

CONTRACT OF SALE

THIS AGREEMENT, dated the _____ day of _____, 2021, by, between and among:

EMERALD GREEN/LAKE LOUISE-MARIE WATER COMPANY, INC., with a principal place of business at P.O. Box 129, Rock Hill, New York 12775, described herein as "Seller", and

THE CENTER FOR DISCOVERY, INC., with a principal place of business at P.O. Box 840, Benmoshe Road, Harris New York 12742, described herein as "Purchaser".

1. The Seller agrees to sell and convey, and the Purchaser agrees to purchase, all that tract, piece or parcel of land with the buildings and improvements thereon as described in the "SCHEDULE OF REAL PROPERTY" which is attached.

2. The purchase price is \$230,000.00, payable as follows:

- a. \$11,500.00 paid on the signing of this contract, receipt of which sum is hereby acknowledged by Seller;
- b. \$218,500.00 on closing of title.

3. If the Purchaser retains their own surveyor, and the premises to be sold under the terms of this contract are surveyed, any metes and bounds description prepared pursuant to field survey shall be properly certified to by the surveyor to the Purchasers and to the Sellers and used in the deed. The certified metes and bounds description shall be inserted in the deed and added to the description used in the "SCHEDULE OF REAL PROPERTY" by use of the following language:

"The premises described above are more particularly described after field survey by (name of surveyor) on (date of survey) as follows: (metes and bounds description)."

4. Any and all notices hereunder sent by either party to the other shall be sent by certified mail, return receipt requested, addressed to the respective parties at the addresses given for them in this agreement, or delivered personally. Informational copies of the notices shall be sent to the

parties' respective attorneys. Notices or receipts signed by the respective attorneys shall be deemed sufficient within the meaning of this paragraph without the signature of the parties themselves.

5. The deed shall be delivered upon payment of the balance of the purchase price due on closing at a location to be agreed upon between the parties and their counsels, at a date to be set following the completion of the conditions precedent to closing as described below.

6. The deed shall be the usual Bargain and Sale Deed with Covenant against Grantor's Acts in proper statutory short form for recording and shall contain the clause specified in Subdivision 5 of Section 13 of the Lien Law. It shall be duly executed and acknowledged by the Seller, at the Seller's expense, so as to convey to the Purchaser the fee simple of said premises free of all encumbrances, except as herein stated. The Seller shall be obligated to pay the New York Real Property Transfer Tax, payment of which shall be by check payable to the Sullivan County Clerk or, at the option of the Seller, by credit to the Purchaser. The Seller shall prepare the State of New York Board of Real Property Services Real Property Transfer Report (RP-5217) for signature and filing by the Purchaser, the New York State Department of Taxation and Finance Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate (TP-584) for signature by the Seller and Purchaser and filing by the Seller, and an IRC Section 1445 Affidavit for signature and delivery by the Seller.

7. Rents, taxes, and water rates, if any, are to be apportioned in accordance with Sullivan County custom. County and Town taxes will be apportioned on a calendar year beginning January 1. School taxes will be apportioned based upon a fiscal year beginning September 1 and end August 31.

8. All sums paid on account of this contract and the reasonable expenses of the examination of title are hereby made liens on the premises to be conveyed but such liens shall not continue after default by the Purchaser.

9. The risk of loss or damage to the premises by fire until delivery of deed shall be in accordance with Section 5-1311 of the General Obligations Law, a copy of which is attached.

10. The provisions of this contract are to apply to and bind the executors, administrators, heirs, successors and assigns of the parties.

11. The gender and number used in this agreement are used as a reference term only and shall apply with the same effect, whether the parties are of the masculine or feminine gender, and the singular shall likewise include the plural.

12. If the Seller is unable to convey title in accordance with the terms of this contract, the sole liability of the Seller shall be to refund to the Purchaser the amount paid down on account of the purchase price along with reimbursement of Purchaser actual cost for survey (with a cap of \$500.00) and title examination (with a cap of \$250.00) and upon such refund to the Purchaser, none of the parties shall have any further claim against any of the others.

13. The Purchaser shall notify the Seller of any objections to title not later than ten (10) days prior to the date set for closing of title. Notice shall be sufficient if given by the Purchaser's attorneys to the Seller's attorneys. If there should appear to be any valid objections to title, the Seller shall have a reasonable time within which to remove the same. If the parties choose to abort this transaction, the Purchaser shall be entitled to a refund of the down payment and reimbursement as set forth in this contract.

14. The Seller shall have the right to satisfy any existing mortgages, liens or encumbrances by delivering to the Purchaser at the closing of title and delivery of deed, properly executed

instruments in recordable form together with recording and filing fees sufficient to satisfy same and such mortgages, liens or encumbrances shall not be deemed an objection to title.

15. Any unpaid taxes shall not be considered an objection to title, provided same are paid simultaneously with closing of title.

16. This sale includes all right, title and interest, if any, of the Seller in and to any land lying in the bed of any street, road or avenue opened or proposed, in front of or adjoining said premises.

17. a. Seller's attorney (Escrowee) shall hold the downpayment for Seller's account in escrow in a segregated bank account at the _____, until closing or sooner termination of this contract and shall pay over or apply the downpayment in accordance with the terms of this paragraph. Escrowee shall not hold the downpayment in an interest-bearing account for the benefit of the parties. If interest is held for the benefit of the parties, it shall be paid to the party entitled to the downpayment and the party receiving the interest shall pay any income taxes thereon. If interest is not held for the benefit of the parties, the downpayment shall be placed in an IOLA account or as otherwise permitted or required by law. The Social Security or Federal Identification numbers of the parties shall be furnished to escrowee upon request. At closing, the downpayment shall be paid by escrowee to Seller. If for any reason closing does not occur and either party gives notice to escrowee demanding payment of the downpayment, escrowee shall give prompt notice to the other party of such demand. If escrowee does not receive notice of objection from such other party to the proposed payment within ten business days after the giving of such notice, escrowee is hereby authorized and directed to make such payment. If escrowee does receive such notice of objection within such ten-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 notice from the parties to this contract or a final, non-appealable judgment, order or decree of a court. However, escrowee shall have the right at any time to deposit the downpayment and the interest thereon with the clerk of a court in the county in which the premises are located and shall give notice of such deposit to Seller and Purchaser. Upon such deposit or other disbursement in accordance with the terms of this paragraph, escrowee shall be relieved and discharged of all further obligations and responsibilities hereunder.

b. Escrowee acknowledges receipt of the downpayment by check subject to collection and escrowee's agreement to the provisions of this paragraph by signing in the place indicated on the signature page of this contract.

c. Escrowee or any member of its firm shall be permitted to act as counsel for Seller in any dispute as to the disbursement of the downpayment or any other dispute between the parties whether or not escrowee is in possession of the downpayment and continues to act as escrowee.

18. The parties acknowledge to each other that neither has dealt with any real estate broker, the parties having negotiated this directly between Seller and Purchaser.

19. These premises are commercial premises and therefore are not subject to a Property Condition Disclosure Statement.

20. The parties agree that the purchaser shall have the right to obtain a new survey description and, if such description differs from the description in this contract, to have the new description added into the deed as part of the description of the conveyed premises.

21. Purchaser, or his agents and representatives, shall have the right to inspect the subject premises at any reasonable time prior to closing.

22. If the closing takes place at the office of a lending institution outside of Sullivan County, Seller agrees that all of Seller's documents may be delivered to Purchaser's counsel, in escrow, in order for Purchaser to save the additional fees required to be paid to Seller's attorney, if Seller's attorney attends closing outside of Sullivan County.

23. Seller represents that the premises front on a public road, street or highway and that there is no limitation of access along the full frontage thereof.

24. Seller is not a foreign person or non-resident alien for purposes of United States income taxation, and in accordance with Section 1445 of the Internal Revenue Code, Seller will provide an affidavit to Purchaser at closing certifying the same and providing the taxpayer identification or social security numbers and address.

25. Seller has no knowledge of any easements for public improvements affecting the premises herein and that there will be none as of the date of closing; Seller further represents that it has no knowledge of any condemnation proceedings pending for all or any portion of the premises to be conveyed.

26. Seller represents that the premises are not located within a flood plain area as the same may be delineated and defined by the flood insurance program and further that no portion of the premises is located within a Wetlands area as defined by the New York State Department of Environmental Conservation.

27. Seller represents that it has no knowledge that any hazardous materials and noxious wastes are located on the property, and Seller has no knowledge of violations of any law, rule, or regulation relating to hazardous waste substance. This representation is made to the best of Seller's present knowledge.

28. Attached to this Contract is a November 23, 2020, Memorandum from Glenn L. Smith,

PE, identifying the plan to effectuate a lot line modification and/or subdivision of the property to be purchased pursuant to this Contract, together with a map entitled "3-Lot Subdivision and Site Plan of Glenn L. Smith PE." The parties agree that the Purchaser's obligation to purchase is contingent upon the following:

(1) The approval from the Town of Thompson Town Board for a zoning change of the two current lots SBL Nos: 52-1-2 and 52-1-4 from the current HC-1 to SR.

(2) The approval of the Town of Thompson or the Town of Thompson Planning Board for a lot line modification and/or subdivision creating the three separate lots identified in the attached November 23, 2020, Memorandum of Glenn Smith, PE.

(3) The approval by the Town of Thompson or any of its applicable Boards of the area variances required for lot No. 1 to be conveyed to the Purchaser and at least two area variances for lot No. 2 to be retained by the Seller, all as identified in the attached November 23, 2020, Glenn Smith, PE, Memorandum.

29. Purchaser's obligation to close upon this contract is not contingent upon approval by the Town of Thompson or the Town of Thompson Planning Board of Purchaser's proposed site plan for cluster development on the property being purchased by Purchaser.

30. Seller's obligation to convey and close this transaction is subject to the Seller obtaining approval for the sale from the New York State Public Service Commission.

31. Both parties agree that following execution of this Contract, each will make application and take all necessary steps in a diligent manner to obtain all necessary approvals from any applicable regulatory bodies to satisfy each of their respective contingencies.

32. All costs, fees and expenses in connection with obtaining all necessary Town of Thompson Board approvals, including but not limited to the zoning change, lot line

modifications/subdivision and area variances identified in the November 23, 2020, Glenn Smith Memo are the sole cost and expense of Purchaser. Seller agrees to cooperate, if requested by Purchaser to sign any necessary applications in the obtaining of those necessary approvals.

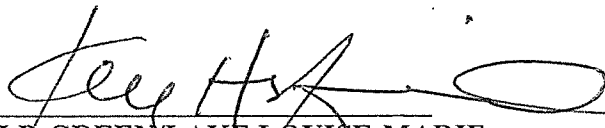
33. Seller shall be solely responsible for all costs and expenses in connection with obtaining the Public Service Commission approval of this Contract of Sale.

34. The closing date shall be June 15, 2021, at the offices of Seller's attorney. However, both parties agree and acknowledge that they shall have ample time to accomplish all of the approvals which need to be obtained to satisfy the contingencies herein, and if more time is necessary, the closing date will be mutually extended.


35. The property to be conveyed pursuant to this contract will be a portion of SBL number 52-1-2 and 52-1-4 and, as more particularly described in the attached report of Glenn Smith dated November 23, 2020, the parties recognizing that the intent, as set forth by Glenn Smith, is to take the two parcels described above and create three new parcels, again as more particularly explained in Glenn Smith's communication of November 23, 2020.

IN WITNESS WHEREOF, this agreement has been duly executed by the parties on the dates indicated opposite their respective names.

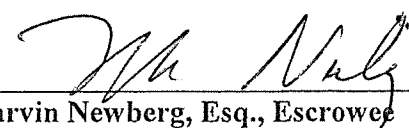
Date Signed: 11/7, 2021


EMERALD GREENLAKE LOUISE-MARIE
WATER COMPANY, INC., Seller
By: KEN HERFIELD, PRES.

Date Signed: 6-23, 2021


THE CENTER FOR DISCOVERY, INC., Purchaser
By: STEVEN H MOSENJO

Date Signed: 11/31, 2021


Marvin Newberg, Esq., Escrowee

SCHEDULE OF REAL PROPERTY

The property to be conveyed pursuant to this contract will be a portion of SBL number 52-1-2 and 52-1-4 and, as more particularly described in the attached report of Glenn Smith dated November 23, 2020, the parties recognizing that the intent, as set forth by Glenn Smith, is to take the two parcels described above and create three new parcels, again as more particularly explained in Glenn Smith's communication of November 23, 2020.

GLENN L. SMITH, P.E.
Consulting Engineer, P.C.

533 Broadway / P.O. Box 156
Monticello, New York 12701
Telephone: (845) 796-2216

Licensed in New York, New Jersey and Pennsylvania

Fax: (845) 796-2716

Date: November 23, 2020
From: Glenn L. Smith
To: Dave Fanslau
CC: Henri Shawn
Subject: TCFD & EGLLM Water Co., Rock Hill

Dave,

The attached preliminary site plan summarizes the Center's plans in conjunction with the water company to do a lot line modification and create three (3) lots out of two current lots, SBL #52-1-2 and 4, totaling 7.80 acres and currently owned by EGLLMWC.

Lot #1 at ± 5.62 acres would be conveyed to TCFD for construction of 4 single-family/group homes, I've shown it with frontage on Lake Louise Marie Road for possible access, although I believe the intent is to extend the access drive from behind the school (former Nana's House).

Lot #2 at ± 1.5 acres would stay in the water co. ownership and would house the proposed water storage tank for the EGLLMWC, with frontage on Lake Louise Marie Road for an access drive.

Lot #3 at 0.69 acre would contain the existing single-family residence owned by EGLLMWC, this parcel fronts on the road and would remain unchanged.

It would likely make sense to utilize a single entrance drive off L.L.M. Road that is shared by the water tank parcel and the Centers homes parcel, with appropriate shared easement agreement.

The first step would be to submit a site plan and subdivision application to Thompson planning board, for referral to the town board for a zoning change request from the current HC-1 (Highway-Commercial) to SR (Suburban Residential). The HC-1 does not permit "public utility structures" (i.e.-water storage tanks); nor "clustering" of more than two single-family homes...the SR zone does permit those uses and that zone is contiguous on the opposite side of Lake Louise Marie Road, the zoning bounds between the two zones runs along the centerline of the road.

Subject to approval of the zone change to SR, at least one Area Variance will be required for Lot #1 on its deficient size... 10 acres minimum is required for "cluster development" vs. ± 5.62 acres being provided.

At least two Area Variances will be required for Lot #2 on its deficient size (3 acres minimum required for public utility structures vs. ± 1.5 acres provided) and height of the proposed storage tanks (max. 35' ht. permitted vs. approx. 50' ht. proposed).

GLENN L. SMITH, P.E.
Consulting Engineer, P.C.

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533 Broadway / P.O. Box 156
Monticello, New York 12701
Telephone: (845) 796-2216

Fax: (845) 796-2716
Email: gsmith.pepc@verizon.net

December 2, 2020

Town of Thompson Town Board
Town Hall
4052 Route 42
Monticello, NY 12701

Attn: William J. Rieber, Supervisor
& Town Board

Re: Emerald Green/Lake Louise-Marie Water Co.
Parcels Zone Change Request, Rock Hill
(SBL #52-1-2 and 4)

Dear Supervisor Rieber,

The Emerald Green / Lake Louise-Marie Water Co. owns the two above-noted parcels on Lake Louise Marie Road, opposite the water treatment plant, comprising a total of 7.81 acres. A single-family home is situated on parcel 52-1-4, fronting on the road. The property is situated in the HC-1 Zone which lies along the north side of Lake Louise-Marie Road...the opposite, south side of the road is in the SR Zone.

The water co. proposes to create three (3) new lots on the property as described on the attached zone change application form, including one to be sold to The Center For Discovery to construct four (4) single-family group homes, one for the construction of a new water storage tank, and one to include the existing home.

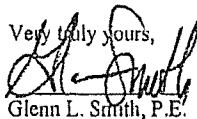
Since the HC-1 Zone does not permit "clustered" homes on the CFD lot, nor "public utility structures" (i.e.-new water tank), while the SR zone does allow those uses subject to planning board review, your board's consideration of this request to rezone the parcels to SR would be appreciated.

Please see the following enclosures:

1. "Application for Change in Zoning Designation" with \$75 application fee check.
2. Tax Map indicating parcels location.
3. Partial Preliminary Site Plan indicating proposed 3-lot subdivision concept layout.

Please let me know if you require additional information.

Thank you for your consideration.

Very truly yours,

Glenn L. Smith, P.E.

GLS/mdc

Encl.

cc: Marilee Calhoun, Town Clerk
Michael Hoyt, EGLLMWC
David Fanslau, TCFD
Henri Shawn, Esq.

§5-1311. Uniform vendor and Purchasers risk act

1. Any contract for the purchase and sale or exchange of realty shall be interpreted, unless the contract expressly provides otherwise, as including an agreement that the parties shall have the following rights and duties:
 - a. When neither the legal title nor the possession of the subject matter of the contract has been transferred to the Purchasers: (1) if all or a material part thereof is destroyed without fault of the Purchasers or is taken by eminent domain, the vendor cannot enforce the contract, and the Purchasers is entitled to recover any portion of the price that he has paid; but nothing herein contained shall be deemed to deprive the vendor of any right to recover damages against the Purchasers for any breach of contract by the Purchasers prior to the destruction or taking; (2) if an immaterial part thereof is destroyed without fault of the Purchasers or is taken by eminent domain, neither the vendor nor the Purchasers are thereby deprived of the right to enforce the contract; but there shall be, to the extent of the destruction or taking, an abatement of the purchase price.
 - b. When either the legal title or the possession of the subject matter of the contract has been transferred to the Purchasers, if all or any part thereof is destroyed without fault of the vendor or is taken by eminent domain, the Purchasers are not thereby relieved from a duty to pay the price, nor is he thereby entitled to recover any portion thereof that he has paid; but nothing herein contained shall be deemed to deprive the Purchasers of any right to recover damages against the vendor for any breach of contract by the vendor prior to the destruction or taking.
2. This section shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of those states, which enact it.
3. This section may be cited as the uniform vendor and Purchasers risk act.

RIDER TO CONTRACT OF SALE
Between Emerald Green Lake Louise Marie Water Company, Seller
to
The Center for Discovery, Inc. , Purchaser

IF ANY OF THE PROVISIONS OF THIS RIDER SHALL CONFLICT OR BE INCONSISTENT WITH THE PRINTED PORTION OF THIS CONTRACT OR ANY OTHER PREVIOUSLY EXECUTED RIDERS, THE PROVISIONS OF THIS RIDER SHALL CONTROL.

R1. The purchase price of the property is \$250,000.00. \$11,500.00 paid on the signing of the Contract and the balance of \$238,500.00 upon closing of title.

R2. Paragraph 35 of the Contract is amended to delete said Paragraph 35 in its entirety and replace it with the following:


The property to be conveyed pursuant to this contract will be the current two lots owned by the Seller, SBL # 52.-1-2 and 52-1-4, excepting therefrom an approximate .69-acre lot upon which is the existing single family residence which parcel fronts the road and which lot is identified in the attached map of Glen Smith P.E., which minor subdivision has been approved by the Town of Thompson Planning Board.

R3. In addition to the parcel containing the single family residence which is being retained by the Seller, the Buyer agrees to lease to the Seller an area described on the attached Glenn Smith PE map which is denoted as the water tank lot of approximately 1.5 acre. The Buyer agrees that in connection with the lease of that water tank lot it will grant to the Seller all necessary easements for driveways and access for egress and ingress to the water tank lot as shown on the attached Glenn Smith P.E. map.

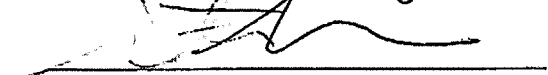
R4. The lease of the water tank lot shall be for the exclusive use of the Emerald Green Lake Louise Marie Water Company as it is the intention that sometime in the future a water tank will be constructed by EGLLMWC. The lease will be for a term of 99 years with automatic renewals at the end of each 99-year term. The agreed consideration for the lease will be \$1.00 for the term.

R5. Purchaser agrees to timely apply for and use its best due diligence to try to obtain real estate tax exemption for the real property it is purchasing, which includes the 1.5 acre lot to be used for the water tower. In the event that purchaser is unsuccessful in obtaining any full or partial exemption for the leased property, including any exemption for the improvements to be constructed on the leased property by the seller, then, in that event, the seller shall be responsible for the real property taxes attributable to the leased property.

R6. The Seller will obtain comprehensive general liability insurance for that leased property and will name the purchaser as an additional insured.



Emerald Green Lake Louise Marie Water
Company, Seller **KEN HERFIELD, PRES.**



The Center for Discovery, Inc.
Purchaser