

RED HORSE STABLE

PURCHASE & SALES AGREEMENT

AGREEMENT made this day of June, 2008, between River Bridge Realty Group, Ltd. , hereinafter referred to as “Seller”, and , with offices located at hereinafter referred to as “Purchaser”;

NOW THEREFORE, in consideration of the premises, the parties, intending to be legally bound, hereby agree as follows:

1. Seller agrees to sell and Purchaser agrees to buy the property known as Red Horse Stables located at 455 Crook Horn Road, Southbury, Connecticut, hereinafter referred to as the “Property”, for the Highest acceptable bid plus 5% Buyers premium totaling _____. The final sales price to be inserted herein following acceptance of the Purchasers Bid.
2. Purchaser shall execute the within Contract and submit same to the Auctioneer, Aaron Posnik & Co., Inc., hereinafter referred to as “Auctioneer”, together with the deposit, as hereinbelow described at least one (1) hour prior to the commencement of the Auction. Said deposit shall be held in escrow by Auctioneer pursuant to the terms of said escrow deposit hereinbelow written.
3. Purchaser agrees to tender upon execution of this Auction Sales Contract the sum of One Hundred Fifty Thousand (\$150,000.00) Dollars (“Deposit”). Said Deposit must be tendered to Auctioneer by Certified Check, Bank Draft or Cash at least one (1) hour prior to the commencement of the Auction.
4. Upon acceptance of the Bid by Seller, Auctioneer shall insert the final Purchase Price, seller shall execute same and a completed executed copy shall be given to Purchaser.
5. Purchaser shall have five (5) business days from acceptance by Seller of Purchaser’s Bid, to increase the deposit to 10% of the Purchase Price inserted in paragraph 1 hereinabove written. The balance of the deposit shall be paid to the Auctioneer by certified check, Bank Draft or Wire Transfer. The failure of Purchaser to comply with this requirement shall result in the absolute forfeiture of the initial deposit made in accordance with Paragraph 3 hereinabove written.
6. Closing shall take place Forty-Five (45) days from the date of acceptance of Purchaser’s Bid at a time and place to be agreed upon by the parties. Except for the Quitclaim Deed, the Seller shall have no obligation to provide to or on behalf of the Buyer any affidavits, indemnities, or

other instruments and agreements in connection with the transfer of the Premises as provided herein. In the event, however, that Purchaser notifies Seller of a defect in Title, seller reserves the right to extend the closing date for a period of thirty (30) days or such other additional length of time that may be required to cure such defect

7. This Auction Real Estate Sales Contract is not contingent upon Purchaser obtaining financing.

8. This Agreement is binding upon and shall inure to the benefit of the Seller's and Purchaser's respective heirs, executors, administrators, successors and assigns.

9. The Purchaser shall be entitled to possession upon the closing of this Auction Real Estate Sales Contract.

10. Except as is otherwise expressly provided in this Contract, Seller hereby specifically disclaims any warranty (oral or written) concerning (i) the nature and condition of the Property and its suitability for any and all activities and uses that Buyer may elect to conduct on the Property; (ii) the manner, construction, condition and state of repair or lack of repair of the Improvements; (iii) the nature and extent of any right-of-way, lien, encumbrance, license, reservation, condition, or otherwise; (iv) the compliance of the Property or its operation with any laws, rules, ordinances or regulations of any government or other body, it being specifically understood that Buyer has had full opportunity, prior to the Auction, to determine for itself the condition of the Property; and (v) any other matter whatsoever except as expressly set forth in this Contract. Except as is otherwise expressly provided in this Contract, the sale of the Property as provided for in this Contract is made on a strictly "AS IS" "WHERE IS" basis as of the Closing Date. Except as otherwise expressly provided in this Contract, Buyer expressly acknowledges that, in consideration of the agreements of Seller in this Contract, SELLER MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT IN NO WAY LIMITED TO, ANY WARRANTY OF QUANTITY, QUALITY, CONDITION, HABITABILITY, MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY, ANY IMPROVEMENTS LOCATED ON THE PROPERTY OR ANY SOIL CONDITIONS RELATED TO THE PROPERTY. BUYER SPECIFICALLY ACKNOWLEDGES THAT BUYER IS *NOT* RELYING ON (AND SELLER HEREBY DISCLAIMS AND RENOUNCES) ANY REPRESENTATIONS OR WARRANTIES MADE BY OR ON BEHALF OF SELLER OF ANY KIND OR NATURE WHATSOEVER, EXCEPT AS IS OTHERWISE EXPRESSLY PROVIDED IN THIS CONTRACT. FURTHER, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS CONTRACT, BUYER, FOR BUYER AND BUYER'S SUCCESSORS AND ASSIGNS, HEREBY RELEASES SELLER FROM AND WAIVES ANY AND ALL CLAIMS AND LIABILITIES AGAINST SELLER FOR, RELATED TO, OR IN CONNECTION WITH, ANY ENVIRONMENTAL CONDITION AT THE PROPERTY (OR THE PRESENCE OF ANY MATTER OR SUBSTANCE RELATING TO THE ENVIRONMENTAL CONDITION OF THE PROPERTY), INCLUDING, BUT NOT LIMITED TO, CLAIMS AND/OR LIABILITIES RELATING TO (IN ANY MANNER WHATSOEVER) ANY HAZARDOUS, TOXIC OR DANGEROUS MATERIALS OR SUBSTANCES LOCATED IN, AT, ABOUT OR UNDER THE PROPERTY, OR FOR ANY AND ALL CLAIMS OR CAUSES OF ACTION (ACTUAL OR THREATENED) BASED

UPON, IN CONNECTION WITH OR ARISING OUT OF THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT, 42 U.S.C. §9601 ET SEQ. (“CERCLA”); THE RESOURCE CONSERVATION AND RECOVERY ACT, 42 U.S.C. §6901 ET SEQ. (“RCRA”); AND THE SUPERFUND AMENDMENTS AND REAUTHORIZATION ACT, 42 U.S.C. §9601 ET SEQ. (“SARA”) OR ANY OTHER CLAIM OR CAUSE OF ACTION (INCLUDING ANY FEDERAL OR STATE BASED STATUTORY, REGULATORY OR COMMON LAW CAUSE OF ACTION) RELATED TO ENVIRONMENTAL MATTERS OR LIABILITY WITH RESPECT TO OR AFFECTING THE PROPERTY. BUYER REPRESENTS TO SELLER THAT BUYER HAS CONDUCTED, OR WILL CONDUCT BEFORE CLOSING, SUCH INVESTIGATIONS OF THE PROPERTY, INCLUDING BUT NOT LIMITED TO, THE PHYSICAL AND ENVIRONMENTAL CONDITIONS THEREOF, AS BUYER DEEMS NECESSARY TO SATISFY ITSELF AS TO THE CONDITION OF THE PROPERTY AND THE EXISTENCE OR NONEXISTENCE OR CURATIVE ACTION TO BE TAKEN WITH RESPECT TO ANY HAZARDOUS OR TOXIC SUBSTANCES ON OR DISCHARGED FROM THE PROPERTY AND WILL RELY SOLELY ON SAME AND NOT ON ANY INFORMATION PROVIDED BY OR ON BEHALF OF SELLER OR ITS AGENTS OR EMPLOYEES WITH RESPECT THERETO, OTHER THAN SUCH REPRESENTATIONS, WARRANTIES, AND COVENANTS OF SELLER AS ARE EXPRESSLY SET FORTH IN THIS CONTRACT. UPON CLOSING, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, BUYER SHALL ASSUME THE RISK THAT ADVERSE MATTERS, INCLUDING, BUT NOT LIMITED TO, CONSTRUCTION DEFECTS AND ADVERSE PHYSICAL AND ENVIRONMENTAL CONDITIONS, MAY NOT HAVE BEEN REVEALED BY BUYER’S INVESTIGATIONS, AND BUYER, ON CLOSING, SHALL BE DEEMED TO HAVE WAIVED, RELINQUISHED, AND RELEASED SELLER FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, CAUSES OF ACTION (INCLUDING CAUSES OF ACTION IN TORT), LOSSES, DAMAGES, LIABILITIES, COSTS, AND EXPENSES (INCLUDING ATTORNEYS’ FEES AND COURT COSTS) OF ANY AND EVERY KIND OR CHARACTER, KNOWN OR UNKNOWN, THAT BUYER MIGHT HAVE ASSERTED OR ALLEGED AGAINST SELLER, AT ANY TIME BY REASON OF OR ARISING OUT OF ANY LATENT OR PATENT CONSTRUCTION DEFECTS OR PHYSICAL CONDITIONS, VIOLATIONS OF ANY APPLICABLE LAWS (INCLUDING, WITHOUT LIMITATION, ANY ENVIRONMENTAL LAWS) AND ANY AND ALL OTHER ACTS, OMISSIONS, EVENTS, CIRCUMSTANCES, OR MATTERS REGARDING THE PROPERTY. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS CONTRACT, BUYER AGREES THAT SHOULD ANY CLEANUP, REMEDIATION, OR REMOVAL OF HAZARDOUS SUBSTANCES OR OTHER ENVIRONMENTAL CONDITIONS ON THE PROPERTY BE REQUIRED AFTER THE DATE OF CLOSING, SUCH CLEANUP, REMOVAL, OR REMEDIATION SHALL BE THE RESPONSIBILITY OF AND SHALL BE PERFORMED AT THE SOLE COST AND EXPENSE OF BUYER.

Buyer acknowledges and agrees that the provisions contained in this **Section** are a material factor in Seller’s acceptance of the Bid made at auction and the resulting purchase price and that Seller was unwilling to sell the Property to Buyer unless Seller was released as expressly set forth above. **BUYER, WITH BUYER’S COUNSEL, HAS FULLY REVIEWED THE DISCLAIMERS AND WAIVERS SET FORTH IN THIS CONTRACT AND UNDERSTANDS THEIR SIGNIFICANCE AND EFFECT. BUYER ACKNOWLEDGES**

AND AGREES THAT THE DISCLAIMERS AND OTHER AGREEMENTS SET FORTH IN THIS CONTRACT ARE AN INTEGRAL PART OF THIS CONTRACT, AND THAT SELLER WOULD NOT HAVE AGREED TO SELL THE PROPERTY TO BUYER FOR THE PURCHASE PRICE WITHOUT THE DISCLAIMERS AND OTHER AGREEMENTS SET FORTH IN THIS CONTRACT. THE TERMS AND CONDITIONS OF THIS SECTION __ WILL EXPRESSLY SURVIVE THE CLOSING AND WILL NOT MERGE WITH THE PROVISIONS OF ANY CLOSING DOCUMENTS.

11. The Purchaser further acknowledges that this purchase shall be, subject to and with the benefit of all easements, restrictions, building and zoning laws, rights of tenants and parties in possession, existing encumbrances and all other claims in the nature of liens, now existing or hereafter arising, if any there be and as of the date of the delivery of the deed

12. Without limiting the foregoing total exclusion of representations and warranties, the sale is made without any representations or warranties as to the following:

- A. The title to the Premises and the validity, enforceability, or perfection of the Seller's right or interest therein;
- B. Compliance with any building, zoning, health, environmental, or other state, local or federal laws which may affect the use, development, or occupancy of the Premises, including, without limitation, the existence or availability of any permits or approvals relating to use, development or occupancy of the Premises.
- C. The existence on the Premises of any hazardous waste, asbestos, lead-based paint, plaster, or other lead-based accessible material, or any other materials which may be subject to governmental regulation or restriction.
- D. The availability of any certificate concerning compliance of the Premises with any state, local or federal statute, including, without limitation, a smoke detector certificate, if applicable.
- E. The existence, terms and conditions of any leases, the identity or status of any party in possession, and the status of rental payments, security deposits, or other amounts due and payable thereunder.

13. In the event Purchaser determines that any tests, reports, or approvals are necessary in connection with the use, development or occupancy of the Premises, such reports, permits and approvals shall be the responsibility of the Purchaser, at Purchaser's sole cost and expense and the Purchaser's obtaining any such reports, permits or approvals shall not be a pre-condition to Buyer's obligations hereunder nor shall the content of such reports give rise to any right on the part of the Purchaser to terminate this agreement. In the event that any report ordered by the Purchaser requires any sub-surface investigation or any other invasive investigation of the building or property, purchaser shall be liable for all costs relating to the restoration of the property and buildings to the condition that existed prior to such investigation. Purchaser shall notify auctioneer and seller of its intention to have such investigations performed, the name of the company performing such investigations and shall make an appointment with the auctioneer and seller for the performance of such investigations. This clause shall survive the delivery of the deed.

14. Purchaser shall be responsible for paying all closing costs of whatever kind or nature including, but not limited to, applicable transfer taxes and recording fees.

15. Seller shall convey to Purchaser marketable Title in fee simple by transferable and recordable Quitclaim Deed free and clear of all real estate tax and mortgage liens. All other liens and encumbrances flowing with the land are specifically excepted by this contract.

16. Seller shall not be obligated under the terms of this Contract to provide Purchaser with an Owner's Title Insurance Policy or Commitment and any Title Insurance policy or Commitment desired by the Purchaser shall be the sole responsibility and expense of the Purchaser.

17. At closing, Seller shall pay or credit on purchase price all delinquent taxes, including penalty and interest, all assessments which are a lien on the date of Contract. At Closing Seller shall also pay or credit on the purchase price all other unpaid real estate taxes which are a lien for years prior to closing and a portion of such taxes for year of closing prorated through the date of closing and based upon a 365 day year and, if undetermined, on most recent available tax rate and valuation, giving effect to applicable exemptions, recently voted milage, change in valuation, etc., whether or not certified. In no event shall Seller be liable to purchaser for agricultural use tax recoupments, if any, Seller warrants that no improvements or services (site or area) have been installed or furnished, or notification received from any public authority of future improvements of which any part of the costs may be assessed against the real estate.

18. All adjustments shall be made as of midnight of the day preceding the closing for: (a) rentals; (b) interest on any mortgage assumed by Purchaser; (c) transferable insurance policies, if purchaser so elects; (d) Utilities, including water, sewer, electric and telephone; (e) all security deposits, if any, shall be transferred to purchaser and the total thereof shall be an adjustment accruing to Seller's benefit.

19. Risk of loss to the Real Estate and appurtenances shall be borne by Seller until closing provided that if any property covered by this contract shall be substantially damaged or destroyed before this transaction is closed, Seller may either assign insurance proceeds to Purchaser or make appropriate repairs, at Seller's option. Nothing herein contained shall grant Purchaser the right to terminate this contract.

20. The consideration shall include any fixtures, including but not limited to: built in appliances, heating, air conditioning and humidifying equipment and their control apparatus, tubs, pumps, antennae, attached floor coverings, window coverings, attached mirrors, bathroom and lavatory fixtures, storm and screen doors, and windows, awnings and blinds, smoke alarms, satellite TV reception system and components, if any. Other than contained herein, no personal property of any kind or nature is included in this sale.

21. Purchaser has examined all property involved and, in making this offer, is relying solely upon such examination withy reference to the condition, character and size of land and improvements and fixtures, if any. This contract constitutes the entire agreement between the parties and there are no representations, oral or written, which have not been incorporated herein.

Time is of the essence of all provisions of this Contract. All provisions of this Contract shall survive the closing.

22. If purchaser fails to close on or before the date set for closing for any reason whatsoever, this contract shall be deemed null and void and the deposit heretofore paid by Purchaser shall be deemed forfeited.

23. Delivery of the Deed to Purchaser shall be deemed to be full performance and discharge of every agreement and obligation of the Seller herein on its part to be performed.

24. Seller reserves the right to reject any Bid for any reason whatsoever.

25. Notwithstanding anything contained to the contrary herein, neither party shall be entitled to elect to refer any dispute arising from the transaction contemplated herein to mediation, arbitration or other dispute resolution program except in accordance with a subsequent agreement subscribed to by the parties hereto.

26. In the event that any provision of this agreement conflicts with the applicable law of the jurisdiction in which the property is located, such conflict shall not affect any other provision of this Contract.

27. In the event Purchaser defaults under any provision of this agreement, Purchaser acknowledges represents and agrees that any deposit paid in accordance with the terms of this agreement shall be immediately forfeited and paid to the Seller.

28. All notices under this contract shall be in writing and shall be delivered personally or shall be sent by prepaid registered or certified mail return receipt requested as follows:

If to Seller: Jonathan Austern, Esq.
Austern & Austern, P.C.
Two Taconic Court
P.O. Box 558
Wading River, New York 11792
Tel. # 631-929-4541
Fax # 631-929-4543
e-mail AusternAustern@aol.com

If to Purchaser:

29. a) The sum paid in accordance with paragraphs 3 and 5 hereinabove written or any other sums paid on account of the purchase price prior to the closing (collectively, ADown Payment@) shall be paid by wire transfer, certified check, or Bank draft drawn to the order of and delivered to Auctioneer (AEscrowee@), the Escrowee shall hold the proceeds thereof in escrow in a special bank account utilized for that purpose until the closing or sooner termination of this contract and shall pay over or apply such proceeds in accordance with the terms of this paragraph. Escrowee need not hold such proceeds in an interest bearing account, but if any interest is earned thereon, such interest shall be paid to the same party entitled to the escrowed proceeds, and the party receiving such interest shall pay any income taxes thereon. The tax identification numbers of the parties shall be furnished to the Escrowee upon request. At the closing, such proceeds and the interest thereon, if any, shall be paid by Escrowee to seller. If for any reason the closing does not occur and either party makes a written demand upon Escrowee for payment of such amount, Escrowee shall give written notice to the other party of such demand. If Escrowee does not receive written objection from the other party to the proposed payment within ten (10) days after the giving of such notice, Escrowee is hereby authorized to make such payment. If Escrowee does receive such written objection within such ten (10) day period or if for any other reason Escrowee in good faith shall elect not to make such payment, Escrowee shall continue to hold such amount until otherwise directed by written instructions from the parties to this contract or a final judgment of a court of competent jurisdiction. However, escrowee shall have the right at any time to deposit the escrowed proceed and interest thereon, if any, with the clerk of any court of competent jurisdiction within the county where the real property is located. Escrowee shall give written notice of such deposit to Seller and Purchaser. Upon such deposit, Escrowee shall be relieved and discharged of all further obligations and responsibilities hereunder.

b) The parties acknowledge that Escrowee is acting solely as a stakeholder at their request and for their convenience, that Escrowee shall not be deemed to be the agent of either of the parties, and that escrowee shall not be liable to either of the parties for any act or omission on its part unless taken or suffered in bad faith, in willful disregard of this contract or involving gross negligence. Seller and purchaser shall jointly and severally indemnify and hold Escrowee harmless from and against all costs, claims and expenses, including legal fees, costs and expenses, incurred in connection with the performance of Escrowee=s duties hereunder, except with respect to actions or omissions taken or suffered by Escrowee in bad faith, in willful disregard of this contract or involving gross negligence on the part of Escrowee.

c) Escrowee has acknowledged agreement to these provisions by signing in the place indicated on the signature page of this contract.

e) Escrowee may act or refrain from acting in respect of any matter referred to in this paragraph 29 in full reliance upon and with advice of counsel which may be selected by him and shall be fully protected in so acting or refraining from action upon the advice of such counsel.

f) All legal fees, costs and expenses incurred by Escrowee shall be paid equally by the parties to the within contract. Each party shall pay to the escrowee immediately upon receipt of an invoice either from Escrowee or his counsel. Any legal fees, costs and expenses not so paid shall be deemed liquidated damages and enforceable by Escrowee in full against either or both parties in the State of Connecticut or in the home state of either party or such other state or place where either party maintains its assets, if not in Connecticut.

30. In the event of a default by Purchaser, the Seller, at its option, may sell the subject real property to the second highest bidder at the Seller's auction. However, the sale to the second highest bidder shall not relieve the Purchaser from its obligations hereunder nor operate as a waiver by the Seller of any of its rights and remedies against the Purchaser. It being expressly understood and agreed by Purchaser, that Seller reserves the right to use all remedies available to it at law to recover from Purchaser the difference between Purchaser's bid and the second highest bid to whom the property is sold together with all legal costs and expenses. In the event Seller does not elect to sell the subject real property to the second highest bidder, Seller reserves the right to seek specific performance of the within contract or in the event a second auction is held to seek all costs and expenses relating thereto in addition to the difference between Purchaser's bid and the bid ultimately accepted by Seller following the purchaser's default.

31. This agreement is subject to and shall be governed by the laws of the State of Connecticut. This is the entire agreement between the parties and it shall not be modified ore amended except by a written document subscribed to by the parties to this Agreement. This agreement may be signed in one or more counterparts, in which case each counterpart shall constitute an original of the Agreement. Wherever used in this agreement, the singular shall include the plural, the plural shall include the singular, and pronouns shall be read as masculine, feminine or neuter as the context requires. The prevailing party in any litigation, arbitration or mediation relating to this agreement shall be entitled to recover its reasonable attorney's fees from the other party for all matters, including but not limited to appeals. The State of Connecticut County of New Haven, shall be proper venue for any litigation involving this agreement. Any party to this Agreement not a resident of the State of Connecticut hereby submits to the jurisdiction of the Courts of the State of Connecticut. This agreement may not be assigned by the Purchaser without the express written consent of the Seller.

32. All prospective Purchaser's are advised that Seller reserves the right to announce other terms, not included herein, at the Time of Sale and such terms are hereby included herein by reference.

IN WITNESS WHEREOF, the parties have signed this agreement as of the day and year first above written.

Witness

River Bridge Realty Group, Ltd., Seller

By _____

Witness

, Purchaser

Escrowee
