

CONTRACT OF SALE

THIS CONTRACT OF SALE dated the ____ day of February, 2016, between:

BUYER(S):

SELLER(S):

Name(s): Great St. Jim, LLC

Christian Kjaer

Address: [Redacted]

c/o Kevin D'Amour PC
[Redacted]

Phone: [Redacted]
Fax: [Redacted]

1. **PROPERTY:** Buyer hereby offers to purchase the following real estate from Seller:

**Parcel 11 Estate Nazareth
No. 1 Red Hook Quarter
St. Thomas, USVI
Shown on PWD F-9-370-T59**

Further Description: Tax Parcel Number 1-07702-0132-00

2. **PURCHASE PRICE/DEPOSIT:** The purchase price is One Hundred Thousand Dollars and 00/100s Dollars (\$100,000.00), payable as follows:

- (a) ONE THOUSAND DOLLARS (\$1,000.00) which will be deposited in escrow with Escrow Agent upon execution of this Contract by Buyer as the earnest money deposit;
- (b) BALANCE OF FIVE PERCENT (5%) OF PURCHASE PRICE which will be deposited in escrow with Escrow Agent within 15 DAYS of execution of this Contract by Seller as an earnest money deposit; and
- (c) The Balance of the purchase price in cash or certified local funds at Closing.

April Newland of Newland Real Estate. (the "Escrow Agent") agrees to hold the earnest money deposit in its trust account and agrees to apply the earnest money as set forth herein. If there is a dispute between Seller and Buyer over the return or forfeiture of the earnest money deposit held in its trust account, then Escrow Agent shall retain the earnest money deposit in its trust account until it has received a written release from all parties consenting to its disposition, or until disbursement is ordered by a court of competent jurisdiction. Escrow Agent shall be entitled to recover her expenses incurred in connection with such a dispute out of the earnest money deposit.

3. **ACCEPTANCE.** Buyer's offer must be accepted in writing by Seller within two (2) days of the date Buyer signs this Contract. If this Contract is not accepted within this time period, then it shall terminate. If the Contract is not accepted within this time period then it shall terminate and the earnest money deposit shall promptly be refunded to Buyer.

4. **CLOSING.** The closing shall take place in St. Thomas, USVI within thirty (30) days of the date of execution of this Contract by both parties. Unless either party has indicated in Paragraph 15 that time is of the essence with respect to the Closing, the Closing may take place at such later time as is mutually agreed upon by Seller and Buyer.

5. EXPENSES. Seller shall pay the costs of preparing and attesting the deed, recording any mortgage releases, securing the necessary attests, tax certificates, and transfer tax (stamp tax). Real estate taxes, insurance, utility expenses, association assessments and dues, rent and/or security deposits, if any, shall be prorated and credited to the date of Closing between Seller and Buyer. Unless otherwise indicated in Paragraph 15, adjustments for real estate property taxes shall be based upon the most recent tax bill available. All expenses of obtaining financing, preparing loan documents, installment sales contracts, new surveys, appraisals, inspections, title examinations, title insurance, and the recording fees of the deed and any purchase money mortgage shall be paid by the Buyer. Each party shall pay its own attorney's fees.

6. TITLE. At Closing, Seller shall convey good, marketable and insurable fee simple title to the Property to the Buyer by Warranty Deed (unless another form of deed is specified in Paragraph 15) subject only to easements, covenants, restrictions, and rights of way of record that do not render the title unmarketable, any leases described herein, and all zoning, building, environmental, or other laws or regulations affecting the use or occupancy of the Property. Buyer shall be allowed to have the title examined and shall promptly notify Seller in writing of any title defects, zoning or deed restriction violations, or encroachments which may exist within ten (10) days of receipt of the title commitment. Seller shall then have a reasonable opportunity to cure such objections, and may extend the date for closing up to thirty (30) days after notification of the objections in order to cure them. If Seller is unable to cure the objections, then Buyer shall have the right to terminate this Contract, and receive a refund of the earnest money deposit, and no party shall have any further rights, claims, obligations or liabilities arising out of or resulting from this Contract. If requested by the Buyer's title insurance company, Seller shall also execute at closing a standard form owner's affidavit in a format reasonably acceptable to Buyer's title insurance company.

7. INSPECTION.

(a) Buyer or Buyer's designee shall inspect the property within twenty (20) days of receipt of a fully executed copy of this Contract, for purposes of inspecting the condition of the Property. Buyer shall have forty-eight (48) hours from the end of the inspection period in which to notify Seller in writing of Buyer's intention to cancel this Contract, with neither party having any claim against the other, except that the deposit paid hereunder shall be refunded to Buyer forthwith and in full. The inspection period is a time period for Buyer to ascertain the condition of the Property with the knowledge that if Buyer proceeds with the sale, Buyer is accepting the condition with no representations or warranties by the Seller whatsoever, except as specifically set forth herein. In no case shall Seller be held responsible for damages or physical defects to the property. Seller makes no personal or professional claims as to the condition of the property. If Seller has provided a written disclosure statement, then it shall be attached to this Contract and made a part of it.

(b) Buyer and Buyer's agents, employees, independent contractors, engineers, surveyors and other representatives (collectively "Agents") shall have the right to enter the Property at reasonable times for the purposes of performing appraisals, testing water samples, making surveys of the Property, and performing any and all other reasonable activities relating to the purchase of the Property. Buyer and such Agents shall make entry only after providing reasonable notice to Seller and any tenant or other occupant of the Property. Buyer agrees that the entry permitted by this paragraph shall not cause injury or damage to the Property. Buyer indemnifies and holds harmless Seller and Broker(s) against any such injury or damage caused by Buyer or its Agents.

(c) Buyer and Seller acknowledge that the Realtor(s) in the course of events leading to this contract have advised Buyer and Seller of the need for professional opinions, advice, counsel and other services for the protection of their interests or rights in this matter, including but not limited to: consultation with an attorney prior to the signing of this contract, and professional inspection and evaluation of the Property by an engineer, surveyor or inspector to reveal any defects or deficiencies that may or may not be visually detectable. The undersigned parties hereby acknowledge that they have not received or relied upon any statements or representations made by the Realtor(s) which are not expressly set forth in this Contract. Seller and Buyer each hereby agree to indemnify and hold harmless each Realtor, and its respective agents and employees from and against any and all claims damages suits or causes of actions for damages and other liabilities that may arise out of or result from this contract the closing of the purchase and sale contemplated hereunder the condition of the Property, or otherwise, unless such liability was solely caused by the gross negligence or intentional misconduct of such Realtor.

8. COMMISSION AND DECLARATION OF AGENCY BY REALTOR(S).

(a) The parties acknowledge that April Newland of Newland Real Estate is the listing Realtor and Erika Kellerhals is the selling Realtor who brought about this transaction. Seller shall pay the professional service fee ("commission") of 6% as stipulated in the listing agreement between Seller and the listing Realtor at the time of closing, or in the case of any installment sales contract, upon the execution of the installment sales contract, or otherwise agreed to in writing by the parties.

(b) Buyer acknowledges that the listing Realtor is an agent of the Seller in this transaction.

(c) Each party represents to the other that no other real estate broker has any claim for compensation or expenses as a result of this transaction, and each party shall indemnify the other against any other claims for commissions or other compensation by the other broker or finder with whom the indemnifying party has dealt.

9. DEFAULT BY BUYER. If Seller accepts this Contract and if the transaction contemplated herein is not closed by reason of Buyer's default or failure or refusal to perform through no fault of the Seller, then Seller shall have the right to elect either (i) to terminate this Agreement and to retain the earnest money as full liquidated damages, and no party shall have any further rights, obligations or liabilities hereunder; or (ii) Seller may pursue an action for specific performance.

10. DEFAULT BY SELLER. If the Seller accepts this Contract and if the transaction contemplated herein is not closed by reasons of Seller's default or failure or refusal to perform, through no fault of the Buyer, then Buyer shall have the right to elect either (i) to terminate this Agreement, and receive a refund of the earnest money deposit paid hereunder, and no party shall have any further rights, obligations or liabilities hereunder, or (ii) Buyer may pursue an action for specific performance.

11. DESTRUCTION OR DAMAGE TO PROPERTY. Unless Buyer takes possession of the Property prior to Closing, Seller shall bear the risk of loss prior to Closing, including but not limited to total or partial destruction of the property and its contents due to casualty. Seller shall deliver the property in substantially the same condition as it existed at the time of the execution of this Offer by the Seller (reasonable wear and tear excepted), and shall adequately maintain and repair it until Closing. If prior to closing, any improvements located on the Property are destroyed or damaged by fire or other casualty to the extent that the cost of repair or replacement shall exceed ten percent (10.0%) of the Purchase Price, then either party shall have the right to terminate this Contract by providing written notice to the other party prior to closing, in which event, the earnest money deposit shall be returned to Buyer and no party shall have any further rights, obligations or liabilities hereunder. If neither party elects to terminate this Contract, then Seller shall either (i) restore the Property to its condition at the time this Offer was accepted; or (ii) convey it to Buyer with an appropriate reduction in the purchase price; or (iii) convey the property to the Buyer at the stated purchase price, along with an assignment of all insurance proceeds. In the case of option (i), the closing will be postponed for a reasonable period of time to allow Seller to make such repairs. In the event that Buyer takes possession of the property prior to Closing, all risk of loss is on the Buyer, in which case Buyer may not terminate this Contract in the event of a total or partial destruction of the premises due to casualty or other loss, obtain a reduction in the purchase price, or obtain an assignment of the insurance proceeds.

12. PERSONAL PROPERTY. The Property, if improved, is being sold with the following fixtures, appliances, and equipment shall be included in this transaction: all plumbing and electrical and solar systems, including generators, water pumps, the hot water heater(s), central cooling and air conditioning systems, fixed carpeting, all major kitchen appliances (stoves, refrigerators, dishwasher, washer, dryer, etc), built in cabinets, TC antennae and satellite dish, and overhead fan(s) or any additional items as may be provided in Exhibit A.

13. FINANCING: Cash Sale

14. MISCELLANEOUS. This Contract constitutes the entire agreement between the parties hereto and no representations, agreements, inducements or provisions other than those expressly set forth herein shall be binding. All changes, additions or deletions to this Contract must be in writing and signed by all parties. All notices shall be in writing and may be delivered via confirmed facsimile transmission, hand delivery, courier, or by confirmed mail delivery to the other party or its attorney or agent. The notice

shall be effective when hand delivered or the date sent, as evidenced by the delivery confirmation. The parties agree that signatures by facsimile will be binding. This Contract, regardless of where it is signed, shall be deemed to have been made in the United States Virgin Islands and shall be governed by and interpreted in accordance with the laws of the United States Virgin Islands. Buyer shall not have the right to assign any of Buyer's rights or obligations under this Contract without the prior written consent of Seller, which consent shall not be unreasonably withheld. This Contract shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, representatives, successors and assigns. As used herein, words in the singular shall include the plural and the masculine shall include the feminine and neuter genders, as appropriate. At Closing, the Seller shall also comply with the withholding tax requirements imposed by Section 1445 of the Internal Revenue Code.

15. OTHER CONDITIONS. (if none so state):

The purchase of the Property shall include the delivery by Seller of an application for the assignment of the submerged land permit CZT-_____ (the "Permit"), proof of payment of all permit fees associated with the Property, and Buyer representation that the Permit is current and valid. Delivery of the actual assignment of the Permit is NOT a condition precedent to Closing.

THIS CONTRACT OF SALE BECOMES A BINDING LEGAL CONTRACT WHEN EXECUTED BY ALL PARTIES, AND EACH PARTY SHOULD READ AND UNDERSTAND ITS TERMS AND CONDITIONS.

Buyer Date:_____

Witness _____

Witness _____

Seller Date:_____

Witness _____

Witness _____

Seller Date:_____

Witness _____

Witness _____

RECEIPT is hereby acknowledged of the payment (check) (cash) of \$1,000.00 to the Escrow Account of April Newland Real Estate, as stipulated in this Contract of Sale as the earnest money deposit. The undersigned represents that these funds will be deposited within two (2) banking days of the Acceptance Date.

Date: _____
