

OPTION TO PURCHASE REAL ESTATE

This agreement made as of the *1st* day of *February*, 2017, by and between **JOANNE SCOTT** of 3 Limerock Street, P.O. Box 767, Rockport, Maine, 04856-0767 hereinafter referred to as SELLER and **NICHOLAS RUFFIN** and **SALLY COOK**, both of Rockport, Maine, hereinafter referred to as BUYERS

SUMMARY OF AGREEMENT

The is an Agreement where the owner of the property, the SELLER, agrees that the BUYERS, for the price of Five Thousand (\$5,000.00) Dollars, shall have the right to buy the property described in Exhibit A attached and also shown on the Town of Rockport Assessor's Map 29 Lot 223, for the price of \$457,000.00, the current value of the property as assessed by the Town of Rockport, by July 15, 2017 but imposes no obligation on the BUYERS to buy this property. During the period of the option, the SELLER grants to the BUYERS the right of access to the property at an agreed upon time.

The BUYERS represent to the SELLER, that BUYERS seek to purchase this property in order to make a gift of this land and buildings to the Town of Rockport so that the newly designed library (Stephen Smith Architects) can be expanded onto this property. The BUYERS will raise the money to purchase this property from donations. This means that this Option Agreement

may be assigned to the Town of Rockport to build the Stephen Smith designed library. If the BUYERS are successful in purchasing this property for this stated purpose, then the buildings on the SELLER'S property will likely be torn down.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, agreements and undertakings hereinafter expressed, the parties agree as follows:

SECTION 1: Option. Seller hereby grants to Buyers the exclusive option of purchasing the real estate described in Exhibit A attached and also shown on the Town of Rockport Assessor's map 29 Lot 223 under the terms and conditions set forth herein.

SECTION 2: Term The Option will remain in effect until 11:00 P.M. on July 15, 2017.

SECTION 3: Option Price. The option price is Five Thousand (\$5,000.00) Dollars, receipt of which is hereby acknowledged. All monies on account of this option price are not refundable except in the case of the failure of title or damage by fire or other causality as set forth below.

SECTION 4: Exercise. This option shall be exercised by giving written notice thereof, at any time during the option term to the Seller as the following address:

Mark Coursey
Attorney for Seller
20 Mechanic Street
Camden, Maine 04843

Such notice may be sent first class mail, postage prepaid or delivered in hand.

SECTION 5: Purchase Price. The purchase price for the land and buildings described in Exhibit A attached and also shown on the Town of Rockport tax map 29 lot 223, shall be Four Hundred and Fifty-Seven Thousand (\$457,000.00) Dollars, which represents the assessed value of the property by the Town of Rockport.

SECTION 6: Payment. The purchase price shall be paid in full at the time of closing.

SECTION 7: Closing. The Closing shall take place at the Law Office of Paul L. Gibbons, 9 Washington Street, Camden, Maine or such other place as the parties may agree, but no later than 5:00 P.M. prevailing time, on or before the 45th day following the day upon which the notice is posted or delivered of the exercise of this Option. At Seller's option, closing may be delayed. Seller shall give Buyers notice within 10 days from exercising this option, that the

closing shall be delayed to a date certain but in no event shall closing be delayed beyond July 1, 2018.

If after giving notice to Sellers of the exercise of the Option to purchase, the Buyers default in their obligation to buy, then the Seller shall retain the deposit of Five Thousand (\$5,000.00) Dollars as her sole and exclusive remedy.

The parties contemplate that the remedy of the Buyers for default of performance by the Seller shall be an action for specific performance as Buyers' damages would be difficult or impossible to determine with any accuracy.

SECTION 8: Conveyance and Payment

8.1: Warranties and Title. Conveyance shall be made by Warranty Deed conveying good and marketable title to said real estate, as defined by the standards adopted by the Maine Bar Association Standards of Title, free and clear of encumbrances, except for conventional utility easements and such restrictions as would not make the title unmarketable. Title shall also be insurable by Chicago Title Company. Seller will execute such affidavits as may be appropriately be required by the applicable title insurance company to cause the deletion of the standard mechanics lien exception from the to-be-issued title insurance policy. Seller also

agrees to sign an Affidavit concerning the absence of underground storage tanks and boundary line encroachments and the REW-2 form.

8.2 Withholding

Title 36 M.R.S.A. §5350-A provides that a buyer of real estate located in Maine must withhold tax if the seller is not, as of the date of the transfer, a resident of the State of Maine. Seller agrees to furnish Buyers the Residency Affidavit at time of closing to establish that Seller is a resident of the State of Maine. If Seller is a nonresident, then pursuant to Title 36 M.R.S.A. Section 5250, the Buyers shall withhold a tax in the amount equal to 2.5% of the selling price, and Seller agrees that such tax will be taken out of the Seller's proceeds if Seller is a non-resident of the State of Maine. If Seller has received from the Executive Director a certificate stating that no tax is due on the transfer from the Seller or if the certificate provides that Seller has provided adequate security to cover liability, then no withholding will be required of the Seller.

8.3 Payment

Buyers shall make all payments by certified, cashier's or attorney trust account check.

SECTION 9: Real Estate Taxes. Municipal real estate taxes will be prorated between the parties based upon the fiscal year of

municipality, with the Seller paying all such taxes and assessments attributable to the period preceding and including the date of closing, and the Buyers paying that portion of the current taxes and assessments attributable to the period after the closing. Maine Real Estate Transfer Tax shall be paid by Seller and Buyers at closing.

SECTION 10: Succession. This Agreement and the provisions herein shall be binding on the respective heirs, personal representatives, successors and assigns of the parties. The parties hereto understand and agree that this Agreement may be assigned by the Buyers to the Town of Rockport.

SECTION 11: Miscellaneous

11.1 Entry. Buyers shall have the right of access to the buildings on the property. The parties shall agree on the time and date of such entry. The Seller shall make her buildings available for inspection by Buyers' within 15 business days of the effective date of this Agreement.

11.2 Possession. At the time of closing, Seller shall deliver over exclusive possession of the property to Buyers.

11.3 Brokers. Neither party has retained a real estate broker in this transaction.

11.4 Time. Time is of the essence in all matters relating to this Agreement.

11.5 Buildings. All buildings on this real estate are sold in "as is" condition as of the date of the Agreement. If the property is damaged or destroyed by fire at any time during this Agreement, then Buyers have the option to accept all insurance proceeds and proceed with the transaction. Seller represents that the property is insured against loss from fire or other causality. If the property is destroyed by fire or other causality during the period of this Agreement, Buyers shall have the option of terminating this Agreement and all monies deposited shall be returned to the Buyers including the \$5,000.00 option deposit.

11.6 Seller's Inability to convey good title

Buyer shall examine the title to the real estate and report in writing any valid objections (hereafter "exceptions") thereto based on the Standards adopted by the Maine State Bar Association within forty (40) days of the date of exercising this option. If Buyers object to any exceptions to the title, Seller shall use all due diligence to remove such exceptions at Seller's own expense within thirty (30) days thereafter. But if, notwithstanding Seller's due diligence, exceptions cannot be removed within the said thirty (30) day time period, or such additional period as Buyers, in Buyers'

sole discretion, may allow, Buyers may elect to terminate the exercise of the option on the real estate. Buyers shall notify Seller of such election, in which case the option price shall be returned to Buyers and the obligations of all parties under this Agreement shall thereupon terminate. Alternatively, Buyers may elect to purchase the real estate as provided under the provisions of this Agreement subject to any such titles exceptions which cannot be removed.

SECTION 12: Seller's representations and warranties and conditions

Seller hereby warrants and represents to the Buyers the following to be true as of the date of closing:

- a. Notices. Seller has not received any notices of any violation at the Premises of any applicable laws, ordinances, regulations or zoning requirements.
- b. Payment of Bills. All outstanding bills or accounts payable concerning the Premises are paid or will be paid prior to or at the time of closing.
- c. Ownership. The Seller is the sole legal owner of the Premises in fee simple and Seller has the full power and authority to execute, deliver and perform all agreements and documents referred to in this Agreement. Seller has the authority to enter into this Agreement and to sell and convey the premises to Buyer as provided herein.
- d. No tenants or options. The Premises is not subject to any lease or to any other estate or rights of tenants or to any outstanding option, interest or agreement of sale.
- e. No hazardous substance. To the best of Seller's knowledge, no hazardous substance or toxic waste has been generated,

treated, stored, used, disposed of, or deposited in or on the Premises.

- f. No underground storage tanks. To the best of Seller's knowledge, there is no underground oil storage facility located on the Premises.
- g. Non-foreign persons. The Seller is not a foreign person within the meaning of the Internal Revenue Code at 26 USC §1445 and Regulations hereunder.
- h. No mechanic liens. No work has been performed or is in progress at, and no materials have been furnished to, the Premises which may give rise to a mechanic lien or materialmen lien against the Premises.
- i. Deed restrictions and covenants. The Premises are not subject to any deed restrictions or covenants.
- j. Compliance with Laws. To the best of Seller's knowledge, all applicable laws, statutes, ordinances and regulations have been complied with in regard to the real estate. This shall not be taken to modify Section 11.8 above of the Agreement.

SECTION 13: Governing Law. This Agreement and the transaction contemplated by it shall be governed by the laws of the State of Maine.

SECTION 14: Entire Agreement This Agreement contains the entire agreement between the parties and no oral statements or representations or prior written matter no contained in this Agreement shall have any force or effect.

SECTION 15 Short Form for Recording. Buyers may wish to give notice of the Option through a recordation in the Knox County Registry of Deeds. Seller and Buyers agree that the entire contents of the Option need not be made public through recording.

Accordingly, a reduced version of this Option may be executed simultaneously with the execution of this Option, and Seller agrees only the reduced version shall be so recorded. The reduced version of this Option when recorded shall serve as notice to all of the contents of the complete version of the Option Agreement.

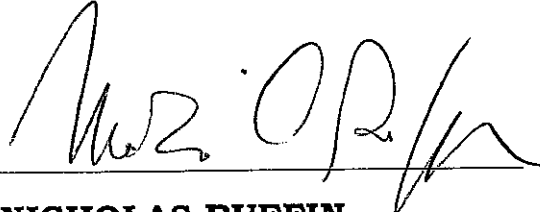
SECTION 16 Termination of Option. The Buyers have the right to terminate this Option to Purchase by giving written notice to the Seller. The Buyers are entitled to reimbursement of a portion of the Five Thousand (\$5,000.00) Dollar deposit based upon the timing of the termination according to the following formula: for each month that passes, Buyers shall owe the Seller \$833.33. A notice to terminate after the first day of any month will result in the termination not being effective until the first day of the next month. Depending upon the number of months that have passed of the execution of this agreement when notice of termination is received, Seller shall return to Buyers the Five Thousand (\$5,000.00) Dollar deposit minus \$833.33 for each month that has passed from the effective date to the effective termination date.

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

Witness

Paul Dell as agent under POA
JOANNE SCOTT *for Joanne Scott*

Witness



NICHOLAS RUFFIN

Witness



SALLY COOK

C:\Users\Paul\Documents\Cook Ruffin\Option To Purchase New.Doc