

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF PENNSYLVANIA**

In re:	:	Chapter 11
	:	
RESHETAR REALTY, INC.,	:	Case No. 16-17899(JKF)
	:	
Debtor.	:	Hearing Date: May 17, 2017
	:	Hearing Time: 9:30 a.m.
	:	Courtroom: Number 3

**MOTION OF RESHETAR REALTY, INC. FOR AUTHORITY TO SELL
LOT 18 WOODBYNE ROAD, SPRINGFIELD, PA 18073 AT PRIVATE SALE,
FREE AND CLEAR OF ALL LIENS, CLAIMS, AND ENCUMBRANCES PURSUANT
TO 11 U.S.C. §§ 363 AND 1146 AND FOR WAIVER OF FEDERAL RULE OF
BANKRUPTCY PROCEDURE 6004(H)**

Reshetar Realty, Inc., the debtor and debtor in possession (the “Debtor”), by and through its undersigned counsel, hereby files this Motion for an Order Pursuant to §§ 363 and 1146 of the United States Bankruptcy Code, 11 U.S.C. §§ 101 *et seq.* (as amended, the “Bankruptcy Code”) and Pursuant to the Debtor’s Plan of Reorganization for authority to sell real property located at Lot 18 Woodbyne Road, Springfield, PA 18073 at private sale, free and clear of all liens, claims and encumbrances, pursuant to 11 U.S.C. §§ 363 and 1146 and for Waiver of Federal Rule of Bankruptcy Procedure 6004(h) (the “Motion”), and in support thereof avers as follows:

I. JURISDICTION AND VENUE

1. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334.
2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.
3. Determination of the Motion is a core proceeding pursuant to 28 U.S.C. §157(b)(2)(A), (M), (N) and (O), the statutory predicates for the relief requested therein are §§105, 363(b), (f), and (m), 365(b) and (f), and 506(c) of the Bankruptcy Code, and Fed. R. Bankr. P. 2002, 6004 and 6006.

II. BACKGROUND

4. On November 10, 2016 (the “Petition Date”), the Debtor filed a voluntary petition under Chapter 11 the Bankruptcy Code.

5. The Debtor continues in possession of its property and continues to operate and manage its business as a debtor-in-possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code.

6. No request has been made for the appointment of a trustee or examiner in the Debtor’s Chapter 11 Case.

7. The Debtor is in the business of acquiring properties for future development. Currently, the Debtor owns undeveloped property located at Lot 18 in the Springton Knoll subdivision at Woodbyne Road, Tax Parcel # 42-17-59-19 (the “Property”).

8. Prior to the Petition Date, the Debtor commenced a business relationship with Signature Home, by J.T. Maloney, Inc. (“Signature Homes”) which contemplated the sale of various building lots in the subdivision known as Springton Knoll, located on Woodbyne Road in Springfield Township, PA. The Debtor was also negotiating with Aspen Mill Properties, LLC (“Aspen”) and Jim Case (“Case”) for the purchase of certain lots in the Springton Knoll Subdivision.

9. From May 2012 to December 2012, Aspen and Case successfully built and sold houses on three of the Debtor’s lots. In December 2012, Aspen and Case negotiated and purchased two additional lots from the Debtor. The Debtor was also working with a real estate broker regarding the sale of its Property to a potential home buyer.

10. The Debtor avers that Aspen and Case began to interfere with the Debtor’s business relationship with Signature Homes.

11. Aspen and Case wrongfully filed a lis pendens against the Debtor's Property in November 2013.

12. In 2014, Aspen commenced litigation against the Debtor and Robin Reshetar in the Court of Common Pleas of Bucks County, PA captioned Aspen Mill Properties, LLC, v. Reshetar Realty, Inc. and Robin Reshetar, Case No 2014-06901. Aspen seeks damages totaling \$154,202 related to the sale of certain lots and ownership of the Debtor's Property.

13. The Debtor denies any and all liability to Aspen and assets counterclaims against Aspen in that litigation seeking damages in excess of \$1,100,000.

14. On or about January 19, 2017, Aspen filed a proof of claim in the amount of \$154,202.00 [POC No. 3-1]. Aspen wrongfully filed a lis pendens against the Property and has taken the position, which the Debtor opposes, that it has an interest in the Debtor's real property. The Debtor has filed an Objection to Aspen's proof of claim, docketed as Reshetar Realty, Inc. v. Aspen Mill Properties, LLC, adversary proceeding number 17-0129 (JKF) (the "Adversary Proceeding") in which it alleges significant counter claims against Aspen and Case, including tortious interference with contractual relations, trespass, slander of title, wrongful placement of lis pendens on Property of the Debtor's estate, subordination of Aspen's claim pursuant to § 510 of the Bankruptcy Code and punitive damages.

15. Aspen's intent in filing the lis pendens was solely to disrupt the Debtor's ability to conduct business and to sell the Property and Aspen's wrongful and intentional actions have forced the Debtor to file the instant Chapter 11 Bankruptcy in order to sell the Property free and clear of the lis pendens and pay creditors.

16. Since the Petition Date, the Debtor has been carefully reviewing its finances and operations, and has spent significant time analyzing its operations and the claims against it. A significant part of the Debtor's efforts were aimed at selling its Property.

17. The Debtor has been attempting to market and sell the Property prior to and during the bankruptcy proceeding.

18. On or about December 31, 2016, the Court entered an Order granting the Application of the Debtor to employ Re/Max Services, Inc. ("Re/Max") as its realtor [Docket No. 50].

III. THE PROPOSED SALE & RELIEF REQUESTED

19. The Debtor seeks to sell the Property at private sale and has sought the highest and best offers on the Property. On or about February 20, 2017, the Debtor (the "Seller") and Genesis Builders (the "Buyer" or collectively with the Seller, the "Parties"), entered into a Contract for Sale for the Property for the sum of Eighty Thousand Dollars (\$80,000.00), to which the Debtor seeks Bankruptcy Court approval, free and clear of all liens, claims and encumbrances (the "Contract") with closing to take place within ten (10) days of the entry of the order approving the sale of the Property. On or about February 20, 2017, the Parties executed the Contract requiring Court approval of the Contract. A true and correct copy of the Contract of Sale of Real Estate and the Addendum are attached hereto as Exhibit "A" and incorporated herein.

20. In connection with the marketing of the Property, the Debtor has utilized the real estate brokerage services of Re/Max. The Contract was procured with the assistance of Re/Max and Re/Max's commission on the sale is \$4,800.00, six percent (6%) of the sale price to be paid from the sale proceeds at closing.

21. Over the period of time that the Property has been marketed, \$80,000.00 (the “Offer”) is the highest and best and only offer received for the Property and it is respectfully submitted that that is the fair market value of the Property.

22. The Debtor believes that the Offer is the highest and best price for the Property.

23. The Debtor has determined that the Property is encumbered by the following secured claims:

a. A secured claim of Palisades School District in the amount of \$812.39 (as evidenced by proof of claim number 4 on the court’s official claims register, filed on or about March 6, 2017) (the “Palisades POC”).

b. A secured claim of the Pennsylvania Department of Revenue in the amount of \$13,885.36 (as evidenced by proof of claim number 2 on the court’s official claims register, filed on or about December 20, 2016)(the “Dept. Rev. POC”).

24. The Debtor has determined the Property is encumbered by the lis pendens placed on the Property by Aspen.

25. The Debtor filed a Motion to Approve its Disclosure Statement and Plan of Reorganization (the “Plan”) on March 10, 2017.

26. The Debtor’s Plan provides at paragraph 2.1 for the treatment of the IRS claim.

27. The Debtor’s Plan provides at paragraph 2.2 for the treatment of secured claims.

28. The Debtor’s Plan provides at paragraph 2.3 for the treatment of general unsecured vendor claims.

29. The Debtor’s Plan provides at paragraph 2.4 for the treatment of the general unsecured litigation claims.

30. Pursuant to 11 U.S.C. § 1146 the transfer of the Property under the Debtor's confirmed Plan will not be subject to a transfer tax. See 11 U.S.C. § 1146.

31. The Debtor's soon to be confirmed Plan provides for the sale of the Property as contemplated by the Debtor in the Contract for Sale.

32. The terms of the proposed private sale between the Debtor and the Buyer are as follows:

- a. Buyer will pay to the Seller the lump sum of \$80,000.00 in immediately available funds for the Property located at Lot 18 Woodbyne Road, Springfield, PA 18073.
- b. The initial deposit of \$1,000.00 was paid by the Buyer to the Seller and is being held in escrow by Re/Max.
- c. The due diligence period has expired and there are no remaining contingencies pertaining to the Contract for Sale.
- d. The remaining sum of \$79,000.00 will be paid by the Buyer to the Seller at settlement.
- e. The sale will be free and clear of all liens claims and encumbrances, if any, with such liens claims and encumbrances attaching to the proceeds of the sale.
- f. Settlement shall be scheduled for the later of (i) May 3, 2017 or (ii) ten days after the entry of a final order of the United States Bankruptcy Court for the Eastern District of Pennsylvania approving the sale of the Property.

33. The Contract for Sale also contains a design restrictions addendum, a copy of which is attached to the Contract to Sale.

34. The Debtor was unable to sell the Property without the assistance of the Re/Max and the commission owed to Re/Max upon the sale of the Property was authorized by the Court and is reasonable under the circumstances.

35. The Debtor proposes to pay the net proceeds remaining from the sale of the Property after payment of the costs outlined in paragraph 19, to its priority, secured, and unsecured creditors as contemplated in the Debtor's Plan.

36. The Debtor respectfully requests that this Court allow the Debtor to sell the Property free and clear of any lien claim or encumbrance.

37. The Debtor firmly believes that creditors will receive more value through a private sale of the Property at the market rate than through efforts to either (a) continue to market the property pursuant to the Plan in hopes of obtaining a potential higher offer, which could result in an increase in the amount of real estate taxes to be paid at closing and increase in the amount of the commissions owed to the real estate brokers therefore reducing any additional benefit of a subsequent higher offer, or (b) sell the Property at public auction which may not generate a higher purchase price and the purchase price would be reduced by an auctioneer fee and costs associated with an auction sale.

38. As set forth in the Certificate of Service, the Debtor has served a copy of the Motion and the proposed form of Order upon the United States Trustee, the Buyer, and has provided notice to all creditors listed in the Debtor's Schedules and those parties requesting notice under Bankruptcy Rule 2002 contemporaneously with the Motion being filed with the Court.

39. In accordance with Bankruptcy Rule 6004(f)(1), sales of property outside of the ordinary course of business may be by private sale or by public auction. Pursuant to Bankruptcy Rule 6004, notice of a proposed use, sale, or lease of property required under Bankruptcy Rule 2002(a)(2) must include the terms and conditions of any private sale. See, Fed. R. Bankr. P. 2002(c)(1).

40. In addition, the Debtor respectfully requests that this Court waive the fourteen (14) day stay pursuant to Fed. R. Bankr. P. 6004(h).

41. The Debtor believes that a sale of the Properties and related assets will best serve the interests of creditors by procuring the almost instant cash infusion of in excess of \$70,000.00, and by preventing the further loss and diminution in value to the Property.

42. The Debtor now seeks to sell by private sale the Debtor's assets consisting of real property.

43. By this Motion, the Debtor seeks the entry of an Order by the Court allowing the sale of all of the Property free and clear of all liens, claims and encumbrances, and contemplates a private sale.

IV. THE DEBTOR HAS COMPLIED WITH § 363 OF THE BANKRUPTCY CODE

44. Section 363(b)(1) of the Bankruptcy Code provides, in relevant part, that a debtor in possession, "after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate." 11 U.S.C. § 363(b)(1). Section 105(a) of the Bankruptcy Code in turn provides, in relevant part, that "[t]he court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title." 11 U.S.C. § 105(a).

45. Section 363 of the Bankruptcy Code does not set forth a standard for determining when it is appropriate for a court to authorize the sale or disposition of a debtor's assets prior to confirmation of a plan. Courts hold that the sale or use of property outside the ordinary course of business should be approved where the debtor can articulate a business justification for the transaction. *See Stephens Indus., Inc. v. McClung*, 789 F.2d 386, 390 (6th Cir. 1986); *Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063, 1071 (2d Cir. 1983); *In*

re CPJFK, LLC, No. 10- 50566-CEC, 2011 WL 1257208, at *10-13 (Bankr. E.D.N.Y. Mar. 30, 2011); *In re Delaware & Hudson Ry. Co.*, 124 B.R. 169, 176 (D. Del. 1991); *In re Ionosphere Clubs, Inc.*, 100 B.R. 670, 680 (Bankr. S.D.N.Y. 1989). Accordingly, even the entirety of a debtor's business may be sold prior to plan confirmation "where there is a good business reason to do so." *In re General Motors Corp.*, 407 B.R. 463, 489-90 (Bankr. S.D.N.Y. 2009) (discussing *Lionel*).

46. In determining whether a sound business justification exists, courts have considered the following factors: (i) whether a sound business reason exists for the proposed transaction; (ii) whether fair and reasonable consideration has been provided; (iii) whether the transaction has been proposed and negotiated in good faith; and (iv) whether adequate and reasonable notice has been provided. *See Lionel*, 722 F.2d at 1071 (setting forth the "sound business purpose" test); *In re Abbotts Dairies of Pa., Inc.*, 788 F.2d 143, 145-47 (3d Cir. 1986) (implicitly adopting the articulated business justification test of *Lionel* and adding the "good faith" requirement); *Delaware & Hudson*, 124 B.R. at 176 (adopting *Lionel*).

(a) The proposed sale is supported by sound business reasons.

47. Courts have made it clear that a debtor's showing of a sound business justification need not be exhaustive, but rather a trustee is "simply required to justify the proposed disposition with sound business reasons." *In re Baldwin United Corp.*, 43 B.R. 898, 906 (Bankr. S.D. Ohio 1984). Whether or not there are sufficient business reasons to justify a sale depends upon the facts and circumstances of each case. *Committee of Equity Security Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063, 1071 (2d Cir. 1983); *see Industrial Valley Refrig. & Air Conditioning Supplies, Inc.*, 77 B.R. 15 (Bankr. E.D.Pa 1987) (adopting *Lionel* reasoning). When considering whether a debtor has demonstrated a sound business justification for a

proposed sale of assets under § 363(b) of the Bankruptcy Code, a court “should consider all salient factors pertaining to the proceeding.” *Lionel*, 722 F.2d at 1071. In evaluating these and other pertinent factors, the court should bear in mind that the overriding goal is “to further the diverse interests of the debtor, creditors and equity holders, alike.” *Id.*

48. The Debtor firmly believes that creditors will receive more value through a prompt and orderly sale of the Property than through efforts to further market or auction the Property.

49. Based on the Debtor’s real estate experience, the Debtor believes this is the highest and best offer he will receive for the Property, and that any subsequent offers would be for a lesser amount.

50. Additionally, an auction of the Property, as opposed to a private sale, is unlikely to generate a higher price sufficient to offset the attendant costs of an auction.

51. In the exercise of the Debtor’s business judgment, the Debtor believes that the approval of the Agreement of Sale, through which the Property would be sold by private sale, would best serve the interests of creditors of the estate.

52. The Debtor further avers that a sale of the Property can be effectuated most efficiently by a private sale.

53. Accordingly, as the foregoing discussion demonstrates, the Debtor believes that a sale of the Property to the Buyer is justified by sound business reasons and is necessary to preserve and maximize the return to the Debtor’s creditors.

(b) The sale is fair and reasonable and has been proposed in good faith.

54. The terms of the sale are fair and reasonable under the circumstances and, upon the Debtor’s belief, will generate moneys for the bankruptcy estate.

55. “The requirement that a purchaser act in good faith . . . speaks to the integrity of his conduct in the course of the sale proceedings.” *In re Abbotts Dairies Pennsylvania, Inc.*, 788 F.2d 143, 147 (3d Cir. 1986). “Typically, the misconduct that would destroy a purchaser’s good faith status at a judicial sale involves fraud, collusion between the purchaser and other bidders or the trustee, or an attempt to take grossly unfair advantage of other bidders.” *Id.*

56. Here, the Debtor has sought the Court’s approval of realtor to market the property for sale.

57. Prior to filing the Motion, the Debtor marketed the Property for sale.

58. The Buyer has made the only written offer for the Property.

59. The terms of the sale were negotiated in good faith, and the terms of the sale are fair and reasonable under the circumstances and, upon the Debtor’s belief, will generate moneys for the bankruptcy estate.

60. The transaction contemplated by the Parties is an arm’s length transaction negotiated by Debtor, the Buyer and Re/Max.

61. Therefore, the Offer is the highest and best offer for the Property, as determined by the Debtor in its reasonable, business judgment. As a result, the Purchase Price represents fair and reasonable consideration for the Property.

(c) Accurate and reasonable notice of the sale will be provided.

62. In accordance with Bankruptcy Rule 6004(f)(1), sales of property outside of the ordinary course of business may be by private or by public auction. *See* Fed. R. Bankr. P. 6004(f)(1).

63. Pursuant to Bankruptcy Rule 6004, notice of a proposed use, sale, or lease of property required under Bankruptcy Rule 2002(a)(2) must include the time and place of any

public sale, the terms and conditions of any private sale, and the time fixed for filing objections. *See* Fed. R. Bankr. P. 2002(c)(1). Moreover, notice of a proposed use, sale, or lease of property is sufficient if it generally describes the property.

64. The Debtor submits that the Notice and Motion of the Debtor for Authority to Sell the Property Free and Clear of All Liens, Claims, and Encumbrances, Pursuant To 11 U.S.C. §§ 363 and 1146 (the “Order”) meets all of the notice requirements.

(d) The Requirements of 11 U.S.C. § 363(f) are met.

65. Section 363(f) of the Bankruptcy Code provides:

The trustee may sell property under subsection (b) or (c) of this section free and clear of any interest in such property of an entity other than the estate, only if --

- (1) applicable nonbankruptcy law permits sale of such property free and clear of such interest;
- (2) such entity consents;
- (3) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property;
- (4) such interest is in bona fide dispute; or
- (5) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.

11 U.S.C. § 363(f).

66. Prior to the Petition Date, the Debtor was in litigation, and a *lis pendens* was placed on the Property by Aspen. The Debtor has substantial claims against Aspen. Furthermore, the claims Aspen has raised against the Debtor are the subject of bona fide disputes as set forth in the Adversary Proceeding.

67. In addition, Aspen could be compelled in a legal or equitable proceeding to accept money satisfaction if its interest and can be subordinated.

68. Thus, the Debtor submits that the sale of the Property, free and clear of any liens and claims satisfies the statutory prerequisites of § 363(f) of the Bankruptcy Code. Accordingly,

the Debtor seeks the entry of an Order authorizing the sale of the Property pursuant to § 363 of the Bankruptcy Code.

(e) **The Purchaser's good faith 11 U.S.C. § 363(m)**

69. Section 363(m) of the Bankruptcy Code provides:

The reversal or modification on appeal of an authorization under subsection (b) or (c) of this section of a sale or lease of property does not affect the validity of a sale or lease under such authorization to an entity that purchased or leased such property in good faith, whether or not such entity knew of the pendency of the appeal, unless such authorization and such sale or lease were stayed pending appeal.

11 U.S.C. § 363(m).

70. While the Bankruptcy Code does not define “good faith,” the Third Circuit in *Abbotts Dairies* held that:

The requirement that a purchaser act in good faith . . . speaks to the integrity of his conduct in the course of the sale proceedings. Typically, the misconduct that would destroy a purchaser's good faith status at a judicial sale involves fraud, collusion between the purchaser and other bidders or the trustee, or an attempt to take grossly unfair advantage of other bidders.

788 F.2d at 147 (citations omitted).

71. As stated earlier, the Debtor proposes to sell the property to pay its creditors pursuant to the Plan.

72. The Offer is \$80,000.00 and no other offers that were higher or better were made. It is respectfully submitted that there has been no fraud, collusion between the buyer and other interested party or the Debtor, or an attempt to take grossly unfair advantage of other interested parties and, therefore, the purchase of the Property pursuant to the Agreement is in good faith.

73. In addition, the Debtor respectfully requests that this Court waive the fourteen (14) day stay pursuant to Fed. R. Bankr. P. 6004(h).

V. **CONCLUSION**

74. The Debtor avers that the sale is in the best interest of all of its creditors. The Debtor further avers that the sale as contemplated satisfies the Bankruptcy Code.

WHEREFORE, the Debtor prays this Court enter an Order (1) granting the Motion and approving the private sale; (2) allowing the sale of the Property free and clear of any liens claims or encumbrances; (3) waiving the fourteen (14) day stay pursuant to Fed. R. Bankr. P. 6004(h); (4) providing such other and further relief as the Court deems just and reasonable under the circumstances.

Respectfully submitted,

Dated: April 26, 2017

By: s/ Michael D. Vagnoni
Edmond M. George, Esquire
Michael D. Vagnoni, Esquire
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EXHIBIT "A"

STANDARD AGREEMENT FOR THE SALE OF VACANT LAND

ASVL

This form recommended and approved for, but not restricted to use by, the members of the Pennsylvania Association of Realtors® (PAR).

PARTIES	
BUYER(S): <u>Genesis Builders</u> BUYER'S MAILING ADDRESS: <u>617 Main Street Front</u> <u>Hellertown Pa. 18055</u>	SELLER(S): <u>Reshetar Realty Inc</u> SELLER'S MAILING ADDRESS: <u>P.O. Box 2045</u> <u>Doylestown Pa. 18901</u>

PROPERTY	
<input type="checkbox"/> See Property Description Addendum	
ADDRESS (including postal city) <u>lot 18 Woodbyne Road Spring Knoll</u> ZIP <u>18055</u>	
in the municipality of <u>Springfield Township</u> , County of <u>Bucks</u>	
in the School District of <u>Palisades</u> , in the Commonwealth of Pennsylvania.	
Tax ID #(s): <u>42-017-059-019</u> and/or	
Identification (e.g., Parcel #; Lot, Block; Deed Book, Page, Recording Date; Control #): <u>Lot 18</u>	

BUYER'S RELATIONSHIP WITH PA LICENSED BROKER	
<input type="checkbox"/> No Business Relationship (Buyer is not represented by a broker)	
Broker (Company) <u>Re/Max Services Inc.</u> Company License # _____ Company Address <u>794 Penllyn Blue Bell Pike, Blue Bell,</u> <u>PA 19422-1669</u> Company Phone <u>(215) 641-2500</u> Company Fax <u>(215) 641-2542</u> Broker is (check only one): <input type="checkbox"/> Buyer Agent (Broker represents Buyer only) <input checked="" type="checkbox"/> Dual Agent (See Dual and/or Designated Agent box below)	Licensee(s) (Name) <u>Re/Max Services Inc.</u> State License # <u>AB061782L</u> Direct Phone(s) <u>(215) 641-2530</u> Cell Phone(s) <u>(215) 275-1410=</u> Email <u>amo2@comcast.net</u> Licensee(s) is (check only one): <input type="checkbox"/> Buyer Agent (all company licensees represent Buyer) <input type="checkbox"/> Buyer Agent with Designated Agency (only Licensee(s) named above represent Buyer) <input checked="" type="checkbox"/> Dual Agent (See Dual and/or Designated Agent box below)
<input type="checkbox"/> Transaction Licensee (Broker and Licensee(s) provide real estate services but do not represent Buyer)	

SELLER'S RELATIONSHIP WITH PA LICENSED BROKER	
<input type="checkbox"/> No Business Relationship (Seller is not represented by a broker)	
Broker (Company) <u>Re/Max Services Inc.,</u> Company License # _____ Company Address <u>794 Penllyn Blue Bell Pike, Blue Bell,</u> <u>PA 19422-1669</u> Company Phone <u>(215) 641-2500</u> Company Fax _____ Broker is (check only one): <input type="checkbox"/> Seller Agent (Broker represents Seller only) <input checked="" type="checkbox"/> Dual Agent (See Dual and/or Designated Agent box below)	Licensee(s) (Name) <u>Michael Amoroso</u> State License # <u>AB061782L</u> Direct Phone(s) <u>(215) 641-2530</u> Cell Phone(s) <u>(215) 275-1410</u> Email _____ Licensee(s) is (check only one): <input type="checkbox"/> Seller Agent (all company licensees represent Seller) <input type="checkbox"/> Seller Agent with Designated Agency (only Licensee(s) named above represent Seller) <input checked="" type="checkbox"/> Dual Agent (See Dual and/or Designated Agent box below)
<input type="checkbox"/> Transaction Licensee (Broker and Licensee(s) provide real estate services but do not represent Seller)	

DUAL AND/OR DESIGNATED AGENCY

A Broker is a Dual Agent when a Broker represents both Buyer and Seller in the same transaction. A Licensee is a Dual Agent when a Licensee represents Buyer and Seller in the same transaction. All of Broker's licensees are also Dual Agents UNLESS there are separate Designated Agents for Buyer and Seller. If the same Licensee is designated for Buyer and Seller, the Licensee is a Dual Agent.

By signing this Agreement, Buyer and Seller each acknowledge having been previously informed of, and consented to, dual agency, if applicable.

Buyer Initials: JH ASVL Page 1 of 13 Seller Initials: [Signature]

1. **By this Agreement**, dated February 20, 2017

Seller hereby agrees to sell and convey to Buyer, who agrees to purchase, the identified Property.

2. **PURCHASE PRICE AND DEPOSITS (1-16)**

(A) Purchase Price \$ Eighty Thousand Hundred Dollars \$80,000

(_____ U.S. Dollars), to be paid by Buyer as follows:

- 1. Initial Deposit, within _____ days (5 if not specified) of Execution Date, if not included with this Agreement: \$ 1,000.00
- 2. Additional Deposit within _____ days of the Execution Date: \$ _____
- 3. _____ \$ _____

Remaining balance will be paid at settlement.

(B) **All funds paid by Buyer, including deposits, will be paid by check, cashier's check or wired funds. All funds paid by Buyer within 30 DAYS of settlement, including funds paid at settlement, will be by cashier's check or wired funds, but not by personal check.**

(C) Deposits, regardless of the form of payment and the person designated as payee, will be paid in U.S. Dollars to Broker for Seller (unless otherwise stated here: _____), who will retain deposits in an escrow account in conformity with all applicable laws and regulations until consummation or termination of this Agreement. Only real estate brokers are required to hold deposits in accordance with the rules and regulations of the State Real Estate Commission. Checks tendered as deposit monies may be held uncashed pending the execution of this Agreement.

3. **SELLER ASSIST (If Applicable) (2-12)**

Seller will pay \$ _____ or _____ % of Purchase Price (0 if not specified) toward Buyer's costs, as permitted by the mortgage lender, if any. Seller is only obligated to pay up to the amount or percentage which is approved by mortgage lender.

4. **SETTLEMENT AND POSSESSION (1-16)**

(A) Settlement Date is April 17, 2017, or before if Buyer and Seller agree.

(B) Settlement will occur in the county where the Property is located or in an adjacent county, during normal business hours, unless Buyer and Seller agree otherwise.

(C) At time of settlement, the following will be pro-rated on a daily basis between Buyer and Seller, reimbursing where applicable: current taxes; rents; interest on mortgage assumptions; water and/or sewer fees, together with any other lienable municipal service fees. All charges will be pro-rated for the period(s) covered. Seller will pay up to and including the date of settlement and Buyer will pay for all days following settlement, unless otherwise stated here: _____

- (D) For purposes of prorating real estate taxes, the "periods covered" are as follows:
 - 1. Municipal tax bills for all counties and municipalities in Pennsylvania are for the period from January 1 to December 31.
 - 2. School tax bills for the Philadelphia, Pittsburgh and Scranton School Districts are for the period from January 1 to December 31. School tax bills for all other school districts are for the period from July 1 to June 30.

(E) Conveyance from Seller will be by fee simple deed of special warranty unless otherwise stated here: _____

(F) Payment of transfer taxes will be divided equally between Buyer and Seller unless otherwise stated here: _____

(G) Possession is to be delivered by deed, existing keys and physical possession to a vacant Property free of debris, with all structures broom-clean, at day and time of settlement, unless Seller, before signing this Agreement, has identified in writing that the Property is subject to a lease.

(H) If Seller has identified in writing that the Property is subject to a lease, possession is to be delivered by deed, existing keys and assignment of existing leases for the Property, together with security deposits and interest, if any, at day and time of settlement. Seller will not enter into any new leases, nor extend existing leases, for the Property without the written consent of Buyer. Buyer will acknowledge existing lease(s) by initialing the lease(s) at the execution of this Agreement, unless otherwise stated in this Agreement.

5. **DATES/TIME IS OF THE ESSENCE (2-12)**

(A) Written acceptance of all parties will be on or before: March 3, 2017

(B) The Settlement Date and all other dates and times identified for the performance of any obligations of this Agreement are of the essence and are binding.

(C) The Execution Date of this Agreement is the date when Buyer and Seller have indicated full acceptance of this Agreement by signing and/or initialing it. For purposes of this Agreement, the number of days will be counted from the Execution Date, excluding the day this Agreement was executed and including the last day of the time period. **All changes to this Agreement should be initialed and dated.**

(D) The Settlement Date is not extended by any other provision of this Agreement and may only be extended by mutual written agreement of the parties.

(E) Certain terms and time periods are pre-printed in this Agreement as a convenience to the Buyer and Seller. All pre-printed terms and time periods are negotiable and may be changed by striking out the pre-printed text and inserting different terms acceptable to all parties, except where restricted by law.

61 Buyer Initials: ASV

Seller Initials: _____

62 6. ZONING (1-16)

63 Failure of this Agreement to contain the zoning classification (except in cases where the property {and each parcel thereof, if subdividable}
64 is zoned solely or primarily to permit single-family dwellings) will render this Agreement voidable at Buyer's option, and, if voided, any
65 deposits tendered by the Buyer will be returned to the Buyer without any requirement for court action.

66 Zoning Classification, as set forth in the local zoning ordinance: Residential

67 7. FIXTURES AND PERSONAL PROPERTY (5-01)

68 (A) INCLUDED in this sale are all existing items permanently installed in the Property, free of liens. Also included: _____

69
70 (B) The following items are LEASED (not owned by Seller): _____

71
72 (C) EXCLUDED fixtures and items: _____

73
74 8. MORTGAGE CONTINGENCY (1-16)

75 WAIVED. This sale is NOT contingent on mortgage financing, although Buyer may obtain mortgage financing and/or the parties
76 may include an appraisal contingency.

77 ELECTED.

78 (A) This sale is contingent upon Buyer obtaining mortgage financing according to the following terms:

First Mortgage on the Property	Second Mortgage on the Property
Loan Amount \$ _____	Loan Amount \$ _____
Minimum Term _____ years	Minimum Term _____ years
Type of mortgage _____	Type of mortgage _____
For:	For:
<input type="checkbox"/> Land acquisition only	<input type="checkbox"/> Land acquisition only
<input type="checkbox"/> Land acquisition and construction	<input type="checkbox"/> Land acquisition and construction
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____
Loan-To-Value (LTV) ratio not to exceed _____ %	Loan-To-Value (LTV) ratio not to exceed _____ %
Mortgage lender _____	Mortgage lender _____
Interest rate _____ %; however, Buyer agrees to accept the interest rate as may be committed by the mortgage lender, not to exceed a maximum interest rate of _____ %.	Interest rate _____ %; however, Buyer agrees to accept the interest rate as may be committed by the mortgage lender, not to exceed a maximum interest rate of _____ %.
Discount points, loan origination, loan placement and other fees charged by the lender as a percentage of the mortgage loan (excluding any mortgage insurance premiums or VA funding fee) not to exceed _____ % (0% if not specified) of the mortgage loan.	Discount points, loan origination, loan placement and other fees charged by the lender as a percentage of the mortgage loan (excluding any mortgage insurance premiums or VA funding fee) not to exceed _____ % (0% if not specified) of the mortgage loan.

97 (B) Mortgage Commitment Date: _____
98 Upon receiving a mortgage commitment(s), Buyer will promptly deliver a copy of the commitment(s) to Seller.

99 (C) The Loan-To-Value ratio (LTV) is used by lenders as one tool to help assess their potential risk of a mortgage loan. A particular LTV
100 may be necessary to qualify for certain loans, or buyers might be required to pay additional fees if the LTV exceeds a specific level.
101 The appraised value of the Property may be used by lenders to determine the maximum amount of a mortgage loan. The appraised
102 value is determined by an independent appraiser, subject to the mortgage lender's underwriter review, and may be higher or lower
103 than the Purchase Price and/or market price of the property.

104 (D) The interest rate(s) and fee(s) provisions in Paragraph 8(A) are satisfied if the mortgage lender(s) gives Buyer the right to guarantee
105 the interest rate(s) and fee(s) at or below the maximum levels stated. If lender(s) gives Buyer the right to lock in the interest rate(s),
106 Buyer will do so at least 15 days before Settlement Date. Buyer gives Seller the right, at Seller's sole option and as permitted
107 by law and the mortgage lender(s), to contribute financially, without promise of reimbursement, to the Buyer and/or the mortgage
108 lender(s) to make the above mortgage term(s) available to Buyer.

109 (E) Within _____ days (7 if not specified) from the Execution Date of this Agreement, Buyer will make a completed mortgage application
110 (including payment for and ordering of credit reports without delay, at the time required by lender(s)) for the mortgage terms and
111 to the mortgage lender(s) identified in Paragraph 8(A), if any, otherwise to a responsible mortgage lender(s) of Buyer's choice.
112 Broker for Buyer, if any, otherwise Broker for Seller, is authorized to communicate with the mortgage lender(s) to assist in the mort-
113 gage loan process.

114 (F) Buyer will be in default of this Agreement if Buyer furnishes false information to anyone concerning Buyer's financial and/or
115 employment status, fails to cooperate in good faith with processing the mortgage loan application (including payment for and
116 ordering of appraisal without delay), fails to lock in interest rate(s) as stated in Paragraph 8(D), or otherwise causes the lender to
117 reject, or refuse to approve or issue, a mortgage loan commitment.

118 (G) 1. If Seller does not receive a copy of the mortgage commitment(s) by the Mortgage Commitment Date, Seller may terminate this
119 Agreement by written notice to Buyer. Seller's right to terminate continues until Buyer delivers a mortgage commitment to
120 Seller. Until Seller terminates this Agreement, Buyer is obligated to make a good-faith effort to obtain mortgage financing.

121 2. Seller may terminate this Agreement by written notice to Buyer after the Mortgage Commitment Date if the mortgage commitment:
122 a. Does not satisfy the terms of Paragraph 8(A), OR
123 b. Contains any condition not specified in this Agreement (e.g., the Buyer must settle on another property, an appraisal must be

124 Buyer Initials: [Signature]

Seller Initials: [Signature]
Genesis - Spring

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received by the lender, or the mortgage commitment is not valid through the Settlement Date) that is not satisfied and/or removed in writing by the mortgage lender(s) within 7 DAYS after the Mortgage Commitment Date in Paragraph 8(B), or any extension thereof, other than those conditions that are customarily satisfied at or near settlement (e.g., obtaining insurance, confirming employment).

- 3. If this Agreement is terminated pursuant to Paragraphs 8(G)(1) or (2), or the mortgage loan(s) is not obtained for settlement, all deposit monies will be returned to Buyer according to the terms of Paragraph 27 and this Agreement will be VOID. Buyer will be responsible for any costs incurred by Buyer for any inspections or certifications obtained according to the terms of this Agreement, and any costs incurred by Buyer for: (1) Title search, title insurance and/or mechanics' lien insurance, or any fee for cancellation; (2) Flood insurance, fire insurance, hazard insurance, mine subsidence insurance, or any fee for cancellation; (3) Appraisal fees and charges paid in advance to mortgage lender(s).

(H) If the mortgage lender(s), or a property and casualty insurer providing insurance required by the mortgage lender(s), requires a task(s) to be performed to the Property, Buyer will, upon receiving the requirements, deliver a copy of the requirements to Seller. Within 5 DAYS of receiving the copy of the requirements, Seller will notify Buyer whether Seller will comply with the lender's or insurer's requirements at Seller's expense.

- 1. If Seller complies with the lender's or insurer's requirements to the satisfaction of the mortgage lender and/or insurer, Buyer accepts the Property and agrees to the RELEASE in Paragraph 29 of this Agreement.
- 2. If Seller will not comply with the lender's or insurer's requirements, or if Seller fails to respond within the stated time, Buyer will, within 5 DAYS, notify Seller of Buyer's choice to:
 - a. Comply with the lender's or insurer's requirements at Buyer's expense, with permission and access to the Property given by Seller, which will not be unreasonably withheld, OR
 - b. Terminate this Agreement by written notice to Seller, with all deposit monies returned to Buyer according to the terms of Paragraph 27 of this Agreement.

If Buyer fails to respond within the time stated in Paragraph 8(H)(2) or fails to terminate this Agreement by written notice to Seller within that time, Buyer will accept the Property, comply with the lender's or insurer's requirements at Buyer's expense and agree to the RELEASE in Paragraph 29 of this Agreement.

9. CHANGE IN BUYER'S FINANCIAL STATUS (1-16)

In the event of a change in Buyer's financial status affecting Buyer's ability to purchase, Buyer shall promptly notify Seller and lender(s) to whom the Buyer submitted mortgage application, if any, in writing. A change in financial status includes, but is not limited to, loss or a change in employment; failure or loss of sale of Buyer's home; Buyer's having incurred a new financial obligation; entry of a judgment against Buyer. Buyer understands that applying for and/or incurring an additional financial obligation may affect Buyer's ability to purchase.

10. SELLER REPRESENTATIONS (1-16)

(A) Status of Water

Seller represents that the Property is served by:

- Public Water Community Water On-site Water None

(B) Status of Sewer

1. Seller represents that the Property is served by:

- Public Sewer Community Sewage Disposal System Ten-Acre Permit Exemption (see Sewage Notice 2)
- Individual On-lot Sewage Disposal System (see Sewage Notice 1) Holding Tank (see Sewage Notice 3)
- Individual On-lot Sewage Disposal System in Proximity to Well (see Sewage Notice 1; see Sewage Notice 4, if applicable)
- None (see Sewage Notice 1) None Available/Permit Limitations in Effect (see Sewage Notice 5)

2. Notices Pursuant to the Pennsylvania Sewage Facilities Act

Notice 1: There is no currently existing community sewage system available for the subject property. Section 7 of the Pennsylvania Sewage Facilities Act provides that no person shall install, construct, request bid proposals for construction, alter, repair or occupy any building or structure for which an individual sewage system is to be installed, without first obtaining a permit. Buyer is advised by this notice that, before signing this Agreement, Buyer should contact the local agency charged with administering the Act to determine the procedure and requirements for obtaining a permit for an individual sewage system. The local agency charged with administering the Act will be the municipality where the Property is located or that municipality working cooperatively with others.

Notice 2: This Property is serviced by an individual sewage system installed under the ten-acre permit exemption provisions of Section 7 of the Pennsylvania Sewage Facilities Act. (Section 7 provides that a permit may not be required before installing, constructing, awarding a contract for construction, altering, repairing or connecting to an individual sewage system where a ten-acre parcel or lot is subdivided from a parent tract after January 10, 1987). Buyer is advised that soils and site testing were not conducted and that, should the system malfunction, the owner of the Property or properties serviced by the system at the time of a malfunction may be held liable for any contamination, pollution, public health hazard or nuisance which occurs as a result.

Notice 3: This Property is serviced by a holding tank (permanent or temporary) to which sewage is conveyed by a water carrying system and which is designed and constructed to facilitate ultimate disposal of the sewage at another site. Pursuant to the Pennsylvania Sewage Facilities Act, Seller must provide a history of the annual cost of maintaining the tank from the date of its installation or December 14, 1995, whichever is later.

Buyer Initials: SH

Seller Initials: [Signature]

186 Notice 4: An individual sewage system has been installed at an isolation distance from a well that is less than the distance
187 specified by regulation. The regulations at 25 Pa. Code §73.13 pertaining to minimum horizontal isolation distances provide
188 guidance. Subsection (b) of §73.13 states that the minimum horizontal isolation distance between an individual water supply or
189 water supply system suction line and treatment tanks shall be 50 feet. Subsection (c) of §73.13 states that the horizontal isolation
190 distance between the individual water supply or water supply system suction line and the perimeter of the absorption area shall
191 be 100 feet.

192 Notice 5: This lot is within an area in which permit limitations are in effect and is subject to those limitations. Sewage facilities
193 are not available for this lot and construction of a structure to be served by sewage facilities may not begin until the municipality completes
194 a major planning requirement pursuant to the Pennsylvania Sewage Facilities Act and regulations promulgated thereunder.

195 (C) Seller represents that Seller has no knowledge except as noted in this Agreement that: (1) The Property has been contaminated by
196 any substance in any manner which requires remediation; (2) The Property contains wetlands, a Special Flood Hazard Area, or any
197 other environmentally sensitive areas, development of which is limited or precluded by law; (3) The Property contains asbestos,
198 polychlorinated biphenyls, lead-based paint or any other substance, the removal or disposal of which is subject to any law or regu-
199 lation; and (4) Any law has been violated in the handling or disposing of any material or waste or the discharge of any material into
200 the soil, air, surface water, or ground water.

201 (D) Seller agrees to indemnify and to hold Broker harmless from and against all claims, demands, or liabilities, including attorneys fees
202 and court costs, which arise from or are related to the environmental condition or suitability of the Property prior to, during, or after
203 Seller's occupation of the Property including without limitation any condition listed in Paragraph 10(C).

204 (E) **Historic Preservation**

205 Seller is not aware of historic preservation restrictions regarding the Property unless otherwise stated here: _____
206

207 (F) **Land Use Restrictions**

208 1. Property, or a portion of it, is subject to land use restrictions and may be preferentially assessed for tax purposes under the
209 following Act(s) (see Notices Regarding Land Use Restrictions below):

- 210 Agricultural Area Security Law (Act 43 of 1981; 3 P.S. §901 et seq.)
- 211 Farmland and Forest Land Assessment Act (Clean and Green Program; Act 319 of 1974; 72 P.S. § 5490.1 et seq.)
- 212 Open Space Act (Act 442 of 1967; 32 P.S. § 5001 et seq.)
- 213 Conservation Reserve Program (16 U.S.C. § 3831 et seq.)
- 214 Other

215 2. **Notices Regarding Land Use Restrictions**

216 a. **Pennsylvania Right-To-Farm Act:** The property you are buying may be located in an area where agricultural operations
217 take place. Pennsylvania protects agricultural resources for the production of food and agricultural products. The law limits
218 circumstances where normal agricultural operations may be subject to nuisance lawsuits or restrictive ordinances.

219 b. **Clean and Green Program:** Properties enrolled in the Clean and Green Program receive preferential property tax assessment.
220 Buyer and Seller have been advised of the need to contact the County Tax Assessment Office before the execution of this
221 Agreement to determine the property tax implications that will or may result from the sale of the Property, or that may result
222 in the future as a result of any change in use of the Property or the land from which it is being separated.

223 c. **Open Space Act:** This Act enables counties to enter into covenants with owners of land designated as farm, forest, water
224 supply, or open space land on an adopted municipal, county or regional plan for the purpose of preserving the land as open
225 space. A covenant between the owner and county is binding upon any Buyer of the Property during the period of time that
226 the covenant is in effect (5 or 10 years). Covenants automatically renew at the end of the covenant period unless specific ter-
227 mination notice procedures are followed. Buyer has been advised of the need to determine the restrictions that will apply
228 from the sale of the Property to Buyer and the property tax implications that will or may result from a change in use of the
229 Property, or any portion of it. Buyer is further advised to determine the term of any covenant now in effect.

230 d. **Conservation Reserve (Enhancement) Program:** Properties enrolled in the Conservation Reserve Program or CREP are
231 environmentally-sensitive areas, the owners of which receive compensation in exchange for an agreement to maintain the land
232 in its natural state. Contracts last from 10 to 15 years and carry penalties to Seller if terminated early by Buyer. Buyer has been
233 advised of the need to determine the restrictions on development of the Property and the term of any contract now in effect.
234 Seller is advised to determine the financial implications that will or may result from the sale of the Property.

235 (G) **Public and/or Private Assessments**

236 1. Seller represents that, as of the date Seller signed this Agreement, no public improvement, condominium or homeowner associ-
237 ation assessments (excluding assessed value) have been made against the Property which remain unpaid, and that no notice by
238 any government or public authority has been served upon Seller or anyone on Seller's behalf, including notices relating to vio-
239 lations of zoning, housing, building, safety or fire ordinances that remain uncorrected, and that Seller knows of no condition
240 that would constitute a violation of any such ordinances that remain uncorrected, unless otherwise specified here: _____
241

242 2. Seller knows of no other potential notices (including violations) and/or assessments except as follows: _____
243

244 (H) **Highway Occupancy Permit**

245 Access to a public road may require issuance of a highway occupancy permit from the Department of Transportation and/or the mu-
246 nicipality. It should not be presumed that agricultural and other existing accesses or driveways are permitted.

247 Buyer Initials: HW

Seller Initials: [Signature]

248 **11. WAIVER OF CONTINGENCIES (9-05)**

249 If this Agreement is contingent on Buyer's right to inspect and/or repair the Property, or to verify insurability, environmental
 250 conditions, boundaries, certifications, zoning classification or use, or any other information regarding the Property, Buyer's
 251 failure to exercise any of Buyer's options within the times set forth in this Agreement is a WAIVER of that contingency and Buyer
 252 accepts the Property and agrees to the RELEASE in Paragraph 26 of this Agreement.

253 **12. BUYER'S DUE DILIGENCE/INSPECTIONS (1-16)**

254 **(A) Rights and Responsibilities**

- 255 1. Seller will provide access to insurers' representatives and, as may be required by this Agreement or by mortgage lender(s), to sur-
 256 veyors, municipal officials, appraisers and inspectors. All parties and their real estate licensee(s) may attend any inspections.
- 257 2. Buyer may make a pre-settlement walk-through inspection of the Property. Buyer's right to this inspection is not waived by any
 258 other provision of this Agreement.
- 259 3. Buyer and/or anyone on the Property at Buyer's direction or on Buyer's behalf, will leave the Property in the same condition as
 260 when they arrived unless otherwise agreed upon by the parties. Buyer bears the risk of restoring or repairing the Property or re-
 261 imbursing Seller for any loss of value.
- 262 4. All inspectors, including home inspectors, are authorized by Buyer to provide a copy of any inspection Report to Broker for Buyer.
- 263 5. Seller has the right, upon request, to receive a free copy of any inspection Report from the party for whom it was prepared.

264 **(B) Buyer waives or elects at Buyer's expense to have the following inspections, certifications, and investigations (referred to as "In-
 265 spection" or "Inspections") performed by professional contractors, home inspectors, engineers, architects and other properly licensed
 266 or otherwise qualified professionals. All inspections shall be performed in a non-invasive manner, unless otherwise agreed in writing.
 267 If the same inspector is inspecting more than one system, the inspector must comply with the Home Inspection Law. (See Paragraph
 268 12(D) for Notices Regarding Property & Environmental Inspections)**

269 **(C) For elected Inspection(s), Buyer will, within the Contingency Period(s) stated in Paragraph 13(A), complete Inspections, obtain any
 270 Inspection Reports or results (referred to as "Report" or "Reports"), and accept the Property, terminate this Agreement, or submit a written
 271 corrective proposal(s) to Seller, according to the terms of Paragraph 13(B).**

272 **Property Inspections and Environmental Hazards**

273 **Elected** Buyer may have a licensed or otherwise qualified professional conduct an inspection of the Property's water penetration; **Waived**
 274 _____ / _____ electromagnetic fields; wetlands and flood plain delineation; structure square footage; mold and other environmental _____ / _____
 275 hazards (e.g., fungi, indoor air quality, asbestos, underground storage tanks, etc.); and any other items Buyer may select.
 276 (See Notices Regarding Property & Environmental Inspections)

277 **Deeds, Restrictions and Zoning**

278 **Elected** Buyer may investigate easements, deed and use restrictions (including any historic preservation restrictions or ordi- **Waived**
 279 _____ / _____ nances) that apply to the Property and review local zoning ordinances. Buyer may verify that the present use of the _____ / _____
 280 Property (such as in-law quarters, apartments, home office, day care) is permitted and may elect to make the Agreement
 281 contingent upon an anticipated use. Present use: _____
 282 **Water Service**

283 **Elected** Buyer may obtain an Inspection of the quality and quantity of the water system from a properly licensed or otherwise **Waived**
 284 _____ / _____ qualified water/well testing company. If and as required by the existing inspection company, Seller, at Seller's expense, _____ / _____
 285 will locate and provide access to the on-site (or individual) water system. Seller will restore the Property to its previous
 286 condition, at Seller's expense, prior to settlement.

287 **Connection to Off-Site Water Source**

288 **Elected** Buyer may determine the terms of connecting the Property to an off-site water source available through (Name of Service **Waived**
 289 _____ / _____ Provider): _____ . (See Paragraph 14) _____ / _____

290 **On-Lot Sewage (If Applicable)**

291 **Elected** Buyer may obtain an Inspection of the individual on-lot sewage disposal system from a qualified, professional inspector. **Waived**
 292 _____ / _____ If and as required by the existing inspection company, Seller, at Seller's expense, will locate, provide access to, and _____ / _____
 293 empty the individual on-lot sewage disposal system. Seller will restore the Property to its previous condition, at Seller's
 294 expense, prior to settlement. See Paragraph 13(C) for more information regarding the Individual On-lot Sewage In-
 295 spection Contingency.

296 **Connection to Off-Site Sewage Disposal System**

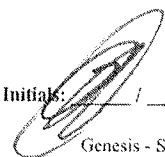
297 **Elected** Buyer may determine whether the terms of connecting the Property to an off-site sewage disposal system through (Name **Waived**
 298 _____ / _____ of Service Provider): _____ are acceptable to _____ / _____
 299 Buyer. (See Paragraph 15)

300 **Property and Flood Insurance**

301 **Elected** Buyer may determine the insurability of the Property by making application for property and casualty insurance for the **Waived**
 302 _____ / _____ Property to a responsible insurer. Broker for Buyer, if any, otherwise Broker for Seller, may communicate with the _____ / _____
 303 insurer to assist in the insurance process. If the Property is located in a flood plain, Buyer may be required to carry
 304 flood insurance at Buyer's expense, which may need to be ordered 14 days or more prior to Settlement Date. Revised
 305 flood maps and changes to Federal law may substantially increase future flood insurance premiums or require insurance
 306 for formerly exempt properties. Buyer should consult with one or more flood insurance agents regarding the need for
 307 flood insurance and possible premium increases.

308 Buyer Initials:

Seller Initials:


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309 **Property Boundaries**
310 **Elected** Buyer may engage the services of a surveyor, title abstractor, or other qualified professional to assess the legal de- **Waived**
311 ____ / ____ scription, certainty and location of boundaries and/or quantum of land. Most Sellers have not had the Property surveyed ____ / ____
312 as it is not a requirement of property transfer in Pennsylvania. Any fences, hedges, walls and other natural or con-
313 structed barriers may or may not represent the true boundary lines of the Property. Any numerical representations of
314 size of property are approximations only and may be inaccurate.
315 **Other**
316 **Elected** **Waived**
317 ____ / ____
318

319 The Inspections elected above do not apply to the following existing conditions and/or items: _____
320 _____
321 _____

- 322 **(D) Notices Regarding Property & Environmental Inspections**
323 1. **Electromagnetic fields:** Electromagnetic Fields (EMFs) occur around all electrical appliances and power lines. Conclusive ev-
324 idence that EMFs pose health risks does not exist at present, and Pennsylvania has no laws regarding this issue.
325 2. **Environmental Hazards:** The U.S. Environmental Protection Agency has a list of hazardous substances, the use and disposal
326 of which are restricted by law. Generally, if hazardous substances are found on a property, it is the property owner's responsibility
327 to dispose of them properly. Inquiries or requests for more information about hazardous substances can be directed to the U.S.
328 Environmental Protection Agency, Ariel Rios Building, 1200 Pennsylvania Ave., N.W., Washington, D.C. 20460, (202) 272-0167,
329 and/or the Department of Health, Commonwealth of Pennsylvania, Division of Environmental Health, Harrisburg, PA 17120.
330 3. **Wetlands:** Wetlands are protected by the federal and state governments. Buyer may wish to hire an environmental engineer or
331 surveyor to investigate whether the Property is located in a wetlands area to determine if permits for plans to build, improve or
332 develop the property would be affected or denied because of its location in a wetlands area.

333 **13. INSPECTION CONTINGENCY (1-16)**

- 334 (A) The Contingency Period is _____ days (10 if not specified) from the Execution Date of this Agreement for each Inspection elected
335 in Paragraph 12(C).
336 (B) Except as stated in Paragraph 13(C), if the result of any Inspection elected in Paragraph 12(C) is unsatisfactory to Buyer, Buyer
337 will, **within the stated Contingency Period:**
338 1. Accept the Property with the information stated in the Report(s) and agree to the RELEASE in Paragraph 29 of this Agreement, OR
339 2. **Terminate this Agreement** by written notice to Seller, with all deposit monies returned to Buyer according to the terms of Para-
340 graph 27 of this Agreement, OR
341 3. **Present the Report(s) to Seller with a Written Corrective Proposal ("Proposal") listing corrections and/or credits desired by Buyer.**
342 The Proposal may, but is not required to, include the name(s) of a properly licensed or qualified professional(s) to perform the cor-
343 rections requested in the Proposal, provisions for payment, including retests, and a projected date for completion of the corrections.
344 Buyer agrees that Seller will not be held liable for corrections that do not comply with mortgage lender or governmental requirements
345 if performed in a workmanlike manner according to the terms of Buyer's Proposal.
346 a. Following the end of the Contingency Period, Buyer and Seller will have _____ days (5 if not specified) for a Negotiation Pe-
347 riod.
348 (1) During the Negotiation Period, Seller will either agree to satisfy all the terms of Buyer's Proposal or negotiate, by written
349 or verbal communication, another mutually acceptable written agreement, providing for any repairs or improvements to the
350 Property and/or any credit to Buyer at settlement, as acceptable to the mortgage lender, if any.
351 (2) If Seller agrees to satisfy all the terms of Buyer's Proposal, or Buyer and Seller enter into another mutually acceptable
352 written agreement, Buyer accepts the Property and agrees to the RELEASE in Paragraph 29 of this Agreement and the Ne-
353 gotiation Period ends.
354 b. If no mutually acceptable written agreement is reached, or if Seller fails to respond, during the Negotiation Period, within
355 _____ days (2 if not specified) **following the end of the Negotiation Period**, Buyer will:
356 (1) Accept the Property with the information stated in the Report(s) and agree to the RELEASE in Paragraph 29 of this
357 Agreement, OR
358 (2) Terminate this Agreement by written notice to Seller, with all deposit monies returned to Buyer according to the terms of
359 Paragraph 27 of this Agreement.

360 **If Buyer and Seller do not reach a mutually acceptable written agreement, and Buyer does not terminate this Agreement**
361 **by written notice to Seller within the time allotted in Paragraph 13(B)(3)(b), Buyer will accept the Property and agree to**
362 **the RELEASE in Paragraph 29 of this Agreement. Ongoing negotiations do not automatically extend the Negotiation**
363 **Period.**

- 364 (C) If a Report reveals the need to expand or replace the existing individual on-lot sewage disposal system, Seller may, within _____ days
365 (25 if not specified) of receiving the Report, submit a Proposal to Buyer. The Proposal will include, but not be limited to, the name of
366 the company to perform the expansion or replacement; provisions for payment, including retests; and a projected completion date for
367 corrective measures. Within 5 DAYS of receiving Seller's Proposal, or if no Proposal is provided within the stated time, Buyer
368 will notify Seller in writing of Buyer's choice to:
369 1. Agree to the terms of the Proposal, accept the Property and agree to the RELEASE in Paragraph 29 of this Agreement, OR
370 2. Terminate this Agreement by written notice to Seller, with all deposit monies returned to Buyer according to the terms of Para-
371 graph 27 of this Agreement, OR

372 **Buyer Initials:** AH/

Seller Initials: [Signature]
Genesis - Spring

3. Accept the Property and the existing system and agree to the RELEASE in Paragraph 29 of this Agreement. If required by any mortgage lender and/or any governmental authority, Buyer will correct the defects before settlement or within the time required by the mortgage lender and/or governmental authority, at Buyer's sole expense, with permission and access to the Property given by Seller, which may not be unreasonably withheld. If Seller denies Buyer permission and/or access to correct the defects, Buyer may, within 5 DAYS of Seller's denial, terminate this Agreement by written notice to Seller, with all deposit monies returned to Buyer according to the terms of Paragraph 24 of this Agreement.

if Buyer fails to respond within the time stated in Paragraph 13(c) or fails to terminate this agreement by written notice to Seller within that time, Buyer will accept the Property and agree to the RELEASE in Paragraph 29 of this Agreement.

14. ON-SITE WATER SERVICE APPROVAL CONTINGENCY

NOT APPLICABLE. The Property has an existing water service and Buyer is not seeking approval to install an on-site water system.

WAIVED. Buyer understands and acknowledges there may be no developed water system for the Property and that Buyer has the option to make this Agreement contingent on receiving municipal approval for the installation of an on-site water system. BUYER WAIVES THIS OPTION and agrees to the RELEASE in Paragraph 29 of this Agreement.

ELECTED. Contingency Period: _____ days (15 if not specified) from the Execution Date of this Agreement.

1. Within the Contingency Period, Buyer will make a completed, written application for municipal approval for the installation of an on-site water system from _____ (municipality). Buyer will pay for applications, legal representation, and any other costs associated with the application and approval process.

2. If the municipality requires the application to be signed by the current owner, Seller agrees to do so.

3. If final, unappealable approval is not obtained by _____, Buyer will:

a. Accept the Property and agree to the RELEASE in paragraph 29 of this Agreement. OR

b. Terminate this Agreement by written notice to Seller, with all deposit monies returned to Buyer according to the terms of Paragraph 27 of this Agreement. OR

c. Enter into a mutually acceptable written agreement with Seller as acceptable to the lender(s), if any.

If Buyer and Seller do not reach a written agreement before the time for obtaining final approval, and Buyer does not terminate the Agreement of Sale by written notice to Seller within that time, Buyer will accept the Property and agree to the terms of the RELEASE in Paragraph 29 of this Agreement.

15. INDIVIDUAL ON-LOT SEWAGE DISPOSAL INSTALLATION CONTINGENCY (1-16)

NOT APPLICABLE. The Property has an existing sewage disposal system.

WAIVED. Seller has provided to Buyer a current Site Investigation and Percolation Test Report on a form approved by the Pennsylvania Department of Environmental Protection. Buyer understands and acknowledges that Buyer is not required to accept the results of the Report provided by Seller and that Buyer has the option to make this Agreement contingent on receiving municipal approval for the installation of an individual on-lot sewage disposal system. BUYER WAIVES THIS OPTION and agrees to the RELEASE in Paragraph 29 of this Agreement.

ELECTED. Contingency Period: _____ days (15 if not specified) from the Execution Date of this Agreement.

1. Within the Contingency Period, Buyer or Seller will make a completed, written application for municipal approval for the installation of an individual on-lot sewage disposal system from _____ (municipality). Buyer will pay for applications, legal representation, and any other costs associated with the application and approval process.

2. If the municipality requires the application to be signed by the current owner, Seller agrees to do so.

3. If final, unappealable approval is not obtained by _____, Buyer will:

a. Accept the Property and agree to the the RELEASE in Paragraph 29 of this Agreement. OR

b. Terminate this Agreement by written notice to Seller, with all deposit monies returned to Buyer according to the terms of Paragraph 27 of this Agreement. OR

c. Enter into a mutually acceptable written agreement with Seller as acceptable to the lender(s), if any.

If Buyer and Seller do not reach a written agreement before the time for obtaining final approval, and Buyer does not terminate this Agreement by written notice to Seller within that time, Buyer will accept the Property and agree to the terms of the RELEASE in Paragraph 29 of this Agreement.

16. REAL ESTATE TAXES AND ASSESSED VALUE (1-16)

In Pennsylvania, taxing authorities (school districts and municipalities) and property owners may appeal the assessed value of a property at the time of sale, or at any time thereafter. A successful appeal by a taxing authority may result in a higher assessed value for the property and an increase in property taxes. Also, periodic county-wide property reassessments may change the assessed value of the property and result in a change in property tax. Certain improvements will result in the Property being reassessed and Buyer will receive an interim tax bill for the increased taxes due for the current tax period. This interim tax bill may not be covered by Buyer's tax escrow with the lender, if any.

17. NOTICES, ASSESSMENTS AND MUNICIPAL REQUIREMENTS (1-16)

(A) In the event any notices of public and/or private assessments as described in Paragraph 10(G) (excluding assessed value) are received after Seller has signed this Agreement and before settlement, Seller will within 5 DAYS of receiving the notices and/or assessments provide a copy of the notices and/or assessments to Buyer and will notify Buyer in writing that Seller will:

1. Fully comply with the notices and/or assessments, at Seller's expense, before settlement. If Seller fully complies with the notices and/or assessments, Buyer accepts the Property and agrees to the RELEASE in Paragraph 29 of this Agreement, OR

435 Buyer Initials: JH/2/15

Seller Initials: [Signature]
Genesis - Spring

- 436 2. Not comply with the notices and/or assessments. If Seller chooses not to comply with the notices and/or assessments, or fails
- 437 **within the stated time to notify Buyer whether Seller will comply**, Buyer will notify Seller in writing within 5 DAYS
- 438 that Buyer will:
- 439 a. Comply with the notices and/or assessments at Buyer's expense, accept the Property, and agree to the RELEASE in Paragraph
- 440 29 of this Agreement, OR
- 441 b. Terminate this Agreement by written notice to Seller, with all deposit monies returned to Buyer according to the terms of
- 442 Paragraph 27 of this Agreement.

If Buyer fails to respond within the time stated in Paragraph 17(A)(2) or fails to terminate this Agreement by written notice to Seller within that time, Buyer will accept the Property and agree to the RELEASE in Paragraph 29 of this Agreement.

- 445 (B) If required by law, within 30 DAYS from the Execution Date of this Agreement, but in no case later than 15 DAYS prior to Set-
- 446 tlement Date, Seller will order at Seller's expense a certification from the appropriate municipal department(s) disclosing notice of any
- 447 uncorrected violations of zoning, housing, building, safety or fire ordinances and/or a certificate permitting occupancy of the Property.
- 448 If Buyer receives a notice of any required repairs/improvements, Buyer will promptly deliver a copy of the notice to Seller.

- 449 1. Within 5 DAYS of receiving notice from the municipality that repairs/improvements are required, Seller will deliver a copy
- 450 of the notice to Buyer and notify Buyer in writing that Seller will:
- 451 a. Make the required repairs/improvements to the satisfaction of the municipality. If Seller makes the required repairs/improvements, Buyer accepts the Property and agrees to the RELEASE in Paragraph 29 of this Agreement, OR
- 452 b. Not make the required repairs/improvements. If Seller chooses not to make the required repairs/improvements, Buyer will
- 453 notify Seller in writing within 5 DAYS that Buyer will:
- 454 (1) Make the repairs/improvements at Buyer's expense, with permission and access to the Property given by Seller, which
- 455 will not be unreasonably withheld, OR
- 456 (2) Terminate this Agreement by written notice to Seller, with all deposit monies returned to Buyer according to the terms
- 457 of Paragraph 27 of this Agreement.

If Buyer fails to respond within the time stated in Paragraph 17(B)(1)(b) or fails to terminate this Agreement by written notice to Seller within that time, Buyer will accept the Property and agree to the RELEASE in Paragraph 29 of this Agreement, and Buyer accepts the responsibility to perform the repairs/improvements according to the terms of the notice provided by the municipality.

- 463 2. If Seller denies Buyer permission to make the required repairs/improvements, or does not provide Buyer access before Settlement
- 464 Date to make the required repairs/improvements, Buyer may, within 5 DAYS, terminate this Agreement by written notice to
- 465 Seller, with all deposit monies returned to Buyer according to the terms of Paragraph 27 of this Agreement.
- 466 3. If repairs/improvements are required and Seller fails to provide a copy of the notice to Buyer as required in this Paragraph, Seller will
- 467 perform all repairs/improvements as required by the notice at Seller's expense. **Paragraph 17(B)(3) will survive settlement.**

18. PLANNED COMMUNITY (HOMEOWNER ASSOCIATIONS) RESALE NOTICE (2-12)

- 469 (A) Property is NOT a part of a Planned Community unless checked below.
- 470 PLANNED COMMUNITY (HOMEOWNER ASSOCIATION). The Property is part of a planned community as defined by the
- 471 Uniform Planned Community Act. Section 5407(a) of the Act requires Seller to furnish Buyer with a copy of the Declaration
- 472 (other than plats and plans), the bylaws, the rules and regulations of the association, and a Certificate containing the provisions
- 473 set forth in section 5407(a) of the Act.

(B) THE FOLLOWING APPLIES TO PROPERTIES THAT ARE PART OF A PLANNED COMMUNITY.

- 475 1. Within 15 DAYS from the Execution Date of this Agreement, Seller, at Seller's expense, will request from the association a
- 476 Certificate of Resale and any other documents necessary to enable Seller to comply with the relevant Act. The Act provides that
- 477 the association is required to provide these documents within 10 days of Seller's request.
- 478 2. Seller will promptly deliver to Buyer all documents received from the association. Under the Act, Seller is not liable to Buyer
- 479 for the failure of the association to provide the Certificate in a timely manner or for any incorrect information provided by the
- 480 association in the Certificate.
- 481 3. The Act provides that Buyer may declare this Agreement VOID at any time before Buyer receives the association documents
- 482 and for 5 days after receipt, OR until settlement, whichever occurs first. Buyer's notice to Seller must be in writing; upon Buyer
- 483 declaring this Agreement void, all deposit monies will be returned to Buyer according to the terms of Paragraph 27 of this Agree-
- 484 ment.
- 485 4. If the association has the right to buy the Property (right of first refusal), and the association exercises that right, Seller will re-
- 486 imburse Buyer for any costs incurred by Buyer for any inspections or certifications obtained according to the terms of the Agreement,
- 487 and any costs incurred by Buyer for: (1) Title search, title insurance and/or mechanics' lien insurance, or any fee for cancellation;
- 488 (2) Flood insurance, fire insurance, hazard insurance, mine subsidence insurance, or any fee for cancellation; (3) Appraisal fees
- 489 and charges paid in advance to mortgage lender.

19. TITLES, SURVEYS AND COSTS (1-16)

- 491 (A) The Property will be conveyed with good and marketable title that is insurable by a reputable title insurance company at the regular
- 492 rates, free and clear of all liens, encumbrances, and easements, **excepting however** the following: existing deed restrictions; historic
- 493 preservation restrictions or ordinances; building restrictions; ordinances; easements of roads; easements visible upon the ground;
- 494 easements of record; and privileges or rights of public service companies, if any.
- 495 (B) Buyer is encouraged to obtain an owner's title insurance policy to protect Buyer. An owner's title insurance policy is different from
- 496 a lender's title insurance policy, which will not protect Buyer from claims and attacks on the title. Owner's title insurance policies
- 497 come in standard and enhanced versions; Buyer should consult with a title insurance agent about Buyer's options. Buyer agrees to

498 Buyer Initials: L. Harris

Seller Initials: [Signature]

release and discharge any and all claims and losses against Broker for Buyer should Buyer neglect to obtain an owner's title insurance policy.

(C) Buyer will pay for the following: (1) Title search, title insurance and/or mechanics' lien insurance, or any fee for cancellation; (2) Flood insurance, fire insurance, hazard insurance, mine subsidence insurance, or any fee for cancellation; (3) Appraisal fees and charges paid in advance to mortgage lender; (4) Buyer's customary settlement costs and accruals.

(D) Seller has the right, upon request, to receive a free copy of any title abstract for the Property from the party for whom it was prepared.

(E) Any survey or surveys required by the title insurance company or the abstracting company for preparing an adequate legal description of the Property (or the correction thereof) will be obtained and paid for by Seller. Any survey or surveys desired by Buyer or required by the mortgage lender will be obtained and paid for by Buyer.

(F) In the event of a change in Seller's financial status affecting Seller's ability to convey title to the Property on or before the Settlement Date, or any extension thereof, Seller shall promptly notify Buyer in writing. A change in financial status includes, but is not limited to, Seller filing bankruptcy; filing of a foreclosure lawsuit against the Property; entry of a monetary judgment against Seller; notice of public tax sale affecting the Property; and Seller learning that the sale price of the Property is no longer sufficient to satisfy all liens and encumbrances against the Property.

(G) If Seller is unable to give good and marketable title that is insurable by a reputable title insurance company at the regular rates, as specified in Paragraph 19(A), Buyer may terminate this Agreement by written notice to Seller, with all deposit monies returned to Buyer according to the terms of Paragraph 27 of this Agreement. Upon termination, Seller will reimburse Buyer for any costs incurred by Buyer for any inspections or certifications obtained according to the terms of this Agreement, and for those items specified in Paragraph 19(C) items (1), (2), (3) and in Paragraph 19(E).

(H) Oil, gas, mineral, or other rights of this Property may have been previously conveyed or leased, and Sellers make no representation about the status of those rights unless indicated elsewhere in this Agreement.

Oil, Gas and Mineral Rights Addendum (PAR Form OGM) is attached to and made part of this Agreement.

(I) COAL NOTICE (Where Applicable)

THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHTS OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL SUCH COAL AND IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. (This notice is set forth in the manner provided in Section 1 of the Act of July 17, 1957, P.L. 984.) "Buyer acknowledges that he may not be obtaining the right of protection against subsidence resulting from coal mining operations, and that the property described herein may be protected from damage due to mine subsidence by a private contract with the owners of the economic interests in the coal. This acknowledgement is made for the purpose of complying with the provisions of Section 14 of the Bituminous Mine Subsidence and the Land Conservation Act of April 27, 1966." Buyer agrees to sign the deed from Seller which deed will contain the aforesaid provision.

(J) 1. This property is not subject to a Private Transfer Fee Obligation unless otherwise stated here: _____

Private Transfer Fee Addendum (PAR Form PTF) is attached to and made part of this Agreement.

2. Notices Regarding Private Transfer Fees: In Pennsylvania, Private Transfer Fees are defined and regulated in the Private Transfer Fee Obligation Act (Act 1 of 2011); 68 Pa.C.S. §§ 8101, et. seq., which defines a Private Transfer Fee as "a fee that is payable upon the transfer of an interest in real property, or payable for the right to make or accept the transfer, if the obligation to pay the fee or charge runs with title to the property or otherwise binds subsequent owners of property, regardless of whether the fee or charge is a fixed amount or is determined as a percentage of the value of the property, the purchase price or other consideration given for the transfer." A Private Transfer Fee must be properly recorded to be binding, and sellers must disclose the existence of the fees to prospective buyers. Where a Private Transfer Fee is not properly recorded or disclosed, the Act gives certain rights and protections to buyers.

20. MAINTENANCE AND RISK OF LOSS (1-16)

(A) Seller will maintain the Property (including but not limited to grounds, fixtures, appliances, and personal property) specifically listed in this Agreement in its present condition, normal wear and tear excepted.

(B) If any part of the Property included in the sale is damaged or fails before settlement, Seller will:

- 1. Repair or replace that part of the Property before settlement, OR
- 2. Provide prompt written notice to Buyer of Seller's decision to:

- a. Credit Buyer at settlement for the fair market value of the damaged or failed part of the Property, as acceptable to the mortgage lender, if any. OR
- b. Not repair or replace the damaged or failed part of the Property, and not credit Buyer at settlement for the fair market value of the damaged or failed part of the Property.

3. If Seller does not repair or replace the failed part of the Property or agree to credit Buyer for its fair market value, or if Seller fails to notify Buyer of Seller's choice, Buyer will notify Seller in writing within 5 DAYS or before Settlement Date, whichever is earlier, that Buyer will:

- a. Accept the Property and agree to the RELEASE in Paragraph 29 of this Agreement, OR
- b. Terminate this Agreement by written notice to Seller, with all deposit monies returned to Buyer according to the terms of Paragraph 27 of this Agreement.

If Buyer fails to respond within the time stated in Paragraph 20(B)(3) or fails to terminate this Agreement by written notice to Seller within that time, Buyer will accept the Property and agree to the RELEASE in Paragraph 29 of this Agreement.

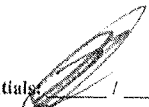
559 Buyer Initials: AS/HC

Seller Initials: _____

- 560 (C) Seller bears the risk of loss from fire or other casualties until settlement. If any property included in this sale is destroyed and not
561 replaced prior to settlement, Buyer will:
- 562 1. Accept the Property in its then current condition together with the proceeds of any insurance recovery obtainable by Seller, OR
- 563 2. Terminate this Agreement by written notice to Seller, with all deposit monies returned to Buyer according to the terms of Para-
564 graph 27 of this Agreement.
- 565 **21. RECORDING (9-05)**
- 566 This Agreement will not be recorded in the Office of the Recorder of Deeds or in any other office or place of public record. If Buyer
567 causes or permits this Agreement to be recorded, Seller may elect to treat such act as a default of this Agreement.
- 568 **22. ASSIGNMENT (2-12)**
- 569 This Agreement is binding upon the parties, their heirs, personal representatives, guardians and successors, and to the extent assignable,
570 on the assigns of the parties hereto. Buyer will not transfer or assign this Agreement without the written consent of Seller unless otherwise
571 stated in this Agreement. Assignment of this Agreement may result in additional transfer taxes.
- 572 **23. GOVERNING LAW, VENUE AND PERSONAL JURISDICTION (9-05)**
- 573 (A) The validity and construction of this Agreement, and the rights and duties of the parties, will be governed in accordance with the
574 laws of the Commonwealth of Pennsylvania.
- 575 (B) The parties agree that any dispute, controversy or claim arising under or in connection with this Agreement or its performance by either party
576 submitted to a court shall be filed exclusively by and in the state or federal courts sitting in the Commonwealth of Pennsylvania.
- 577 **24. FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT OF 1980 (FIRPTA) (1-16)**
- 578 The disposition of a U.S. real property interest by a foreign person (the transferor) is subject to the Foreign Investment in Real Property
579 Tax Act of 1980 (FIRPTA) income tax withholding. FIRPTA authorized the United States to tax foreign persons on dispositions of U.S.
580 real property interests. This includes but is not limited to a sale or exchange, liquidation, redemption, gift, transfers, etc. Persons purchasing
581 U.S. real property interests (the transferee) from foreign persons, certain purchasers' agents, and settlement officers are required to with-
582 hold up to 15 percent of the amount realized (special rules for foreign corporations). Withholding is intended to ensure U.S. taxation of
583 gains realized on disposition of such interests. The transferee/Buyer is the withholding agent. If you are the transferee/Buyer you must
584 find out if the transferor is a foreign person as defined by the Act. If the transferor is a foreign person and you fail to withhold, you may
585 be held liable for the tax.
- 586 **25. NOTICE REGARDING CONVICTED SEX OFFENDERS (MEGAN'S LAW) (1-16)**
- 587 The Pennsylvania General Assembly has passed legislation (often referred to as "Megan's Law," 42 Pa.C.S. § 9791 et seq.) providing
588 for community notification of the presence of certain convicted sex offenders. **Buyers are encouraged to contact the municipal police**
589 **department or the Pennsylvania State Police** for information relating to the presence of sex offenders near a particular property, or to
590 check the information on the Pennsylvania State Police website at www.pameganslaw.state.pa.us.
- 591 **26. REPRESENTATIONS (2-12)**
- 592 (A) All representations, claims, advertising, promotional activities, brochures or plans of any kind made by Seller, Brokers, their licensees,
593 employees, officers or partners are not a part of this Agreement unless expressly incorporated or stated in this Agreement. This
594 Agreement contains the whole agreement between Seller and Buyer, and there are no other terms, obligations, covenants, represen-
595 tations, statements or conditions, oral or otherwise, of any kind whatsoever concerning this sale. This Agreement will not be altered,
596 amended, changed or modified except in writing executed by the parties.
- 597 (B) Unless otherwise stated in this Agreement, **Buyer has inspected the Property (including fixtures and any personal property**
598 **specifically listed herein) before signing this Agreement or has waived the right to do so, and agrees to purchase the Property**
599 **IN ITS PRESENT CONDITION**, subject to inspection contingencies elected in this Agreement. Buyer acknowledges that Brokers,
600 their licensees, employees, officers or partners have not made an independent examination or determination of the structural sound-
601 ness of the Property, the age or condition of the components, environmental conditions, the permitted uses, nor of conditions existing
602 in the locale where the Property is situated; nor have they made a mechanical inspection of any of the systems contained therein.
- 603 (C) Any repairs required by this Agreement will be completed in a workmanlike manner.
- 604 (D) Broker(s) have provided or may provide services to assist unrepresented parties in complying with this Agreement.
- 605 **27. DEFAULT, TERMINATION AND RETURN OF DEPOSITS (1-16)**
- 606 (A) Where Buyer terminates this Agreement pursuant to any right granted by this Agreement, Buyer will be entitled to a return of all
607 deposit monies paid on account of Purchase Price pursuant to the terms of Paragraph 27(B), and this Agreement will be VOID. Ter-
608 mination of this Agreement may occur for other reasons giving rise to claims by Buyer and/or Seller for the deposit monies.
- 609 (B) Regardless of the apparent entitlement to deposit monies, Pennsylvania law does not allow a Broker holding deposit monies to de-
610 termine who is entitled to the deposit monies when settlement does not occur. Broker can only release the deposit monies:
- 611 1. If this Agreement is terminated prior to settlement and there is no dispute over entitlement to the deposit monies. A written
612 agreement signed by both parties is evidence that there is no dispute regarding deposit monies.
- 613 2. If, after Broker has received deposit monies, Broker receives a written agreement that is signed by Buyer and Seller, directing
614 Broker how to distribute some or all of the deposit monies.
- 615 3. According to the terms of a final order of court.
- 616 4. According to the terms of a prior written agreement between Buyer and Seller that directs the Broker how to distribute the
617 deposit monies if there is a dispute between the parties that is not resolved. (See Paragraph 27(C))
- 618 (C) Buyer and Seller agree that if there is a dispute over the entitlement to deposit monies that is unresolved _____ days (180 if not spec-
619 ified) after the Settlement Date stated in Paragraph 4(A) (or any written extensions thereof), or following termination of the Agree-
620 ment, whichever is earlier, then the Broker holding the deposit monies will, within 30 days of receipt of Buyer's written request,
621 distribute the deposit monies to Buyer unless the Broker is in receipt of verifiable written notice that the dispute is the subject of lit-

622 Buyer Initials: 

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Seller Initials: 

- 623 litigation or mediation. If Broker has received verifiable written notice of litigation prior to the receipt of Buyer's request for distribution,
- 624 Broker will continue to hold the deposit monies until receipt of a written distribution agreement between Buyer and Seller or a final
- 625 court order. Buyer and Seller are advised to initiate litigation for any portion of the deposit monies prior to any distribution made by
- 626 Broker pursuant to this paragraph. Buyer and Seller agree that the distribution of deposit monies based upon the passage of time
- 627 does not legally determine entitlement to deposit monies, and that the parties maintain their legal rights to pursue litigation even
- 628 after a distribution is made.
- 629 (D) Buyer and Seller agree that Broker who holds or distributes deposit monies pursuant to the terms of Paragraph 27 or Pennsylvania
- 630 law will not be liable. Buyer and Seller agree that if any Broker or affiliated licensee is named in litigation regarding deposit monies,
- 631 the attorneys' fees and costs of the Broker(s) and licensee(s) will be paid by the party naming them in litigation.
- 632 (E) Seller has the option of retaining all sums paid by Buyer, including the deposit monies, should Buyer:
- 633 1. Fail to make any additional payments as specified in Paragraph 2, OR
- 634 2. Furnish false or incomplete information to Seller, Broker(s), or any other party identified in this Agreement concerning Buyer's
- 635 legal or financial status, OR
- 636 3. Violate or fail to fulfill and perform any other terms or conditions of this Agreement.
- 637 (F) **Unless otherwise checked in Paragraph 27(G),** Seller may elect to retain those sums paid by Buyer, including deposit monies:
- 638 1. On account of purchase price, OR
- 639 2. As monies to be applied to Seller's damages, OR
- 640 3. As liquidated damages for such default.
- 641 (G) **SELLER IS LIMITED TO RETAINING SUMS PAID BY BUYER, INCLUDING DEPOSIT MONIES, AS LIQUIDATED**
- 642 **DAMAGES.**
- 643 (H) If Seller retains all sums paid by Buyer, including deposit monies, as liquidated damages pursuant to Paragraph 27(F) or (G), Buyer
- 644 and Seller are released from further liability or obligation and this Agreement is VOID.
- 645 (I) Brokers and licensees are not responsible for unpaid deposits.

646 **28. MEDIATION (2-12)**

647 Buyer and Seller will submit all disputes or claims that arise from this Agreement, including disputes and claims over deposit monies,
648 to mediation. Mediation will be conducted in accordance with the Rules and Procedures of the Home Sellers/Home Buyers Dispute Res-
649 olution System, unless it is not available, in which case Buyer and Seller will mediate according to the terms of the mediation system of-
650 fered or endorsed by the local Association of Realtors®. Mediation fees, contained in the mediator's fee schedule, will be divided equally
651 among the parties and will be paid before the mediation conference. This mediation process must be concluded before any party to the
652 dispute may initiate legal proceedings in any courtroom, with the exception of filing a summons if it is necessary to stop any statute of
653 limitations from expiring. Any agreement reached through mediation and signed by the parties will be binding (see Notice Regarding
654 Mediation). Any agreement to mediate disputes or claims arising from this Agreement will survive settlement.

655 **29. RELEASE (1-16)**

656 Buyer releases, quit claims and forever discharges SELLER, ALL BROKERS, their LICENSEES, EMPLOYEES and any OF-
657 FICER or PARTNER of any one of them and any other PERSON, FIRM or CORPORATION who may be liable by or through
658 them, from any and all obligations, claims, losses or demands, including, but not limited to, personal injury and property damage and
659 all of the consequences thereof, whether known or not, which may arise from the presence of termites or other wood-boring insects,
660 radon, lead-based paint hazards, mold, fungi or indoor air quality, environmental hazards, any defects in the individual on-lot sewage
661 disposal system or deficiencies in the on-site water service system, or any defects or conditions on the Property. Should Seller be in
662 default under the terms of this Agreement or in violation of any Seller disclosure law or regulation, this release does not deprive Buyer
663 of any right to pursue any remedies that may be available under law or equity. This release will survive settlement.

664 **30. REAL ESTATE RECOVERY FUND (9-05)**

665 A Real Estate Recovery Fund exists to reimburse any persons who have obtained a final civil judgment against a Pennsylvania real estate
666 licensee (or a licensee's affiliates) owing to fraud, misrepresentation, or deceit in a real estate transaction and who have been unable to
667 collect the judgment after exhausting all legal and equitable remedies. For complete details about the Fund, call (717) 783-3658 or (800)
668 822-2113 (within Pennsylvania) and (717) 783-4854 (outside Pennsylvania).

669 **31. COMMUNICATIONS WITH BUYER AND/OR SELLER (2-12)**

670 Wherever this Agreement contains a provision that requires or allows communication/delivery to a Buyer, that provision shall be satisfied
671 by communication/delivery to the Broker for Buyer, if any, **except for documents required to be delivered pursuant to Paragraph**
672 **18.** If there is no Broker for Buyer, those provisions may be satisfied only by communication/delivery being made directly to the Buyer,
673 unless otherwise agreed to by the parties. Wherever this Agreement contains a provision that requires or allows communication/delivery
674 to a Seller, that provision shall be satisfied by communication/delivery to the Broker for Seller, if any. If there is no Broker for Seller,
675 those provisions may be satisfied only by communication/delivery being made directly to the Seller, unless otherwise agreed to by the
676 parties.

677 **32. HEADINGS (1-16)**

678 The section and paragraph headings in this Agreement are for convenience only and are not intended to indicate all of the matter in the
679 sections which follow them. They shall have no effect whatsoever in determining the rights, obligations or intent of the parties.

680 Buyer Initials:

Seller Initials:

681 33. SPECIAL CLAUSES (2-12)

682 (A) The following are part of this Agreement if checked:

- 683 Sale & Settlement of Other Property Contingency Addendum (PAR Form SSP)
- 684 Sale & Settlement of Other Property Contingency with Right to Continue Marketing Addendum (PAR Form SSPCM)
- 685 Sale & Settlement of Other Property Contingency with Timed Kickout Addendum (PAR Form SSPTKO)
- 686 Settlement of Other Property Contingency Addendum (PAR Form SOP)
- 687 Short Sale Addendum to Agreement of Sale (PAR Form SHS)
- 688 Appraisal Contingency Addendum (PAR Form ACA)
- 689 This agreement is subject to be approval by the U.S. District Justice Court Adm.
- 690
- 691 Addendum endorsement attached to be made a part herein.

692 (B) Additional Terms:

693 ~~Building Permit. This Agreement is contingent upon Buyer at Buyers expense~~
 694 ~~obtaining a Building Permit prior to settlement, from Springfield Township and all~~
 695 ~~other Government agencies have jurisdiction, in to Construct a Single Family home~~
 696 ~~on the lot described herein. Should Buyer be unable to obtain a Building Permit~~
 697 ~~Prior to Settlement contemplated herein then Buyer shall have the option to Proceed~~
 698 ~~to settlement or declare this Agreement Null and Void and all deposit monies shall~~
 699 ~~be returned to Buyer~~

700 Public Water Hookup Fee is included in the Purchase Price.

701 Buyer has received the Following:

- 702 1. Subdivision Plans
- 703 2. On-lot Sewage disposal Permit
- 704 3. Septic Design.
- 705 4. CVM Geo- tech Report for lot 18
- 706 5. Spring Knoll Design Restrictions Addendum.
- 707 6. Ordinance 138

709 Buyer and Seller acknowledge receipt of a copy of this Agreement at the time of signing.

711 This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and which counterparts together shall constitute one and the same Agreement of the Parties.

713 NOTICE TO PARTIES: WHEN SIGNED, THIS AGREEMENT IS A BINDING CONTRACT. Parties to this transaction are advised to consult a Pennsylvania real estate attorney before signing if they desire legal advice.

715 Return of this Agreement, and any addenda and amendments, including return by electronic transmission, bearing the signatures of all parties, constitutes acceptance by the parties.

717 ____ / ____ Buyer has received the Consumer Notice as adopted by the State Real Estate Commission at 49 PA. Code §35.336.

718 ____ / ____ Buyer has received a statement of Buyer's estimated closing costs before signing this Agreement.

719 ____ / ____ Buyer has received the Deposit Money Notice (for cooperative sales when Broker for Seller is holding deposit money) before signing this Agreement.

721 BUYER Stephen H. Heise PRES. DATE 2-23-17
Genesis Builders

722 BUYER _____ DATE _____

723 BUYER _____ DATE _____

724 Seller has received the Consumer Notice as adopted by the State Real Estate Commission at 49 Pa. Code § 35.336.

725 Seller has received a statement of Seller's estimated closing costs before signing this Agreement.

726 SELLER Reshecar Realty Inc PRES. DATE 2-27-17

727 SELLER _____ DATE _____

728 SELLER _____ DATE _____

APPENDUM/ENDORSEMENT TO AGREEMENT OF SALE

ASA

1 PROPERTY Lot 18 Woodbyne rd Spring Knoll
2 Hellertown, Pa. 18055
3 SELLER Reshetar Realty Inc
4 BUYER Genesis Builders
5 DATE OF AGREEMENT February 20, 2017
6

7 Buyer agrees to remove the contingency for Buyer to obtain a Building permit for lot 18.
8

10
11 Buyer and Seller agree to extend Settlement as described in Paragraph 4(A) of the above
12 mentioned agreement of sale to the later of (i) May 3, 2017 or (ii) ten days after the
13 entry of a final order of the United States Bankruptcy Court of Eastern District of
14 Pennsylvania approving the sale of the property to be sold in the Agreement of Sale.
15

37 All other terms and conditions of the Agreement of Sale remain unchanged and in full force and effect.
38

39 WITNESS _____ BUYER Stephen H. Heise DATE 4-10-17
40 Genesis Builders

42 WITNESS _____ BUYER _____ DATE _____
43

45 WITNESS _____ BUYER _____ DATE _____
46

48 WITNESS _____ SELLER [Signature] DATE 4-11-17
49 Reshetar Realty Inc JRES

51 WITNESS _____ SELLER _____ DATE _____
52

54 WITNESS _____ SELLER _____ DATE _____
55

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RE/MAX Services - Corporate, 794 Penllyn Pike Ste 200 Blue Bell, PA PA
Phone: 215-641-2500 Fax: 215-641-2542 Robert Acuff

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Genesis - Spring

SPRINGTOWN KNOLL DESIGN RESTRICTIONS ADDENDUM

- A. Minimum home size is 2,550 square feet and a minimum of 53' in width along front elevation.
- B. All garages shall be side loaded (not facing the street).
- C. The Front Elevations shall be a minimum of 25% in masonry walls, either brick or stone. No vinyl siding is permitted on front elevations. Hardboard or Stucco are acceptable. Vinyl siding often warps and is not aesthetically pleasing on the front elevations.
- D. Roof Pitch must rise at least 5" in every 12". All roof shingles that are visible from the street must be a 30+ year architectural dimensional shingles.
- E. Exterior elevations must be approved by Reshetar Realty Inc. prior to construction, verifying the above conditions are addressed.
- F. Any tool shed or accessory building must be in the rear yard and behind the rear line of the proposed house. The color and style of shed must match house.

The Design Restrictions listed above survive Settlement.

Buyer: Gemin Builders inc. / Stephen H. Hens pres.

Seller: [Signature] PRES. RFI

Date: APRIL 11, 2017

/