

**INSTALLMENT SALES AGREEMENT**

THIS AGREEMENT made this 9th day of June, 2016, by and between Italian French Pastry Shop, Inc. of Reading, Pennsylvania, hereinafter referred to as "Seller" and Michael Bruno of Reading Pennsylvania, hereinafter referred to as "Purchaser".

**WITNESSETH:**

Seller agrees to convey to Purchaser, who hereby agrees to purchase from Seller, ALL THAT CERTAIN lot or piece of ground, together with the building thereon erected known as 221 South 5<sup>th</sup> Street, Reading, Berks County, Pennsylvania, together with the bakery equipment located therein (hereinafter collectively the "Premises").

1. **Purchase Price** - The purchase price to be paid for the Premises shall be Thirty-Three Thousand Dollars (\$33,000.00), payable as follows:

A. Two Thousand Dollars (\$2,000.00) down at the signing of this Agreement to be held in escrow pending approval of this Agreement by the United States Bankruptcy Court as provided herein.

B. The balance of Thirty-One Thousand Dollars (\$31,000.00) shall be payable over 60 months in monthly installments of principal and interest (at the rate of five percent (5%) per annum) in the amount of Five Hundred Eighty Five Dollars and One Cent (\$585.01).

C. Any payment of principal or interest not paid within ten (10) days of the due date thereof shall be subject to a late payment penalty of Fifteen Dollars (\$15.00).

D. Purchasers shall have the right to prepay the balance of the purchase price remaining hereunder at any time.

E. In addition to monthly payments of principal and interest, Purchaser shall pay all annual property insurance premiums and real estate taxes incurred

with respect to the property and hold Seller harmless with respect to the payment or these obligations.

F. All payments required to be made by Purchaser hereunder shall be payable when due without right of setoff.

G. All payments due Seller shall be paid directly to Purchaser's lienholders, the Berks County Tax Claim Bureau and the Internal Revenue Service, in order of priority as their interests may appear of record, unless otherwise directed by said lienholders.

2. **No Warranties** – Purchaser is intimately familiar with the Premises, has inspected it (or has waived the right to do so) and has agreed to purchase the Premises “as is” with no warranties or representations. Purchaser acknowledges that the Seller does not make and has not made any warranties or representations, express or implied, concerning the Premises, its fitness, or merchantability, its condition, its compliance with applicable laws or regulations, and/or any circumstance, condition or matter regarding the Premises or otherwise relating to the purchase.

3. **Utilities** - In addition to the above monthly payment, Purchaser shall pay for all utilities, including water, sewer, electric and gas, if any, trash collection, taxes or charges, all premiums on fire and extended coverage insurance policies on said Premises, in an amount not less than \$150,000.00, with a loss payable clause to Seller and Purchaser as their interests may appear from the date of transfer of possession to Purchaser, and all current real estate taxes on the Premises. Possession shall be given to Purchaser on the date of approval of this Agreement by the United States Bankruptcy Court in the offices of Case & DiGiamberardino PC. Purchaser shall also maintain public liability insurance in the combined amount of no less than \$500,000.00 naming both Seller and Purchaser as insureds on said policy. Purchaser shall provide copies of paid bills for taxes, water and sewer rent and trash collection to Seller within 30 days of demand thereof.

4. **Personal Injuries** - Purchaser shall indemnify and hold Seller free and harmless from all demands, loss or liability resulting from the injury to or death of any person or persons because of Purchaser's negligence or strict liability or the condition of the Premises at any time after the date that possession of the Premises is delivered to Purchaser.

5. **Title** - Upon payment by Purchaser of the total unpaid balance of the purchase price and any interest and late charges owing thereon, Seller shall convey to Purchaser, their heirs and assigns, the title to the above-described premises, free and clear of all liens and encumbrances, excepting municipal ordinances, utility easements, real estate taxes, recorded easements, and visible restrictions or easements, if any. The Premises shall be conveyed by a fee simple deed with special warranty, and title shall be good and marketable, or as will be insured at regular rates by a title insurance company doing business in Berks County, Pennsylvania.

6. **No Future Encumbrances by Seller** - Seller, after the date of this Agreement, shall not in any manner further encumber the Premises without the Purchaser's prior written consent, which consent may be withheld without reason stated, it being understood and acknowledged that any such future encumbrances would impair Purchaser's equity in the Premises.

7. **Personal Property** - All personal property affixed to the Premises, including gas and electric fixtures, piping and wiring and heating and plumbing systems, domestic hot water heater, laundry tub, screens, screen doors, storm windows and doors, television antenna, shrubbery and trees, blinds, awnings, curtain and drapery rods are included in this sale. Transfer of said personal property shall be by means of a Bill of Sale delivered to Purchaser at settlement.

8. **Risk of Loss** - Seller shall bear the risk of any loss or damage to the Premises between the date of this Agreement and the date Purchaser takes possession thereof. In the event of any loss or damage during such period, Purchaser may, at

Purchaser's sole option, terminate this Agreement, at which time all monies paid by Purchaser to Seller shall be returned to Purchaser.

9. **Settlement Expenses** – All expenses of transfer of title shall be paid by Purchaser.

10. **Default of Purchaser** - Time shall be the essence of this Agreement and of all its terms and conditions. In the event Purchaser shall fail to perform any of the terms and conditions of this Agreement within thirty (30) days following notice from Seller of said failure, or in the event that Purchaser shall default in the payment of any of the payments required to be made by Purchaser for a period of ten (10) days after the same become due and payable, or in the event that Purchaser shall make an assignment for the benefit of creditors or commit any act of bankruptcy or become insolvent prior to the delivery of the deed for the Premises to said Purchaser, then and in such event, this Agreement shall, at the option of the Seller, become null and void and any money or monies paid on account and/or expended by Purchaser on the Premises shall be retained by Seller as compensation for the use and occupancy of the Premises by Purchaser and for liquidated damages for failure to perform this Agreement or, at the option of Seller, the total unpaid balance due under this Agreement shall become immediately due and payable.

A. UPON THE OCCURRENCE OF AN EVENT OF DEFAULT UNDER THIS AGREEMENT, PURCHASER HEREBY AUTHORIZES AND EMPOWERS ANY ATTORNEY OF RECORD OF PENNSYLVANIA OR ELSEWHERE TO APPEAR FOR AND ENTER JUDGMENT AGAINST THEM FOR THE THEN UNPAID PRINCIPAL AMOUNT DUE UNDER THIS AGREEMENT TOGETHER WITH ALL ACCRUED AND UNPAID INTEREST AND LATE CHARGES, COSTS OF SUIT, AND REASONABLE ATTORNEY'S FEES, WITH OR WITHOUT DECLARATION.

B. IN THE EVENT OF A DEFAULT, PURCHASER HEREBY AUTHORIZES AND EMPOWERS ANY ATTORNEY OF ANY COURT OF RECORD OF PENNSYLVANIA OR ELSEWHERE, OF ANY COMPETENT COURT OF JURISDICTION, TO BRING AN AMICABLE ACTION IN EJECTMENT FOR POSSESSION OF THE PREMISES AND TO APPEAR FOR AND CONFESS JUDGMENT IN SUCH ACTION AGAINST THE PURCHASER AND AGAINST ALL PERSONS CLAIMING UNDER OR THROUGH THE PURCHASER IN FAVOR OF SELLER FOR RECOVERY BY SELLER OF POSSESSION OF THE PREMISES, FOR WRIT OF POSSESSION, MAY IMMEDIATELY ISSUE FOR POSSESSION OF THE MORTGAGED PROPERTY WITHOUT ANY PRIOR WRIT OR PROCEEDING.

11. **Future Improvements by Seller** - Purchaser, after the date of this Agreement, may make such improvements to the Premises that he deems necessary to preserve the Premises or increase its value. Purchaser shall take such action as may be necessary to assure that no mechanic's lien will be placed against the Premises. Any such additions, alterations, improvements and changes made to the Premises by the Purchaser as aforesaid shall immediately become a part of the Premises and shall become the property of Seller until such time as Purchaser completes his obligations under this Agreement.

12. **Maintenance of Premises** - Purchaser shall, until the time of the delivery of the deed for the Premises to Purchaser, at Purchaser's own expense, keep and maintain the entire Premises in good order and repair, normal wear and tear excepted. Purchaser shall also keep the Premises in a clean and healthy condition according to the direction of the proper public officers. Seller shall not be responsible or liable for any injury or damages to the said person, premises or the property of Purchaser, or the property of any other person contained thereon, arising from failure to keep the Premises in repair or arising from or caused by the electric current or wiring, plumbing, water, gas, steam, sewer or other pipes or by any defect in or leakage in or breaking of the same in any part

of the Premises, nor any injury or damage caused by or arising from fire, lightning, wind, water, snow or ice, or otherwise, nor for any other action of the elements, or for any injury or damage caused by or arising from the acts or negligence of the owners or any occupants of adjacent, contiguous or neighboring premises, and Purchaser hereby indemnifies Seller against any and all claims arising therefrom, including all costs and expenses and reasonable attorney's fees.

13. **Inspection of Premises** – Seller, his agents, assignees or designees, shall be permitted at reasonable times within twenty-four (24) hours prior notice to inspect the Premises to determine if Purchaser is fully performing the terms and conditions of this Agreement.

14. **Bankruptcy Court Approval** - This Agreement is conditioned upon Seller obtaining final, non-appealable approval of the sale of the Premises to the Purchaser upon the terms and conditions of this Agreement Free and Clean of all Liens and Encumbrances. In the event the sale is not approved as aforesaid by July 15, 2016, this Agreement shall be null and void, in which case, Purchaser's down payment shall be refunded to Purchaser and neither party shall have any further liability to the other.

15. **Miscellaneous** - This document contains the entire understanding and agreement of the parties with respect to the subject matter hereof, and shall not be amended, supplemented, modified or interpreted based on any conversations or statements between or among the parties which occurred prior to the signing of this Agreement, and shall not be amended, supplemented or modified after the date hereof except in writing signed by the parties. No assignment of this Agreement by either party shall be valid without the written consent of the other party hereto. This Agreement shall be binding upon and extend to the heirs, executors administrators, successors and assigns of the parties. This Agreement shall be construed in accordance with and governed by the laws of the Commonwealth of Pennsylvania.

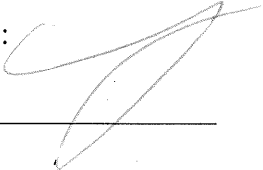
IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.


Attest:

ITALIAN FRENCH PASTRY SHOP, INC.

By:  (SEAL)  
"Seller"

Witness:

  
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 (SEAL)  
MICHAEL BRUNO - "Purchaser"