

AGREEMENT FOR THE SALE OF REAL ESTATE

THIS AGREEMENT made this 22nd day of August, 2000, by and between JAMES C. TANNER and LETTE J. TANNER, his wife, of 1370 Almhouse Road, Ivyland, Pennsylvania 18974 (hereinafter called "Seller") and NORTHAMPTON, BUCKS COUNTY, MUNICIPAL AUTHORITY, 111 Township Road, Richboro, Pennsylvania 18954 (hereinafter called "Buyer").

Intending to be legally bound hereby, the parties hereto do hereby agree as follows:

I. PROPERTY

The Seller hereby agrees to sell and convey to the Buyer, who hereby agrees to purchase:

ALL THAT CERTAIN lot or piece of land consisting of 5.91 acres more or less (hereinafter called "Authority Parcel") as indicated in Exhibit "A" attached hereto being a plan prepared by Pennoni Associates, Inc. dated May 3, 2000 (hereinafter called "Plan") and as indicated in a legal description set forth in Exhibit "B" attached hereto, which presently is contained within a certain lot or piece of land with buildings and improvements thereon erected, consisting of 49.674 acres more or less (hereinafter called "Tanner Farm"), located in Northampton Township, Bucks County, Pennsylvania, known as Bucks County tax parcel number 31-1-15 as indicated in a legal description set forth in Exhibit "C" attached hereto.

II. TERMS

"Purchase Price" for the Authority Parcel and such other consideration provided by Seller as hereinafter set forth is One Million Two Hundred Sixty Thousand (\$1,260,000.00) Dollars to be paid by the Buyer as follows:

1. A deposit of One Hundred Thousand (\$100,000.00) Dollars cash or check at signing of this Agreement, payable to the escrow agent hereinafter designated, to be held in a federally insured banking institution escrow account until settlement or sooner cancellation of this Agreement.
2. One Million One Hundred Sixty Thousand (\$1,160,000.00) Dollars cash or certified check at settlement.

III. SETTLEMENT

1. Settlement hereunder shall be made at the offices of the Buyer within thirty (30) days

after the Buyer has received final and unappealable approvals, permits or decisions from Northampton Township, Northampton Township Zoning Hearing Board and all other township boards, commissions and offices (hereinafter called "Approvals") required to obtain the subdivision from the Tanner Farm of the Authority Parcel and permitting the use of the Authority Parcel as a sanitary sewer pumping station facility of such size, design and construction as shall meet the approval of the Buyer, but in no event later than February 28, 2001. In the event that the Buyer shall fail to receive all Approvals by February 28, 2001, this Agreement shall be NULL and VOID and all deposit monies shall be returned to the Buyer.

2. Conveyancing of the Authority Parcel from the Seller to the Buyer will be by fee simple deed of special warranty.

3. Payment of all transfer taxes associated with this transaction shall be paid equally between the Seller and the Buyer.

IV. TITLE AND COSTS

1. The Authority Parcel is to be conveyed free and clear of all liens, encumbrances and easements, EXCEPTING HOWEVER, easements visible upon the ground, privileges or rights of public service companies, if any; otherwise the title to the Authority Parcel shall be good and marketable and such as will be insured by any reputable title insurance company at the regular rates.

2. In the event the Seller is unable to give good and marketable title and such as will be insured by any reputable title company, this Agreement shall be NULL and VOID and all deposit monies shall be returned to the Buyer; EXCEPTING HOWEVER, the Buyer, in the Buyer's sole discretion, may elect to acquire the Authority Parcel subject to those liens, encumbrances and easements as may exist.

V. TREES, SHRUBBERY, ETC.

All existing trees, shrubbery and all other natural growth, improvements or any other natural objects currently located within the Authority Parcel shall remain on the Authority Parcel, undisturbed, until settlement and shall be included in this transaction.

VI. POSSESSION AND TENDER

Possession is to be delivered by deed and physical possession to the Authority Parcel, free of debris or any other such similar matter as of settlement. The Buyer reserves the right to make a pre-settlement inspection of the Premises.

VII. PUMP STATION

1. The Buyer agrees to promptly commence the various filings and applications necessary for obtaining Approvals and proceed therewith in a reasonable manner, which shall include

the following:

a. Approval to subdivide the Tanner Farm so as to cause the Authority Parcel to be a separate and distinct parcel, capable of being singularly and separately transferred by the Seller and improved by the Buyer as contemplated hereunder.

b. Approval for the Authority Parcel of the construction and operation of a sanitary sewer pump station structure, together with such ancillary facilities (collectively hereinafter called "Pump Station") which the Buyer deems appropriate, and the construction of a permanent access road from Almshouse Road to the Pump Station; all of which shall be satisfactory to the Buyer, in its sole and exclusive discretion as to size, design, construction, physical nature and the like.

c. All other governmental approvals required for the construction and operation of the Pump Station and aforementioned access road as the Buyer shall deem necessary or may be required by the Buyer for the intended use of these facilities.

d. So as to conform with the aesthetics of the existing residential structure on the Tanner Farm, the Buyer agrees to construct significant portions of the exterior walls of the building containing the Pump Station facilities of natural fieldstone.

VIII. RELEASE AND INDEMNIFICATION

1. The parties hereto acknowledge that a significant portion of the Purchase Price to be paid by the Buyer to the Seller is allocated to the granting of a release by the Seller and indemnification of the Buyer related to the anticipated construction and operation (and possible future abandonment) of the Pump Station and Easements (as hereinafter defined and referenced in Section IX hereof), which may, from time to time cause noxious odors, undesired noise and the potential of accidental release of effluents, caused by regular use of the Pump Station and the Easements, as hereinafter defined, and related occurrences, caused by the negligence of the Buyer or third parties, and/or occurrences beyond the reasonable control of any party (all of which are collectively hereinafter called "Operation Factors").

2. Notwithstanding the above, the Seller does hereby release and forever discharge the Buyer, its successors and assigns, of and from all manner of actions and causes of action, suits, judgments, claims and demands whatsoever, in law or equity, with respect to all future Operation Factors whether affecting directly or indirectly the Authority Parcel or any portion of the Tanner Farm which the Seller, their successors, heirs and assigns, can, shall or may have, for or by reason of any cause, matter or thing whatsoever from the date of settlement and forevermore.

3. Additionally, the Seller, their successors, heirs and assigns, do hereby indemnify the

Buyer, its successors and assigns, and holds them harmless against any claims, demands, actions or obligations related to the Operation Factors initiated by any person or entity whatsoever claiming any rights or interest in the Tanner Farm, both present and at all times in the future, and the Seller shall reimburse the Buyer related to expenditures of any kind and nature, direct and indirect, incurred by the Buyer associated with the indemnification herein granted by the Seller as set forth herein.

4. Further acknowledging the public and political nature of the Buyer as a municipal authority, and the desire of the Buyer to avoid events and occurrences which would give rise to the needs for legal assurances of the Seller as referred to in Paragraphs 2 and 3 above of this Section, the Seller does hereby agree to limit the future development of the Tanner Farm to the extent as is set forth hereinbelow in Section X hereof. The Seller shall execute at settlement a document in form identical to the document attached as Exhibit "D" which may be recorded in the Office of the Bucks County Recorder of Deed by the Buyer, thereby reducing the possibility of any future need to impose the defense by the Buyer of the release set forth in Paragraph 2 above in this Section and/or the indemnification set forth in Paragraph 3 above in this Section by significantly reducing the rights of the Seller to develop the Tanner Farm and thereby significantly reducing the exposure to the Seller and third parties to possible Operation Factors.

IX. EASEMENTS

1. The parties hereto acknowledge that an additional significant portion of the Purchase Price to be paid by the Buyer to the Seller is allocated to the granting of various thirty (30') feet wide easements by the Seller to the Buyer related to the anticipated construction, operation and maintenance of sanitary sewer and public water lines within the Tanner Farm (all of which are collectively hereinafter called "Easements").

2. The Seller does hereby permit the Buyer to construct, operate and maintain all Easements within the Tanner Farm as the Buyer shall deem necessary for the operation of its activities as a provider of public water and sanitary sewer service, except that none of the Easements shall be within seventy-five (75) feet of any existing building or anticipated building on the Tanner Farm, as is indicated in all instances on the Plan. Accordingly, the Seller shall execute at settlement a document in form identical to the document attached hereto as Exhibit "E" which may be recorded by the Buyer in the Office of the Bucks County Recorder of Deeds.

X. FUTURE DEVELOPMENT

Notwithstanding the restrictions on future development of the Tanner Farm as are set forth in Section VIII hereof, nothing herein shall restrict or prevent the Seller to construct their farm

stand and greenhouse facilities along Almhouse Road, as indicated on the Plan, consistent with the Seller's present application to the Township and the construction of two (2) additional single family dwelling units and appurtenances thereto on the Tanner Farm as indicated on the Plan for use, occupancy and enjoyment by family members of the Seller. Buyer does hereby agree to waive all of its tapping fees associated with the connection of the aforementioned two (2) additional single family dwelling units into Buyer's public water and sanitary sewer systems. It is agreed by the Seller that all buildings referenced in this Section shall likewise (as with the Pump Station buildings) conform with the aesthetics of the existing residential structure on the Tanner Farm by constructing the exterior walls of each building with natural fieldstone.

XI. GRAZING RIGHTS

Except for any portion of the Authority Parcel which the Buyer may desire to enclose by fence or other appropriate enclosure such as plantings, the Buyer, after settlement, shall permit the livestock owned by the Seller to graze upon the Authority Parcel, subject to the Seller maintaining, in a reasonable manner, all areas upon which such livestock graze and to adequately repair, maintain and replace, if necessary, the land and improvements on the Authority Parcel in a manner reasonably required by the Buyer.

XII. MAINTENANCE AND RISK OF LOSS

The Seller shall bear the risk of loss from any casualty or occurrence upon the Authority Parcel until the time of settlement. In the event of damage to the Authority Parcel, any such casualty shall be eliminated as of the time of settlement, and the Seller shall be responsible at all times prior to settlement to maintain and upkeep the Authority Parcel in its present condition subject to normal events associated with the Seller's livestock which shall continue to graze on the Authority Parcel until and after settlement.

XIII. DEFAULT

The date for settlement and all other items referred to for the performance of any of the obligations of this Agreement are hereby agreed to be of the essence of this Agreement. Should the Buyer fail to make any additional payments as specified in Section III hereof; or, fail to proceed with the Approvals consistent with Section VII hereof, which act results in the failure to obtain the Approvals, all deposit monies shall be retained by the Seller as liquidated damages for such breach and the Buyer shall be released of all liabilities and obligations and this Agreement shall be NULL and VOID.

XIV. ESCROW

Pending settlement, the Buyer shall pay to attorney for the Seller, as escrow agent, all deposit monies required under this Agreement, who shall hold such funds in escrow upon the following

terms:

1. In the event of default by the Seller under this Agreement, or termination by the Buyer for failure of fulfillment of any of the contingencies set forth in this Agreement, the monies deposited under this Agreement, with interest, shall be immediately refunded to the Buyer, and the Seller shall have no further liability under this Agreement.

2. In the event of a default by the Buyer under this Agreement, the monies deposited hereunder, with interest, shall immediately be paid to the Seller as liquidated damages and the Buyer shall have no further liability under this Agreement.

3. If settlement is concluded under the terms and conditions of this Agreement, all monies deposited under this Agreement, with interest, shall be paid to the Seller at settlement.

XV. MISCELLANEOUS PROVISIONS

1. The parties hereto shall execute and deliver such other documents as shall be reasonably necessary to consummate the transactions contemplated herein. All documents to be executed and delivered pursuant to this Agreement or in connection with the transactions contemplated shall be, as to form and content, consistent with the terms of this Agreement.

2. This Agreement is being delivered in and is intended to be performed in Bucks County, Pennsylvania and shall be construed and enforceable in accordance with the laws of the Commonwealth of Pennsylvania.

3. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, administrators, executors, successors, transferees and assigns.

4. The captions contained herein are not a part of this Agreement. They are only for the convenience of the parties hereto and do not in any way modify, amplify or give notice of any of the terms, covenants or conditions of this Agreement.

5. It is the understanding of the parties hereto that the value of the Authority Parcel and the Tanner Farm rights being conveyed by Seller under this Agreement may exceed the cash consideration payable under this Agreement. Because the Tanner Farm serves as habitat for wildlife and possesses unique natural and scenic values and physical characteristics, including but not limited to woodlands, meadows, slopes, open space, watercourses, wetlands and water resource values (collectively "Conservation Values"), and is worthy of conservation protection and is of great importance to the people of Northampton Township and Bucks County, and because Seller intends to assure the protection and preservation of the Conservation Values of the Tanner Farm in perpetuity, and to this end is restricting the permitted development and land use activities so as not to impair or interfere with such values, it is Seller's intent to:

a. Attempt to confirm by an appraisal, performed by a qualified appraiser duly licensed by the Commonwealth of Pennsylvania, to be obtained at Seller's expense prior to settlement hereunder, that the value of the various rights, restrictions and easements being conveyed to Buyer hereunder exceeds the cash consideration set forth in this Agreement.


b. Make a donation of that excess value, if any, to the Authority, and to the people of Northampton Township and Bucks County. Buyer warrants that it is a qualified organization under Section 170(c) of the Internal Revenue code and shall cooperate with Seller as necessary to enable Seller to obtain a charitable deduction of such excess value, if any. In particular, Buyer agrees to execute at settlement a donee acknowledgment on IRS form 8283, consistent with the above.


XVI. UNDERSTANDING OF PARTIES

This Agreement contains the entire understanding between the parties, and no representative or officer of the parties hereto has authority to make or has made any statements, agreements or representations, either oral or written in connection herewith, modifying, adding to or changing the terms and conditions set forth herein. No modifications to this Agreement shall be binding unless such modification shall be in writing and signed by the parties hereto.

IN WITNESS WHEREOF, the parties hereto, intended to be legally bound hereby, have hereunder set their hands and seals the day and year first above written.

SELLER:

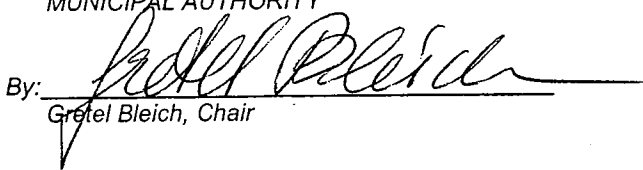
 (SEAL)
James C. Tanner

 (SEAL)
Lettie J. Tanner

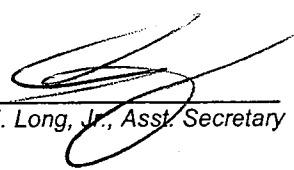
BUYER:

NORTHAMPTON, BUCKS COUNTY,
MUNICIPAL AUTHORITY

By:


Gretel Bleich, Chair

Attest:


John E. Long, Jr., Asst. Secretary