing of Title all responsibility and liability related to all physical and environmental conditions, whether known or unknown, fixed or contingent, will be transferred from Seller to Buyer.

WITHOUT LIMITING THE ABOVE, BUYER WAIVES ITS RIGHT TO RECOVER FROM SELLER AND FOREVER RELEASES AND DISCHARGES SELLER AND AGREES TO DEFEND, INDEMNIFY AND HOLD SELLER HARMLESS FROM ANY AND ALL DAMAGES, CLAIMS, LOSSES, LIABILITIES, PENALTIES, FINES, LIENS, JUDGMENTS, COSTS AND EXPENSES WHATSOEVER (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS’ FEES AND COSTS), WHETHER DIRECT OR INDIRECT, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, THAT MAY ARISE OR MAY HAVE ARISEN PRIOR TO, FROM OR AFTER THE CLOSING OF TITLE ON ACCOUNT OF OR IN ANY WAY CONNECTED WITH THE ENVIRONMENTAL OR OTHER PHYSICAL CONDITION OF THE PROPERTY OR ANY VIOLATION BY SELLER, BUYER OR ANY OTHER PARTY OF ANY APPLICABLE LEASE, CONTRACT OR OTHER INSTRUMENT OR OF ANY APPLICABLE EXISTING OR FUTURE LAW, REGULATION, ORDER OR OTHER DIRECTIVE OF ANY GOVERNMENTAL OR JUDICIAL ENTITY, HAVING JURISDICTION APPLICABLE THERETO, INCLUDING WITHOUT LIMITATION, THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT OF 1980, AS AMENDED (42 U.S.C.A.

§~9601 ET SEQ.), THE RESOURCE CONSERVATION AND RECOVERY ACT OF 1976 (42 U.S.C.A. §~6901 ET SEQ.), THE CLEAN WATER ACT (33 U.S.C.A. §~466 ET SEQ.), THE SAFE DRINKING WATER ACT (14 U.S.C.A. §~1401 to 1450), THE HAZARDOUS MATERIALS TRANSPORTATION ACT (49 U.S.C.A. §~1801 ET SEQ.), THE TOXIC SUBSTANCE CONTROL ACT (15 U.S.C.A. §~2601 to 2629), THE CLEAN AIR ACT (42 U.S.C.A. §~7401 ET SEQ.) AND ALL STATE AND LOCAL ANALOGS OF THESE FEDERAL LAWS, AND ANY REPLACEMENT OR SUCCESSOR LEGISLATION OR REGULATION THERETO.

This provision of the Agreement shall survive the Closing of Title.

Buyers must read and initial this provision here: _____

10. Private Well Testing. Pursuant to New Jersey's Private Well Testing Act (N.J.S.A. 58:12A--26 to 37) and related regulations, this Agreement is for the sale of real property the potable water supply for which is a private well located on the property. As required in the act, at closing, Seller and Buyer both shall certify in writing that they have received and reviewed the water test results. Buyer agrees to test the water supply at Buyer's sole cost and expense and to provide a copy of the test results to Seller at least seven (7) days prior to Closing.
11. Building and Zoning Laws. The Buyer intends to use the property as a single family home. The Buyer will obtain and pay for all inspections required by law, if any. This includes any municipal "certificate of occupancy" and smoke detector certificate.
12. Assignment and Recordation. Buyer may not assign this Agreement, in whole or in part, or record or lodge same for public record. Any attempt to assign, record or lodge this Agreement for public record shall constitute a default hereunder.
13. Risk of Loss. The Seller is responsible for any damage to the Property until closing. In the event that the Property suffers damage by casualty prior to closing, Seller shall have the option to repair all such damage, or to terminate and rescind this Agreement, whereupon all deposit monies paid by the Buyer will be returned to the Buyer and thereafter the parties shall have no rights or obligations to each other. In the event that the Seller elects to terminate this Agreement, Seller shall notify Buyer within 30 days after the date of the casualty loss. In the event that the Seller elects to repair the damage, Seller shall have the right to postpone the closing hereunder for an additional period of 120 days from the date set forth in the notice of closing.
14. Default of Seller. If, at the time of closing, Seller is unable to deliver to Buyer title as described in Paragraph 2.b. above, Buyer's sole options and remedies shall be as follows: Buyer may elect either
 - a. to complete closing without abatement of the purchase price and without any other remedy or right against the Seller, or
 - b. to terminate this Agreement. If the Buyer elects to terminate this Agreement, all deposit monies previously paid by the Buyer will be returned to him. Thereafter, this Agreement shall be null and void and neither party shall have any further rights or obligations against the other.

15. Default of Buyer. In the event that the Buyer does not close title on or before December 29, 2009, or any extended closing date the parties agree to in writing or fails to comply with any of Buyer's obligations or covenants under this Agreement, the Buyer shall be in default and the Seller may, at its option:
- a. Cancel the Agreement and retain as liquidated damages all deposit monies, it being acknowledged by the Seller and the Buyer that the Seller has invested considerable time with respect to marketing the Property, the value of which cannot be reasonably calculated and that the sum of 10 percent of the purchase price is a good faith approximation of said expenses and damages; or
 - b. Retain all deposit monies previously paid by the Buyer (up to a maximum of 10 percent of the purchase price) and pursue any remedies available to Seller, at law or in equity, including without limitation, specific performance of this Agreement.

If the Seller elects to retain the deposit monies as liquidated damages as provided in subparagraph (a) above, then this Agreement shall become null and void and the Buyer and Seller shall have no further rights or obligations with respect to each other.

16. Adjustments at Closing. The Buyer and Seller agree to adjust the following expenses as of the closing date: utility charges, heating oil and taxes.
17. Possession. At the closing, the Buyer will be given possession of the Property. No tenant will have any right to the Property unless otherwise agreed in this Agreement.
18. Entire Agreement. This Agreement including all riders and attachments is the entire and only agreement between the Buyer and the Seller. This Agreement replaces and cancels any previous agreements between the Buyer and the Seller. This Agreement can only be changed by an agreement in writing signed by both the Buyer and the Seller. The Seller states that the Seller has not made any other agreement to sell the property to anyone else.
19. Notices. All notices under this Agreement must be in writing. The notices must be delivered personally or mailed by certified mail, return receipt requested, to the other party at the address written in this Agreement, or to that party's attorney.

20. Broker. Coldwell Banker, Residential Brokerage, Auction Division represents Seller and Seller has agreed to pay Coldwell Banker, Residential Brokerage, Auction Division a commission upon the terms and conditions set forth in a separate agreement between Seller and Coldwell Banker, Residential Brokerage, Auction Division. The real estate commission shall be deemed earned and due and payable only upon the closing of title and the payment of the purchase price in full. The Buyer warrants that Buyer has not dealt with any real estate agent or salesperson other than Coldwell Banker, Residential Brokerage, Auction Division and agrees to indemnify and hold Seller harmless against claims of any other party for a real estate commission. The obligation of this paragraph shall survive closing

21. Attorney Review. The three day attorney review period does not apply to this transaction. By execution of this agreement, the Buyer acknowledges that Buyer has had the opportunity to consult with and has consulted with independent counsel with regard to Buyer's rights and obligations hereunder.

As to Buyer(s)
Witnessed or Attested by:

SIGNED AND AGREED TO BY: BUYER _____
BUYER _____

ESTATE OF KATHLEEN A. SMITH

As to Seller
Witnessed or Attested by:

Dennis R. McConnell, Executor, SELLER _____

Date Signed: