

AUCTION PURCHASE AGREEMENT-167 MAIN STREET, DERBY LINE, VERMONT

1. **PARTIES.** This Auction Purchase Agreement ("Agreement") is made this 18th day of September, 2025, between **Community National Bank** ("Transferor"), of the Town of Derby, County of Orleans, State of Vermont and _____ ("Buyer") of _____, Transferor agrees to transfer and Buyer agrees to buy, in accordance with 12 V.S.A. § 4954 and the terms and conditions hereinafter set forth, the following described lands and premises.

2. **PROPERTY.** A lot of land with dwelling house and other improvements thereon located at **167 Main Street, Derby Line, Vermont** and more particularly described as follows:

Being all and the same land and premises, subject to the exceptions and reservations contained therein, conveyed to Newport Natural LLC by Warranty Deed of the College of Mount Saint Vincent dated October 14, 2022 and of record in Book 309 at Pages 280-282 of the Town of Derby Land Records.

Being all and the same land and premises together with all buildings and improvements thereon as were conveyed to the College of Mount Saint Vincent by Warranty Deed of Marilyn B. Foster dated December 13, 2021 and recorded in Book 304, Pages 99-101 of the Derby Land Records, said premises being described therein as follows:

A CERTAIN PIECE OF LAND in the Village of Derby Line, Town of Derby, County of Orleans and State of Vermont, described as follows, viz:

Being all and the same lands and premises together with all buildings and improvements thereon as were decreed to John Gilman Foster by Decree of Distribution in the Estate of Marjorie M. Foster dated February 13, 1973 and recorded in Book 65, Pages 449-451 of the Derby Land Records; said land and premises being described therein as follows:

House and Lot in Derby Line
Lots East of Route 91
Lots West of Route 91

EXCEPTING from the above described "Lots West of Route 91" that portion thereof as was conveyed to Roger L. Gosselin and Lorraine Y. Gosselin by Warranty Deed of John Gilman Foster dated August 21, 1973 and recorded in Book 66, Page 277 of said Derby Land Records.

ALSO EXCEPTING from the above described lands and premise a strip of land as conveyed to Roger Gosselin, Inc. by John G. Foster and Marilyn B. Foster by Warranty deed dated July 15, 1977 and recorded in Book 77, Page 105-6 of the derby Land Records.

TOGETHER WITH a right of way for ingress and egress, conveyed in a Quit Claim Deed to Austin T. Foster from Elizabeth E. Baxter, Administratrix of the Estate of

Myron L. Baxter recorded January 15, 1900 in Book 25, Page 33 of the Derby Land Records.

TOGETHER WITH an easement noted in a Quit Claim Deed conveyed to John Gilman Foster and Marilyn B. Foster from Brent Tatum and Miriam Tatum recorded October 10, 2000 in Book 168, Pages 183-5 of the Derby Land Records.

SAID premises are shown on a survey by George W. Rumery, bearing Map No 9602B, and revised on June 19, 1998, which survey is references as Map B193 in the Derby Town Clerk's Office.

BEING a part of the premises conveyed to John Gilman Foster and Marilyn B. Foster by Quit Claim deed from Paul B. Wolfe, dated December 1, 1975 and recorded December 2, 1975 in Book 73, Pages 22-23 of the Derby Land Records.

SAID John Gilman Foster having died on September 18, 2006, a resident of Derby Line, Orleans County, Vermont and leaving surviving his wife, Marilyn B. Foster.

BEING intended to describe the premises owned by College of Mount Saint Vincent and known as 167 Main Street, Village of Derby Line, Town of Derby and shown as Parcel ID #MSTD020A6-L.

This conveyance is subject to and with the benefit of any utility easements, spring rights, easements for ingress and egress, and rights incidental to each of the same as may appear of record, provided that this paragraph shall not reinstate any such encumbrances previously extinguished by the Marketable Record Title Act, Chapter 5, Subchapter 7, Title 27, Vermont Statutes Annotated.

Reference is hereby made to the above-mentioned instruments, the records thereof, the references therein made, and their respective records and references, in further aid of this description.

(the "Property").

3. **CLOSING.** The Closing and transfer of title ("Closing") shall take place within 14 days after Transferor's Receipt of a Confirmation Order from the Vermont Superior Court-Orleans Civil Division, at a time and place mutually agreed to by the parties. Neither party shall be obliged to extend the date for Closing; however, Buyer and Transferor may agree in writing to extend the date for Closing. No court approval shall be required for any extension agreed to by Buyer and Transferor as provided herein.
4. **PURCHASE PRICE.** The agreed purchase price for the Property is _____ ("Purchase Price") payable as follows: a deposit of \$10,000.00 has been paid by official bank treasurer's or cashier's check at the time this Agreement is signed, which must be increased to at least ten percent (10%) of the successful bid within 5 calendar days of this Agreement ("Deposit") and the balance of the Purchase Price is to be paid at the

- time of the Closing in cash, official bank treasurer's or cashier's check, or by wire transfer. The Deposit will be held in escrow by the Thomas Hirschak Company in a non-interest-bearing trust account. The Deposit is nonrefundable, except as specifically provided herein.
5. **NO FINANCING CONTINGENCY.** This contract is **not** subject to any financing contingency. Transferor shall **not** be obligated to provide financing of any kind.
 6. **SALE CONTINGENT ON RECEIPT OF CONFIRMATION ORDER; NO OTHER CONTINGENCIES.** Transferor's obligation to transfer the Property is contingent upon Transferor's receipt of a Confirmation Order from the Vermont Superior Court-Orleans Civil Division in the matter captioned *Community National Bank v. Newport Natural, LLC et al Vermont Superior Court-Orleans Civil Division Case #25-CV-00514 ("Foreclosure Action")* in a time and manner acceptable to Transferor. If Transferor is unable to obtain confirmation in a manner or time frame acceptable to Transferor, Transferor, at its election, may void this Agreement and return the Deposit, without interest, with no other costs or remedies available to Buyer or Transferor. **The sale is not subject to any contingencies except for confirmation of the sale by the Vermont Superior Court and there is no contingency of any kind that will permit the Buyer to cancel or avoid Buyer's obligations under this Agreement, except for denial of confirmation by the Vermont Superior Court.**
 7. **TRANSFER OF TITLE.** At Closing, Transferor shall deliver to Buyer, a certified copy of a Confirmation Order, conveying title to the Property to Buyer, in "AS IS" condition, subject to the rights of tenants in possession, environmental hazards, zoning regulations, including any violations thereof, location of a portion of the Property in a flood zone, superior liens, if any, all title defects and encumbrances of record that are not extinguished by the sale, federal, state, and local laws, codes, regulations, rules, requirements and ordinances, environmental, health, safety, zoning, and building laws including zoning, planning and environmental laws and regulations and any violations thereof, any defects or problems with the real estate rights, easements, rights of way, covenants, conditions, reservations, agreements, privileges, obligations, duties, and restrictions of record, insofar as such are now in force and applicable; delinquent taxes, water, sewer and other municipal assessments owed to the Town of Derby and the Village of Derby Line, including

penalties and interest to the date of Closing, and unpaid taxes and other municipal assessments for the current fiscal year.

8. **BUYER REPRESENTATIONS AND ACKNOWLEDGEMENTS** Buyer represents that Buyer has performed such due diligence as Buyer deems sufficient, and enters into this agreement with the understanding that the purchase is not subject to any further due diligence review. Buyer agrees to accept the Property in its present condition, notwithstanding the possible existence of hidden defects or other matters not visible or ascertainable from such inspections and Buyer hereby expressly assumes the risk of any and all defects in the Property. Buyer acknowledges that Transferor has made NO WARRANTIES OR REPRESENTATIONS concerning the condition of the Property or otherwise. Transferor hereby EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF HABITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE; Buyer represents to Transferor as a material inducement to this Agreement that Buyer is relying solely on such inspections, examinations and due diligence, if any, that Buyer has conducted prior to entering into this agreement.

Buyer acknowledges that Transferor is under no obligation to alter, repair, or improve the property conveyed hereby or any portion thereof. Buyer acknowledges that Buyer has fully inspected and reviewed the property conveyed hereby, including without limitation, the physical aspects thereof and all matters affecting the operation thereof and that delivery of the property conveyed hereby is "AS IS", WITH ALL FAULTS", and that Transferor has disclaimed any and all implied warranties with respect to the property conveyed hereby. Buyer acknowledges that Buyer is not relying on any representation, warranty, written information, advertisement, announcement, data, reports, or statement of Transferor or any employee, agent, or representative thereof, if any, with respect to the property conveyed hereby, including without limitation, the physical condition or operation of the property conveyed hereby. Buyer acknowledges that any and all information of any type that Buyer has received or may have received from Transferor or Transferor's employees, agents, or representatives was furnished on the express condition that Buyer would make, and Buyer acknowledges that Buyer has made an independent verification of the accuracy of any and all such information, all such information being furnished without any representation or warranty as to the

accuracy or completeness whatsoever. Buyer agrees that no warranty has arisen through trade, custom, or course of dealing with Transferor, and agrees that all disclaimers of warranties shall be construed liberally in favor of Transferor.

9. **REAL ESTATE, TRANSFER TAXES AND OTHER CLOSING COSTS.** Buyer shall be responsible for payment of all delinquent real estate taxes, water, sewer and other municipal assessments owed to the Town of Derby and Village of Derby Line, including penalty and interest to the date of Closing, and all unpaid taxes, water, sewer, and other municipal assessments for the current fiscal year. Buyer shall be responsible for and shall pay the Vermont Property Transfer Tax due on the sale covered by this Agreement. Buyer will be responsible for all costs incident to searching the title to the Property and all other closing costs, except for Transferor's attorney's fees.
10. **RISK OF LOSS.** During the period between the date of this contract and transfer of title, risk of loss shall be on Buyer. Transferor will not insure the Property for the Buyer's benefit. Buyer must take all necessary actions, at Buyer's sole expense, to insure the Property. Buyer assumes the risk of all liability, loss and damage between the date of the public sale and the date of recording of the Confirmation Order in the Land Records.
11. **POSSESSION.** Possession and occupancy of the Property shall be given to Buyer at Closing.
12. **PERSONAL PROPERTY NOT INCLUDED.** **NO** personal property is included in the Sale. Any equipment or other personal property located on the Property at the time of this Agreement may be subject to the rights of others and may be removed prior to Closing. Transferor shall not be responsible for or required to remove, store, or take any action with respect to any such personal property.
13. **HAZARDOUS SUBSTANCES.** Buyer acknowledges that Transferor has no responsibility to Buyer for any hazardous waste, asbestos, oil, petroleum waste, lead paint, urea formaldehyde, mold, mildew, allergens and /or any other liability causing or toxic substances on, under, or emitting from the Property. Transferor has not owned, operated or occupied the Property and is transferring the property pursuant to a court order. Buyer agrees to indemnify and hold Transferor, its officers, directors, shareholders, agents, successors and assigns, harmless from any liability, including liability for contribution for or on account of the presence of any such

substance on, under or emitting from the Property. If cleanup of hazardous substances is required by any federal, state or municipal law, statute, regulation, ordinance, or order or directive of any court, governmental office or agency, such cleanup shall be completed by Buyer at Buyer's sole cost and expense.

14. **DISCLAIMER.** Transferor MAKES NO WARRANTY, express or implied, or arising by operation of law, as to: (1) the nature, condition, or geology of the property conveyed hereby or any portion thereof, including without limitation, the nature and condition of the water and soil, (2) the suitability or appropriateness of the property conveyed hereby for development or renovation of for any and all activities which Buyer may elect to conduct thereon, (3) the existence of any environmental hazards or conditions on the property conveyed hereby (including the presence of asbestos), (4) the compliance of the property conveyed hereby or its operation with all applicable laws, rules, and regulations, (5) the condition or state of repair of the property conveyed hereby or any portion thereof, (6) the visible or hidden defects in material, workmanship, or capacity of the property conveyed hereby or any portion thereof. No representations or warranties of any kind are made with respect to the Property, including, without limitation, its condition or any use to which it may be put. Buyer acknowledges that the Property is being sold on an "AS IS", "WHERE IS", "WITH ALL DEFECTS" basis, and any and all warranties, express, implied or otherwise, including without limitation, the warranties of habitability, merchantability, marketability and fitness for any purpose, shall be and hereby are disclaimed. No representation or warranty is made as to the Property's compliance with any laws, rules, regulations or ordinances, including, without limitation, any of the same pertaining to zoning, environmental law, health, safety or hazardous waste. Transferor and its officers, employees, agents, and attorneys shall have no responsibility or liability for loss of assets, loss of income, loss of time, inconvenience, commercial loss and/or any incidental or consequential damage, loss or injury.

Disclaimer as to Land Use Regulation and Permits. Buyer acknowledges and represents that Transferor has made no representations in respect of, that Buyer has conducted such investigations as Buyer deems necessary and appropriate relating to, and Transferor hereby EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES pertaining to, and concerning all of the following:

The applicability of federal, state and local laws, rules, and regulations concerning the ownership, use and occupancy of the Property, including but not limited to such laws, rules, and regulations concerning state and local land use, subdivision, building, planning, zoning, health, public buildings, rental property, vacant buildings, water supply, wastewater disposal, on-site sewage disposal, stormwater disposal, and the compliance of the Property with the same.

The existence, status, and availability of all permits, licenses, approvals, and certificates of occupancy applicable to the Property, and the compliance of the Property with the same. Buyer waives all rights under 27 V.S.A. §612 to terminate this Agreement based on the lack of any required municipal permit or the violation of any such municipal permit. Any state or municipal permits or inspections required for demolition, removal, renovation, use, rental, or occupancy of the buildings on the Property shall be obtained by Buyer at Buyer's sole cost and expense.

Notwithstanding any other term or condition of this Agreement, any defect in the status of permits, licenses, approval or certificates of occupancy or non-compliance with any such laws, rules or regulations shall not be deemed a defect in the marketability of title and shall not be cause to delay the Closing.

Buyer acknowledges that Transferor has no responsibility to Buyer for any hazardous waste, asbestos, oil, petroleum waste, lead paint, urea formaldehyde, mold, mildew, allergens and /or any other liability causing or toxic substances on, under, or emitting from the Property. Buyer agrees to indemnify and hold Transferor harmless from any liability for or on account of the presence of any such substance on, under or emitting from the Property.

15. **TIME.** Time is an essential part of this Agreement.

16. **TRANSFEROR'S INABILITY TO CLOSE.** If Transferor is unable to close pursuant to this Agreement for any reason whatsoever, Transferor's sole obligation shall be to return the Buyer's Deposit, without interest, to Buyer. Buyer shall have no other claims for damages or any other legal or equitable remedy.

17. **BUYER'S DEFAULT.** If Buyer fails, for any reason whatsoever, to increase the Deposit in compliance with Section 4 of this Agreement, to close as agreed, or pay the Purchase Price on the Closing Date, then the Deposit will be immediately forfeited and

the Buyer's right to acquire the Property under the terms and conditions of this Agreement shall immediately terminate. Transferor shall retain the Buyer's Deposit as agreed upon liquidated damages and may, at Transferor's option, sell the Property to the second highest bidder without holding another auction. Because of the nature and subject matter of this agreement, damages arising from Buyer's default may be difficult to calculate with precision and the amount of the Deposit reflects a reasonable estimate of Transferor's damage for Buyer's default.

18. **MERGER.** No oral or other representations have been made by Transferor or its agents to induce Buyer to sign this Agreement. This Agreement, including without limitation any provisions which survive Closing, shall inure to the benefit of and be binding upon each of the parties hereto and their respective heirs, successors, personal representatives, executors, administrators and assigns. This Agreement contains the entire agreement by and between the parties hereto, superseding any and all prior agreements, written or oral. This Agreement shall be governed by the laws of the State of Vermont.

Transferor's disclaimers and Buyer's representations and acknowledgments contained in this Agreement shall not become merged in, but shall survive Closing of the conveyance of title to the Buyer. At Transferor's election, the form and substance of Transferor's disclaimers may be set forth in the Order Confirming Judicial Sale as further evidence of Buyer's acceptance of the terms and conditions of Transferor's conveyance of the Property; however, Transferor's disclaimers and Buyer's representations shall survive Closing and conveyance of title regardless of whether they are set forth in the Confirmation Order.

19. **NON-ASSIGNMENT.** Buyer may not assign this Agreement without the written consent of Transferor and the approval of the Vermont Superior Court. Any such approval shall be obtained by Buyer at Buyer's sole cost and expense and shall not be cause to delay the Closing or confirmation of the sale.

20. **NOTICES.** All notices, requests and other communications hereunder shall be in writing and delivered or mailed:

(a) If to Transferor, to Beth Morin, Special Asset Officer, Community National Bank, 4811 US Route 5, Newport VT 05855-6409, facsimile 802-334-8266; e-mail: bmorin@communitynationalbank.com, or at such other address as may be furnished to Buyer by Transferor in writing, with copies to Susan J. Steckel, Esq.,

Steckel Law Office, PO Box 247, Marshfield, VT 05658-0247, facsimile 802-563-4403; e-mail: su@steckel-law.com; and Tyler Hirschak, Thomas Hirschak Company, 1878 Cady's Fall Road, Morrisville, Vermont 05661, facsimile 802-888-2211; e-mail:tyler@thcauction.com.

(b) If to Buyer, to Buyer at the address on Page 1 of this Agreement.

Any notice or other communication required or permitted under this Agreement shall be deemed delivered: (a) two business days after deposit in a receptacle of the United States Postal Service, as registered or certified mail, return receipt requested, postage prepaid, (b) when sent via facsimile transmission or e-mail to the party at the facsimile number or e-mail address provided above, with a copy via registered or certified mail as aforesaid, (c) when personally delivered, or (d) when delivered to the party by an overnight courier service.

21. **AMENDMENTS.** This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of, or amendment to, this Agreement shall be effective unless it is in writing, signed by all parties hereto, and expressly states that this Agreement is amended thereby.

22. **EFFECT.** This Agreement, including without limitation, and provisions which survive Closing, shall inure to the benefit of and be binding upon each of the parties hereto and their respective heirs, successors, legal representatives, administrators, and assigns.

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

Transferor:

Community National Bank

By: _____

By: Beth Morin, Special Asset Officer

Witness as to Transferor

Buyer:

X: _____

Witness as to Buyer(s)

Buyer:

X: _____

CNB:NNAT Derby Auction Purchase Agreement.docx