

02-682-CD
MICHAEL D. GUELICH et ux -vs- KARL A. DEMI et al

FILED

APR 20 2002

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IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

MICHAEL D. GUELICH and
JANELLE J. GUELICH, husband
and wife,
Plaintiffs,

vs.

KARL A. DEMI and JEAN A.
DEMI, husband and wife; and
BURLEIGH REAL ESTATE

* No. 02 - 682 - CD

* Type of Pleading:

* **COMPLAINT**

* Filed on behalf of:
* Plaintiffs

* Counsel of Record for
* this party:

* James A. Naddeo, Esq.
* Pa I.D. 06820

* 211 1/2 E. Locust Street
* P.O. Box 552
* Clearfield, PA 16830
* (814) 765-1601

FILED

APR 29 2002

William A. Shaw
Prothonotary

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

MICHAEL D. GUELICH and *
JANELLE J. GUELICH, husband *
and wife, *
Plaintiffs, *
*
vs. * No. 02 - - CD
*
KARL A. DEMI and JEAN A. *
DEMI, husband and wife; and *
BURLEIGH REAL ESTATE *
*
*
*

NOTICE

You have been sued in Court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this Complaint and notice are served, by entering a written appearance personally or by attorney and filing in writing with the Court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the Court without further notice for any money claimed in the Complaint or for any other claim or relief requested by the Plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP.

COURT ADMINISTRATOR
CLEARFIELD COUNTY COURTHOUSE
Market and Second Streets
Clearfield, PA 16830

(814) 765-2641

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

MICHAEL D. GUELICH and *
JANELLE J. GUELICH, husband *
and wife, *
Plaintiffs, *
*
vs. * No. 02 - - CD
*
KARL A. DEMI and JEAN A. *
DEMI, husband and wife; and *
BURLEIGH REAL ESTATE *
*
*
*

COMPLAINT

AND NOW COME the Plaintiffs, MICHAEL D. GUELICH and JANELLE J. GUELICH, husband and wife, and by their attorney, James A. Naddeo, Esquire, set forth the following claim against Defendants, KARL A. DEMI and JEAN A. DEMI, husband and wife, and BURLEIGH REAL ESTATE, and as support for said claim set forth the following factual averments.

1. Plaintiffs Michael D. Guelich and Janelle J. Guelich, husband and wife, are adult individuals currently residing at RR1 Box 403, Curwensville, Pennsylvania 16833.

2. Defendants Karl A. Demi and Jean A. Demi, husband and wife, are adult individuals currently residing at 1566 Apache Circle, Tavares, Florida 32778.

3. Defendant Burleigh Real Estate is a licensed real estate brokerage agency located at 116 East Locust Street, Clearfield, Pennsylvania 16833.

4. On or about October 31, 2001, Plaintiffs closed on the sale of certain real property owned by Defendant Demi and located at Greenwood Road, Curwensville Borough, Clearfield County, Pennsylvania, identified as Assessment Map #126-H9-157 and more fully described in Instrument No. 200117533 as recorded on October 31, 2001, in the Office of the Clearfield County Recorder of Deeds. A true and correct copy of the aforementioned deed is attached hereto as Exhibit "A".

5. Prior to closing, Defendant Demi completed a property disclosure statement dated September 7, 2001, that made representations regarding the testing and quality of the water and sewage system at the aforementioned property. A true and correct copy of the aforementioned property disclosure statement is attached hereto as Exhibit "B".

6. In or around mid-September 2001, Plaintiffs participated in an initial inspection of the property at which time Plaintiffs specifically inquired of Defendant Demi about the quantity and quality of the water. At that time, Defendant Demi represented that he had never experienced any problem with the quantity or quality of the water at the residence.

7. In or around October 2001, Plaintiff Michael D. Guelich had an additional opportunity to inspect the property at which time he observed rust and/or iron within the toilet of the residence.

8. Following discovery of the rust/iron within the water, Plaintiffs notified Bonnie Burleigh, owner of Burleigh Real Estate, who was acting as Defendant Demi's agent in the sale, to discuss the problem with the water system.

9. A series of discussions took place between Plaintiffs and Bonnie Burleigh whereby certain representations were made by Defendant Burleigh that the existing water problem with the water was a result of the water tank located in the property's garage and that should the tank need replaced Defendant Demi would pay the replacement cost.

10. Less than a week prior to closing, Plaintiffs again visited the property for an inspection and found that the running water remained cloudy and of a reddish-brown discoloration.

11. On October 31, 2001, at the time of closing, Plaintiffs declined a final walk through inspection of the home but again raised their concerns regarding the quality of the water verbally to Defendants and in writing on the "Final Property Inspection and Acceptance" form signed by all parties.

A true and correct copy of the aforementioned form is attached hereto as Exhibit "C".

12. Following closing, Plaintiffs hired Daniel J. Carney & Son Water Treatment Systems to evaluate the quality of the water at which time Mr. Carney determined that the water contained iron and would have to be treated.

13. As a result of this recommendation, Plaintiffs were forced to expend \$2,544.00 for Water Pro Problem Water Treatment to correct the existing problem with iron in the water. A true and correct copy of the invoice paid by Plaintiffs to Water Pro is attached hereto as Exhibit "D".

COUNT I - BREACH OF CONTRACT BY DEFENDANT DEMI

14. Plaintiffs incorporate Paragraphs 1 through 13 by reference and make them a part hereof.

15. Prior to closing, Plaintiffs on numerous occasions questioned Defendant Demi about the quality of the water at the residence subject to the sale.

16. Based on Defendant's assurances that he would correct any existing problem with the water system, Plaintiffs proceeded with the purchase of said real estate, but noted their objection to the water quality on the Final Inspection for.

17. Defendant Demi's failure to correct the problem with the water system is a breach of his contractual obligation

to provide a property at closing that is safe, sanitary, and fit for habitation.

18. Plaintiffs have received no consideration or rebate in the purchase price of the property as a result of the failure of Defendant to remedy the problem with the water quality.

19. As a result of Defendant Demi's breach, Plaintiffs were forced to expend \$2,544.00 for Water Pro Problem Water Treatment to correct the water problem.

WHEREFORE, Plaintiffs demand that judgement be entered against Defendant for a sum of \$2,544.00 plus costs and interest.

COUNT II - FRAUD, COERCION & MISREPRESENTATIONS
BY DEFENDANTS DEMI AND BURLEIGH

20. Plaintiffs incorporate Paragraph 1 through 19 of this Complaint by reference and make them a part hereof.

21. On numerous occasions, Defendant Demi and Defendant Burleigh were made aware of the situation involving the discoloration of the water and the need for corrective measures to rectify the situation prior to closing.

22. Defendant Burleigh made representations that Plaintiffs would be protected by the Disclosure Act and said

condition would be corrected subsequent to closing at the expense of the sellers.

23. Based on these misrepresentations, Plaintiffs noted said condition on the "Final Property Inspection and Acceptance" form and proceeded to close on the property as not to cause unnecessary delay.

24. In addition, it is believed and therefore averred that Defendant Burleigh procured the signatures of the Plaintiffs on the settlement documents while counsel for the Plaintiffs was out of the room and unable to advise Plaintiffs concerning the water problem.

25. In all matters relevant hereto, Defendant Burleigh, acting as the agent for Defendant Demi, represented to the Plaintiffs that this condition would be corrected at the expense of the sellers and in so doing misrepresented said condition to the buyers and procured their signatures on closing documents and enticed them to conclude settlement by fraud, misrepresentation and deceit.

26. As a result of Defendants' fraud and misrepresentations, Plaintiffs closed on the property and were forced to expend \$2,544.00 for Water Pro Problem Water Treatment to correct the existing problem with iron in the water.

WHEREFORE, Plaintiffs demand judgment be entered against Defendants individually and severally for a sum of \$2,544.00 plus costs and interest.

Respectfully submitted,

James A. Naddeo
James A. Naddeo, Esquire
Attorney for Plaintiffs

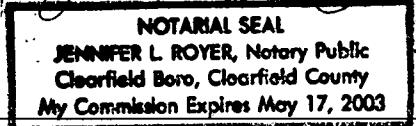
COMMONWEALTH OF PENNSYLVANIA)
ss.
COUNTY OF CLEARFIELD)

Before me, the undersigned officer, personally appeared JANELLE J. GUELICH, who being duly sworn according to law, deposes and states that the facts set forth in the foregoing Complaint are true and correct to the best of her knowledge, information and belief.

Janelle J. Guelich
Janelle J. Guelich

SWORN and SUBSCRIBED before me this 29th day of April, 2002.

Jennifer L. Royer



STARCK
ND RECORDER
LD COUNTY
Ivania

WT NUMBER
17533
DID ON
10/2001
03 FM
Pages: 4

ES - \$13.00

NETENT \$1.00

FUND \$1.00
ER \$1,350.00

AX \$0.50
P \$675.00
AREA \$675.00

TOMER
OCIAITES

This Deed

MADE the 31st day of October, in the year Two Thousand One (2001)

BETWEEN KARL A. DEMI and JEAN A. DEMI, husband and wife, of 1566

Apache Circle, Tavares, Florida 32778, parties of the first part, hereinafter referred to as the
GRANTORS,

AND

MICHAEL D. GUELICH and JANELLE J. GUELICH, husband and wife, as tenants by the
entireties, of 305 Elm Avenue, Clearfield, Clearfield County, Pennsylvania 16830, parties of the second
part, hereinafter referred to as the GRANTEES,

WITNESSETH, That in consideration of One Hundred Thirty-five Thousand and 00/100

(\$135,000.00) Dollars, in hand paid, the receipt whereof is hereby acknowledged, the said grantors do
hereby grant and convey to the said grantees, their heirs, successors and assigns,

ALL that certain tract or piece of ground situate in Pike Township, Clearfield County, Pennsylvania,
bounded and described as follows:

BEGINNING at an iron pin, said iron pin being on the Western line of the right-of-way of
Pennsylvania State Highway Route 17115 and being a southeastern corner of line of lands now or
formerly of Edward Abrino and the northeastern corner of lands herein conveyed; thence along said

western line of the right-of-way of State Highway Route 17115 South seven (7) degrees eight (8) minutes West two hundred eighty-five (285) feet to an iron pin; thence in a westerly direction through other lands now or formerly of Robert J. Buell and Fayetta M. Buell, of which this parcel is a part, on a line at all times parallel to the line of the lands now or formerly of Edward Abrino six hundred eighty-two and five tenths (682.5) feet, more or less, to a point on line of lands previously conveyed by Robert J. Buell and Fayetta M. Buell to Thomas R. Lanager, et al; thence by line of lands now or formerly of Thomas R. Lanager, et al North six (6) degrees forty (40) minutes East two hundred eighty-five (285) feet, more or less, to an iron pin on line of lands now or formerly of Edward Abrino; thence by line of lands now or formerly of Edward Abrino South eighty-three (83) degrees twenty (20) minutes East six hundred eighty-two and five tenths (682.5) feet to an iron pin on the western line of State Highway Route 17115 and the place of beginning. Containing approximately four and one-half (4 1/2) acres.

TOGETHER with the right to use an existing spring upon other lands of Robert J. Buell and Fayetta M. Buell, said existing spring being presently enclosed by cement block and located approximately two hundred fifty (250) feet South of the premises herein demised and to include as a part thereof an eight (8) foot wide right-of-way for the installation of service lines, water and electrical thereto. Together with the right to at any time enter upon said right-of-way for the maintenance and repair of said service lines; provided the Grantees, their heirs, successors and assigns repair any damage to the surface of the premises resulting from installation, maintenance and repairs. Said eight (8) foot wide right-of-way herein granted shall be on a line at all times parallel to Pennsylvania State Highway Route No. 17115.

Being identified in the Clearfield County Mapping and Assessment Office as Map No. 126-H9-157. BEING the same premises as was conveyed to Karl A. Demi and Jean A. Demi, husband and wife, by Deed of Robert J. Buell and Fayetta M. Buell, husband and wife, dated October 1, 1979 and entered for record in the Recorder's Office of Clearfield County to Deed Book Volume 788, Page 145.

TOGETHER with, all and singular, the ways, waters, water courses, rights, liberties, privileges, hereditaments and appurtenances whatsoever thereunto belonging, or in anywise appertaining, and the reversions and remainders, rents, issues and profits thereof; and also all the estate, right, title, interest, use, trust, property, possession, claim and demand whatsoever of Grantors in law, equity, or otherwise, howsoever, of, in, to, or out of the same.

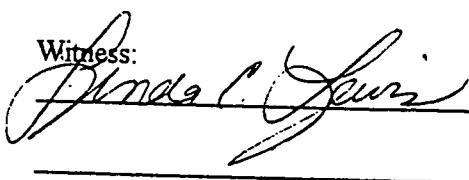
TO HAVE AND TO HOLD the same together with all and singular, the said Grantors' hereditaments and premises hereby granted and released, or mentioned and intended so to be, with the appurtenances, unto the said Grantees, their heirs, successors and assigns, to and for the only proper use and behoof of the said Grantees and assigns, forever.

BUYER ALSO UNDERSTANDS THAT THERE IS NO COMMUNITY OR PUBLIC SEWAGE SYSTEM AVAILABLE TO THE WITHIN PROPERTY. A PERMIT FOR ANY NEW INDIVIDUAL SEWAGE SYSTEM, OR ANY REPAIRS TO ANY EXISTING INDIVIDUAL SEWAGE SYSTEM, WILL HAVE TO BE OBTAINED FROM THE LOCAL AGENCY DESIGNATED AS PROVIDED IN THE PENNSYLVANIA SEWAGE FACILITIES ACT.

NOTICE

In accordance with the provisions of "The Bituminous Mine Subsidence and Land Conservation Act of 1966", I/we, the undersigned grantee/grantees, hereby certify that I/we know and understand that I/we may not be obtaining the right of protection against subsidence resulting from coal mining operations and that the purchased property may be protected from damage due to mine subsidence by a private contract with the owners of the economic interest in the coal. I/we further certify that this certification is in a color contrasting with that in the deed proper and is printed in twelve point type preceded by the word "notice" printed in twenty-four point type.

Witness:



Michael D. Guelich

Janelle J. Guelich

This 31st Day of October, 2001.

THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND, IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT. (This Notice is set forth pursuant to Act No. 255, approved September 10, 1965, as amended.)

The said Grantors will **SPECIALLY WARRANT** the property hereby conveyed.

IN WITNESS WHEREOF, said grantors have hereunto set their hands and seals, the day and year first above-written.

Sealed and delivered in
the presence of:

Linda C. Lewis

as a witness

Karl A. Demi

KARL A. DEMI
Jean A. Demi

JEAN A. DEMI

CERTIFICATE OF RESIDENCE

I hereby certify that the precise residence of the grantees herein is as follows:

R.R. #1, Box 403, Ridge Avenue
Curwensville, PA 16833

James A. Naddeo

James A. Naddeo, Esquire

COMMONWEALTH OF PENNSYLVANIA :
: ss:
COUNTY OF CLEARFIELD :
:

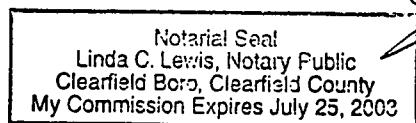
On this, the 31st day of October, 2001, before me, the undersigned officer, a Notary Public, personally appeared KARL A. DEMI and JEAN A. DEMI, husband and wife, known to me, or satisfactorily proven, to be the persons whose names are subscribed to the within instrument, and acknowledged that they executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal.

My Commission Expires: _____

Linda C. Lewis

Notary Public



SELLER'S PROPERTY DISCLOSURE STATEMENT

128

Property Address:

Seller:

Karl & Jean Demi

A seller must disclose to a buyer all known material defects about property being sold that are not readily observable. This disclosure statement is designed to assist Seller in complying with disclosure requirements and to assist Buyer in evaluating the property being considered.

This Statement discloses Seller's knowledge of the condition of the property as of the date signed by Seller and is not a substitute for any inspections or warranties that Buyer may wish to obtain. This Statement is not a warranty of any kind by Seller or a warranty or representation by any listing real estate broker, any selling real estate broker, or their licensees. Buyer is encouraged to address concerns about the conditions of the property that may not be included in this Statement. This Statement does not relieve Seller of the obligation to disclose a material defect that may not be addressed on this form.

A material defect is a problem with the property or any portion of it that would have a significant adverse impact on the value of the residential real property or that involves an unreasonable risk to people on the land.

1. SELLER'S EXPERTISE Seller does not possess expertise in contracting, engineering, architecture, or other areas related to the construction and conditions of the property and its improvements, except as follows:

2. OCCUPANCY

(a) Do you, Seller, currently occupy this property? Yes No
If "no," when did you last occupy the property? 12/12/02

(b) Have there been any pets living in the house or other structures during your ownership? Yes No
If "yes," describe:

3. ROOF

(a) Date roof installed: 6/98 Documented? Yes No Unknown

(b) Has the roof been replaced or repaired during your ownership? Yes No
If "yes," were the existing shingles removed? Yes No Unknown

(c) Has the roof ever leaked during your ownership? Yes No

(d) Do you know of any problems with the roof, gutters or downspouts? Yes No
Explain any "yes" answers that you give in this section:

4. BASEMENTS AND CRAWL SPACES (Complete only if applicable)

(a) Does the property have a sump pump? Yes No Unknown

(b) Are you aware of any water leakage, accumulation, or dampness within the basement or crawl space? Yes No
If "yes," describe in detail:

(c) Do you know of any repairs or other attempts to control any water or dampness problem in the basement or crawl space? Yes No
If "yes," describe the location, extent, date, and name of the person who did the repair or control effort:

5. TERMITES/WOOD-DESTROYING INSECTS, DRYROT, PESTS

(a) Are you aware of any termites/wood-destroying insects, dryrot, or pests affecting the property? Yes No

(b) Are you aware of any damage to the property caused by termites/wood-destroying insects, dryrot, or pests? Yes No

(c) Is your property currently under contract by a licensed pest control company? Yes No

(d) Are you aware of any termite/pest control reports or treatments for the property in the last five years? Yes No
Explain any "yes" answers that you give in this section, including the name of any service/treatment provider, if applicable:

6. STRUCTURAL ITEMS

(a) Are you aware of any past or present water leakage in the house or other structures? Yes No

(b) Are you aware of any past or present movement, shifting, deterioration, or other problems with walls, foundations, or other structural components? Yes No

(c) Are you aware of any past or present problems with driveways, walkways, patios, or retaining walls on the property? Yes No

(d) Is your property constructed with an Exterior Insulating Finishing System (EIFS), such as dryvit or synthetic stucco?

28. SELLER'S PROPERTY DISCLOSURE STATEMENT, 11/99

version 6.07(5.6), RealFAST® Software Publishing Inc., (c) 2001 Reg# XPAPAR230139, DEFAULT, Burleigh Real Estate

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Buyer(s) _____

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Seller(s) KB Page 1 of 5

EXHIBIT "B"

Yes No Unknown

If "yes," describe any known problems: _____

(e) Are there any defects in flooring, including stains? Yes No Unknown

If "yes," explain: _____

Explain any "yes" answers that you give in this section. When explaining efforts to control or repair, please describe the location and extent of the problem, and the date and person by whom the work was done, if known: _____

7. ADDITIONS/REMODELS Have you made any additions, structural changes, or other alterations to the property? Yes No
If "yes," describe: _____

8. WATER AND SEWAGE

(a) What is the source of your drinking water? Public Water On-Site Water (Well on Property)
 Community Water None Other (explain): _____

(b) If your drinking water source is not public:

When was your water last tested? 3/1/98 (6/98) What was the result of the test? Good

Is the pumping system in working order? Yes No

If "no," explain: _____

(c) Do you have a softener, filter, or other purification system? Yes No
If "yes," is the system Leased Owned

(d) What is the type of sewage system? Public Sewer Individual On-lot Sewage Disposal System
 Individual On-lot Sewage Disposal System in Proximity to Well Community Sewage Disposal System
 Ten-acre Permit Exemption Holding Tank None None Available/Permit Limitations in Effect
 Other _____

If Individual On-lot, what type? Cesspool Drainfield Unknown Other (specify): _____

Is there a septic tank on the Property? Yes No Unknown

If "yes," what is the type of tank? Metal/steel Cement/concrete Fiberglass Unknown

Other (specify): _____

Other type of sewage system (explain): _____

(e) When was the on-site sewage disposal system last serviced? 6/15/98

(f) Is there a sewage pump? Yes No

If "yes," is it in working order? Yes No

(g) Is either the water or sewage system shared? Yes No

If "yes," explain: _____

(h) Are you aware of any leaks, backups, or other problems relating to any of the plumbing, water, and sewage-related items?
 Yes No

If "yes," explain: _____

9. PLUMBING SYSTEM

(a) Type of plumbing: Copper Galvanized Lead PVC Unknown
 Other (explain): _____

(b) Are you aware of any problems with any of your plumbing fixtures (e.g., including but not limited to: kitchen, laundry, or bathroom fixtures; wet bars; hot water heater, etc.)? Yes No
If "yes," explain: _____

10. HEATING AND AIR CONDITIONING

(a) Type of air conditioning: Central Electric Central Gas Wall None
Number of window units included in sale _____ Location _____

(b) List any areas of the house that are not air conditioned: _____

(c) Type of heating: Electric Fuel Oil Natural Gas Propane (On-site)

Are there wood or coal burning stoves? Yes No If "yes," how many? 1 Are they working? Yes No
Are there any fireplaces? Yes No If "yes," how many? 1 Are they working? Yes No
Other types of heating systems (explain): _____

(d) Are there any chimneys? Yes No If "yes," how many? 1 Are they working? Yes No
When were they last cleaned? _____

(e) List any areas of the house that are not heated: _____

(f) Type of water heating: Electric Gas Solar Other _____

(g) Are you aware of any underground fuel tanks on the property? Yes No
If "yes," describe: _____

If tanks are not owned, explain: _____

(h) Are you aware of any problems with any item in this section? Yes No
If "yes," explain: _____

11. ELECTRICAL SYSTEM Are you aware of any problems or repairs needed in the electrical system? Yes No
If "yes," explain: _____

12. OTHER EQUIPMENT AND APPLIANCES INCLUDED IN SALE (Complete only if applicable)
Equipment and appliances ultimately included in the sale will be determined by negotiation and according to the terms of the Agreement of Sale.

(a) Electric Garage Door Opener 2 No. of Transmitters 5

(b) Smoke Detectors How many? 2 Location Upstairs & Downstairs

(c) Security Alarm System Owned Leased Lease Information _____

(d) Lawn Sprinkler No. _____ Automatic Timer

(e) Swimming Pool Pool Heater Spa/HotTub
Pool/Spa Equipment (list): _____

(f) Refrigerator Range Microwave Oven Dishwasher Trash Compactor Garbage Disposal

(g) Washer Dryer

(h) Intercom

(i) Ceiling Fans No. 4 Location Foyer, Living Room, Kitchen & Master Bedroom

(j) Other: _____

Are any items in this section in need of repair or replacement? Yes No Unknown
If "yes," explain: _____

13. LAND (SOILS, DRAINAGE, AND BOUNDARIES)

(a) Are you aware of any fill or expansive soil on the property? Yes No

(b) Are you aware of any sliding, settling, earth movement, upheaval, subsidence, or earth stability problems that have occurred on or affect the property? Yes No

Note to Buyer: The property may be subject to mine subsidence damage. Maps of the counties and mines where mine subsidence damage may occur and mine subsidence insurance are available through: Department of Environmental Protection, Mine Subsidence Insurance Fund, 3913 Washington Road, McMurray, PA 15317 (800) 922-1678 (within Pennsylvania) or (724) 941-7100 (outside Pennsylvania).

(c) Are you aware of any existing or proposed mining, strip-mining, or any other excavations that might affect this property? Yes No

(d) To your knowledge, is this property, or part of it, located in a flood zone or wetlands area? Yes No

(e) Do you know of any past or present drainage or flooding problems affecting the property? Yes No

(f) Do you know of any encroachments, boundary line disputes, or easements? Yes No

Note to Buyer: Most properties have easements running across them for utility services and other reasons. In many cases, the easements do not restrict the ordinary use of the property, and Seller may not be readily aware of them. Buyers may wish to determine the existence of easements and restrictions by examining the property and ordering an Abstract of Title or searching the records in the Office of the Recorder of Deeds for the county before entering into an Agreement of Sale.

(g) Are you aware of any shared or common areas (e.g., driveways, bridges, docks, walls, etc.) or maintenance agreements? Yes No
Explain any "yes" answers that you give in this section: _____

14. HAZARDOUS SUBSTANCES

(a) Are you aware of any underground tanks (other than fuel tanks) or hazardous substances present on the property (structure or soil) such as, but not limited to, asbestos, Polychlorinated biphenyls (PCBs), Urea Formaldehyde Foam Insulation (UFFI), etc.? Yes No

(b) To your knowledge, has the property been tested for any hazardous substances? Yes No

(c) Do you know of any other environmental concerns that might impact upon the property? Yes No

Explain any "yes" answers that you give in this section:

(d) Do you know of any tests for radon gas that have been performed in any buildings on the Property? Yes No
If "yes," list date, type, and results of all tests below:

DATE	TYPE OF TEST	RESULTS (picocuries/liter or working levels)	NAME OF TESTING SERVICE

(e) Are you aware of any radon removal system on the Property? Yes No

If "yes," list date installed and type of system, and whether it is in working order below:

DATE INSTALLED	TYPE OF SYSTEM	PROVIDER	WORKING ORDER
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No

(f) If Property was constructed, or if construction began, before 1978, you must disclose any knowledge of lead-based paint on the property. Are you aware of any lead-based paint or lead-based paint hazards on the property? Yes No
If "yes," explain how you know of it, where it is, and the condition of those lead-based paint surfaces:

(g) If Property was constructed, or if construction began, before 1978, you must disclose any reports or records of lead-based paint on the Property. Are you aware of any reports or records regarding lead-based paint or lead-based paint hazards on the Property? Yes No
If "yes," list all available reports and records:

15. CONDOMINIUMS AND OTHER HOMEOWNER ASSOCIATIONS (Complete only if applicable)

Type: Condominium Cooperative Homeowner Association or Planned Community Other

Notice Regarding Condominiums, Cooperatives, and Planned Communities: According to Section 3407 of the Uniform Condominium Act [68 Pa. C.S. §3407 (relating to resale of units)] and 68 Pa. C.S. §4409 (relating to resale of cooperative interests)] and Section 5407 of the Uniform Planned Community Act [68 Pa. C.S. §5407 (relating to resale of units)], a buyer of a resale unit in a condominium, cooperative, or planned community must receive a copy of the declaration (other than the plats and plans), the by-laws, the rules or regulations, and a certificate of resale issued by the association in the condominium, cooperative, or planned community. The buyer will have the option of canceling the agreement with the return of all deposit monies until the certificate has been provided to the buyer and for five days thereafter or until conveyance, whichever occurs first.

16. MISCELLANEOUS

(a) Are you aware of any historic preservation restriction or ordinance or archeological designation associated with the property? Yes No

(b) Are you aware of any existing or threatened legal action affecting the property? Yes No

(c) Do you know of any violations of federal, state, or local laws or regulations relating to this property? Yes No

(d) Are you aware of any public improvement, condominium or homeowner association assessments against the property that remain unpaid or of any violations of zoning, housing, building, safety or fire ordinances that remain uncorrected? Yes No

(e) Are you aware of any judgment, encumbrance, lien (for example co-maker or equity loan), overdue payment on a support obligation, or other debt against this property that cannot be satisfied by the proceeds of this sale? Yes No

(f) Are you aware of any reason, including a defect in title, that would prevent you from giving a warranty deed or conveying title to the property? Yes No

(g) Are you aware of any material defects to the property, dwelling, or fixtures which are not disclosed elsewhere on this form? Yes No
A material defect is a problem with the property or any portion of it that would have a significant adverse impact on the value of the residential real property or that involves an unreasonable risk to people on the land.

Explain any "yes" answers that you give in this section:

The undersigned Seller represents that the information set forth in this disclosure statement is accurate and complete to the best of Seller's knowledge. Seller hereby authorizes the Listing Broker to provide this information to prospective buyers of the property and to other real estate licensees. SELLER ALONE IS RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION CONTAINED IN THIS STATEMENT. Seller shall cause Buyer to be notified in writing of any information supplied on this form which is rendered inaccurate by a change in the condition of the property following completion of this form.

WITNESS _____ SELLER X Karla Dennis DATE 7/7/01
WITNESS _____ SELLER X Jennifer Dennis DATE 7/7/01

EXECUTOR, ADMINISTRATOR, TRUSTEE SIGNATURE BLOCK

According to the provisions of the "Real Estate Seller Disclosure Act," the undersigned executor, administrator or trustee is not required to fill out a Seller's Property Disclosure Statement. The executor, administrator or trustee, must, however, disclose any known material defect(s) of the property.

DATE _____

RECEIPT AND ACKNOWLEDGEMENT BY BUYER

The undersigned Buyer acknowledges receipt of this Disclosure Statement. Buyer acknowledges that this Statement is not a warranty and that, unless stated otherwise in the sales contract, Buyer is purchasing this property in its present condition. It is Buyer's responsibility to satisfy himself or herself as to the condition of the property. Buyer may request that the property be inspected, at Buyer's expense and by qualified professionals, to determine the condition of the structure or its components.

WITNESS _____ BUYER _____ DATE _____

WITNESS _____ BUYER _____ DATE _____



BURLEIGH REAL ESTATE

BONNIE L. BURLEIGH, GRI
Broker/Owner
Certified Residential Appraiser

Seller: Karl A. & Jean A. Demi

Buyer: Michael D. & Janelle J. Guelich

Property: RR#1, Box 403, Curwensville, PA 16833

FINAL PROPERTY INSPECTION AND ACCEPTANCE

MG/dg.

The Buyer of the above property agrees that they have inspected said property, including but not limited to all mechanical equipment, appliances, electrical, plumbing, heating and cooling equipment, sanitary drains and/or septic systems, and pool and pool equipment (if any).

The Buyer agrees that the above are in good working order and that said property is in acceptable condition, so any contingencies in the "STANDARD AGREEMENT FOR THE SALE OF REAL ESTATE" pertaining to condition of said property are hereby satisfied and withdrawn.

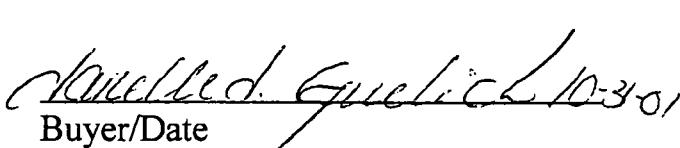
Exceptions: water? cloudy reddish/brown - won't run
clear

The Buyer of the above property has been given the opportunity to do a final inspection and has waived this right. The property is accepted in its present condition.

The Seller and their agents are hereby released from all liability and responsibility for same.


Buyer/Date


Agent for Seller/Date


Buyer/Date



Problem Water Treatment
Residential & Commercial

**"WATER PRO"
PROBLEM WATER TREATMENT**

R. R. 3, Box 202 • Philipsburg, PA 16866
Phone: 814-342-7527 • Fax: 814-342-4011

Customer to Furnish Electrical
Outlet Within 5 Feet
of Unit Installation

Chlorine Removal • Iron • Sulfur • Hardness • Bacteria • Taste & Odor
Pipe Replacement & Removal

*Install 11-8-01
10AM*

Name Mike Gulinik Phone No. 236-0447 Date Nov 4 2001
Address RR Box 403 City Cou County CLFQ State PA Zip 16833
Directions 3 mile Coconawood Rd. wh. - w/ Pitts #463

• WATER ANALYSIS REPORT •

Hardness	<u>2</u>	g.p.g.	Iron	<u>4.2</u>	p.p.m.
Ph.	<u>5.8</u>		Hyd. Sul.		p.p.m.
No. Family	<u>5 Max</u>		No. Reg.		
Iron Algae			Other	<u>TDS 78</u>	

Performance Guaranteed

3 yr. Warr on water lines

1 yr. Warr on parts

90 day free labor

200 lb. salt soft

Life time on mineral tanks

Performance guarantee does not apply if above water characteristics change or if inadequate water supply exists.

• PURCHASE TERMS •

TERMS	Description of Equipment	Model	Price
	<u>TC STR SOFT</u>	<u>2510</u>	
	<u>TR Ei C30/16</u>	<u>5600</u>	
	<u>w/ 144 gpm/1 gallon</u>		<u>1800.00</u>
			<u>5400.00</u>
1. Total Cash Selling Price			
No. of			
Months			
4. Sub-total			
Monthly			
Payment			
5. Interest			
6. Other	<u>Tax 6%</u>		<u>144.00</u>
Due Date			
7. TOTAL			<u>2544.00</u>

NOTICE OF CANCELLATION

You may cancel this transaction, without penalty or obligation, within three business days of the above date. If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within ten business days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your residence in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's risk and expense. If you do make the goods available to the seller and the seller does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to Water Pro., R. R. 3, Box 202, Philipsburg, PA 16866, not later than midnight of _____.

I hereby cancel this transaction.

(Buyer's Signature)

(Date)

Witnessed:

BUYER'S APPROVAL

Customer Signature _____

Representative of Company

F. Gulinik

Customer Signature _____

11006-00128/DFW/

MICHAEL D. GUELICH and JANELLE J. : IN THE COURT OF COMMON PLEAS OF
GUELICH, husband and wife, : CLEARFIELD COUNTY, PENNSYLVANIA
Plaintiffs :
: CIVIL ACTION – LAW
v. :
: No. 02-682-CD
KARL A. DEMI and JEAN A DEMI, :
husband and wife and BURLEIGH :
REAL ESTATE, :
Defendants : JURY TRIAL DEMANDED

NOTICE TO PLEAD

TO: PLAINTIFFS
C/O James A. Naddeo, Esquire

You are hereby notified to plead to the within NEW MATTER within twenty (20) days of service hereof or a default judgment may be entered against you.

MARSHALL, DENNEHEY, WARNER,
COLEMAN & GOGGIN

BY

David F. Wilk

Attorney for Defendant Burleigh Real Estate
I.D. #65992
33 W. Third Street, Suite 200
Williamsport, PA 17701
(570)326-9069

Date: 6/14/02

FILED

JUN 17 2002
012:11:10cc
William A. Shaw
Prothonotary

MICHAEL D. GUELICH and JANELLE J. : IN THE COURT OF COMMON PLEAS OF
GUELICH, husband and wife, : CLEARFIELD COUNTY, PENNSYLVANIA
Plaintiffs :
: CIVIL ACTION – LAW
v. :
: No. 02-682-CD
KARL A. DEMI and JEAN A DEMI, :
husband and wife and BURLEIGH :
REAL ESTATE, :
Defendants : JURY TRIAL DEMANDED

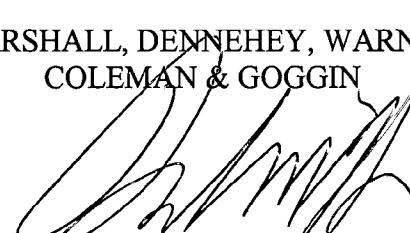
NOTICE TO PLEAD

TO: DEFENDANTS KARL and JEAN DEMI
C/O R. Denning Gearhart, Esquire

You are hereby notified to plead to the within **CROSSCLAIM PURSUANT TO Pa.R.Civ.P. 2252(d)** within twenty (20) days of service hereof or a default judgment may be entered against you.

MARSHALL, DENNEHEY, WARNER,
COLEMAN & GOGGIN

BY



David F. Wilk
Attorney for Defendant Burleigh Real Estate
I.D. #65992
33 W. Third Street, Suite 200
Williamsport, PA 17701
(570)326-9069

Date: 6/14/02

MICHAEL D. GUELICH and JANELLE J. : IN THE COURT OF COMMON PLEAS OF
GUELICH, husband and wife, : CLEARFIELD COUNTY, PENNSYLVANIA
Plaintiffs :
: CIVIL ACTION - LAW
v. :
: No. 02-682-CD
KARL A. DEMI and JEAN A DEMI, :
husband and wife and BURLEIGH :
REAL ESTATE, :
Defendants : JURY TRIAL DEMANDED

**ANSWER OF DEFENDANT BURLEIGH REAL ESTATE
TO PLAINTIFFS' COMPLAINT WITH NEW MATTER AND
CROSSCLAIM PURSUANT TO Pa.R.C.P. 2252(d)**

1-4. Admitted.

5. Admitted. However, by way of further answer, Defendants Demis, on the Property Disclosure Agreement, attached to Plaintiffs' Complaint as exhibit "B", stated that the source of drinking water was on site and that the last time the system was tested was three (3) years ago with the result of the tests being good.

6. Admitted.

7. Admitted in part and denied in part. It is admitted that Plaintiffs were given access to the property by Defendants Demi, prior to closing. After reasonable investigation, Defendant Burleigh Real Estate is without knowledge or information sufficient to form a belief as to the truth of the averments in Paragraph 7 of Plaintiffs' Complaint concerning Plaintiffs' observation of rust and/or iron within the toilet of the residence. The same is therefore denied and specific proof thereof is demanded.

8. Admitted.

9. It is specifically denied that answering Defendant Burleigh Real Estate ever made any representations concerning alleged water problem, the nature of any such problem, and further, answering Defendant never represented to Plaintiffs that Defendants Demis would pay any costs whatsoever. Strict proof to the contrary is hereby demanded at trial.

10. Admitted in part and denied in part. It is admitted that Plaintiffs had a key to the subject property from October 26, 2001 until the day of settlement on October 31, 2001 and thereby had access to the property and, in fact, moved various items of personal property into the residence. After reasonable investigation, Defendant Burleigh Real Estate is without knowledge or information sufficient to form a belief as to the truth of the averments in Paragraph 10 of Plaintiffs' Complaint concerning Plaintiffs' observation concerning the water in the residence. The same is therefore denied and specific proof thereof is demanded.

11. Specifically denied. It is specifically denied that Plaintiffs declined a final walk through on October 31, 2001. To the contrary, Plaintiffs had complete access to the subject property from October 26, 2001 until the day of final settlement on October 31, 2001. By way of further additional answer, the "Final Property Inspection and Acceptance" form is a written document in the terms of which speak for itself.

12. After reasonable investigation, Defendant Burleigh Real Estate is without knowledge or information sufficient to form a belief as to the truth of the averments in Paragraph 12 of Plaintiffs' Complaint. The same is therefore denied and specific proof thereof is demanded.

13. Specifically denied. It is specifically denied that Plaintiffs were forced to expend \$2,544 for a WaterPro Problem Water Treatment to correct the existing problem with iron in the water. Strict proof thereof is hereby demanded at trial. By way of further additional answer, it

is specifically denied that Plaintiffs were forced to incur any expenses as a result of any actions or inactions on the part of answering Defendant. Strict proof to the contrary is hereby demanded at trial.

COUNT I

Breach of Contract by Defendant Demi

14. No response required.

15-19. The allegations contained in Paragraphs 15-19 of Plaintiffs' Complaint are not addressed to answering Defendant and, therefore, no response is required.

COUNT II

Fraud, Coercion, and Misrepresentations by Defendants Demi and Burleigh

20. No response required.

21. It is admitted in part and denied in part. It is admitted that Plaintiffs discussed their concerns regarding the water at the residence with answering Defendant Burleigh Real Estate on more than one occasion. It is specifically denied that answering Defendant Burleigh was made aware of the need for corrective measures to rectify the alleged problem with the water prior to closing. Strict proof to the contrary is hereby demanded at trial. By way of further additional answer, pursuant to the parties' Agreement of Sale, a copy of which is attached hereto and marked as **Exhibit "A"**, the Plaintiffs waived the right to have the water tested, thereby accepting the water in its condition at the time of closing. Strict proof to the contrary is hereby demanded at trial.

22. Specifically denied. It is specifically denied that answering Defendant made representations that Plaintiffs would be protected by the Disclosure Act and that said condition

would be corrected subsequent to closing at the expense of the sellers. Strict proof to the contrary is hereby demanded at trial. By way of further additional answer, Plaintiffs were aware that answering Defendant Burleigh was the agent for the sellers, Defendants Demis, and not Plaintiffs, further, at all relevant times were represented by counsel with respect to all aspects of this transaction. Strict proof to the contrary is hereby demanded at trial.

23. Denied in part and admitted in part. It is specifically denied that answering Defendant made any misrepresentations to Plaintiffs. Strict proof to the contrary is hereby demanded at trial. It is admitted that Plaintiffs placed the following language on the "Final Property Inspection and Acceptance" form; water? cloudy reddish/brown – won't run clear, Plaintiffs then signed the form. Strict proof to the contrary is hereby demanded at trial.

24. Specifically denied. It is specifically denied that answering Defendant procured the signatures of Plaintiffs on any settlement documents. To the contrary, Plaintiffs were represented by both James Naddeo, Esquire and Linda Lewis, Esquire, at the final settlement. By way of further additional answer, Plaintiffs had full opportunity to address any questions or concerns with respect to any documents with their attorneys prior to completing settlement on the subject property. Strict proof to the contrary is hereby demanded at trial.

25. Admitted in part and denied in part. It is admitted that answering Defendant Burleigh acted as agent for Defendant Demis. It is specifically denied that answering Defendant Burleigh ever represented to the Plaintiffs that a condition concerning the water of the subject property would be corrected at the expense of the sellers. Further, it is specifically denied that answering Defendant Burleigh procured the signatures of Plaintiffs on closing documents and/or enticed them to conclude settlement by fraud and misrepresentation and deceit. Strict proof to the contrary is hereby demanded at trial.

26. The allegations in Paragraph 26 of Plaintiffs' Complaint are a legal conclusion to which no response is required. To the extent a response is deemed to be required, it is specifically denied that answering Defendant Burleigh committed any fraud or misrepresentations which induced Plaintiffs to act in any manner. To the contrary, Plaintiffs were aware of their own concerns regarding the water at the subject property as they address those concerns to answering Defendant well before settlement on the subject property yet choice to purchase the property in any event. Strict proof to the contrary is hereby demanded at trial.

WHEREFORE, Defendant Burleigh Real Estate respectfully requests this Honorable Court to enter judgment in its favor and against Plaintiffs and dismiss Plaintiffs' Complaint with prejudice, and demands a jury trial on any appeal taken from the decision of the Board of Arbitrators.

NEW MATTER

27. Paragraphs 1-26 of this Answer are hereby incorporated by reference as though fully set forth.

28. Plaintiffs' claims are barred by the Statute of Frauds.
29. Plaintiffs' claims are barred by the Doctrine of Accord and Satisfaction.
30. Plaintiffs' claims are barred by the applicable statute of limitations.
31. Plaintiffs' claims are barred by the failure of consideration.
32. Plaintiff's claims are barred by their own comparative negligence.
33. Plaintiffs' claims are barred by their voluntary assumption of the risk.
34. Pursuant to the Agreement of Sale executed by Plaintiffs, a copy of which is attached hereto and marked as Exhibit "A", specifically Paragraph 12, Plaintiffs as buyers

specifically waived their right to have the water of the subject property inspected thereby precluding Plaintiff from asserting the claim contained in their Complaint.

35. Pursuant to Paragraph 25 in the Agreement of Sale, Plaintiff specifically released answering Defendant Burleigh Real Estate from any and all claims arising from the onsite water system which is the basis for Plaintiffs' Complaint. Therefore, Plaintiffs' Complaint fails to state a cause of action against answering Defendant upon which relief can be granted.

36. Pursuant to Paragraph 26 of the Agreement of Sale executed by Plaintiffs, Plaintiffs acknowledged that they had inspected the property before the signing of this agreement and waived the right to do so, agreed to purchase it in its present condition.

37. Plaintiffs further acknowledge that answering Defendant Burleigh Real Estate did not make an independent examination or determination of the condition of the subject property, nor did Defendant Burleigh have a duty to make such an examination or determination, therefore, Plaintiffs' Complaint against answering Defendant Burleigh Real Estate fails to state a claim upon which relief can be granted.

38. The issue of which Plaintiffs complain of in their Complaint was an open and obvious condition, for which answering Defendant Burleigh Real Estate had no duty to disclose, therefore, Plaintiffs' Complaint against answering Defendant Burleigh fails to state a claim upon which relief can be granted.

39. Plaintiffs was represented by counsel at all times during the closing on this subject property.

40. Plaintiffs had the opportunity to have the advice of counsel regarding any issue concerning the water on this subject property.

41. Plaintiffs completed the closing and purchased the subject property, therefore, Plaintiffs' Complaint fails to state a cause of action upon which relief can be granted.

WHEREFORE, Defendant Burleigh Real Estate respectfully requests this Honorable Court to enter judgment in its favor and against Plaintiffs and dismiss Plaintiffs' Complaint with prejudice, and demands a jury trial on any appeal taken from the decision of the Board of Arbitrators.

CROSSCLAIM PURSUANT TO Pa.R.C.P. 2252(d)

Burleigh Real Estate v. Carl A. Demi and Jean A. Demi, husband/wife

42. Paragraphs 1-37 of this Answer are incorporated herein by reference as though fully set forth.

43. Pursuant to the Listing Agreement executed between Burleigh Real Estate and Defendants Demis, a copy of which is attached hereto and marked as **Exhibit "B"**, specifically Paragraph 20(b), Defendants Demi agreed to hold Defendant Burleigh harmless of any and all claims which resulted from Defendant Demis' failure to disclose any material defects and/or environment hazards with respect to the property.

44. Defendant Burleigh Real Estate is entitled to indemnification for all costs, legal fees, expenses, court ordered payments and/or settlements entered in this case from Defendants Demis.

45. If any or all of the averments of the Plaintiffs' Complaint are proven true, any damages legally suffered by Plaintiffs are the result, in whole or part of, Defendants Karl A.

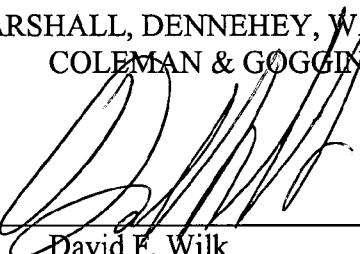
Demi and Jean A. Demi, husband and wife, for failure to disclose material defect with the property which they sold to Plaintiffs.

46. Defendant Burleigh Real Estate, claims sole liability on the part of Defendants Demis, or in the event of any liability on the part of said Burleigh Real Estate, contribution and/or indemnity against said Additional Defendants for the full amount of any such liability and/or the comparative share of said Defendants Demis of any liability.

WHEREFORE, Defendant Burleigh Real Estate claims sole liability on the part of Defendants Demis, or in the event of any liability on the part of said Defendant Burleigh Real Estate, contribution and/or indemnity against said Defendants Demis for the full amount of any such liability and/or the comparative share of said Defendants Demis of any liability.

MARSHALL, DENNEHEY, WARNER,
COLEMAN & GOGGIN

BY


David F. Wilk

Attorney for Defendant Burleigh Real Estate
I.D. #65992
33 W. Third Street, Suite 200
Williamsport, PA 17701
(570)326-9069

Date: 6/14/02

STANDARD AGREEMENT FOR THE SALE OF REAL ESTATE

This form recommended and approved for, but not restricted to use by, members of the Pennsylvania Association of REALTORS® (PAR).

A/S - 2K

<p>PA LICENSED BROKER LISTING BROKER (Company) <u>Burleigh Real Estate</u> ADDRESS <u>PO Box 375/116 E. Locust St.</u> <u>Clearfield, PA 16830</u> PH <u>(814) 765-9660</u> FAX <u>(814) 765-9663</u> DESIGNATED AGENT FOR SELLER (if applicable)</p>	<p>PA LICENSED BROKER SELLING BROKER (Company) ADDRESS PH FAX DESIGNATED AGENT FOR BUYER (if applicable)</p>
--	--

1. **This Agreement**, dated September 11, 2001, is between
SELLER(S):
Karl A. Demi
Jean A. Demi
 called "Seller," and
BUYER(S):
Michael D. Guelich
Janelle J. Guelich
 called "Buyer."
 2. **PROPERTY (1-98)** Seller hereby agrees to sell and convey to Buyer, who hereby agrees to purchase:
ALL THAT CERTAIN lot or piece of ground with buildings and improvements thereon erected, if any, known as:
RR#1, Box 403 Ridge Avenue, Curwensville, consisting of a Ranch home 6 4.5 Acres
in the Township of Pike
County of Clearfield in the Commonwealth of Pennsylvania, Zip Code 16833,
 Identification (e.g., Tax ID#; Parcel #; Lot, Block; Deed Book, Page, Recording Date)
Map #126-H9-157
 3. **TERMS (1-00)**

(A) Purchase Price One Hundred Forty Four Thousand Two Hundred Fifty \$144,250.00 Dollars
 which will be paid to Seller by Buyer as follows:

(B) Cash or check at signing this Agreement: \$ 500.00
 (C) Cash or check within _____ days of the execution of this Agreement: \$
 (D) _____
 (E) Cash, cashier's or certified check at time of settlement: \$ 143,750.00
 (F) Deposits paid on account of purchase price to be held by Listing Broker, unless otherwise stated here: TOTAL \$ 144,250.00
 (G) Seller's written approval to be on or before: September 12, 2001
 (H) Settlement to be made on or before: November 16, 2001
 (I) Conveyance from Seller will be by fee simple deed of special warranty unless otherwise stated here:
 (J) Payment of transfer taxes will be divided equally between Buyer and Seller unless otherwise stated here:
 (K) At time of settlement, the following will be adjusted pro-rata on a daily basis between Buyer and Seller, reimbursing where applicable: taxes; rents; interest on mortgage assumptions; condominium fees and homeowner association fees, if any; water and/or sewer fees, if any, together with any other licensable municipal service. The charges are to be pro-rated for the period(s) covered: Seller will pay up to and including the date of settlement; Buyer will pay for all days following settlement, unless otherwise stated here:

 4. **FIXTURES & PERSONAL PROPERTY (1-00)**

(A) INCLUDED in this sale and purchase price are all existing items permanently installed in the Property, free of liens, including plumbing; heating; lighting fixtures (including chandeliers and ceiling fans); water treatment systems; pool and spa equipment; garage door openers and transmitters; television antennas; shrubbery, plantings and unpotted trees; any remaining heating and cooking fuels stored on the Property at the time of settlement; wall to wall carpeting; window covering hardware, shades, blinds; built-in air conditioners; built-in appliances; and the range/oven unless otherwise stated. Also included: Refrigerator

(B) LEASED Items (items not owned by Seller):

(C) EXCLUDED fixtures and items:

 5. **SPECIAL CLAUSES (1-00)**

(A) Buyer and Seller have received the Consumer Notice as adopted by the State Real Estate Commission at 49 Pa. Code §35.336.

(B) Buyer and Seller have received a statement of their respective estimated closing costs before signing this Agreement.

(C) Buyer has received the Seller's Property Disclosure Statement before signing this Agreement, if required by law. (See Notice, Information Regarding the Seller's Property Disclosure Act.)

(D) Buyer has received the Deposit Money Notice (for cooperative sales when Listing Broker is holding deposit money) before signing this Agreement.

(E) The following are part of this Agreement if checked:

<input type="checkbox"/> Sale & Settlement of Other Property Contingency Addendum (PAR Form 130)	<input type="checkbox"/> Tenant-Occupied Property Addendum (PAR Form TOP)
<input type="checkbox"/> Sale & Settlement of Other Property Contingency with Right to Continue Marketing Addendum (PAR Form 131)	<input type="checkbox"/>
<input type="checkbox"/> Settlement of Other Property Contingency Addendum (PAR Form 133)	<input type="checkbox"/>

6. MORTGAGE CONTINGENCY (1-00)

WAIVED. This sale is **NOT** contingent on mortgage financing.

ELECTED

(A) This sale is contingent upon Buyer obtaining mortgage financing as follows:

1. Amount of mortgage loan \$ 137,000.00
2. Minimum Term 30 years
3. Type of mortgage Conventional
4. Interest rate 6.875 %; however, **Buyer agrees to accept the interest rate as may be committed by the mortgage lender, not to exceed a maximum interest rate of 7 %.**
5. Discount points, loan origination, loan placement and other fees charged by the lender as a percentage of the mortgage loan (excluding any mortgage insurance premiums or VA funding fee) not to exceed 0 % of the mortgage loan.

The interest rate and fees provisions required by Buyer are satisfied if a mortgage lender makes available to Buyer the right to guarantee an interest rate at or below the Maximum Interest Rate specified herein with the percentage fees at or below the amount specified herein. Buyer gives Seller the right, at Seller's sole option and as permitted by the lending institution and applicable laws, to contribute financially, without promise of reimbursement, to the Buyer and/or lender to make the above terms available to Buyer.

(B) Within 10 days of the execution of this Agreement, Buyer will make a completed, written mortgage application to a responsible mortgage lending institution. The **Selling Broker**, if any, otherwise the **Listing Broker**, is authorized to communicate with the lender for the purposes of assisting in the mortgage loan process.

(C) 1. Upon receipt of a mortgage commitment, Buyer and/or Selling Broker will promptly deliver a copy of the commitment to Listing Broker, if any, otherwise to Seller.

2. Mortgage commitment date October 19, 2001. If a written commitment is not received by Listing Broker, Seller terminates this Agreement in writing.

3. Seller has the option to terminate this Agreement in writing, on or after the mortgage commitment date, if the mortgage commitment:

- a. Is not valid until the date of settlement, OR
- b. Is conditioned upon the sale and settlement of any other property, OR
- c. Contains any other condition not specified in this Agreement.

4. In the event Seller does not terminate this Agreement as provided above, Buyer has the option to terminate this Agreement in writing if the mortgage commitment:

- a. Is not obtained by or valid until the date of settlement, OR
- b. Is conditioned upon the sale and settlement of any other property which do not occur by the date of settlement, OR
- c. Contains any other condition not specified in this Agreement which Buyer is unable to satisfy by the date of settlement.

5. If this Agreement is terminated as specified in paragraphs 6 (C) (2), (3) or (4), all deposit monies paid on account of purchase price will be returned to Buyer. Buyer will be responsible for any premiums for mechanics lien insurance and/or title search, or fee for cancellation of same, if any; AND/OR any premiums for flood insurance and/or fire insurance with extended coverage, insurance binder charges or cancellation fee, if any; AND/OR any appraisal fees and charges paid in advance to mortgage lender.

(D) If the mortgage lender requires repairs to the Property, Buyer will, upon receipt, deliver a copy of the mortgage lender's requirements to Listing Broker, if any, otherwise to Seller. Seller will, within 5 days of receipt of the lender's requirements, notify Buyer whether Seller will make the required repairs at Seller's expense.

1. If Seller chooses to make repairs, Buyer will accept the Property and agree to the RELEASE set forth in paragraph 25 of this Agreement.
2. If Seller chooses not to make the required repairs, Buyer will, within 5 days, notify Seller in writing of Buyer's choice to terminate this Agreement OR make the required repairs at Buyer's expense and with Seller's permission, which will not be unreasonably withheld. If Seller denies Buyer permission to make the required repairs, Buyer may, within 5 days of Seller's denial, terminate this Agreement. If Buyer terminates this Agreement, all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

(E) Seller Assist

NOT APPLICABLE

APPLICABLE. Seller will pay:

\$ _____, maximum, toward Buyer's costs as permitted by the mortgage lender.

\$4,328.00 toward buyers closing costs.

(F) It is expressly agreed that notwithstanding any other provisions of this contract, Buyer will not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of earnest money deposits or otherwise unless Buyer has been given, in accordance with HUD/FHA or VA requirements, a written statement by the Federal Housing Commissioner, Veterans Administration, or a Direct Endorsement Lender setting forth the appraised value of the Property of not less than \$ 144,250.00 (the dollar amount to be inserted is the sales price as stated in the Agreement). Buyer will have the privilege and option of proceeding with consummation of the contract without regard to the amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value nor the condition of the Property. Buyer should satisfy himself/herself that the price and condition of the Property are acceptable.

Warning: Section 1010 of Title 18, U.S.C., Department of Housing and Urban Development provides, "Whoever for the purpose of . . . influencing in any way the action of such department . . . makes, passes, utters, or publishes any statement knowing the same to be false . . . shall be fined not more than \$5,000 or imprisoned not more than two years, or both."

(G) U.S. Department of Housing and Urban Development (HUD) NOTICE TO PURCHASERS:
Buyer's Acknowledgement

Buyer has received the HUD Notice "For Your Protection: Get a Home Inspection" (see Notices and Information on Property Condition Inspections). Buyer understands the importance of getting an independent home inspection and has thought about this before signing this Agreement.

Buyer's Initials _____

Date _____

CERTIFICATION We the undersigned, Seller(s) and Buyer(s) party to this transaction each certify that the terms of this contract for purchase are true to the best of our knowledge and belief, and that any other agreement entered into by any of these parties in connection with this transaction is attached to this Agreement.

7. INSPECTIONS (1-98)

(A) Seller hereby agrees to permit inspections by authorized appraisers, reputable certifiers, insurer's representatives, surveyors, municipal officials and/or Buyer as may be required by the lending institutions, if any, or insuring agencies. Seller further agrees to permit any other inspections required by or provided for in the terms of this Agreement.

(B) Buyer reserves the right to make a pre-settlement walk-through inspection of the Property. Buyer's right to make this inspection is not waived by any other provision of this Agreement.

(C) Seller will have heating and all utilities (including fuel(s)) on for the inspections.

8. PROPERTY INSPECTION CONTINGENCY (1-00)

WAIVED. Buyer understands that Buyer has the option to request inspections of the Property (see Property Inspection and Environmental Notices). BUYER WAIVES THIS OPTION and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

ELECTED

(A) Within _____ days of the execution of this Agreement, Buyer, at Buyer's expense, may choose to have inspections and/or certifications completed by licensed or otherwise qualified professionals (see Property Inspection and Environmental Notices). This contingency does not apply to the following existing conditions and/or items:

(B) Other provisions of this Agreement may provide for inspections and/or certifications that are not waived or altered by Buyer's election here.

(C) If Buyer is not satisfied with the condition of the Property as stated in any written report, Buyer will, within the time given for completing inspections:

Option 1

1. Accept the Property with the information stated in the report(s) and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR

2. Terminate the Agreement in writing by notice to Listing Broker, if any, otherwise to Seller, within the time given for inspection, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

Option 2

1. Accept the Property with the information stated in the report(s) and agree to the RELEASE set forth in paragraph 25 of this Agreement, UNLESS the total cost to correct the conditions contained in the report(s) is more than \$ _____.

2. If the total cost to correct the conditions contained in the report(s) EXCEEDS the amount specified in paragraph 8(C) (Option 2) 1, Buyer will deliver the report(s) to Listing Broker, if any, otherwise to Seller, within the time given for inspection.

- a. Seller will, within _____ days of receiving the report(s), inform Buyer in writing of Seller's choice to:
 - 1) Make repairs before settlement so that the remaining cost to repair conditions contained in the report(s) is less than or equal to the amount specified in paragraph 8 (C) (Option 2) 1.
 - 2) Credit Buyer at settlement for the difference between the estimated cost of repairing the conditions contained in the report(s) and the amount specified in paragraph 8 (C) (Option 2) 1. This option must be acceptable to the mortgage lender, if any.
 - 3) Not make repairs and not credit Buyer at settlement for any defects in conditions contained in the report(s).

b. If Seller chooses to make repairs or credit Buyer at settlement as specified in paragraph 8 (C) (Option 2) 2, Buyer will accept the Property and agree to the RELEASE set forth in paragraph 25 of this Agreement.

c. If Seller chooses not to make repairs and not to credit Buyer at settlement, or if Seller fails to choose any option within the time given, Buyer will, within _____ days:

- 1) Accept the Property with the information stated in the report(s) and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
- 2) Terminate the Agreement in writing by notice to Listing Broker, if any, otherwise to Seller, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

9. WOOD INFESTATION CONTINGENCY (1-00)

WAIVED. Buyer understands that Buyer has the option to request that the Property be inspected for wood infestation by a certified Pest Control Operator. BUYER WAIVES THIS OPTION and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

ELECTED

(A) Within _____ days of the execution of this Agreement, Buyer, at Buyer's expense, will obtain a written "Wood-Destroying Insect Infestation Inspection Report" from a certified Pest Control Operator and will deliver it and all supporting documents and drawings provided by the Pest Control Operator to Listing Broker, if any, otherwise to Seller. The report is to be made satisfactory to and in compliance with applicable laws, mortgage and lending institutions, and/or Federal Insuring and Guaranteeing Agency requirements, if any. The inspection will include all readily visible and accessible areas of all structures on the Property except the following structures, which will not be inspected:

(B) If the inspection reveals evidence of active infestation(s), Seller agrees, at Seller's expense and before settlement, to treat for active infestation(s), in accordance with applicable laws.

(C) If the inspection reveals damage from active infestation(s) or previous infestation(s), Buyer, at Buyer's expense, has the option to obtain a written report by a professional contractor, home inspection service, or structural engineer that is limited to structural damage to the Property caused by wood-destroying organisms and a proposal to repair the damage. Buyer will deliver the structural damage report and corrective proposal to Listing Broker, if any, otherwise to Seller, within _____ days of delivering the original inspection report.

(D) Within 5 days of receiving the structural damage report and corrective proposal, Seller will advise Buyer whether Seller will repair, at Seller's expense and before settlement, any structural damage from active or previous infestation(s).

(E) If Seller chooses to repair structural damage revealed by the report, Buyer agrees to accept the Property as repaired and agrees

to the RELEASE set forth in paragraph 25 of this Agreement.

(F) If Seller chooses not to repair structural damage revealed by the report or fails to respond within the time given, Buyer, within 5 days of receiving Seller's notice, will notify Seller in writing of Buyer's choice to:

1. Accept the Property with the defects revealed by the inspection, without abatement of price and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
2. Make the repairs before settlement, if required by the mortgage lender, if any, at Buyer's expense and with Seller's permission, which will not be unreasonably withheld, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement. If Seller denies Buyer permission to make the repairs, Buyer may, within 5 days of Seller's denial, terminate this Agreement. If Buyer terminates this Agreement, all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID, OR
3. Terminate this Agreement, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

10. RESIDENTIAL LEAD-BASED PAINT HAZARD REDUCTION ACT NOTICE REQUIRED FOR PROPERTIES BUILT BEFORE 1978 (1-00)

NOT APPLICABLE
 APPLICABLE

(A) Seller represents that: (check 1 OR 2)

1. Seller has no knowledge concerning the presence of lead-based paint and/or lead-based paint hazards in or about the Property.
2. Seller has knowledge of the presence of lead-based paint and/or lead-based paint hazards in or about the Property. (Provide the basis for determining that lead-based paint and/or hazards exist, the location(s), the condition of the painted surfaces, and other available information concerning Seller's knowledge of the presence of lead-based paint and/or lead-based paint hazards.)

(B) Records/Reports (check 1 OR 2)

1. Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in or about the Property.
2. Seller has provided Buyer with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in or about the Property. (List documents)

(C) Buyer's Acknowledgment

1. Buyer has received the pamphlet *Protect Your Family from Lead in Your Home* and has read the Lead Warning Statement contained in this Agreement (See Environmental Notices).
Buyer's Initials _____ Date _____
2. Buyer has reviewed Seller's disclosure of known lead-based paint and/or lead-based paint hazards, as identified in paragraph 10(A) and has received the records and reports pertaining to lead-based paint and/or lead-based paint hazards identified in paragraph 10(B).
Buyer's Initials _____ Date _____

(D) RISK ASSESSMENT/INSPECTION: Buyer acknowledges that before Buyer is obligated to buy a residential dwelling built before 1978, Buyer has a 10 day period (unless Buyer and Seller agree in writing to a different period of time) to conduct a risk assessment or inspection of the Property for the presence of lead-based paint and/or lead-based paint hazards.

WAIVED. Buyer understands that Buyer has the right to conduct a risk assessment or inspection of the Property to determine the presence of lead-based paint and/or lead-based paint hazards. BUYER WAIVES THIS RIGHT and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

ELECTED

1. Buyer, at Buyer's expense, chooses to obtain a risk assessment and/or inspection of the Property for lead-based paint and/or lead-based paint hazards. The risk assessment and/or inspection will be completed within _____ days of the execution of this Agreement (insert "10" unless Buyer and Seller agree to a different period of time).
2. Within the time set forth above for obtaining the risk assessment and/or inspection of the Property for lead-based paint and/or lead-based paint hazards, Buyer may deliver to Listing Broker, if any, otherwise to Seller, a written list of the specific hazardous conditions cited in the report and those corrections requested by Buyer, along with a copy of the risk assessment and/or inspection report.
3. Seller may, within _____ days of receiving the list and report(s), submit a written corrective proposal to Buyer. The corrective proposal will include, but not be limited to, the name of the remediation company and a completion date for corrective measures. Seller will provide certification from a risk assessor or inspector that corrective measures have been made satisfactorily on or before the completion date.
4. Upon receiving the corrective proposal, Buyer, within 5 days, will:
 - a. Accept the corrective proposal and the Property in writing, and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b. Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.
5. Should Seller fail to submit a written corrective proposal within the time set forth in paragraph 10(D)3 of this Agreement, then Buyer, within 5 days, will:
 - a. Accept the Property in writing, and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b. Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

(E) Certification By signing this Agreement, Buyer and Seller certify the accuracy of their respective statements, to the best of their knowledge.

11. RADON CONTINGENCY (1-00)

(A) Seller represents that: (check appropriate response(s))

1. Seller has no knowledge concerning the presence or absence of radon.
 2. Seller has knowledge that the Property was tested on the dates, by the methods (e.g., charcoal canister, alpha track, etc.), and with the results of all tests indicated below:

DATE	TYPE OF TEST	RESULTS (picocuries/liter or working levels)
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WAIVED. Buyer understands that Buyer has the option to request that the Property be inspected for radon by a certified inspector (see Radon Notice). BUYER WAIVES THIS OPTION and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

ELECTED

(B) Buyer, at Buyer's expense, has the option to obtain, from a certified inspector, a radon test of the Property and will deliver a copy of the test report to Listing Broker, if any, otherwise to Seller, within _____ days of the execution of this Agreement. (See Radon Notice.)

1. If the test report reveals the presence of radon below 0.02 working levels (4 picocuries/liter), Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement.
2. If the test report reveals the presence of radon at or exceeding 0.02 working levels (4 picocuries/liter), Buyer will, within _____ days of receipt of the test results:

Option 1

- a. Accept the Property in writing and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
- b. Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID, OR
- c. Submit a written, corrective proposal to Listing Broker, if any, otherwise to Seller. The corrective proposal will include, but not be limited to, the name of the certified mitigation company; provisions for payment, including retests; and completion date for corrective measures.

- 1) Within 5 days of receiving the corrective proposal, Seller will:
 - a) Agree to the terms of the corrective proposal in writing, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b) Not agree to the terms of the corrective proposal.
- 2) Should Seller not agree to the terms of the corrective proposal or fail to respond within the time given, Buyer will, within 5 days, elect to:
 - a) Accept the Property in writing and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b) Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

Option 2

- a. Accept the Property in writing and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
- b. Submit a written, corrective proposal to Listing Broker, if any, otherwise to Seller. The corrective proposal will include, but not be limited to, the name of the certified mitigation company; provisions for payment, including retests; and completion date for corrective measures. Seller will pay a maximum of \$ _____ toward the total cost of remediation and retests, which will be completed by settlement.

- 1) If the total cost of remediation and retests EXCEEDS the amount specified in paragraph 11(B) (Option 2) b, Seller will, within 5 days of receipt of the cost of remediation, notify Buyer in writing of Seller's choice to:
 - (a) Pay for the total cost of remediation and retests, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - (b) Not pay for the total cost of remediation and retests.
- 2) If Seller chooses not to pay for the total cost of remediation and retests, or if Seller fails to choose either option within the time given, Buyer will, within 5 days, notify Seller in writing of Buyer's choice to:
 - a) Pay the difference between Seller's contribution to remediation and retests and the actual cost thereof, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b) Terminate this Agreement, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

12. STATUS OF WATER (1-00)

(A) Seller represents that this property is served by:

Public Water
 On-site Water
 Community Water
 None

(B) WATER SERVICE INSPECTION CONTINGENCY

WAIVED. Buyer acknowledges that Buyer has the option to request an inspection of the water service for the Property. BUYER WAIVES THIS OPTION and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

ELECTED

1. Buyer has the option, within _____ days of the execution of this Agreement and at Buyer's expense, to deliver to Listing Broker, if any, otherwise to Seller, a written inspection report by a qualified, professional water testing company of the quality and/or quantity of the water service.
2. Seller agrees to locate and provide access to the on-site (or individual) water system, if applicable, at Seller's expense, if required by the inspection company. Seller also agrees to restore the Property prior to settlement.
3. If the report reveals that the water service does not meet the minimum standards of any applicable governmental authority and/or fails to satisfy the requirements for quality and/or quantity set by the mortgage lender, if any, then Seller will, within _____ days of receipt of the report, notify Buyer in writing of Seller's choice to:
 - a. Upgrade the water service to the minimum acceptable levels, before settlement, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b. Not upgrade the water service.
4. If Seller chooses not to upgrade the water service to minimum acceptable levels, or fails to respond within the time given, Buyer will, within _____ days, either:
 - a. Accept the Property and the water service and, if required by the mortgage lender, if any, and/or any governmental authority, upgrade the water service before settlement or within the time required by the mortgage lender, if any, and/or any governmental authority, at Buyer's expense and with Seller's permission, which will not be unreasonably withheld, and agree to the RELEASE set forth in paragraph 25 of this Agreement. If Seller

denies Buyer permission to upgrade the water service, Buyer may, within 5 days of Seller's denial, terminate this Agreement. If Buyer terminates this Agreement, all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID, OR

b. Terminate this Agreement, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

13. STATUS OF SEWER (1-00)

(A) Seller represents that property is served by:

Public Sewer

Individual On-lot Sewage Disposal System (See Sewage Notice 1)

Individual On-lot Sewage Disposal System in Proximity to Well (See Sewage Notice 1; see Sewage Notice 4, if applicable)

Community Sewage Disposal System

Ten-acre Permit Exemption (See Sewage Notice 2)

Holding Tank (See Sewage Notice 3)

None (See Sewage Notice 1)

None Available/Permit Limitations in Effect (See Sewage Notice 5)

(B) **INDIVIDUAL ON-LOT SEWAGE DISPOSAL INSPECTION CONTINGENCY**

WAIVED. Buyer acknowledges that Buyer has the option to request an individual on-lot sewage disposal inspection of the Property. BUYER WAIVES THIS OPTION and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

ELECTED

1. Buyer has the option, within _____ days of the execution of this Agreement and at Buyer's expense, to deliver to Listing Broker, if any, otherwise to Seller, a written inspection report by a qualified, professional inspector of the individual on-lot sewage disposal system.
2. Seller agrees to locate and provide access to the individual on-lot sewage disposal system, and, if required by the inspection company, empty the septic tank, at Seller's expense. Seller also agrees to restore the Property prior to settlement.
3. If the report reveals defects that do not require expansion or replacement of the existing sewage disposal system, Seller will, within _____ days of receipt of the report, notify Buyer in writing of Seller's choice to:
 - a. Correct the defects before settlement, including retests, at Seller's expense, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b. Not correct the defects, or if Seller fails to respond within the time given, Buyer will, within _____ days, either:
 - (1) Accept the Property and the system and, if required by the mortgage lender, if any, and/or any governmental authority, correct the defects before settlement or within the time required by the mortgage lender, if any, and/or any governmental authority, at Buyer's sole expense and with Seller's permission, which will not be unreasonably withheld, and agree to the RELEASE set forth in paragraph 25 of this Agreement. If Seller denies Buyer permission to correct the defects, Buyer may, within 5 days of Seller's denial, terminate this Agreement. If Buyer terminates this Agreement, all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.
 - (2) Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.
4. If the report reveals the need to expand or replace the existing individual on-lot sewage disposal system, Seller may, within _____ days of receipt of the report, submit a corrective proposal to Selling Broker, if any, otherwise to Buyer. The corrective proposal will include, but not be limited to, the name of the remediation company; provisions for payment, including retests; and completion date for corrective measures. Within 5 days of receiving Seller's corrective proposal, or if no corrective proposal is received within the time given, Buyer will:
 - a. Agree to the terms of the corrective proposal, if any, in writing, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b. Accept the Property and the system and, if required by the mortgage lender, if any, and/or any governmental authority, correct the defects before settlement or within the time required by the mortgage lender, if any, and/or any governmental authority, at Buyer's sole expense and with Seller's permission, which will not be unreasonably withheld, and agree to the RELEASE set forth in paragraph 25 of this Agreement. If Seller denies Buyer permission to correct the defects, Buyer may, within 5 days of Seller's denial, terminate this Agreement. If Buyer terminates this Agreement, all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.
 - c. Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

14. NOTICES, ASSESSMENTS & CERTIFICATES OF OCCUPANCY (1-00)

(A) Seller represents as of Seller's execution of this Agreement, that no public improvement, condominium or homeowner association assessments have been made against the Property which remain unpaid and that no notice by any government or public authority has been served upon Seller or anyone on Seller's behalf, including notices relating to violations of zoning, housing, building, safety or fire ordinances which remain uncorrected, and that Seller knows of no condition that would constitute violation of any such ordinances which remains uncorrected, unless otherwise specified here:

(B) Seller knows of no other potential notices (including violations) and assessments except as follows:

(C) In the event any notices (including violations) and assessments are received after execution of this Agreement and before settlement, Seller will notify Buyer in writing, within 5 days of receiving the notice or assessment, that Seller will:

1. Comply with notices and assessments at Seller's expense, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
2. NOT comply with notices and assessments at Seller's expense, in which case Buyer will notify Seller within 5 days in writing that Buyer will:
 - a. Comply with the notices and assessments at Buyer's expense and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b. Terminate this Agreement, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

If Buyer fails to notify Seller within the time given, Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

(D) Buyer is advised that access to a public road may require issuance of a highway occupancy permit from the Department of

(E) Transportation.

(E) If required by law, within 5 days of the execution of this Agreement, Seller will order for delivery to Selling Broker, if any, otherwise to Buyer, on or before settlement,

1. A certification from the appropriate municipal department or departments disclosing notice of any uncorrected violation of zoning, housing, building, safety or fire ordinances, AND/OR
2. A certificate permitting occupancy of the Property. In the event repairs/improvements are required for the issuance of the certificate, Seller will, within 5 days of Seller's receipt of the requirements, notify Buyer of the requirements and whether Seller will make the required repairs/improvements at Seller's expense.

If Seller chooses not to make the required repairs/improvements, Buyer will, within 5 days, notify Seller in writing of Buyer's choice to terminate this Agreement OR make the repairs/improvements at Buyer's expense and with Seller's permission, which will not be unreasonably withheld. If Seller denies Buyer permission to make the required repairs, Buyer may, within 5 days of Seller's denial, terminate this Agreement. If Buyer terminates this Agreement, all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

15. TITLE, SURVEYS, & COSTS (1-00)

(A) The Property is to be conveyed free and clear of all liens, encumbrances, and easements, EXCEPTING HOWEVER the following: existing deed restrictions, historic preservation restrictions or ordinances, building restrictions, ordinances, easements of roads, easements visible upon the ground, easements of record, privileges or rights of public service companies, if any; otherwise the title to the above described real estate will be good and marketable and such as will be insured by a reputable Title Insurance Company at the regular rates.

(B) In the event Seller is unable to give a good and marketable title and such as will be insured by a reputable Title Company at the regular rates, as specified in paragraph 15(A), Buyer will have the option of taking such title as Seller can give without changing the price or of being repaid all monies paid by Buyer to Seller on account of purchase price and Seller will reimburse Buyer for any costs incurred by Buyer for those items specified in paragraph 15(C) and in paragraph 15(D) items (1), (2), (3); and in the latter event there will be no further liability or obligation on either of the parties hereto and this Agreement will become VOID.

(C) Any survey or surveys which may be required by the Title Insurance Company or the abstracting attorney, for the preparation of an adequate legal description of the Property (or the correction thereof), will be secured and paid for by Seller. However, any survey or surveys desired by Buyer or required by the mortgage lender will be secured and paid for by Buyer.

(D) Buyer will pay for the following: (1) The premium for mechanics lien insurance and/or title search, or fee for cancellation of same, if any; (2) The premiums for flood insurance and/or fire insurance with extended coverage, insurance binder charges or cancellation fee, if any; (3) Appraisal fees and charges paid in advance to mortgage lender, if any; (4) Buyer's customary settlement costs and accruals.

16. ZONING CLASSIFICATION (1-00)

Failure of this Agreement to contain the zoning classification (except in cases where the property {and each parcel thereof, if subdividable} is zoned solely or primarily to permit single-family dwellings) will render this Agreement voidable at the option of the Buyer, and, if voided, any deposits tendered by the Buyer will be returned to the Buyer without any requirement for court action.

Zoning Classification: None

ELECTED. Within _____ days of the execution of this Agreement, Buyer will verify that the existing use of the Property as _____ is permitted. In the event the use is not permitted, Buyer will, within the time given for verification, notify Listing Broker, if any, otherwise Seller, in writing that the existing use of the Property is not permitted and this Agreement will be VOID, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer. Buyer's failure to respond within the time given will constitute a WAIVER of this contingency and all other terms of this Agreement remain in full force and effect.

17. COAL NOTICE

NOT APPLICABLE
 APPLICABLE

THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHTS OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL SUCH COAL AND IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. (This notice is set forth in the manner provided in Section 1 of the Act of July 17, 1957, P.L. 984.) "Buyer acknowledges that he may not be obtaining the right of protection against subsidence resulting from coal mining operations, and that the property described herein may be protected from damage due to mine subsidence by a private contract with the owners of the economic interests in the coal. This acknowledgment is made for the purpose of complying with the provisions of Section 14 of the Bituminous Mine Subsidence and the Land Conservation Act of April 27, 1966." Buyer agrees to sign the deed from Seller which deed will contain the aforesaid provision.

18. POSSESSION (1-98)

(A) Possession is to be delivered by deed, keys and:

1. Physical possession to a vacant building (if any) broom-clean, free of debris at day and time of settlement, AND/OR
2. Assignment of existing lease(s), together with any security deposits and interest, at time of settlement, if Property is tenant-occupied at the execution of this Agreement or unless otherwise specified herein. Buyer will acknowledge existing lease(s) by initialing said leases(s) at time of signing of this Agreement, if Property is tenant-occupied.

(B) Seller will not enter into any new leases, written extension of existing leases, if any, or additional leases for the Property without expressed written consent of Buyer.

19. RECORDING (3-85) This Agreement will not be recorded in the Office for the Recording of Deeds or in any other office or place of public record and if Buyer causes or permits this Agreement to be recorded, Seller may elect to treat such act as a breach of this Agreement.

20. ASSIGNMENT (3-85) This Agreement will be binding upon the parties, their respective heirs, personal representatives, guardians and successors, and to the extent assignable, on the assigns of the parties hereunto, it being expressly understood, however, that Buyer will not transfer or assign this Agreement without the written consent of Seller.

21. DEPOSIT & RECOVERY FUND (1-00)

(A) Deposits paid by Buyer within 30 days of settlement will be by cash, cashier's or certified check. Deposits, regardless of the form of payment and the person designated as payee, will be paid to Broker or party identified in paragraph 3(F), who will retain them in an escrow account until consummation or termination of this Agreement in conformity with all applicable laws and regulations. Any uncashed check tendered as deposit may be held pending the acceptance of this offer.

(B) In the event of a dispute over entitlement to deposit monies, a broker holding the deposit is required by the Rules and Regulations of the State Real Estate Commission (49 Pa. Code §35.327) to retain the monies in escrow until the dispute is resolved. In the event of litigation for the return of deposit monies, a broker will distribute the monies as directed by a final

order of court or the written Agreement of the parties. Buyer and Seller agree that, in the event any broker or affiliated licensee is joined in litigation for the return of deposit monies, the attorneys' fees and costs of the broker(s) and licensee(s) will be paid by the party joining them.

(C) A Real Estate Recovery Fund exists to reimburse any persons who have obtained a final civil judgment against a Pennsylvania real estate licensee owing to fraud, misrepresentation, or deceit in a real estate transaction and who have been unable to collect the judgment after exhausting all legal and equitable remedies. For complete details about the Fund, call (717) 783-3658, or (800) 822-2113 (within Pennsylvania) and (717) 783-4854 (outside Pennsylvania).

22. CONDOMINIUM / PLANNED COMMUNITY (HOMEOWNER ASSOCIATION) RESALE NOTICE (1-00)

NOT APPLICABLE

APPLICABLE: CONDOMINIUM
Buyer acknowledges that the Property is a unit of a condominium that is primarily run by a unit owners' association. §3407 of the Uniform Condominium Act of Pennsylvania requires Seller to furnish Buyer with a Certificate of Resale and copies of the condominium declaration (other than plats and plans), the bylaws, and the rules and regulations of the association.

APPLICABLE: PLANNED COMMUNITY (HOMEOWNER ASSOCIATION)
Buyer acknowledges that the Property is part of a planned community as defined by the Uniform Planned Community Act. (See Definition of Planned Community Notice for the definition contained in the Act). §5407(a) of the Act requires Seller to furnish Buyer with a copy of the Declaration (other than plats and plans), the bylaws, the rules and regulations of the association, and a Certificate containing the provisions set forth in §5407(a) of the Act.

(A) Within _____ days of the execution of this Agreement, Seller will submit a request to the association for a Certificate of Resale and the documents necessary to enable Seller to comply with the Act. The Act provides that the association is required to provide these documents within 10 days of Seller's request.

(B) Under the Act, Seller is not liable to Buyer for the failure or delay of the association to provide the Certificate in a timely manner, nor is Seller liable to Buyer for any erroneous information provided by the association and included in the Certificate.

(C) Buyer may declare this Agreement VOID at any time before Buyer's receipt of the association documents and for 5 days thereafter, OR until settlement, whichever occurs first. Buyer's notice declaring the Agreement void must be in writing; thereafter all deposit monies will be returned to Buyer.

(D) In the event the association has the right to buy the Property (right of first refusal), and the association exercises that right, Seller will reimburse Buyer for all monies paid by Buyer on account of purchase price and for any costs incurred by Buyer for: (1) The premium for mechanics lien insurance and/or title search, or fee for cancellation of same, if any; (2) The premiums for flood insurance and/or fire insurance with extended coverage, insurance binder charges or cancellation fee, if any; (3) Appraisal fees and charges paid in advance to mortgage lender, if any; (4) Buyer's customary settlement costs and accruals.

23. MAINTENANCE & RISK OF LOSS (1-00)

(A) Seller will maintain the Property, grounds, fixtures, and any personal property specifically scheduled herein in its present condition, normal wear and tear excepted.

(B) In the event any system or appliance included in the sale of the Property fails and Seller does not repair or replace the item, Seller will promptly notify Buyer in writing of Seller's choice to:

1. Repair or replace the failed system or appliance before settlement or credit Buyer at settlement for the fair market value of the failed system or appliance (this option must be acceptable to the mortgage lender, if any). In each case, Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
2. Make no repairs or replacements, and not credit Buyer at settlement for the fair market value of the failed system or appliance, in which case Buyer will notify Seller in writing within 5 days or before settlement, whichever is sooner,
 - a. Accept the Property and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b. Terminate this Agreement, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

(C) Seller will bear risk of loss from fire or other casualties until time of settlement. In the event of damage by fire or other casualties to any property included in this sale that is not repaired or replaced prior to settlement, Buyer will have the option of rescinding this Agreement and promptly receiving all monies paid on account of purchase price or of accepting the Property in its then condition together with the proceeds of any insurance recovery obtainable by Seller. Buyer is hereby notified that Buyer may insure Buyer's equitable interest in this Property as of the time of execution of this Agreement.

24. WAIVER OF CONTINGENCIES (1-00)

In the event this Agreement is contingent on Buyer's right to inspect and/or repair the Property, Buyer's failure to exercise any of Buyer's options within the time limits specified in the contingency provision(s) will constitute a WAIVER of that contingency and Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

25. RELEASE (1-00) Buyer hereby releases, quit claims and forever discharges SELLER, ALL BROKERS, their LICENSEES, EMPLOYEES, and any OFFICER or PARTNER of any one of them and any other PERSON, FIRM, or CORPORATION who may be liable by or through them, from any and all claims, losses or demands, including, but not limited to, personal injuries and property damage and all of the consequences thereof, whether now known or not, which may arise from the presence of termites or other wood-boring insects, radon, lead-based paint hazards, environmental hazards, any defects in the individual on-lot sewage disposal system or deficiencies in the on-site water service system, or any defects or conditions on the Property. This release will survive settlement.

26. REPRESENTATIONS (1-00)

(A) Buyer understands that any representations, claims, advertising, promotional activities, brochures or plans of any kind made by Seller, Brokers, their licensees, employees, officers or partners are not a part of this Agreement, unless expressly incorporated or stated in this Agreement.

(B) It is understood that Buyer has inspected the Property before signing this Agreement (including fixtures and any personal property specifically scheduled herein), or has waived the right to do so, and has agreed to purchase it in its present condition unless otherwise stated in this Agreement. Buyer acknowledges that Brokers, their licensees, employees, officers or partners have not made an independent examination or determination of the structural soundness of the Property, the age or condition of the components, environmental conditions, the permitted uses, or of conditions existing in the locale where the Property is situated; nor have they made a mechanical inspection of any of the systems contained therein.

(C) It is further understood that this Agreement contains the whole agreement between Seller and Buyer and there are no other terms, obligations, covenants, representations, statements or conditions, oral or otherwise of any kind whatsoever concerning this sale. Furthermore, this Agreement will not be altered, amended, changed, or modified except in writing executed by the parties.

(D) The headings, captions, and line numbers in this Agreement are meant only to make it easier to find the paragraphs.

27. TIME OF THE ESSENCE - DEFAULT (1-00)

The said time for settlement and all other times referred to for the performance of any of the obligations of this Agreement are hereby agreed to be of the essence of this Agreement. For the purposes of this Agreement, number of days will be counted from the

(B) Fail to make any additional payments as specified in paragraph 3; OR

(C) Furnish false or incomplete information to Seller, Listing Broker, Selling Broker, or the mortgage lender, if any, concerning Buyer's legal or financial status, or fail to cooperate in the processing of the mortgage loan application, which acts would result in the failure to obtain the approval of a mortgage loan commitment; OR

(C) Violate or fail to fulfill and perform any other terms or conditions of this Agreement; then in such case, Seller has the option of retaining all sums paid by Buyer, including the deposit monies, 1) on account of purchase price, or 2) as monies to be applied to Seller's damages, or 3) as liquidated damages for such breach, as Seller may elect, unless otherwise checked below.

Seller is limited to retaining sums paid by Buyer, including deposit monies, as liquidated damages. If Seller elects to retain all sums paid by Buyer, including deposit monies, as liquidated damages, Buyer and Seller will be released from further liability or obligation and this Agreement will be VOID.

28. BROKERS (1-00) The Business Relationships between the Broker(s) and Seller and Buyer are as follows, UNLESS a different relationship is checked below.

(A) The Listing Broker is Agent for Seller.

(B) The Selling Broker is Agent for Buyer.

(C) When the Listing Broker and Selling Broker are the same, the Broker is a Dual Agent. Dual Agency applies to all licensees, UNLESS there is a Designated Agent(s) for Seller and a Designated Agent(s) for Buyer. If the same Licensee is designated for Seller and Buyer, the Licensee is a Dual Agent.

A Business Relationship exists that is different from above, as follows:

The Selling Broker is the Agent/Subagent for Seller.

The Selling Broker is a Transaction Licensee.

The Listing Broker is a Transaction Licensee.

(D) Broker(s) may perform services to assist unrepresented parties in complying with the terms of this Agreement.

29. MEDIATION (7-96)

NOT AVAILABLE

WAIVED. Buyer and Seller understand that they may choose to mediate at a later date, should a dispute arise, but that there will be no obligation on the part of any party to do so.

ELECTED

(A) Buyer and Seller will try to resolve any dispute or claim that may arise from this Agreement through mediation, in accordance with the Rules and Procedures of the Home Sellers/Home Buyers Dispute Resolution System. Any agreement reached through a mediation conference and signed by the parties will be binding.

(B) Buyer and Seller acknowledge that they have received, read, and understand the Rules and Procedures of the Home Sellers/Home Buyers Dispute Resolution System. (See Mediation Notice.)

(C) This agreement to mediate disputes arising from this Agreement will survive settlement.

Buyer and Seller acknowledge that they have read and understand the notices and explanatory information set forth in this Agreement.

Buyer acknowledges receiving a copy of this Agreement at the time of signing.

NOTICE TO PARTIES: WHEN SIGNED, THIS AGREEMENT IS A BINDING CONTRACT. Return by facsimile transmission (FAX) of this Agreement, and all addenda, bearing the signatures of all parties, constitutes acceptance of this Agreement. Parties to this transaction are advised to consult an attorney before signing if they desire legal advice.

WITNESS Michael Guelich **BUYER** Michael D. Guelich **DATE** 9-11-01
 Michael D. Guelich
 305 Elm Avenue, Clearfield, PA 16830

WITNESS as to both **BUYER** Janelle J. Guelich **DATE** 9-11-01
 Janelle J. Guelich
 305 Elm Avenue, Clearfield, PA 16830

Email _____

Seller hereby approves the above contract this (date) 9-11-01
 and in consideration of the services rendered in procuring the Buyer, Seller agrees to pay the named Listing Broker a fee of 1% of 100% of
50%, Seller, 50%, Listing Broker, but in no event will the sum paid to Listing Broker be in excess
 of the above specified Broker's fee.

WITNESS Karl A. Demi **SELLER** Karl A. Demi **DATE** 9-11-01
 Karl A. Demi

WITNESS Jean A. Demi **SELLER** Jean A. Demi **DATE** 9-11-01
 Jean A. Demi

Email _____

Brokers'/Licensees' Certifications (check all that are applicable):

involved in this transaction, on behalf of themselves and their brokers, certify that their statements are true to the best of their knowledge and belief.

Acknowledgment: The Licensees involved in this transaction have informed Seller of Seller's obligations under The Residential Lead Paint Hazard Reduction Act, 42 U.S.C. 4852(d), and are aware of their responsibility to ensure compliance.

Regarding FHA Mortgages: The undersigned Licensees involved in this transaction, on behalf of themselves and their brokers, certify that the terms of this contract for purchase are true to the best of their knowledge and belief, and that any other agreement entered into by any of these parties in connection with this transaction is attached to this Agreement.

Regarding Mediation: The undersigned Listing Broker Selling Broker agree to submit to mediation in accordance with paragraph 29 of this Agreement.

LISTING BROKER (Company Name) Burleigh Real Estate ACCEPTED BY Barbara R. Burleigh DATE 9/11/01

SELLING BROKER (Company Name) _____
ACCEPTED BY _____ DATE _____

NOTICES AND INFORMATION

INFORMATION REGARDING THE SELLER'S PROPERTY DISCLOSURE ACT

Generally speaking, the Seller's Property Disclosure Act applies to any sale, exchange, installment sales contract, lease with an option to buy, or transfer of an interest in real estate where not less than one and not more than four residential dwelling units are involved. The Act stipulates that certain disclosures have to be made and delivered in a form defined by the Act, before an agreement of sale is signed.

The Act defines nine exceptions, where the form does not have to be used.

1. Transfers that are the result of a court order.
2. Transfers to a mortgage lender that result from a buyer's default and subsequent foreclosure sales that result from default.
3. Transfers by a fiduciary during the administration of a decedent estate, guardianship, conservatorship or trust.
4. Transfers from a co-owner to one or more other co-owners.
5. Transfers made to a spouse or a direct descendant.
6. Transfers between spouses that result from divorce, legal separation, or property settlement.
7. Transfers by a corporation to its shareholders as part of a plan of liquidation.
8. Transfers by a partnership to its partners as part of a plan of liquidation.
9. Transfers of new construction that has never been occupied when:
 - a. The buyer has received a one-year written warranty covering the construction;
 - b. The building has been inspected for compliance with the applicable building code or, if none, a nationally recognized model building code; and
 - c. A certificate of occupancy or a certificate of code compliance has been issued for the dwelling.

In addition to these exceptions, the Act limits the disclosure in the cases of condominiums and cooperatives to the seller's particular unit. It does not impose disclosures regarding common areas or facilities; those elements are already addressed in the laws that govern the resales of condominiums and cooperative interests.

NOTICE TO BUYERS SEEKING FINANCING

The appraised value of the Property is used in determining the maximum amount of the loan and may be different from the purchase price and/or market value.

NOTICES AND INFORMATION ON PROPERTY CONDITION INSPECTIONS

U.S. Department of Housing and Urban Development FHA Loans:

For Your Protection: Get a Home Inspection

What the FHA Does For Buyers...and What We Don't Do

What we do: FHA helps people become homeowners by insuring mortgages for lenders. This allows lenders to offer mortgages to first-time buyers and others who may not qualify for conventional loans. Because the FHA insures the loan for the lender, the buyer pays only a very low down-payment.

What we don't do: FHA does not guarantee the value or condition of your potential new home. If you find problems with your new home after closing, we cannot give or lend you money for repairs, and we cannot buy the home back from you.

That's why it is so important for you, the buyer, to get an independent home inspection. Before you sign a contract, ask a qualified home inspector to inspect your potential new home and give you the information you need to make a wise decision.

Appraisals and Home Inspections are Different

As part of our job insuring the loan, we require that the lender conduct an FHA appraisal. An appraisal is different from a home inspection. Appraisals are for lenders; home inspections are for buyers. The lender does an appraisal for three reasons:

- To estimate the value of a house
- To make sure that the house meets FHA minimum property standards
- To make sure that the house is marketable

Appraisals are not home inspections.

Why a Buyer Needs a Home Inspection

A home inspection gives the buyer more detailed information than an appraisal - information you need to make a wise decision. In a home inspection, a qualified inspector takes an in-depth, unbiased look at your potential new home to:

- Evaluate the physical condition: structure, construction, and mechanical systems
- Identify items that need to be repaired or replaced
- Estimate the remaining useful life of the major systems, equipment, structure, and finishes

What Goes into a Home Inspection

A home inspection gives the buyer an impartial, physical evaluation of the overall condition of the home and items that need to be repaired or replaced. The inspection gives a detailed report on the condition of the structural components, exterior, roofing, plumbing, electrical, heating, insulation and ventilation, air conditioning, and interiors.

Be an Informed Buyer

It is your responsibility to be an informed buyer. Be sure that what you buy is satisfactory in every respect. You have the right to carefully examine your potential new home with a qualified home inspector. You should arrange to have a home inspection before you purchase your home. Make sure your contract states that the sale of the home depends on the inspection.

If you believe you have been subject to discrimination because of your race, color, religion, sex, handicap, familial status, or national origin, you should call the HUD Fair Housing and Equal Opportunity Complaint Hotline: (800) 669-9777.

This statement must be delivered to you at the time of initial loan application. Return one copy to your lender as proof of notification and keep one copy for your records.

PROPERTY INSPECTION NOTICES

Property Inspection: A general inspection of the Property can be performed by a professional contractor or home inspection service and may include inspections of: structural components; roof; exterior windows and exterior doors; exterior siding, fascia, gutters, and downspouts; appliances; electrical, plumbing, heating, and cooling systems; water penetration; and any other items Buyer may select. Inspections or certifications might include: Environmental Hazards (e.g., Asbestos, Ureaformaldehyde Foam Insulation, Underground Storage Tanks, etc.), Electromagnetic Fields, Wetlands Inspection, Flood Plain Verification, Property Boundary/Square Footage Verification, and any other items Buyer may select. Buyer is advised to investigate easements, deed and use restrictions (including any historic preservation restrictions or ordinances) that apply to the Property and to review local zoning ordinances.

Flood Plains: If the Property is located in a flood plain, Buyer may be required to carry additional insurance.

Property Boundary/Square Footage: Buyer is advised that Seller has not had the Property surveyed and that any fences, hedges, walls and other natural or constructed barriers may or may not represent the true boundary lines of the Property. Buyer is also advised that any numerical representations of square footage of the structure(s) and/or lot size are approximations only and may be inaccurate. Buyer is advised to engage a professional surveyor or obtain an independent measurement of the structure(s) and/or lot size if Buyer wishes to make this sale contingent on Buyer's approval of the Property's boundaries or square footage.

Water Service: Buyer may elect to have the water service inspected by a professional water testing company. In addition, on-site water service systems may have to meet certain quality and/or quantity requirements set by the municipality or the lender.

Wood-Destroying Insect Infestation: Insects whose primary source of food is wood, such as termites, wood-boring beetles, carpenter ants, carpenter bees, and certain other insects, can cause damage to the wood structure of a residence. Termite and Pest Control companies are available to make inspections to determine whether wood-destroying insects are present. Because of the way these insects function, damage to wood may be hidden. Careful selection should be made of skilled experts in the termite/pest control field to insure a proper determination of whether wood-boring insects or resultant damage is present.

ENVIRONMENTAL NOTICES

Asbestos: The heat-resistant and durable nature of asbestos makes it useful in construction and industry. The physical properties that give asbestos its resistance to heat and decay are linked with several adverse human health effects. Asbestos can easily break into microscopic fibers that can remain suspended in the air for long periods of time. When inhaled, these fibers easily penetrate body tissue. Asbestos is known to cause Asbestosis and various forms of cancer. Inquiries or requests for more information about asbestos can be directed to the United States Environmental Protection Agency, 111 18th Street N.W., Washington, D.C. 20207, and/or the Department of Health, Commonwealth of Pennsylvania, Division of Environmental Health, Harrisburg, PA 17120.

Electromagnetic Fields: Electromagnetic Fields (EMFs) occur around all electrical appliances and power lines. Conclusive evidence that EMFs pose health risks does not exist at present, and Pennsylvania has no laws regarding this issue.

Environmental Hazards: The U.S. Environmental Protection Agency has a list of hazardous substances, the use and disposal of which are restricted by law. Generally, if hazardous substances are found on a property, it is the property owner's responsibility to dispose of them properly. For more information and a list of hazardous substances, contact U.S. Environmental Protection Agency, 111 18th Street N.W., Washington, D.C. 20207, (202) 260-4700.

Ureaformaldehyde Foam Insulation (UFFI): Ureaformaldehyde Foam Insulation (UFFI) is a thermal insulation material that is manufactured at the site of installation and pumped into the space in the walls of the building being insulated. UFFI can release formaldehyde gas into the interiors of the buildings in which it is installed. Adverse health effects linked to exposure to UFFI are cancer, acute illness such as eye, nose, and throat irritation, and sensitization. Although a 1982 ban of future sales of UFFI by the U.S. Consumer Product Safety Commission was overturned in 1983 because the health risk was not established as "unreasonable," it is recommended that prospective buyers be informed if UFFI is present or has been present on the property. Tests can be conducted to determine the concentration of formaldehyde gas present in a structure, as well as to measure the presence and toxicity of UFFI. The cost of removing UFFI will vary with the design of the construction and the accessibility of the insulation. Information regarding tests and testing procedures can be obtained by writing the U.S. Consumer Product Safety Commission, Office of the Secretary, Third Floor, 5401 Westbard Avenue, Bethesda, MD 20207.

Wetlands: Wetlands are protected by both the federal and state governments. Buyer may wish to have the Property inspected for wetlands by an environmental engineer to determine if permits for plans to build, improve, or develop the property would be affected or denied because of wetlands.

Lead: (For Properties built before 1978)

Lead Warning Statement: Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Lead Hazard Disclosure Requirements: In accordance with the Residential Lead-Based Paint Hazard Reduction Act, any seller of property built before 1978 must provide the buyer with an EPA-approved lead hazards information pamphlet titled *Protect Your Family From Lead in Your Home* and must disclose to the buyer and the Broker(s) the known presence of lead-based paint and/or lead-based paint hazards in or on the property being sold, including the basis used for determining that lead-based paint and/or lead-based paint hazards exist, the location of lead-based paint and/or lead-based paint hazards, and the condition of painted surfaces. Any seller of a pre-1978 structure must also provide the buyer with any records or reports available to the seller pertaining to lead-based paint and/or lead-based paint hazards in or about the property being sold, the common areas, or other residential dwellings in multi-family housing. The Act further requires that before a buyer is obligated to purchase any housing constructed prior to 1978, the seller will give the buyer 10 days (unless buyer and seller agree in writing to another time period) to conduct a

Radon: Radon is a natural, radioactive gas that is produced in the ground by the normal decay of uranium and radium. Studies indicate that extended exposure to high levels of radon gas can increase the risk of lung cancer. Radon can find its way into any air-space, including basements and crawl spaces and can permeate a structure. The U.S. Environmental Protection Agency (EPA) advises corrective action if the annual average exposure to radon exceeds 0.02 working levels or 4 picocuries/liter. If a house has a radon problem, it usually can be cured by increased ventilation and/or by preventing radon entry. Any person who tests, mitigates, or safeguards a building for testing or mitigation firms is available through DEP, Bureau of Radiation Protection, P.O. Box 2603, Harrisburg, PA 17120, (800) 23RADON or (717) 783-3594.

SEWAGE NOTICES
NOTICES PURSUANT TO THE PENNSYLVANIA SEWAGE FACILITIES ACT

NOTICE 1: **THERE IS NO CURRENTLY EXISTING COMMUNITY SEWAGE SYSTEM AVAILABLE FOR THE SUBJECT PROPERTY.** Section 7 of the Pennsylvania Sewage Facilities Act provides that no person shall install, construct, request bid proposals for construction, alter, repair or occupy any building or structure for which an individual sewage system is to be installed, without first obtaining a permit. Buyer is advised by this notice that, before signing this Agreement, Buyer should contact the local agency charged with administering the Act to determine the procedure and requirements for obtaining a permit for an individual sewage system. The local agency charged with administering the Act will be the municipality where the Property is located or that municipality working cooperatively with others.

NOTICE 2: **THIS PROPERTY IS SERVICED BY AN INDIVIDUAL SEWAGE SYSTEM INSTALLED UNDER THE TEN-ACRE PERMIT EXEMPTION PROVISIONS OF SECTION 7 OF THE PENNSYLVANIA SEWAGE FACILITIES ACT.** (Section 7 provides that a permit may not be required before installing, constructing, awarding a contract for construction, altering, repairing or connecting to an individual sewage system where a ten-acre parcel or lot is subdivided from a parent tract after January 10, 1987). Buyer is advised that soils and site testing were not conducted and that, should the system malfunction, the owner of the Property or properties serviced by the system at the time of a malfunction may be held liable for any contamination, pollution, public health hazard or nuisance which occurs as a result.

NOTICE 3: **THIS PROPERTY IS SERVICED BY A HOLDING TANK (PERMANENT OR TEMPORARY) TO WHICH SEWAGE IS CONVEYED BY A WATER CARRYING SYSTEM AND WHICH IS DESIGNED AND CONSTRUCTED TO FACILITATE ULTIMATE DISPOSAL OF THE SEWAGE AT ANOTHER SITE.** Pursuant to the Pennsylvania Sewage Facilities Act, Seller must provide a history of the annual cost of maintaining the tank from the date of its installation or December 14, 1995, whichever is later.

NOTICE 4: **AN INDIVIDUAL SEWAGE SYSTEM HAS BEEN INSTALLED AT AN ISOLATION DISTANCE FROM A WELL THAT IS LESS THAN THE DISTANCE SPECIFIED BY REGULATION.** The regulations at 25 Pa. Code §73.13 pertaining to minimum horizontal isolation distances provide guidance. Subsection (b) of §73.13 states that the minimum horizontal isolation distance between an individual water supply or water supply system suction line and treatment tanks shall be 50 feet. Subsection (c) §73.13 states that the horizontal isolation distance between the individual water supply or water supply system suction line and the perimeter of the absorption area shall be 100 feet.

NOTICE 5: **THIS LOT IS WITHIN AN AREA IN WHICH PERMIT LIMITATIONS ARE IN EFFECT AND IS SUBJECT TO THOSE LIMITATIONS. SEWAGE FACILITIES ARE NOT AVAILABLE FOR THIS LOT AND CONSTRUCTION OF A STRUCTURE TO BE SERVED BY SEWAGE FACILITIES MAY NOT BEGIN UNTIL THE MUNICIPALITY COMPLETES A MAJOR PLANNING REQUIREMENT PURSUANT TO THE PENNSYLVANIA SEWAGE FACILITIES ACT AND REGULATIONS PROMULGATED THEREUNDER.**

DEFINITION OF A PLANNED COMMUNITY

The Uniform Planned Community Act defines "planned community" as real estate with respect to which a person, by virtue of ownership of an interest in any portion of the real estate, is or may become obligated by covenant, easement or agreement imposed on the owner's interest to pay any amount for real property taxes, insurance, maintenance, repair, improvement, management, administration or regulation of any part of the real estate other than the portion or interest owned solely by the person. The term excludes a cooperative and a condominium, but a cooperative or condominium may be part of a planned community. For the purposes of this definition, "ownership" includes holding a leasehold interest of more than 20 years, including renewal options, in real estate. The term includes non-residential campground communities.

Exemptions from the Uniform Planned Community Act- When a Certificate of Resale Is Not Required
The owner of a property located within a planned community is not required to furnish the buyer with a certificate of resale under the following circumstances:

- A. The Planned Community contains no more than 12 units, provided there is no possibility of adding real estate or subdividing units to increase the size of the planned community.
- B. The Planned Community is one in which all of the units are restricted exclusively to non-residential use, unless the declaration provides that the resale provisions are nevertheless to be followed.
- C. The Planned Community or units are located outside the Commonwealth of Pennsylvania.
- D. The transfer of the unit is a gratuitous transfer.
- E. The transfer of the unit is required by court order.
- F. The transfer of the unit is by the government or a governmental agency.
- G. The transfer of the unit is the result of foreclosure or in lieu of foreclosure.

NOTICES REGARDING PUBLIC OFFERING STATEMENTS AND RIGHT TO RESCISSION

If Seller is a Declarant of the condominium or planned community, Seller is required to furnish Buyer with a copy of the Public Offering Statement and its amendments. For condominiums, the delivery of the Public Offering Statement must be made no later than the date the buyer executes this Agreement. Buyer may cancel this Agreement within 15 days after receiving the Public Offering Statement and any amendments that materially and adversely affect Buyer. For planned communities, the Declarant must provide the Buyer with a copy of the Public Offering Statement and its amendments no later than the date the Buyer executes this Agreement.

TIME IS OF THE ESSENCE

All dates and time limits set within this Agreement must be adhered to or this Agreement is breached. For the purposes of this Agreement, number of days will be counted from the date of execution by excluding the day on which this Agreement was executed and by including the last day of the time period. The date of execution is the date when Buyer and Seller have indicated full acceptance of this Agreement by signing and/or initialing it.

MEDIATION**DISPUTE RESOLUTION SYSTEM RULES AND PROCEDURES**

1. **Agreement of Parties** The Rules and Procedures of the Dispute Resolution System (DRS) apply when the parties have agreed in writing to mediate under DRS. The written agreement can be achieved by a standard clause in an agreement of sale, an addendum to an agreement of sale, or through a separate written agreement.
2. **Initiation of Mediation** If a dispute exists, any party may start the mediation process by submitting a completed Request to Initiate Mediation DRS Transmittal Form (Transmittal Form) to the local Association of REALTORS® (hereafter "Administrator"). The Transmittal Form should be available through the Administrator's office. The initiating party should try to include the following information when sending the completed Transmittal Form to the Administrator:
 - a. A copy of the written agreement to mediate if there is one, OR a request by the initiating party to have the Administrator contact the other parties to the dispute to invite them to join the mediation process.
 - b. The names, addresses and telephone numbers of the parties involved in the dispute, including the name of every insurance company known to have received notice of the dispute or claim and the corresponding file or claim number.
 - c. A brief statement of the facts of the dispute and the damages or relief sought.
3. **Selection of Mediator** Within five days of receiving the completed Transmittal Form, the Administrator will send each party to the dispute a copy of the Transmittal Form and a list of qualified mediators and their fee schedules. Each party then has ten days to review the list of mediators, cross off the name of any mediator to whom the party objects, and return the list to the Administrator. The Administrator will appoint the first available mediator who is acceptable to all parties involved.

A mediator who has any financial or personal interest in the dispute or the results of the mediation cannot serve as mediator to that dispute, unless all parties are informed and give their written consent.
4. **Mediation Fees** Mediation fees will be divided equally among the parties and will be paid *before* the mediation conference. The parties will follow the payment terms contained in the mediator's fee schedule.
5. **Time and Place of Mediation Conference** Within ten days of being appointed to the dispute, the mediator will contact the parties and set the date, time and place of the mediation conference. The mediator must give at least twenty days' advance notice to all parties. The mediation conference should not be more than sixty days from the mediator's appointment to the dispute.
6. **Conduct of Mediation Conference** The parties attending the mediation conference will be expected to:
 1. Have the authority to enter into and sign a binding settlement to the dispute.
 2. Produce all information required for the mediator to understand the issues of the dispute. The information may include relevant written materials, as well as descriptions of witnesses and the content of their testimony, whether or not they will be appearing at the mediation conference. The mediator can require the parties to deliver written materials and information before the date of the mediation conference.

The mediator presiding over the conference:

1. Will impartially conduct an orderly settlement negotiation.
2. Will help the parties define the matters in dispute and reach a mutually agreeable solution.
3. Will have no authority to render an opinion, to bind the parties to his or her decision, or to force the parties to reach a settlement.

Formal rules of evidence will not apply to the mediation conference.

7. **Representation by Counsel** Any party who intends to be accompanied to the mediation conference by legal counsel will notify the mediator and the other parties of the intent at least ten days before the conference.
8. **Confidentiality** No aspect of the mediation can be relied upon or introduced as evidence in any arbitration, judicial or other proceeding. This includes, but is not limited to, any opinions or suggestions made by any party regarding a possible settlement; any admissions made during the course of the mediation; any proposals or opinions expressed by the mediator; and any responses given by any party to opinions, suggestions, or proposals.

No privilege will be affected by disclosures made in the course of the mediation.

Transcripts or recordings of the mediation will not be allowed without the prior, written consent of all parties and the mediator.

Records, reports, and other documents received or prepared by the mediator or Administrator cannot be compelled by an arbitration, judicial, or other proceeding, with the exception of an agreement that was reached in the course of mediation and signed by all the parties.

Neither the mediator nor the Administrator can be compelled to testify in any proceeding regarding information given or representations made either in the course of the mediation or in any confidential communication.

9. **Mediated Settlement** When a dispute is resolved through mediation, the mediator will put the complete agreement in writing and all parties will sign the written agreement within ten days of the conclusion of the mediation conference. Every reasonable effort will be made to sign the written agreement at the end of the conference.

10. **Judicial Proceedings and Immunity** NEITHER THE ADMINISTRATOR, THE MEDIATOR, THE NATIONAL ASSOCIATION OF REALTORS®, THE PENNSYLVANIA ASSOCIATION OF REALTORS®, NOR ANY OF ITS MEMBER BOARDS, SHALL BE DEEMED NECESSARY OR INDISPENSABLE PARTIES IN ANY JUDICIAL PROCEEDINGS RELATING TO MEDIATION UNDER THESE RULES AND PROCEDURES, NOR SHALL ANY OF THEM SERVING UNDER THESE PROCEDURES BE LIABLE TO ANY PARTY FOR ANY ACT, ERROR OR OMISSION IN CONNECTION WITH ANY SERVICE OR THE OPERATION OF THE HOME SELLERS/HOME BUYERS DISPUTE RESOLUTION SYSTEM.

PROPERTY

RR#1, Box 403, Ridge Avenue
Curwensville, PA 16833

SELLER

Karl A. Demi
Jean A. Demi

BUYER

Michael D. Guelich
Janelle J. Guelich

DATE OF AGREEMENT September 11, 2001

The contract is to be changed as follows:

3(A) The purchase price will be \$135,000.00.

6(A) 1. The amount of mortgage loan will be \$128,250.00.

6(E) The Seller Assist is not applicable.

The commission to Burleigh Real Estate will be 5% (\$6,750.00).

All other terms and conditions of the said agreement shall remain unchanged and in full force and effect.

WITNESS Burleigh BUYER Michael D. Guelich DATE 10-18-01
WITNESS as to both BUYER Janelle J. Guelich DATE 10-18-01

WITNESS Burleigh SELLER Karl A. Demi DATE 10-22-01
WITNESS as to both SELLER Jean A. Demi DATE 10-22-01

LISTING CONTRACT

EXCLUSIVE RIGHT TO SELL REAL PROPERTY

This form recommended and approved for, but not restricted to use by, the members of the Pennsylvania Association of REALTORS® (PAR).

BROKER (Company) Burleigh Real EstateLICENSEE(S) Stephen J. Pearcy

SELLER

Karl A. Demi

Jean A. Demi

1. PROPERTY

Address RD1, Box 403, Ridge Avenue, CurwenvilleMunicipality (city, borough, township) Pike TownshipCounty Clearfield School District CurwenvilleZoning and Present Use None/ResidentialIdentification Number (For example, tax identification number, parcel number, deed book, page/recording date) Map# 126-49-177-447 Acres available for \$25,000.00
Map #126-H9-157LISTED PRICE \$ 145,000.00

2. STARTING AND ENDING DATES OF LISTING CONTRACT (also called "Term")

A. No Association of REALTORS® has set or recommended the term of this contract. By law, the length or term of a listing contract may not exceed one year. Seller and Broker have discussed and agreed upon the length or term of this contract.

B. Starting Date: This Contract starts when signed by Seller and Broker, unless otherwise stated here: _____

C. Ending Date: This Contract ends on September 21, 2001.
This listing contract is the purpose of showing the property to Michael and Janelle Guelich.

3. PURPOSE OF THIS CONTRACT

Seller is hiring Broker to market Property and to find a buyer. Seller will refer all offers and inquiries to Broker. Seller allows Broker to use print and/or electronic advertising. Broker is acting as Seller Agent, as described in the Consumer Notice.

4. BROKER'S FEE

No Association of REALTORS® has set or recommended the Broker's Fee. Seller and Broker have negotiated the fee that Seller will pay Broker. The Broker's Fee is 5% of/from the sale price and paid by Seller.

5. COOPERATION WITH OTHER BROKERS

Licensee has explained Broker's company policies about cooperating with other brokers. Broker and Seller agree that Broker will pay from Broker's Fee:

A. A fee to another broker who represents the Seller (SUBAGENT).

 No Yes If Yes, amount: _____ of/from the sale price.

B. A fee to another broker who represents a buyer (BUYER'S AGENT). A Buyer's Agent, even if compensated by Broker or Seller, will represent the interests of the buyer.

 No Yes If Yes, amount: _____ of/from the sale price.

C. A fee to another broker who does not represent either the Seller or a buyer (TRANSACTION LICENSEE).

 No Yes If Yes, amount: _____ of/from the sale price.

6. PAYMENT OF BROKER'S FEE

A. Seller must pay Broker's Fee if Property, or any ownership interest in it, is sold or exchanged during the length or term of this Contract by Broker, Broker's agents, Seller, or by any other person or broker, at the listed price or any price acceptable to Seller.

B. Seller will pay Broker's Fee if negotiations that are pending at the Ending Date of this Contract result in a sale.

C. Seller will pay Broker's Fee after the Ending Date of this Contract IF:

(1) A sale occurs within 120 days of the Ending Date, AND

(2) The buyer was shown or negotiated to buy the Property during the term of this contract.

Seller will not owe Broker's Fee if the Property is listed under an "exclusive right to sell contract" with another broker at the time of the sale.

7. BROKER'S FEE IF SALE DOES NOT OCCUR

A. Seller will pay Broker's Fee if a ready, willing, and able buyer is found by Broker or by anyone, including Seller. A *willing buyer* is one who will pay the listed price or more for the Property, or one who has submitted an offer accepted by Seller.B. If the Property or any part of it is taken by any government for public use (Eminent Domain), Seller will pay Broker 5% of/from any money paid by the government.

C. If a buyer signs an agreement of sale then refuses to buy the Property, or if a buyer is unable to buy it because of failing to do all the things required of the buyer in the agreement of sale, Seller will pay Broker:

(1) 50% of/from buyer's deposit monies, OR

(2) the Broker's Fee in Paragraph 4, whichever is less.

8. DUAL AGENCY

Seller agrees that Broker may also represent the buyer(s) of the Property. Broker is a DUAL AGENT when representing both Seller and the buyer in the sale of a property.

9. DESIGNATED AGENCY

 Not Applicable. Applicable. Broker may designate licensees to represent the separate interests of Seller and the buyer. Licensee (identified above) is the Designated Agent, who will act exclusively as the Seller Agent. If Property is introduced to the buyer by a licensee in the Company who is not representing the buyer, then that licensee is authorized to work on behalf of Seller. If Licensee is also the Buyer Agent, then Licensee is a DUAL AGENT.

10. BROKER'S SERVICES TO BUYER

Broker may provide services to a buyer for which Broker may accept a fee. Such services may include, but are not limited to, deed/document preparation; ordering certifications required for closing; financial services; title transfer and preparation services; ordering insurance, construction, repair, or inspection services. Broker will disclose to Seller if any fees are to be paid by Buyer.

11. OTHER PROPERTIES

Seller agrees that Broker may list other properties for sale and that Broker may show other properties to prospective buyers.

12. CONFLICT OF INTEREST

A *conflict of interest* is when Broker or Licensee has a financial or personal interest where Broker or Licensee cannot put Seller's interests before any other. If the Broker, or any of Broker's salespeople, has a *conflict of interest*, Broker will notify Seller in a timely

manner.

13. SETTLEMENT AND POSSESSION

A. Preferred Settlement Date: ASAP

B. Seller will give possession of the Property to Buyer at settlement or on _____

C. (1) If the Property, or any part of it, is rented, Seller will give any leases to Broker before signing this Contract.
(2) If any leases are oral, Seller will provide a written summary of the terms, including amount of rent, ending date, and Tenant's responsibilities.
(3) Seller will not enter into or renew any lease during the term of this Contract except as follows:

14. TITLE

A. At settlement, Seller will give full rights of ownership (fee simple) to a buyer except as follows:

(1) Mineral Rights Agreements _____

(2) Other _____

B. Seller has:

Yes No Mortgage with CNB *equity*
Address _____
Acct. # _____ Amount of balance \$ 43,000 *+ 8,500* Phone _____

Yes No Equity loan with _____
Address _____ Phone _____
Acct. # _____ Amount of balance \$ _____

JD
KD

Yes No Seller authorizes Broker to receive mortgage payoff and/or equity loan payoff information from the lender.
 Yes No Past Due Taxes Amount owed \$ _____
 Yes No Judgments Amount \$ _____
Type _____
 Yes No Municipal Assessments Amount \$ _____
 Yes No Other _____
Amount \$ _____

C. If Seller, at any time on or since January 1, 1998, has been obligated to pay support under an order that is on record in any Pennsylvania county, list the county and the Domestic Relations Number or Docket Number: _____

15. MULTIPLE LISTING SERVICE (MLS) (Complete if Broker is a member of an MLS)

JD
KD

Broker will use a Multiple Listing Service to advertise the Property to other real estate salespersons, who can tell their clients and customers about it. Seller agrees that the MLS, the Broker, and Licensee are not responsible for mistakes in the MLS description of the Property.

Broker will not use a Multiple Listing Service to advertise the Property to other real estate salespersons.

16. PUBLICATION OF SALE PRICE

A. Seller is aware that newspapers may publish the final sale price after settlement.

B. Seller will allow publishing of the sale price after Seller accepts an Agreement of Sale.

Yes No

17. SIGNS & KEYS Seller allows (where permitted):

Yes No Sale Sign Yes No Sold Sign
 Yes No Key in Office Yes No Lock Box
 Yes No _____

18. ITEMS INCLUDED IN THE PRICE OF THE PROPERTY

A. Included in the sale and purchase price are all existing items permanently installed in the Property, free of liens, including plumbing; heating; lighting fixtures (including chandeliers and ceiling fans); water treatment systems; pool and spa equipment; garage door openers and transmitters; television antennas; shrubbery, plantings, and unpotted trees; any remaining heating and cooking fuels stored on the Property at the time of settlement; wall to wall carpeting; window covering hardware, shades, and blinds; built-in air conditioners; built-in appliances, and the range/oven. Also included: *Refrigerator*

B. See attached sheet for additional items included in the sale.

19. ITEMS NOT INCLUDED IN THE PRICE OF THE PROPERTY

The following items are not included in the purchase and price of the Property:

A. _____

B. Items rented by the Seller _____

C. See attached sheet for additional items not included in the sale.

20. SELLER WILL REVEAL DEFECTS AND/OR ENVIRONMENTAL HAZARDS

A. Seller (including Sellers exempt from the Real Estate Seller's Disclosure Act) will disclose all known material defects and/or environmental hazards on a separate disclosure statement. A material defect is a problem or condition that:

(1) is a possible danger to those living on the Property, or

(2) has a significant adverse effect on the value of the Property.

B. If Seller fails to tell of known material defects and/or environmental hazards,

(1) Seller will not hold Broker or Licensee responsible in any way;

(2) Seller will protect Broker and Licensee from any claims, lawsuits, and actions that result;

(3) Seller will pay all of Broker's and Licensee's costs that result. This includes attorneys' fees and court-ordered payments or settlements (money Broker or Licensee pays to end a lawsuit or claim).

21. IF PROPERTY WAS BUILT BEFORE 1978

The Residential Lead-Based Paint Hazard Reduction Act says that any Seller of property built before 1978 must give the Buyer an EPA pamphlet titled *Protect Your Family From Lead in Your Home*. The Seller also must tell the buyer and the Broker what the Seller knows about lead-based paint and lead-based paint hazards that are in or on the property being sold. Seller must tell the buyer how the Seller knows that lead-based paint and lead-based paint hazards are on the property, where the lead-based paint and lead-based paint hazards are, the condition of the painted surfaces, and any other information Seller knows about lead-based paint and lead-based paint hazards on the property. Any Seller of a pre-1978 structure must also give the buyer any records and reports that the Seller has or can get about lead-based paint or lead-based paint hazards in or around the property being sold, the common areas, or other dwellings in multi-family housing. According to the Act, a Seller must give a buyer 10 days (unless Seller and buyer agree to a different period of time) from the time an Agreement of Sale is signed to have a "risk assessment" or inspection for possible lead-based paint hazards done on the property. Buyers may choose not to have the risk assessment or inspection for lead paint hazards done. If buyer chooses not to have the assessment or inspection, the buyer must inform the Seller in writing of the choice. The Act does not require the Seller to inspect for lead paint hazards or to correct lead paint hazards on the property. The Act does not apply to housing built in 1978 or later.

22. DEPOSIT MONEY

- A. Broker, or any person Seller and the buyer name in the Agreement of Sale, will keep all deposit monies paid by or for the buyer in an escrow account. If held by Broker, this escrow account will be held as required by real estate licensing laws and regulations. Seller agrees that the person keeping the deposit monies may wait to deposit any uncashed check that is received as deposit money until Seller has accepted an offer.
- B. If Seller joins Broker or Licensee in a lawsuit for the return of deposit monies, Seller will pay Broker's and Licensee's attorneys' fees and costs.

23. RECOVERY FUND

Pennsylvania has a Real Estate Recovery Fund (the Fund) to repay any person who has received a final court ruling (civil judgment) against a Pennsylvania real estate licensee because of fraud, misrepresentation, or deceit in a real estate transaction. The Fund repays persons who have not been able to collect the judgment after trying all lawful ways to do so. For complete details about the Fund, call (717) 783-3658, or (800) 822-2113 (within Pennsylvania) and (717) 783-4854 (outside Pennsylvania).

24. TRANSFER OF THIS CONTRACT

- A. Broker will notify Seller immediately in writing if Broker transfers this Contract to another Broker when:
 - (1) Broker stops doing business, OR
 - (2) Broker forms a new real estate business, OR
 - (3) Broker joins his business with another.
- Seller agrees that Broker may transfer this Contract to another Broker. Broker will notify Seller immediately in writing when a transfer occurs or Broker will lose the right to transfer this Contract. Seller will follow all requirements of this Contract with the new broker.
- B. Should Seller give or transfer the Property, or an ownership interest in it, to anyone during the term of this Contract, all owners will follow the requirements of this Contract.

25. NOTICE TO PERSONS OFFERING TO SELL OR RENT HOUSING IN PENNSYLVANIA

Federal and state laws make it illegal for Seller, Broker, or anyone to use RACE, COLOR, RELIGION or RELIGIOUS CREED, SEX, DISABILITY (physical or mental), FAMILIAL STATUS (children under 18 years of age), AGE (40 or older), NATIONAL ORIGIN, USE OR HANDLING/TRAINING OF SUPPORT OR GUIDE ANIMALS, or the FACT OF RELATIONSHIP OR ASSOCIATION TO AN INDIVIDUAL KNOWN TO HAVE A DISABILITY as reasons for refusing to sell, show, or rent properties, loan money, or set deposit amounts, or as reasons for any decision relating to the sale of property.

26. NO OTHER CONTRACTS

Seller will not enter into another listing agreement with another broker that begins before the Ending Date of this Contract.

27. ADDITIONAL OFFERS

ONCE SELLER ENTERS INTO AN AGREEMENT OF SALE, BROKER IS NOT REQUIRED TO PRESENT OTHER OFFERS.

28. ENTIRE CONTRACT

This Contract is the entire agreement between Broker and Seller. Any verbal or written agreements that were made before are not a part of this Contract.

29. CHANGES TO THIS CONTRACT

All changes to this contract must be in writing and signed by Broker and Seller

30. SPECIAL INSTRUCTIONS

The Office of the Attorney General has not pre-approved any special conditions or additional terms added by any parties. Any special conditions or additional terms in the Contract must comply with the Pennsylvania Plain Language Consumer Contract Act.

ADDITIONAL INFORMATION (OPTIONAL)

31. TAXES, UTILITIES, AND ASSOCIATION FEES

- A. At settlement, Seller will pay one-half of the total Real Estate Transfer Taxes, unless otherwise stated here: _____
- B. Real Estate Property Tax Assessment \$ _____ Yearly Taxes \$ _____ 1,295.00
Wage/Income Tax _____ Per Capita Tax \$ _____ 0.00
- C. Estimated Utilities (trash, water, sewer, electric, gas, oil, etc.) _____
- D. Association Fees \$ _____ 0.00 Include: None _____
- E. Other _____

32. BUYER FINANCING Seller will accept the following arrangements for buyer to pay for the Property:

- Cash
- Buyer will apply for a mortgage. Type(s) of mortgages acceptable to Seller are:
- Yes No Conventional Yes No FHA
- Yes No VA Yes No _____
- Seller's help to buyer (if any): _____

Seller has read the Consumer Notice as adopted by the State Real Estate Commission at 49 Pa. Code §35.336.

All Sellers must sign this Contract.

NOTICE BEFORE SIGNING: IF SELLER HAS LEGAL QUESTIONS, SELLER IS ADVISED TO CONSULT AN ATTORNEY.

SELLER Karl A. Demi DATE 9-7-01
Karl A. Demi

SELLER Jean A. Demi DATE 9-7-01
Jean A. Demi

Email _____

BROKER (Company Name)

Burleigh Real Estate
116 East Locust Street
PO Box 375
Clearfield, PA 16830
Phone: (814) 765-9660, Fax: (814) 765-9663

Email burleigh@csrlink.net

ACCEPTED BY

Marilyn J. Leesey

DATE

9/7/01

VERIFICATION

I, **Bonnie L. Burleigh**, hereby state and aver that I am Owner of Burleigh Real Estate and that I have read the foregoing document which has been drafted by my counsel. The factual statements contained therein are true and correct to the best of my knowledge, information and belief although the language is that of my counsel, and, to the extent that the content of the foregoing document is that of counsel, I have relied upon counsel in making this Verification.

This statement is made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.



Bonnie L. Burleigh
Bonnie L. Burleigh

CERTIFICATE OF SERVICE

I, David F. Wilk, Esquire, hereby certify that I have served a true and correct copy of the foregoing **Answer of Defendant Burleigh Real Estate to Plaintiffs' Complaint With New Matter and Crossclaim Pursuant to Pa.R.Civ.P. 2252(d)** upon all parties:

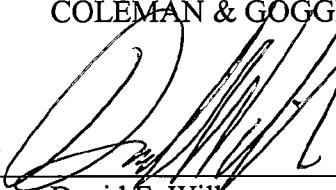
VIA UNITED STATES REGULAR MAIL:

James A. Naddeo, Esquire
211 1/2 East Locust Street
P.O. Box 552
Clearfield, PA 16830

R. Denning Gearhart, Esquire
215 E. Locust Street
Clearfield, PA 16830

MARSHALL, DENNEHEY, WARNER,
COLEMAN & GOGGIN

BY


David F. Wilk

Attorney for Defendant Burleigh Real Estate
I.D. #65992
33 W. Third Street, Suite 200
Williamsport, PA 17701
(570)326-9069

Date: 6/14/02

R. DENNING GEARHART
ATTORNEY AT LAW
CLEARFIELD, PA. 16830

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
(CIVIL DIVISION)

MICHAEL D. GUELICH and :
JANELLE J. GUELICH, :
husband and wife, :
Plaintiffs :
VS. : NO. 02-682-CD
: :
KARL A. DEMI and JEAN A. DEMI, :
husband and wife, and :
BURLEIGH REAL ESTATE, :
Defendants :

CASE NUMBER: 02-682-CD

TYPE OF CASE: Civil

TYPE OF PLEADING: **ANSWERS, CROSSCLAIM & COUNTERCLAIM**

FILED ON BEHALF OF: Defendants, Karl A. Demi & Jean A. Demi

COUNSEL OF RECORD FOR THIS PARTY: R. DENNING GEARHART, ESQUIRE
Supreme Court I.D. #26540
215 East Locust Street
Clearfield, PA 16830
(814) 765-1581

FILED

JUL 12 2002
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William A. Shaw
Prothonotary
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IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
(CIVIL DIVISION)

MICHAEL D. GUELICH and	:	
JANELLE J. GUELICH,	:	
husband and wife,	:	
	Plaintiffs	:
VS.	:	NO. 02-682-CD
	:	
KARL A. DEMI and JEAN A. DEMI,	:	
husband and wife, and	:	
BURLEIGH REAL ESTATE,	:	
	Defendants	:

NOTICE TO DEFEND

You have been sued in Court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this complaint and notice are served, by entering a written appearance personally or by attorney and filing in writing with the Court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the Court without further notice for any money claimed in the complaint or for any other claim or relief requested by the Plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP.

Court Administrator's Office
Clearfield County Courthouse
Clearfield, PA 16830
814-765-2641 Ext. 50-51

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
(CIVIL DIVISION)

MICHAEL D. GUELICH and	:
JANELLE J. GUELICH,	:
husband and wife,	:
	Plaintiffs
VS.	:
	NO. 02-682-CD
	:
KARL A. DEMI and JEAN A. DEMI,	:
husband and wife, and	:
BURLEIGH REAL ESTATE,	:
	Defendants

ANSWER TO COMPLAINT

AND NOW, come the Defendants, KARL A. DEMI and JEAN A. DEMI, by and through their attorney, who answer Plaintiffs Complaint, and aver as follows:

1. Admitted.
2. Admitted.
3. Admitted.
4. Admitted.
5. Admitted the Defendants completed a property disclosure statement as attached to Plaintiffs Exhibit 'B'. That disclosure statement, and the representation therein speak for themselves.
6. Admitted that Plaintiffs participated in the initial inspection of the property. At that time, Defendants, Demi, advised the Plaintiffs that it was typical spring

water. To the extent that the Plaintiffs are averring that he stated or implied any more, or better quality water than typical spring water, said averment is denied.

7. Defendants, Demi are not in a position to testify what Plaintiffs observed.

8. Denied. Defendants, Demi, are not in a position to testify as to any discussions between the Plaintiffs and the Defendant, Burleigh Real Estate, unless Defendants, Demi, were included.

9. Denied. Defendants, Demi, are not in a position to testify as to any discussions between the Plaintiffs and the Defendant, Burleigh Real Estate, unless Defendants, Demi, were included.

10. Admitted in part. A week prior to the closing, Plaintiffs moved into, and began to reside in, the premises. As such, they had plenty of time to observe the water. What they observed cannot be answered by Defendants Demi, except that the Demi's deny that the water would be anything more or less than "typical spring water" as it was left by them. The Demi's now believe that Plaintiffs may have attempted to change the quality of water by putting Clorox in the water. While the Plaintiffs may believe that would improve the water, in fact it would counteract the purifying system that the Demi's already had.

11. Admitted that the Plaintiffs declined a final walk through inspection, but in light of the fact that they had already been living there for more than a week, such an inspection would be redundant at best. Further admitted that the parties signed a

Final Property Inspection and Acceptance form, and admitted as to the statements in that form, but denied they speak to anything more or less than what they actually say.

12. Admitted that the Plaintiffs allowed Daniel J. Carney and Sons Water Treatment Systems. In fact, Defendants Demi were with the Plaintiffs when they met with Mr. Carney. At that time, Mr. Carney agreed that the water was "typical spring water" – nothing more than what Mr. Demi had already stated. However, being a salesman, he did advise the Plaintiffs that he could make their water treatment better than what it was if they would purchase a system from him. When Guelich and Carney began to talk about price, Mr. Demi said to Mr. Guelich "you are going to take care of this, right?" To which Mr. Guelich agreed.

13. Defendants Demi, are not in a position to answer whether or not the Guelichs did in fact solicit an offer from another water treatment system vendor (i.e., Water Pro Problem Water Treatment) and hire them.

COUNT I - BREACH OF CONTRACT BY DEFENDANT, DEMI

14. No answer required.

15. To the extent that Defendants Demi, do not know what Plaintiffs mean by "numerous", Defendants Demi, deny the averment.

16. Denied that Defendants Demi, made any assurances that they would correct the existing water system. Indeed, as answered above, Demis maintained the water was suitable and as to improvements, "Mr. Demi said to Mr. Guelich 'you are going to take care of this, right?'" To which Mr. Guelich agreed."

17. Denied that there is any breach of any contractual obligation.
18. Admitted.
19. Denied that there was a breach.

**COUNT II - FRAUD, COERCION & MISREPRESENTATIONS
BY DEFENDANTS DEMI AND BURLEIGH**

20. No answer required.
21. Denied, to the extent that Defendants Demi can answer, they are not aware of the contents of any discussion or promises made by Defendant Burleigh Real Estate.
22. Denied, to the extent that Defendants Demi can answer, they are not aware of the contents of any discussion or promises made by Defendant Burleigh Real Estate.
23. To the extent that the averment is premised on something that Defendant Burleigh Real Estate is alleged to have done, no answer required. Otherwise, admitted that the closing proceeded as stated.
24. Denied. While Attorney Naddeo did excuse himself from the room (his office) during the closing, his associate, Attorney Linda Lewis was present at all times. Attorney Lewis is admitted to the Bar of the Supreme Court of Pennsylvania and is very experienced and competent in real estate law.
25. Denied, to the extent that Defendants Demi can answer, they are not aware of the contents of any discussion or promises made by Defendant Burleigh Real Estate.

26. Denied that there was any fraud or misrepresentation on behalf of Defendants, Demi, who are unable to respond to any allegations against Defendant, Burleigh Real Estate.

ANSWER TO NEW MATTER
RAISED BY DEFENDANT BURLEIGH REAL ESTATE

27. thru 41. No answer required.

ANSWER TO CROSSCLAIM PURSUANT TO Pa.R.C.P. 2252(d)
Burleigh Real Estate v. Karl A. Demi and Jean A. Demi, husband and wife

43. To the extent that Defendants Demi deny any failure on their part to disclose known material defects and/or environmental hazards with respect to the property, the averment contained in the cross claim is denied.

44. Calls for a conclusion of law and therefore, no answer required.

45. Denied. If any of the averments in the Plaintiffs complaint are true - and Defendants, Demi, continue to deny those averments - it was due to the deceptive practices of Defendant Burleigh Real Estate, to whom Defendants Demi were open and candid.

46. Denied that the Defendants Demi are in any way responsible for any deceptive practices of Defendant, Burleigh Real Estate or Bonnie Burleigh.

CROSS CLAIM PURSUANT TO Pa.R.C.P. 2252(d)

Karl A. Demi and Jean A. Demi v. Burleigh Real Estate

47. Paragraphs 1 - 26 of the Complaint and Defendant Burleigh Real Estate's Answer thereto and Defendant Karl A. Demi and Jean A. Demi's Answer thereto, together with the respective New Matter and Cross Claim, are incorporated herein as fully averred.

48. That the Defendants Karl A. Demi and Jean A. Demi entered into a contract with Burleigh Real Estate to handle the sale of the subject real estate.

49. In so doing, Defendants Demi, relied upon Defendant Burleigh Real Estate to act on their behalf, but to do so in a lawful manner and through the use of sound and ethical business practices.

50. To the extent that any of the averments in Plaintiffs' Complaint are true, such as to entitle the Plaintiffs to any relief, they were the result of Defendant Burleigh Real Estate's failure to represent Defendant Demi in the manner in which it promised to represent Defendants Demi. Therefore, it is Defendant Burleigh Real Estate who breached her contract with Defendants Demi and should, therefore, be liable for any damages suffered by Plaintiffs and/or Defendants Demi, including counsel fees in an amount to be determined by the Court.

COUNTERCLAIM vs. PLAINTIFFS

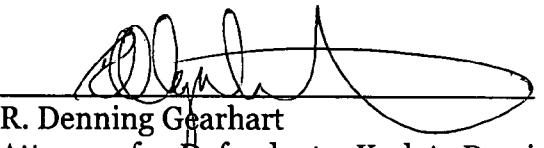
51. Paragraphs 1 - 50 of the Complaint, both Answers and Cross Claims, and New Matter are incorporated herein as if fully averred.

52. The Complaints and Cross-claims against the Defendant Demi's are totally without merit and were filed to harass Defendant Demi's.

53. As a result of the vexatious and merit less litigation, Defendant Demi's have been forced to hire the Law Offices of R. Denning Gearhart at a rate of \$125.00 an hour.

WHEREFORE, Defendants Demi, demand judgment for them and against the Plaintiffs and/or Defendant Burleigh Real Estate.

Respectfully submitted,



R. Denning Gearhart
Attorney for Defendants, Karl A. Demi
and Jean A. Demi

COMMONWEALTH OF PENNSYLVANIA :
: SS:
COUNTY OF CLEARFIELD :

AFFIDAVIT

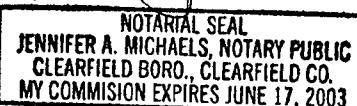
Before me, the undersigned officer, personally appeared, KARL A. DEMI and JEAN A. DEMI, who being duly sworn according to law deposes and says that the facts set forth in the foregoing Answer, Cross Claim and Counterclaim are true and correct to the best of their knowledge, information, and belief.

Karl A. Demi
KARL A. DEMI

Jean A. Demi
JEAN A. DEMI

Sworn to and subscribed
before me this 12th day
of July, 2002.

Jennifer A. Michaels
Notary Public



IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

MICHAEL D. GUELICH and
JANELLE J. GUELICH, husband
and wife,
Plaintiffs,

vs.

KARL A. DEMI and JEAN A.
DEMI, husband and wife; and
BURLEIGH REAL ESTATE

* No. 02 - 682 - CD

* Type of Pleading:

* **ANSWER TO NEW MATTER**

* Filed on behalf of:
* Plaintiffs

* Counsel of Record for
* this party:

* James A. Naddeo, Esq.
* Pa I.D. 06820

* 211 1/2 E. Locust Street
* P.O. Box 552
* Clearfield, PA 16830
* (814) 765-1601

FILED

JUN 20 2002
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William A. Shaw
Prothonotary
KPK

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

MICHAEL D. GUELICH and *
JANELLE J. GUELICH, husband *
and wife, *
Plaintiffs, *
*
vs. * No. 02 - 682 - CD
*
KARL A. DEMI and JEAN A. *
DEMI, husband and wife; *
and BURLEIGH REAL ESTATE, *
Defendants. *

ANSWER TO NEW MATTER

AND NOW COME the Plaintiffs, MICHAEL D. GUELICH and
JANELLE J. GUELICH, husband and wife, and by their attorney,
James A. Naddeo, Esquire, set forth the following Answer to
Defendant Burleigh's New Matter.

27. No answer required.

28. States a conclusion of law to which no answer is
required.

29. States a conclusion of law to which no answer is
required.

30. States a conclusion of law to which no answer is
required.

31. States a conclusion of law to which no answer is
required.

32. States a conclusion of law to which no answer is required.

33. States a conclusion of law to which no answer is required.

34. States a conclusion to which no answer is required. To the extent that an answer may be required, said allegation is denied. On the contrary, it is alleged that Plaintiffs' failure to test the water does not preclude their claim.

35. States a conclusion of law to which no answer is required. To the extent that an answer may be required, said allegation is denied. On the contrary, it is alleged that the parties by their conduct modified the written terms of the sales agreement in respect to sellers' representation that the "cloudy water" was caused by a holding tank in the garage of the dwelling which sellers agreed to correct prior to closing. In further answer thereto, it is alleged that sellers did attempt to clean out the holding tank but that said efforts failed to correct the water issue which was again addressed between the parties at time of closing and ostensibly resolved by a document titled "FINAL PROPERTY INSPECTION AND ACCEPTANCE" which Defendant Burleigh represented to buyers obligated sellers to correct the cloudy water post-closing.

36. States a conclusion to which no answer is required. To the extent that an answer may be required, said allegation is admitted in so far as it alleged that Plaintiffs inspected the property. It is denied, however, that Plaintiffs agreed to purchase it in its condition at the time of their inspection but to the contrary were informed and expected the condition of the water to be corrected by sellers.

37. States a conclusion of law to which no answer is required. To the extent that an answer may be required, said allegation is admitted in so far as it alleges that Defendant Burleigh had no duty to examine or determine the condition of the property. It is denied, however, that Plaintiffs' Complaint fails to state a cause of action against Burleigh who fraudulently and intentionally represented to Plaintiffs that the document signed by Plaintiffs at time of closing would require sellers to correct the condition of the water after closing.

38. States a conclusion of law to which no answer is required. To the extent that an answer may be required, Plaintiffs incorporate their answer to Paragraph 37 of Defendant Burleigh's New Matter by reference and make it a part hereof.

39. Admitted.

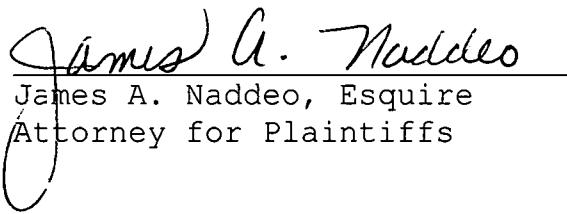
40. Admitted as stated but in further answer thereto, it is alleged that Defendant Burleigh surreptitiously and out of

the presence of Plaintiffs' counsel presented Plaintiffs with a documents titled "FINAL PROPERTY INSPECTION AND ACCEPTANCE" and in conjunction therewith represented to Plaintiffs that said document obligated sellers to correct the water post-closing.

41. States a conclusion of law to which no answer is required. To the extent that an answer may be required, said allegation is denied. In further answer thereto, Plaintiffs incorporate their answer to Paragraph 40 of Defendant Burleigh's New Matter by reference and make it a part hereof.

WHEREFORE, Plaintiffs claim damages as set forth in their Complaint.

Respectfully submitted,



James A. Naddeo, Esquire
Attorney for Plaintiffs

COMMONWEALTH OF PENNSYLVANIA)

ss.

COUNTY OF CLEARFIELD

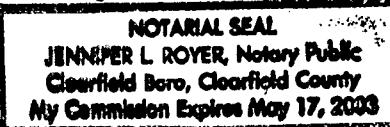
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Before me, the undersigned officer, personally appeared JANELLE J. GUELICH, who being duly sworn according to law, deposes and states that the facts set forth in the foregoing Answer to New Matter are true and correct to the best of her knowledge, information and belief.

Janelle J. Guelich
Janelle J. Guelich

SWORN and SUBSCRIBED before me this 20th day of June, 2002.

Jennifer L. Royer



IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

MICHAEL D. GUELICH and *
JANELLE J. GUELICH, husband *
and wife, *
Plaintiffs, *
*
vs. * No. 02 - 682 - CD
*
KARL A. DEMI and JEAN A. *
DEMI, husband and wife; and *
BURLEIGH REAL ESTATE *

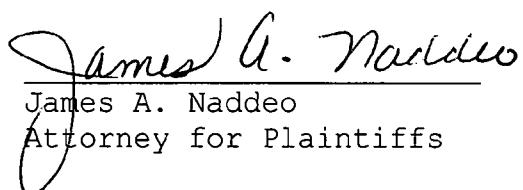
CERTIFICATE OF SERVICE

I, James A. Naddeo, Esquire, do hereby certify that a certified copy of Answer to New Matter filed in the above-captioned action was served on the following persons and in the following manner on the 20th day of June, 2002:

First-Class Mail, Postage Prepaid

David F. Wilk, Esquire
MARSHALL, DENNEHEY, WARNER,
COLEMAN & GOGGIN
33 W. Third Street, Suite 200
Williamsport, PA 17701

R. Denning Gearhart, Esquire
215 East Locust Street
Clearfield, PA 16830



James A. Naddeo
Attorney for Plaintiffs

MICHAEL D. GUELICH and JANELLE J. : IN THE COURT OF COMMON PLEAS OF
GUELICH, husband and wife, : CLEARFIELD COUNTY, PENNSYLVANIA
Plaintiffs :
: CIVIL ACTION - LAW
v. :
: No. 02-682-CD
KARL A. DEMI and JEAN A DEMI, :
husband and wife and BURLEIGH :
REAL ESTATE, :
Defendants :
:

ANSWER TO CROSSCLAIM PURSUANT TO Pa. R.C.P. 2252(d)
Karl A. Demi and Jean A. Demi v. Burleigh Real Estate

47. No response required.
48. Admitted.
49. The conclusion of which no response is required. To the extent a response is deemed to be required, it is specifically denied that Defendant Burleigh Real Estate acted on behalf of Defendants Demi in anything but a lawful and ethical manner and strict proof to the contrary is hereby demanded at trial.
50. The legal conclusions of which no response is required. To the extent a response is deemed to be required, it is specifically denied that Defendant Burleigh Real Estate breached a contract with Defendants Demi and it is further denied that Defendant Burleigh Real Estate is liable to Plaintiffs and/or Defendants Demi in any matter, including counsel fees. Strict proof to

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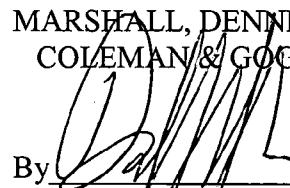
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William A. Shaw
Prothonotary

the contrary is hereby demanded at trial.

Respectfully submitted,

MARSHALL, DENNEHEY, WARNER,
COLEMAN & GOGGIN

By

 David B. Wilk, Esquire

PA ID #65992

Attorney For Defendant

33 West Third Street, Suite 200

Williamsport, PA 17701

(570)326-9069

Dated: 7/22/02

VERIFICATION

David F. Wilk, Attorney for Defendant, Burleigh Real Estate, verifies that the facts set forth in the foregoing Answer to the Crossclaim are true to the best of his knowledge, information and belief. If the above statements are not true, the deponent is subject to the penalties of 18 Pa.C.S. §4904 relating to unsworn falsification to authorities.



David F. Wilk

DATE: 07/22/02

COMMONWEALTH OF PENNSYLVANIA)

ss.

COUNTY OF CLEARFIELD

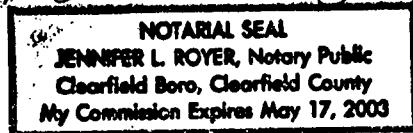
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Before me, the undersigned officer, personally appeared JANELLE J. GUELICH, who being duly sworn according to law, deposes and states that the facts set forth in the foregoing Answer to Counterclaim are true and correct to the best of her knowledge, information and belief.

Janelle J. Guelich
Janelle J. Guelich

SWORN and SUBSCRIBED before me this 17th day of July, 2002.

Jennifer L. Royer



JAMES A. NADDEO
ATTORNEY AT LAW
211 1/2 EAST LOCUST STREET
P.O. BOX 552
CLEARFIELD, PENNSYLVANIA 16830

MICHAEL D. GUELICH and JANELLE J. : IN THE COURT OF COMMON PLEAS OF
GUELICH, husband and wife, : CLEARFIELD COUNTY, PENNSYLVANIA
Plaintiffs :
: CIVIL ACTION - LAW
v. :
: No. 02-682-CD
KARL A. DEMI and JEAN A DEMI, :
husband and wife and BURLEIGH :
REAL ESTATE, :
Defendants :

DEMAND FOR JURY TRIAL

TO THE PROTHONOTARY:

A jury trial consisting of twelve jurors is hereby demanded by Defendant Burleigh Real Estate in the above-captioned matter.

Respectfully submitted,

MARSHALL, DENNEHEY, WARNER,
COLEMAN & GOGGIN

By

David B. Wilk, Esquire
PA ID #65992
Attorney For Defendant
33 West Third Street, Suite 200
Williamsport, PA 17701
(570)326-9069

Date: 7/22/02

FILED

JUL 24 2002

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William A. Shaw
Prothonotary Copy CL

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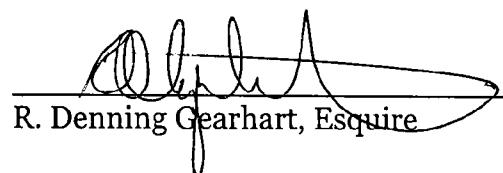
IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
(CIVIL DIVISION)

MICHAEL D. GUELICH and :
JANELLE J. GUELICH, husband :
and wife, :
Plaintiffs :
VS. : NO. 02-682-CD
:
KARL A. DEMI and JEAN A. DEMI, :
husband and wife; and :
BURLEIGH REAL ESTATE, :
Defendants :
:

ENTRY OF APPEARANCE

TO THE PROTHONOTARY OF CLEARFIELD COUNTY:

Please enter my appearance on behalf of the Defendants, KARL A. DEMI and JEAN A. DEMI, in the above captioned matter.



R. Denning Gearhart, Esquire

Date: May 24, 2002

FILED

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William A. Shaw
Prothonotary

MICHAEL D. GUELICH and JANELLE J. : IN THE COURT OF COMMON PLEAS OF
GUELICH, husband and wife, : CLEARFIELD COUNTY, PENNSYLVANIA
Plaintiffs :
v.
: CIVIL ACTION – LAW
KARL A. DEMI and JEAN A DEMI, :
husband and wife and BURLEIGH :
REAL ESTATE, :
Defendants :
:

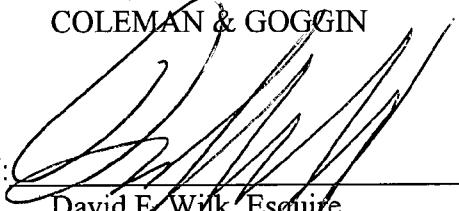
ENTRY OF APPEARANCE

TO THE PROTHONOTARY:

Kindly enter my appearance for the Defendant, Burleigh Real Estate, in the above-captioned matter.

MARSHALL, DENNEHEY, WARNER,
COLEMAN & GOGGIN

BY:


David E. Wilk, Esquire
I.D. No. 65992
Attorney for Defendant

33 West Third Street, Suite 200
Williamsport, PA 17701
Telephone No. (570)326-9069

DATE: 5/29/02

FILED

MAY 30 2002
m12081ndc E6
William A. Shaw
Prothonotary

In The Court of Common Pleas of Clearfield County, Pennsylvania

Sheriff Docket # 12466

GUELICH, MICHAEL D. & JANELLE J.

02-682-CD

VS.

DEMI, KARL A. & JEAN A.

COMPLAINT

SHERIFF RETURNS

NOW APRIL 30, 2002 AT 2:30 PM EST SERVED THE WITHIN COMPLAINT
ON BURLEIGH REAL ESTATE, DEFENDANT AT EMPLOYMENT, 116 E. LOCUST ST.
CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO BONNIE
BURLEIGH, OWNER A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT
AND MADE KNOWN TO HER THE CONTENTS THEREOF.

SERVED BY: COUDRIET/RYEN

NOW MAY 4, 2002 SERVED THE WITHIN COMPLAINT ON KARL A. DEMI & JEAN A.
DEMI, DEFENDANT BY CERTIFIED MAIL # 7001 1940 0001 9405 9932 AT
1566 APACHECIRCLE, TAVARES, FLORIDA 32778 BEING THEIR LAST KNOWN
ADDRESS. THE RETURN RECEIPT IS HERETO ATTACHED AND MADE A PART
OF THIS RETURN ENDORSED BY KARL A. DEMI. THE LETTER WAS SENT MARKED
"ADDRESSEE ONLY".

Return Costs

Cost	Description
34.40	SHFF. HAWKINS PAID BY: ATTY.
20.00	SURCHARGE PAID BY: ATTY.

FILED

MAY 29 2002
O/1471pr
William A. Shaw
Prothonotary

Sworn to Before Me This

29th Day Of May 2002
William A. Shaw

WILLIAM A. SHAW
Prothonotary
My Commission Expires
1st Monday in Jan. 2006
Clearfield Co., Clearfield, PA

So Answers,

Chester A. Hawkins
by Marilyn Harr
Chester A. Hawkins
Sheriff

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

KARL A. DEMI & JEAN A. DEMI
1566 Apache Circle
Tavares, Florida 32778

COMPLETE THIS SECTION ON DELIVERY**A. Received by (Please Print Clearly)**

KARL A. DEMI

B. Date of Deliv

5402

C. Signature

X Karl A. Demi

Agent

Addressee

D. Is delivery address different from item 1? Yes

If YES, enter delivery address below: No

3. Service Type

<input checked="" type="checkbox"/> Certified Mail	<input type="checkbox"/> Express Mail
<input type="checkbox"/> Registered	<input type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Insured Mail	<input type="checkbox"/> C.O.D.

4. Restricted Delivery? (Extra Fee) Yes**2. Article Number (Copy from service label)**

7001 1940 0001 9405 9932

UNITED STATES POSTAL SERVICE

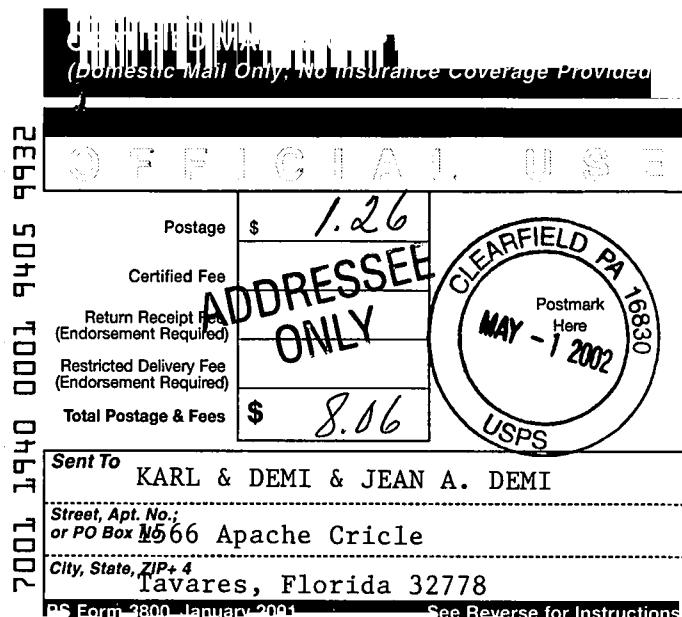


- Sender: Please print your ~~name~~, address, and ~~ZIP+4~~ in this box

CHESTER A. HAWKINS
Sheriff of Clearfield County
1 N. 2nd St. Suite 116
Clearfield, Pa. 16830

Pg. 12466

16830+2355 #####



Certified Mail Provides:

- A mailing receipt
- A unique identifier for your mailpiece
- A signature upon delivery
- A record of delivery kept by the Postal Service for two years

12466

Important Reminders:

- Certified Mail may ONLY be combined with First-Class Mail or Priority Mail.
- Certified Mail is not available for any class of international mail.
- NO INSURANCE COVERAGE IS PROVIDED with Certified Mail. For valuable items, please consider Insured or Registered Mail.
- For an additional fee, a Return Receipt may be requested to provide proof of delivery. To obtain Return Receipt service, please complete and attach a Return Receipt (PS Form 3811) to the article and add applicable postage to cover the fee. Endorse mailpiece "Return Receipt Requested". To receive a fee waiver for a duplicate return receipt, a USPS postmark on your Certified Mail receipt is required.
- For an additional fee, delivery may be restricted to the addressee or addressee's authorized agent. Advise the clerk or mark the mailpiece with the endorsement "Restricted Delivery".
- If a postmark on the Certified Mail receipt is desired, please present the article at the post office for postmarking. If a postmark on the Certified Mail receipt is not needed, detach and affix label with postage and mail.

IMPORTANT: Save this receipt and present it when making an inquiry.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

FILED

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William A. Shaw
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IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

MICHAEL D. GUELICH and *
JANELLE J. GUELICH, husband *
and wife, *
Plaintiffs, *
*
vs. * No. 02 - 682 - CD
*
KARL A. DEMI and JEAN A. *
DEMI, husband and wife; *
and BURLEIGH REAL ESTATE, *
Defendants. *

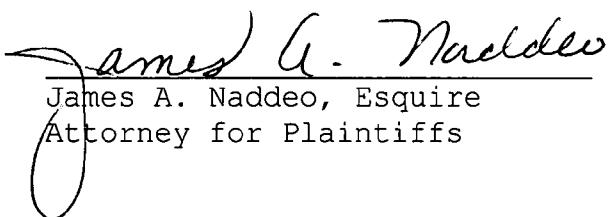
CERTIFICATE OF SERVICE

I, James A. Naddeo, Esquire, Attorney for Plaintiffs, do hereby certify that a true and correct copy of Notice of Deposition in the above matter was served by first-class mail, postage prepaid, upon the following:

R. Denning Gearhart, Esquire
215 East Locust Street
Clearfield, PA 16830

ASAP Court Reporting
PO Box 345
Ebensburg, PA 15931-0345

Said Notice of Deposition was mailed this 7th day of August, 2002.



James A. Naddeo, Esquire
Attorney for Plaintiffs

JAMES A. NADDEO
ATTORNEY AT LAW
211½ EAST LOCUST STREET
P.O. BOX 552
CLEARFIELD, PENNSYLVANIA 16830

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

MICHAEL D. GUELICH and
JANELLE J. GUELICH, husband
and wife,
Plaintiffs,

vs.

KARL A. DEMI and JEAN A.
DEMI, husband and wife; and
BURLEIGH REAL ESTATE

* No. 02 - 682 - CD

* Type of Pleading:

* **CERTIFICATE OF SERVICE**

* Filed on behalf of:

* Plaintiffs

* Counsel of Record for
this party:

* James A. Naddeo, Esq.
* Pa I.D. 06820

* 211 1/2 E. Locust Street
* P.O. Box 552
* Clearfield, PA 16830
* (814) 765-1601

FILED

SEP 04 2002

010491/catty Naddeo
William A. Shaw/
Prothonotary

820

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

MICHAEL D. GUELICH and *
JANELLE J. GUELICH, husband *
and wife, *
Plaintiffs, *
*
vs. * No. 02 - 682 - CD
*
KARL A. DEMI and JEAN A. *
DEMI, husband and wife; *
and BURLEIGH REAL ESTATE, *
Defendants. *

CERTIFICATE OF SERVICE

I, James A. Naddeo, Esquire, Attorney for Plaintiffs, do hereby certify that a true and correct copy of Notice of Deposition in the above matter was served by first-class mail, postage prepaid, upon the following:

R. Denning Gearhart, Esquire
215 East Locust Street
Clearfield, PA 16830

David F. Wilk, Esquire
MARSHALL, DENNEHEY, WARNER,
COLEMAN & GOGGIN
33 W. Third Street, Suite 200
Williamsport, PA 17701

ASAP Court Reporting
PO Box 345
Ebensburg, PA 15931-0345

Said Notice of Deposition was mailed this 4th day of September, 2002.

James A. Naddeo
James A. Naddeo, Esquire
Attorney for Plaintiffs

JAMES A. NADDEO
ATTORNEY-AT LAW
211 1/2 EAST LOCUST STREET
P.O. BOX 552
CLEARFIELD, PENNSYLVANIA 16830

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

MICHAEL D. GUELICH and
JANELLE J. GUELICH, husband
and wife,
Plaintiffs,

vs.

KARL A. DEMI and JEAN A.
DEMI, husband and wife; and
BURLEIGH REAL ESTATE

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* No. 02 - 682 - CD

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* Type of Pleading:

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*
*

* **CERTIFICATE OF SERVICE**

*
*
*
*
*
*
*

* Filed on behalf of:
* Plaintiffs

*
*
*

* Counsel of Record for
* this party:

*
*
*
*

* James A. Naddeo, Esq.
* Pa I.D. 06820
*
* 211 1/2 E. Locust Street
* P.O. Box 552
* Clearfield, PA 16830
* (814) 765-1601

FILED

SEP 11 2002
010:45/11/catty Naddeo
William A. Shaw
Prothonotary
G. J. K.
KTP

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

MICHAEL D. GUELICH and *
JANELLE J. GUELICH, husband *
and wife, *
Plaintiffs, *
*
vs. * No. 02 - 682 - CD
*
KARL A. DEMI and JEAN A. *
DEMI, husband and wife; *
and BURLEIGH REAL ESTATE, *
Defendants. *

CERTIFICATE OF SERVICE

I, James A. Naddeo, Esquire, Attorney for Plaintiffs, do hereby certify that a true and correct copy of Notice of Deposition in the above matter was served by first-class mail, postage prepaid, upon the following:

R. Denning Gearhart, Esquire
215 East Locust Street
Clearfield, PA 16830

David F. Wilk, Esquire
MARSHALL, DENNEHEY, WARNER,
COLEMAN & GOGGIN
33 W. Third Street, Suite 200
Williamsport, PA 17701

ASAP Court Reporting
PO Box 345
Ebensburg, PA 15931-0345

Said Notice of Deposition was mailed this 11th day of September, 2002.



James A. Naddeo, Esquire
Attorney for Plaintiffs

JAMES A. NADDEO
ATTORNEY AT LAW
211½ EAST LOCUST STREET
P.O. BOX 552
CLEARFIELD, PENNSYLVANIA 16830

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
(CIVIL DIVISION)

MICHAEL D. GUELICH and :
JANELLE J. GUELICH, husband and :
wife, :
Plaintiffs :
VS. : NO. 02-682-CD
: :
KARL A. DEMI and JEAN A. DEMI, :
husband and wife; and :
BURLEIGH REAL ESTATE, :
Defendants :
:

CASE NUMBER: 02-682-CD

TYPE OF CASE: Civil

TYPE OF PLEADING: Notice of Taking Deposition on Oral
Examination under Rule 4007.1

FILED ON BEHALF OF: Defendants, Karl A. & Jean A. Demi

COUNSEL OF RECORD FOR THIS PARTY: R. DENNING GEARHART, ESQUIRE
Supreme Court I.D. No. 26540
215 East Locust Street
Clearfield, PA 16830
(814) 765-1581

FILED

SEP 11 2002

011157/ncc
William A. Shaw
Prothonotary *WAS*

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
(CIVIL DIVISION)

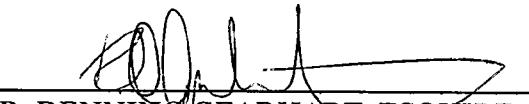
MICHAEL D. GUELICH and	:	
JANELLE J. GUELICH, husband and	:	
wife,	:	
	Plaintiffs	:
VS.	:	NO. 02-682-CD
	:	
KARL A. DEMI and JEAN A. DEMI,	:	
husband and wife; and	:	
BURLEIGH REAL ESTATE,	:	
	Defendants	:

**NOTICE OF TAKING DEPOSITION ON ORAL
EXAMINATION UNDER RULE 4007.1**

TO:	James A. Naddeo, Esquire 211 1/2 E. Locust Street P.O. Box 552 Clearfield, PA 16830	David F. Wilk, Esquire MARSHALL, DENNEHEY, WARNER, COLEMAN & COGGIN 33 W. Third Street, Suite 200 Williamsport, PA 17701
	ASAP Court Reporting P.O. Box 345 Ebensburg, PA 15931-0345	

Notice is given herewith that, Pursuant to Rule 4007.1 of the Pennsylvania Rules of Civil Procedure, the deposition of JANELLE J. GUELICH, will be taken on oral examination at the offices of R. Denning Gearhart, 215 E. Locust Street, Clearfield, PA 16830, on Monday, October 14, 2002 at 3:30 p.m. and at any and all adjournments thereof.

Said witnesses should bring with them to the deposition any and all documents relevant to this legal action.


R. DENNING GEARHART, ESQUIRE
Attorney for Defendants,
Karl A. & Jean A. Demi

Date: September 11, 2002

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
(CIVIL DIVISION)

MICHAEL D. GUELICH and :
JANELLE J. GUELICH, husband and :
wife, :
Plaintiffs :
VS. : NO. 02-682-CD
: :
KARL A. DEMI and JEAN A. DEMI, :
husband and wife; and :
BURLEIGH REAL ESTATE, :
Defendants :
:

CERTIFICATE OF SERVICE

I certify under penalty of perjury that I am, and at all times hereinafter mentioned was, more than 18 years of age and that on the 11th day of September, 2002, I served a copy of the within Notice of Taking Depositions on Oral Examination under Rule 4007.1 filed in this proceeding, by First Class Mail, postage prepaid on the following:

James A. Naddeo, Esquire
211 1/2 E. Locust Street
P.O. Box 552
Clearfield, PA 16830

David F. Wilk, Esquire
MARSHALL, DENNEHEY, WARNER, COLEMAN
& COGGIN
33 W. Third Street, Suite 200
Williamsport, PA 17701

ASAP COURT REPORTING
P.O. Box 345
Ebensburg, PA 15931-0345

Executed on September 11, 2002


R. Denning Gearhart, Esquire
215 E. Locust Street
Clearfield, PA 16830
(814) 765-1581

R. DENNING GEARHART
ATTORNEY AT LAW
CLEARFIELD, PA. 16830

11006-00128/DFW/

MICHAEL D. GUELICH and JANELLE J. : IN THE COURT OF COMMON PLEAS OF
GUELICH, husband and wife, : CLEARFIELD COUNTY, PENNSYLVANIA
Plaintiffs :
: CIVIL ACTION - LAW
v. :
: No. 02-682-CD
KARL A. DEMI and JEAN A DEMI, :
husband and wife and BURLEIGH :
REAL ESTATE, :
Defendants : JURY TRIAL DEMANDED

PRAECLPICE FOR ARBITRATION

TO THE PROTHONOTARY:

Kindly place the above matter on the next available list for arbitration.

MARSHALL, DENNEHEY, WARNER,
COLEMAN & GOGGIN

By



David F. Wilk, Esquire
Attorney for Defendant
33 W. Third Street
Williamsport, PA 17701
570-326-9069

Date:

6/20/03

FILED

JUN 24 2003

William A. Shaw
Prothonotary

FILED

No CC

MT 1:52 PM
JUN 24 2003



copy to cl.a

William A. Shaw
Prothonotary

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY
PENNSYLVANIA

Michael D. Guelich

Janelle J. Guelich

vs.

Karl A. Demi

Jean A. Demi

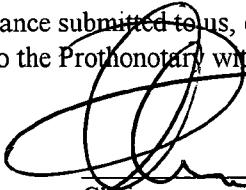
Burleigh Real Estate

No. 2002-00682-CD

OATH OR AFFIRMATION OF ARBITRATORS

Now, this 29th day of September, 2003, we the undersigned, having been appointed arbitrators in the above case do hereby swear, or affirm, that we will hear the evidence and allegations of the parties and justly and equitably try all matters in variance submitted to us, determine the matters in controversy, make an award, and transmit the same to the Prothonotary within twenty (20) days of the date of hearing of the same.

Benjamin S. Blakley, Esq.


Chairman

F. Cortez Bell, III, Esq.

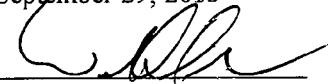
Jeffrey S. DuBois, Esq.

FILED

0 11.32 00

Sworn to and subscribed before me this
September 29, 2003

SEP 29 2003


Prothonotary

AWARD OF ARBITRATORS

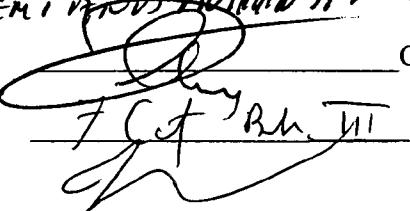
William A. Shaw
Prothonotary

Now, this 29 day of September 2003, we the undersigned arbitrators appointed in this case, after being duly sworn, and having heard the evidence and allegations of the parties, do award and find as follows:

JUDGMENT FOR PLAINTIFFS AND AGAINST DEFENDANT
BURLEIGH FOR \$1272.00 PLUS COSTS AND INTEREST.

JUDGMENT FOR DEFENDANT, DEMI AND JEAN A. DEMI, PLAINTIFFS.

CROSS CLAIMS AND
COUNTERCLAIM DISMISSED


Chairman

(Continue if needed on reverse.)

ENTRY OF AWARD

Now, this 29 day of September 2003, I hereby certify that the above award was entered of record this date in the proper dockets and notice by mail of the return and entry of said award duly given to the parties or their attorneys.

WITNESS MY HAND AND THE SEAL OF THE COURT


Prothonotary

By _____

Michael D. Guelich
Janelle J. Guelich

: IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY

Vs.

: No. 2002-00682-CD

Karl A. Demi Jean A. Demi Burleigh Real
Estate

NOTICE OF AWARD

TO: DAVID F. WILK

You are herewith notified that the Arbitrators appointed in the above case have filed their award in this office on September 29, 2003 and have awarded:

Judgment for Plaintiffs and against Defendant Burleigh for \$1,272.00 plus costs and interest. Judgment for Defendants Demi and against Plaintiffs. Crossclaims and Counterclaim dismissed.

William A. Shaw

Prothonotary

By _____

September 29, 2003

Date

In the event of an Appeal from Award of Arbitration within thirty (30) days of date of award.

Michael D. Guelich
Janelle J. Guelich

: IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY

Vs.

: No. 2002-00682-CD

Karl A. Demi
Jean A. Demi
Burleigh Real Estate

NOTICE OF AWARD

TO: JANELLE J. GUELICH

You are herewith notified that the Arbitrators appointed in the above case have filed their award in this office on September 29, 2003 and have awarded:

Judgment for Plaintiffs and against Defendant Burleigh for \$1,272.00 plus costs and interest. Judgment for Defendants Demi and against Plaintiffs. Crossclaims and Counterclaim dismissed.

William A. Shaw

Prothonotary

By _____

September 29, 2003

Date

In the event of an Appeal from Award of Arbitration within thirty (30) days of date of award.

Michael D. Guelich
Janelle J. Guelich

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY

Vs.

No. 2002-00682-CD

Karl A. Demi
Jean A. Demi
Burleigh Real Estate

NOTICE OF AWARD

TO: MICHAEL D. GUELICH

You are herewith notified that the Arbitrators appointed in the above case have filed their award in this office on September 29, 2003 and have awarded:

Judgment for Plaintiffs and against Defendant Burleigh for \$1,272.00 plus costs and interest. Judgment for Defendants Demi and against Plaintiffs. Crossclaims and Counterclaim dismissed.

William A. Shaw

Prothonotary

By _____

September 29, 2003

Date

In the event of an Appeal from Award of Arbitration within thirty (30) days of date of award.

Michael D. Guelich
Janelle J. Guelich

Vs.

Karl A. Demi
Jean A. Demi
Burleigh Real Estate

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY

No. 2002-00682-CD

NOTICE OF AWARD

TO: BURLEIGH REAL ESTATE

You are herewith notified that the Arbitrators appointed in the above case have filed their award in this office on September 29, 2003 and have awarded:

Judgment for Plaintiffs and against Defendant Burleigh for \$1,272.00 plus costs and interest. Judgment for Defendants Demi and against Plaintiffs. Crossclaims and Counterclaim dismissed.

William A. Shaw
Prothonotary
By _____

September 29, 2003

Date

In the event of an Appeal from Award of Arbitration within thirty (30) days of date of award.

Michael D. Guelich
Janelle J. Guelich

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY

Vs.

No. 2002-00682-CD

Karl A. Demi
Jean A. Demi
Burleigh Real Estate



NOTICE OF AWARD

TO: KARL A. DEMI

You are herewith notified that the Arbitrators appointed in the above case have filed their award in this office on September 29, 2003 and have awarded:

Judgment for Plaintiffs and against Defendant Burleigh for \$1,272.00 plus costs and interest. Judgment for Defendants Demi and against Plaintiffs. Crossclaims and Counterclaim dismissed.

William A. Shaw

Prothonotary

By _____

September 29, 2003

Date

In the event of an Appeal from Award of Arbitration within thirty (30) days of date of award.

Michael D. Guelich
Janelle J. Guelich

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY

Vs.

No. 2002-00682-CD

Karl A. Demi
Jean A. Demi
Burleigh Real Estate

6

NOTICE OF AWARD

TO: JEAN A. DEMI

You are herewith notified that the Arbitrators appointed in the above case have filed their award in this office on September 29, 2003 and have awarded:

Judgment for Plaintiffs and against Defendant Burleigh for \$1,272.00 plus costs and interest. Judgment for Defendants Demi and against Plaintiffs. Crossclaims and Counterclaim dismissed.

William A. Shaw

Prothonotary

By _____

September 29, 2003

Date

In the event of an Appeal from Award of Arbitration within thirty (30) days of date of award.

Michael D. Guelich
Janelle J. Guelich

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY

Vs.

No. 2002-00682-CD

Karl A. Demi
Jean A. Demi
Burleigh Real Estate

NOTICE OF AWARD

TO: JAMES A. NADDEO

You are herewith notified that the Arbitrators appointed in the above case have filed their award in this office on September 29, 2003 and have awarded:

Judgment for Plaintiffs and against Defendant Burleigh for \$1,272.00 plus costs and interest. Judgment for Defendants Demi and against Plaintiffs. Crossclaims and Counterclaim dismissed.

William A. Shaw

Prothonotary

By _____

September 29, 2003
Date

In the event of an Appeal from Award of Arbitration within thirty (30) days of date of award.

Michael D. Guelich
Janelle J. Guelich

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY

Vs.

No. 2002-00682-CD

Karl A. Demi
Jean A. Demi
Burleigh Real Estate



NOTICE OF AWARD

TO: R. DENNING GEARHART

You are herewith notified that the Arbitrators appointed in the above case have filed their award in this office on September 29, 2003 and have awarded:

Judgment for Plaintiffs and against Defendant Burleigh for \$1,272.00 plus costs and interest. Judgment for Defendants Demi and against Plaintiffs. Crossclaims and Counterclaim dismissed.

William A. Shaw

Prothonotary

By _____

September 29, 2003

Date

In the event of an Appeal from Award of Arbitration within thirty (30) days of date of award.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

MICHAEL D. GUELICH and
JANELLE J. GUELICH, husband
and wife,

Plaintiffs,

vs.

KARL A. DEMI and JEAN A.
DEMI, husband and wife; and
BURLEIGH REAL ESTATE,
Defendants.

* No. 02 - 682 - CD

* Type of Pleading:

* **PRAECIPE TO ENTER
JUDGMENT**

* Filed on behalf of:
* Plaintiffs

* Counsel of Record for
* this party:

* James A. Naddeo, Esq.
* Pa I.D. 06820

* 211 1/2 E. Locust Street
* P.O. Box 552
* Clearfield, PA 16830
* (814) 765-1601

FILED

NOV 05 2003

William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

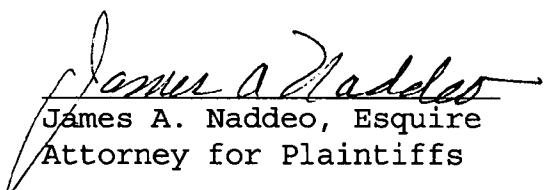
MICHAEL D. GUELICH and *
JANELLE J. GUELICH, husband *
and wife, *
Plaintiffs, *
*
vs. * No. 02 - 682 - CD
*
KARL A. DEMI and JEAN A. *
DEMI, husband and wife; and *
BURLEIGH REAL ESTATE *
Defendants. *

CERTIFICATE OF SERVICE

I. James A. Naddeo, Esquire, do hereby certify that a true and correct copy of Praeclipe to Enter Judgment filed in the above-captioned action was served on the following person and in the following manner on the 5th day of November 2003:

First-Class Mail, Postage Prepaid

David F. Wilk, Esquire
MARSHALL, DENNEHEY, WARNER,
COLEMAN & GOGGIN
33 W. Third Street, Suite 200
Williamsport, PA 17701


James A. Naddeo, Esquire
Attorney for Plaintiffs

JAMES A. NADDEO
ATTORNEY AT LAW
211 1/2 EAST LOCUST STREET
P.O. BOX 552
CLEARFIELD, PENNSYLVANIA 16830

FILED Atty pd. 20.00
Clerk 3:47 PM
NOV 05 2003
Notice to Def.
Statement to Atty
William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,
PENNSYLVANIA
STATEMENT OF JUDGMENT

CCY

Michael D. Guelich
Janelle J. Guelich
Plaintiff(s)

No.: 2002-00682-CD

Real Debt: \$1,272.00

Atty's Comm: \$

Vs.

Costs: \$

Int. From: \$

Karl A. Demi
Jean A. Demi
Burleigh Real Estate
Defendant(s)

Entry: \$20.00

Instrument: Arbitrators Award--Judgment
against Burleigh Real Estate ONLY

Date of Entry: November 5, 2003

Expires: November 5, 2008

Certified from the record this 5th day of November, 2003.

William A. Shaw, Prothonotary

SIGN BELOW FOR SATISFACTION

Received on _____, _____, of defendant full satisfaction of this Judgment,
Debt, Interest and Costs and Prothonotary is authorized to enter Satisfaction on the same.

Plaintiff/Attorney

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

MICHAEL D. GUELICH and *
JANELLE J. GUELICH, husband *
and wife, *
Plaintiffs, *
*
vs. * No. 02 - 682 - CD
*
KARL A. DEMI and JEAN A. *
DEMI, husband and wife; *
and BURLEIGH REAL ESTATE, *
Defendants. *

NOTICE

NOTICE is given that a JUDGMENT in the above-captioned matter has been entered against Burleigh Real Estate in the amount of \$1,272.00.

PROTHONOTARY

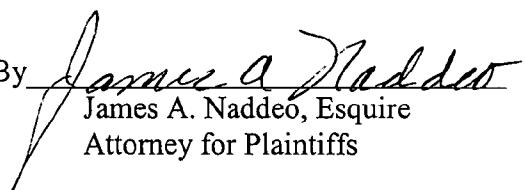
By _____

MICHAEL D. GUELICH and JANELLE J. : IN THE COURT OF COMMON PLEAS OF
GUELICH, husband and wife, : CLEARFIELD COUNTY, PENNSYLVANIA
Plaintiffs :
: CIVIL ACTION – LAW
v. :
: No. 02-682-CD
KARL A. DEMI and JEAN A DEMI, :
husband and wife and BURLEIGH :
REAL ESTATE, :
Defendants : JURY TRIAL DEMANDED

PRAECIPE TO SATISFY AWARD

TO THE PROTHONOTARY:

Please mark the above matter as satisfied on the docket.

By 
James A. Naddeo, Esquire
Attorney for Plaintiffs

FILED

DEC 19 2003

William A. Shay
Prothonotary Clerk, 2003

FILED *Att'y. Naddro, pd*
OCT 10 2003 7:00 AM
DEC 19 2003 No cc *JKS*
William A. Shaw
Prothonotary/Clerk of Courts *Certificate to Att'y*

COPY

**IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA**

CIVIL DIVISION

CERTIFICATE OF SATISFACTION OF JUDGMENT

No.: 2002-00682-CD

Michael D. Guelich
Janelle J. Guelich

Debt: \$1,272.00

Vs.

Atty's Comm.:

Karl A. Demi
Jean A. Demi
Burleigh Real Estate

Interest From:

Cost: \$7.00

NOW, Friday, December 19, 2003 , directions for satisfaction having been received, and all costs having been paid, SATISFACTION was entered of record.

Certified from the record this 19th day of December, A.D. 2003.

Prothonotary

Arb 9-29-03

R. Denning Gearhart

Attorney & Counselor at Law

215 E. Locust Street
Clearfield, PA 16830

814-765-1581

(fax) 814-765-6745

<http://www.dgearhartpalaw.com>

September 22, 2003

02-682-40

Benjamin S. Blakely, Esq., Chairman
F. Cortez Bell, III, Esq.
Jeffrey S. DuBois, Esq.

Re: Michel Guelich, et ux v Karl Demi, et ux and Burleigh Real Estate

Dear Arbitrators:

Enclosed please find a Pre-trial Statement that I am submitting to the above-referenced Arbitration which is scheduled for Monday, September 29, 2003 at 8:30 A.M.

Sincerely,



R. Denning Gearhart

cc: Marcy Kelley
David Wilk, Esq.
James A. Naddeo, Esq.
Karl and Jean Demi

RECEIVED

SEP 22 2003

**COURT ADMINISTRATOR'S
OFFICE**

IN THE COURT OF COMMON PLEAS
OF CLEARFIELD COUNTY, PA

MICHAEL D. GUELICH AND,
JANELLE J. GUELICH,
PLAINTIFF

VS.

KARL A DEMI AND JEAN A. DEMI,
HUSBAND AND WIFE, AND
BURLEIGH REAL ESTATE, DEFENDANT

DEFENDANT DEMI'S PRETRIAL STATEMENT

R. DENNING GEARHART
ATTORNEY AT LAW
CLEARFIELD, PA. 16830

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
(CIVIL DIVISION)

MICHAEL D. GUELICH and, :
JANELLE J. GUELICH, :
husband and wife, :
Plaintiff : No. 02-682-CD
VS. :
KARL A. DEMI and JEAN A. DEMI, :
husband and wife, and :
BURLEIGH REAL ESTATE, :
Defendant :

CASE NUMBER: No. 02-682-CD

TYPE OF CASE: Civil

TYPE OF PLEADING: DEFENDANT DEMI'S PRETRIAL STATEMENT

FILED ON BEHALF OF: Defendant

COUNSEL OF RECORD FOR THIS PARTY: R. DENNING GEARHART, ESQUIRE
Supreme Court I.D. #26540
215 East Locust Street
Clearfield, PA 16830
(814) 765-1531

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OFFICE**

Plaintiff seeks payment for a water treatment system.

Plaintiff's Legal Theory For Recovery

Plaintiffs argue that they were deceived and, presumably would not have bought the realty, at that price, but for the deception.

Defendant's Legal Theory for Defense and Counterclaim

Defendants Demi deny any deception took place. Not only did they advise the Plaintiffs that it was "typical spring water" but they allowed the Plaintiffs to live in the premises for a week before closing. The closing took place at the office of the Plaintiffs' attorney, where one of the attorneys was present at all times. That Plaintiffs did note on the Disclosure Statement that the water was cloudy but, other than that, went through with the closing without any complaint or demand or request for remedial action.

Stipulations

None.

Extraordinary Legal and Evidentiary Issues

How much opportunity to inspect real estate is necessary to complete a conveyance of real estate without the threat of a lawsuit?

Special Points for Charge

None

Names and Addresses of Witness; Purpose of Their Testimony

1. Karl Demi, who will testify as to what he did to further the conveyance of real estate in question.
2. Jean Demi, who will testify much as her husband will.
3. Dan Carney, who will testify that immediately after the conveyance, the Plaintiffs did contact him and were told that the water was "typical spring water."

Exhibits

1. Deed from Demi to Guelich.
2. Sales agreement signed by the Plaintiffs and Defendant Burleigh on behalf of the Defendants Demis.
3. The Disclosure Statement signed by the parties.

Estimated Time For Trial

Two hours.

Respectfully submitted,



R. Denning Gearhart, Esq.
Attorney for Defendants Demi
Supreme Court No. 26540
215 East Locust Street
Clearfield, PA 16830
(814)765-1581

MARSHALL, DENNEHEY, WARNER, COLEMAN & GOGGIN

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September 17, 2003

Mr. David S. Meholic
Court Administrator
Clearfield County Courthouse
230 East Market Street
Clearfield, PA 16830



RE: Guelich v. Burleigh
Clearfield County Civil No. 02-682-CD
Date of Loss: 10/31/01
Our File No. 11006-00128

Dear Mr. Meholic:

Pursuant to local rules, please find enclosed the original Arbitration Pretrial Memorandum on Behalf of Defendant Burleigh Real Estate in the above-referenced matter. By copy of this letter I am forwarding a copy of the Pretrial Memorandum to the arbitrators and opposing counsel.

If you have any questions, please contact me.

David F. Wilk
Very truly yours,
David F. Wilk

DFW:sek
Enclosure

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**COURT ADMINISTRATOR'S
OFFICE**

c: James A. Naddeo, Esquire (w/enclosure)
R. Denning Gearhart, Esquire (w/enclosure)
Benjamin S. Blakely, Esquire (w/enclosure)
F. Cortez Bell, III, Esquire (w/enclosure)
Jeffrey S. DuBois, Esquire (w/enclosure)
Chris Comen (w/enclosure) - Claim No. 2622

MICHAEL D. GUELICH and JANELLE J. : IN THE COURT OF COMMON PLEAS OF
GUELICH, husband and wife, : CLEARFIELD COUNTY, PENNSYLVANIA
Plaintiffs :
: CIVIL ACTION – LAW
v.
: No. 02-682-CD
KARL A. DEMI and JEAN A DEMI, :
husband and wife and BURLEIGH :
REAL ESTATE, :
Defendants : JURY TRIAL DEMANDED

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OFFICE

**ARBITRATION PRETRIAL MEMORANDUM
OF DEFENDANT BURLEIGH REAL ESTATE**

A. Brief Statement of Case

Plaintiffs purchased a home from Defendants Karl and Jean Demi. Throughout the course of the purchase, Defendant Burleigh Real Estate was acting as agent for the Demis. Plaintiffs are suing for the cost of a water treatment system which they contend was required to be installed at the subject home. Defendant Burleigh Real Estate's defense to Plaintiffs' claims are several. First, Defendant Burleigh at no time was acting as an agent on behalf of the Plaintiffs. No representative of Burleigh Real Estate made any representations to Plaintiffs concerning the water at the home other than information provided to Defendant Burleigh Real Estate by Defendant Demis. At no time did the representative of Burleigh Real Estate make the statements attributed to her in Plaintiffs' Complaint concerning protection available to Plaintiffs by the Real Estate Disclosure Act or that any problem with the water system would be corrected after the closing at the expense of the sellers, the Demis.

Also, Plaintiffs' claims are barred by their own comparative negligence and assumption of any risk regarding any defect in the water system as relevant documents will show that the

Plaintiffs specifically waived their right to a water inspection and also had access to the property for approximately a week prior to the closing and were represented by counsel throughout the course of the purchase. Also any complaints Plaintiffs had regarding the quality of the water at the subject property were open and obvious.

B. Citation to Applicable Case or Statutes

Defendant Burleigh Real Estate would submit that the standard law of contract interpretation regarding real estate sales applies to this case. Also, Defendant Burleigh Real Estate would rely on cases such as Bortz v. Noon, 725 A.2d 555; Blumenstock v. Gibson, 811 A.2d 1029 and Ledonne v. Kessler, 389 A.2d 1123. These cases address the various duties and responsibilities of the parties to a real estate transaction and under the circumstances of this case would prevent the introduction of parole evidence.

C. List of Witnesses

Bonnie Burleigh

Karl A. Demi

Jean A. Demi

Michael D. Guelich

Janelle J. Guelich

John Weisgarber

Any witnesses listed by Plaintiff or Co-Defendant

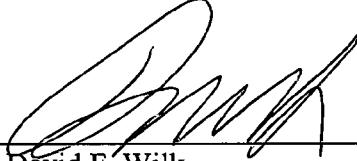
D. Statement of Damages and Copies of Those Bills Which the Party Intends to Offer

Although Defendant Burleigh Real Estate does not intend to offer any statement concerning damages, Defendant Burleigh Real Estate does intend to offer the agreement of sale and the listing contract, which are attached to Defendant Burleigh's Answer and New Matter.

Defendant Burleigh Real Estate will also intend introduce into evidence a copy of the Seller's Property Disclosure Statement, a copy of the final property inspection and acceptance form and a copy of the consumer notice form, all of which are attached to this Memorandum.

MARSHALL, DENNEHEY, WARNER,
COLEMAN & GOGGIN

By



David F. Wilk
Attorney for Defendant
I.D. 65992

33 W. Third Street, Suite 200
Williamsport, PA 17701
(570)326-9069

SELLER'S PROPERTY DISCLOSURE STATEMENT

128

Property Address:

Seller:

Karl & Jean Deni

A seller must disclose to a buyer all known material defects about property being sold that are not readily observable. This disclosure statement is designed to assist Seller in complying with disclosure requirements and to assist Buyer in evaluating the property being considered. This Statement discloses Seller's knowledge of the condition of the property as of the date signed by Seller and is not a substitute for any inspections or warranties that Buyer may wish to obtain. This Statement is not a warranty of any kind by Seller or a warranty or representation by any listing real estate broker, any selling real estate broker, or their licensees. Buyer is encouraged to address concerns about the conditions of the property that may not be included in this Statement. This Statement does not relieve Seller of the obligation to disclose a material defect that may not be addressed on this form. A material defect is a problem with the property or any portion of it that would have a significant adverse impact on the value of the residential real property or that involves an unreasonable risk to people on the land.

1. SELLER'S EXPERTISE. Seller does not possess expertise in contracting, engineering, architecture, or other areas related to the construction and conditions of the property and its improvements, except as follows:

2. OCCUPANCY

(a) Do you Seller, currently occupy this property? Yes No

If "no," when did you last occupy the property? 12/31/00

(b) Have there been any pets living in the house or other structures during your ownership? Yes No

If "yes," describe:

3. ROOF

(a) Date roof installed: 6/99

Documented? Yes No Unknown

(b) Has the roof been replaced or repaired during your ownership? Yes No

If "yes," were the existing shingles removed? Yes No Unknown

(c) Has the roof ever leaked during your ownership? Yes No

(d) Do you know of any problems with the roof, gutters or downspouts? Yes No

Explain any "yes" answers that you give in this section:

BASEMENTS AND CRAWL SPACES (Complete only, if applicable)

(a) Does the property have a sump pump? Yes No Unknown

(b) Are you aware of any water leakage, accumulation, or dampness within the basement or crawl space? Yes No

If "yes," describe in detail:

(c) Do you know of any repairs or other attempts to control any water or dampness problem in the basement or crawl space? Yes No

If "yes," describe the location, extent, date, and name of the person who did the repair or control effort.

TERMITES/WOOD-DESTROYING INSECTS, DRYROT, PESTS

(a) Are you aware of any termites/wood-destroying insects, dryrot, or pests affecting the property? Yes No

(b) Are you aware of any damage to the property caused by termites/wood-destroying insects, dryrot, or pests? Yes No

(c) Is your property currently under contract by a licensed pest control company? Yes No

(d) Are you aware of any termite/pest control reports or treatments for the property in the last five years? Yes No

Explain any "yes" answers that you give in this section, including the name of any service/treatment provider, if applicable.

STRUCTURAL ITEMS

(a) Are you aware of any past or present water leakage in the house or other structures? Yes No

(b) Are you aware of any past or present movement, shifting, deterioration, or other problems with walls, foundations, or other structural components? Yes No

(c) Are you aware of any past or present problems with driveways, walkways, patios, or retaining walls on the property? Yes No

(d) Is your property constructed with an Exterior Insulating Finishing System (EIFS), such as dryvit or synthetic stucco?

Yes No Unknown

If "yes," describe any known problems: _____

(e) Are there any defects in flooring, including stains? Yes No Unknown

If "yes," explain: _____

Explain any "yes" answers that you give in this section. When explaining efforts to control or repair, please describe the location and extent of the problem, and the date and person by whom the work was done, if known: _____

7. ADDITIONS/REMODELS Have you made any additions, structural changes, or other alterations to the property? Yes No

8. WATER AND SEWAGE

(a) What is the source of your drinking water? Public Water On-Site Water (Well on Property)
 Community Water None Other (explain): _____

(b) If your drinking water source is not public:

When was your water last tested? 3 yrs ago What was the result of the test? Good

Is the pumping system in working order? Yes No

If "no," explain: _____

(c) Do you have a softener, filter, or other purification system? Yes No
If "yes," is the system Leased Owned

(d) What is the type of sewage system? Public Sewer Individual On-lot Sewage Disposal System
 Individual On-lot Sewage Disposal System in Proximity to Well Community Sewage Disposal System
 Ten-acre Permit Exemption Holding Tank None None Available Permit Limitations in Effect
 Other

If Individual On-lot, what type? Cesspool Drainfield Unknown Other (specify): _____

Is there a septic tank on the property? Yes No Unknown

If "yes," what is the type of tank? Metal/steel Cement/concrete Fiberglass Unknown
 Other (specify): _____

Other type of sewage system (explain): _____

(e) When was the on-site sewage disposal system last serviced? 6 yrs ago

(f) Is there a sewage pump? Yes No

If "yes," is it in working order? Yes No

(g) Is either the water or sewage system shared? Yes No

If "yes," explain: _____

(h) Are you aware of any leaks, backups, or other problems relating to any of the plumbing, water, and sewage-related items?
 Yes No

If "yes," explain: _____

PLUMBING SYSTEM

(a) Type of plumbing: Copper Galvanized Lead PVC Unknown
 Other (explain): _____

(b) Are you aware of any problems with any of your plumbing fixtures (e.g., including but not limited to: kitchen, laundry, or bathroom fixtures; wet bars; hot water heater; etc.)? Yes No
If "yes," explain: _____

HEATING AND AIR CONDITIONING

(a) Type of air conditioning: Central Electric Central Gas Wall None
Number of window units included in sale _____ Location _____

(b) List any areas of the house that are not air conditioned: _____

(c) Type of heating: Electric Fuel Oil Natural Gas Propane ((On-site))

SELLER'S PROPERTY DISCLOSURE STATEMENT, 11/99

on 8.07(5.6), RealFAST® Software Publishing Inc., (c) 2001 Reg# XPA#PAPR230139, DEFAULT, Burreigh Real Estate

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3) _____

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Seller(s) KD Page 2 of 5

Are there wood or coal burning stoves? Yes No If "yes," how many? 1 Are they working? Yes No
Are there any fireplaces? Yes No If "yes," how many? 1 Are they working? Yes No
Other types of heating systems (explain): _____

(d) Are there any chimneys? Yes No If "yes," how many? 1 Are they working? Yes No
When were they last cleaned? _____

(e) List any areas of the house that are not heated: _____

(f) Type of water heating: Electric Gas Solar Other _____

(g) Are you aware of any underground fuel tanks on the property? Yes No
If "yes," describe: _____

If tanks are not owned, explain: _____

(h) Are you aware of any problems with any item in this section? Yes No
If "yes," explain: _____

11. ELECTRICAL SYSTEM Are you aware of any problems or repairs needed in the electrical system? Yes No
If "yes," explain: _____

12. OTHER EQUIPMENT AND APPLIANCES INCLUDED IN SALE (Complete only if applicable)

Equipment and appliances ultimately included in the sale will be determined by negotiation and according to the terms of the Agreement of Sale.

(a) Electric Garage Door Opener 2 No. of Transmitters 5
(b) Smoke Detectors How many? 2 Location Upstairs & Downstairs
(c) Security Alarm System Owned Leased Lease Information

(d) Lawn Sprinkler No. _____ Automatic Timer
(e) Swimming Pool Pool Heater Spa/HotTub

(f) Refrigerator Range Microwave Oven Dishwasher Trash Compactor Garbage Disposal
(g) Washer Dryer
(h) Intercom

(i) Ceiling fans No. 4 Location Foyer, Living Room, Kitchen & Master Bedroom
(j) Other: _____

Are any items in this section in need of repair or replacement? Yes No Unknown
If "yes," explain: _____

13. LAND (SOILS, DRAINAGE, AND BOUNDARIES)

(a) Are you aware of any fill or expansive soil on the property? Yes No

(b) Are you aware of any sliding, settling, earth movement, upheaval, subsidence, or earth stability problems that have occurred on or affect the property? Yes No

Note to Buyer: The property may be subject to mine subsidence damage. Maps of the counties and mines where mine subsidence damage may occur and mine subsidence insurance are available through: Department of Environmental Protection, Mine Subsidence Insurance Fund, 3913 Washington Road, McMurray, PA 15317 (800) 922-1678 (within Pennsylvania) or (724) 941-7100 (outside Pennsylvania).

(c) Are you aware of any existing or proposed mining, strip-mining, or any other excavations that might affect this property? Yes No

(d) To your knowledge, is this property, or part of it, located in a flood zone or wetlands area? Yes No

(e) Do you know of any past or present drainage or flooding problems affecting the property? Yes No

(f) Do you know of any encroachments, boundary line disputes, or easements? Yes No

Note to Buyer: Most properties have easements running across them for utility services and other reasons. In many cases, the easements do not restrict the ordinary use of the property, and Seller may not be readily aware of them. Buyers may wish to determine the existence of easements and restrictions by examining the property and ordering an Abstract of Title or searching the records in the Office of the Recorder of Deeds for the county before entering into an Agreement of Sale.

(g) Are you aware of any shared or common areas (e.g., driveways, bridges, docks, walls, etc.) or maintenance agreements? Yes No
Explain any "yes" answers that you give in this section: _____

14. HAZARDOUS SUBSTANCES

(a) Are you aware of any underground tanks (other than fuel tanks) or hazardous substances present on the property (signature or soil) such as, but not limited to, asbestos, Polychlorinated biphenyls (PCBs), Urethane Formaldehyde Foam insulation (UFFI), Yes No

(b) To your knowledge, has the property been tested for any hazardous substances? Yes No

(c) Do you know of any other environmental concerns that might impact upon the property? Yes No
Explain any "yes" answers that you give in this section:

(d) Do you know of any tests for radon gas that have been performed in any buildings on the property? Yes No
If "yes," list date, type, and results of all tests below:

DATE	TYPE OF TEST	RESULTS (picocuries/liter or working levels)	NAME OF TESTING SERVICE

(e) Are you aware of any radon removal system on the property? Yes No
If "yes," list date installed and type of system, and whether it is in working order below:

DATE INSTALLED	TYPE OF SYSTEM	PROVIDER	WORKING ORDER
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No

(f) If Property was constructed, or if construction began, before 1978, you must disclose any knowledge of lead-based paint on the property. Are you aware of any lead-based paint or lead-based paint hazards on the property? Yes No
If "yes," explain how you know of it, where it is, and the condition of those lead-based paint surfaces:

(g) If Property was constructed, or if construction began, before 1978, you must disclose any reports or records of lead-based paint on the property. Are you aware of any reports or records regarding lead-based paint or lead-based paint hazards on the property? Yes No
If "yes," list all available reports and records:

15. CONDOMINIUMS AND OTHER HOMEOWNER ASSOCIATIONS (Complete only if applicable)

Type: Condominium Cooperative Homeowner Association or Planned Community Other

Notice Regarding Condominiums, Cooperatives, and Planned Communities: According to Section 3407 of the Uniform Condominium Act (68 Pa. C.S. §3407 (relating to resale of units) and 68 Pa. C.S. §4409 (relating to resale of cooperative interests) and Section 5407 of the Uniform Planned Community Act (68 Pa. C.S. §5407 (relating to resale of units)), a buyer of a resale unit in a condominium, cooperative, or planned community must receive a copy of the declaration (other than the plats and plimis), the by-laws, the rules or regulations, and a certificate of resale issued by the association in the condominium, cooperative, or planned community. The buyer will have the option of canceling the agreement with the return of all deposit monies until the certificate has been provided to the buyer and for five days thereafter or until conveyance, whichever occurs first.

5. MISCELLANEOUS

(a) Are you aware of any historic preservation restriction or ordinance or archeological designation associated with the property? Yes No

(b) Are you aware of any existing or threatened legal action affecting the property? Yes No

(c) Do you know of any violations of federal, state, or local laws or regulations relating to this property? Yes No

(d) Are you aware of any public improvement, condominium or homeowner association assessments against the property that remain unpaid or of any violations of zoning, housing, building, safety or fire ordinances that remain uncorrected? Yes No

(e) Are you aware of any judgment, encumbrance, lien (for example co-maker or equity loan), overdue payment on a support obligation, or other debt against this property that cannot be satisfied by the proceeds of this sale? Yes No

(f) Are you aware of any reason, including a defect in title, that would prevent you from giving a warranty deed or conveying title to the property? Yes No

(g) Are you aware of any material defects to the property, dwelling, or fixtures which are not disclosed elsewhere on this form? Yes No
A material defect is a problem with the property or any portion of it that would have a significant adverse impact on the value of the residential real property or that involves an unreasonable risk to people on the land.

Explain any "yes" answers that you give in this section:

We undersigned Seller represents that the information set forth in this disclosure statement is accurate and complete to the best of Seller's knowledge. Seller hereby authorizes the Listing Broker to provide this information to prospective buyers of the property and to other real estate users. SELLER ALONE IS RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION CONTAINED IN THIS STATEMENT. Seller shall cause Buyer to be notified in writing of any information supplied on this form which is rendered inaccurate by a change in the condition of the property following completion of this form.

WITNESS _____

SELLER

X Karl A. Denie

DATE

9/7/01

WITNESS _____

SELLER

X Jeanne Denie

DATE

9/7/01

EXECUTOR, ADMINISTRATOR, TRUSTEE SIGNATURE BLOCK

According to the provisions of the "Real Estate Seller Disclosure Act," the undersigned executor, administrator or trustee is not required to fill out a Seller's Property Disclosure Statement. The executor, administrator or trustee, must, however, disclose any known material defect(s) of the property.

DATE

RECEIPT AND ACKNOWLEDGEMENT BY BUYER

The undersigned Buyer acknowledges receipt of this Disclosure Statement. Buyer acknowledges that this Statement is not a warranty and that, unless stated otherwise in the sales contract, Buyer is purchasing this property in its present condition. It is Buyer's responsibility to satisfy himself or herself as to the condition of the property. Buyer may request that the property be inspected, at Buyer's expense and by qualified professionals, to determine the condition of the structure or its components.

WITNESS _____

BUYER

DATE

WITNESS _____

BUYER

DATE

CONSUMER NOTICE

THIS IS NOT A CONTRACT

CN

Pennsylvania Law requires real estate brokers and salespersons (licensees) to advise consumers of the business relationships that a consumer may have with a licensee. This notice must be provided to the consumer at the first contact where a substantive discussion about real estate occurs.

Before you disclose any information to a licensee, be advised that unless you select a business relationship by signing a written agreement, the licensee is NOT representing you. A business relationship will NOT be presumed.

Any licensee who provides you with real estate services owes you the following duties:

- Exercise reasonable professional skill and care.
- Deal honestly and in good faith.
- Present, in a timely manner, all offers, notices, and communications to and from the parties in writing, unless waived.
- Comply with Real Estate Seller Disclosure Act.
- Account for escrow and deposit funds.
- Disclose in a timely manner all conflicts of interest and financial interests.
- Advise the consumer to seek expert advice on matters about the transaction that are beyond the licensee's expertise.
- Keep the consumer informed about the transaction and the tasks to be completed.

A licensee may have the following business relationships with the consumer:

Seller Agency

Seller agency is a relationship where the licensee, upon entering into a written agreement, works only for a seller/landlord. Seller's agents owe the additional duties of:

- Loyalty to the seller/landlord by acting in the seller's/landlord's best interest.
- Confidentiality, except that a licensee has a duty to reveal known material defects about the property.
- Making a continuous and good faith effort to find a buyer for the property.
- Disclosure to other parties in the transaction that the licensee has been engaged as a seller's agent.

A seller's agent may compensate other brokers as subagents if the seller/landlord agrees in writing. Subagents have the same duties and obligations as the seller's agent. Seller's agents may also compensate buyer's agents and transaction licensees who do not have the same duties and obligations as the seller's agent.

If you enter into a written agreement, all the licensees in the real estate company owe you the additional duties identified above under seller agency. The exception is designated agency. See the designated agency section in this notice for more information.

Buyer Agency

Buyer agency is a relationship where the licensee, upon entering into a written agreement, works only for the buyer/tenant. Buyer's agents owe the additional duties of:

- Loyalty to the buyer/tenant by acting in the buyer's/tenant's best interest.
- Confidentiality, except that a licensee is required to disclose known material defects about the property.
- Making a continuous and good faith effort to find a property for the buyer/tenant.
- Disclosure to other parties in the transaction that the licensee has been engaged as a buyer's agent.

A buyer's agent may be paid fees, which may include a percentage of the purchase price, and, even if paid by the seller/landlord, will represent the interests of the buyer/tenant.

If you enter into a written agreement, all the licensees in the real estate company owe you the additional duties identified above under buyer agency. The exception is designated agency. See the designated agency section in this notice for more information.

Dual Agency

Dual agency is a relationship where the licensee acts as the agent for both the seller/landlord and the buyer/tenant in the same transaction with the written consent of all parties. Should dual agency occur in your transaction, you will be informed. Dual agents owe the additional duties of:

- Take no action that is adverse or detrimental to either party's interest in the transaction.
- Make a continuous and good faith effort to find a buyer for the property and a property for the buyer.
- Confidentiality, except that a licensee is required to disclose known material defects about the property.

Designated Agency

In designated agency, the employing broker may, with your consent, designate one or more licensees from their company to act exclusively as the agent for the seller/landlord and one or more licensees to act exclusively as the agent for the buyer/tenant. Other licensees in the company who are not designated, may represent another party and should not be provided with any confidential information.

In designated agency, the employing broker will be a dual agent and have the additional duties to:

- Take reasonable care to protect any confidential information disclosed to the salesperson.
- Take responsibility to direct and supervise the business activities of the licensees who represent the seller and buyer while taking no action that is adverse or detrimental to either party's interest in the transaction.

The designated agent(s) shall have the duties to the seller/landlord or buyer/tenant as listed above under seller agency and buyer



agency.

The designation may take place at the time that the parties enter into a written agreement, but may occur at a later time. Regardless of when the designation takes place, the broker is responsible for ensuring that all confidential information is not disclosed.

Transaction Licensee

A transaction licensee is a broker or salesperson who provides communication or document preparation services or performs other acts for which a license is required WITHOUT being the agent or advocate for either the seller/landlord or the buyer/tenant. Upon entering into a written agreement or disclosure statement, has the additional duty of limited confidentiality in that the following information may not be disclosed:

- the seller/landlord will accept a price less than the asking/listing price.
- the buyer/tenant will pay a price greater than the price submitted in a written offer.
- the seller/landlord or buyer/tenant will agree to financing terms other than those offered.

Other information deemed confidential by the consumer should not be provided to the transaction licensee.

OTHER INFORMATION ABOUT REAL ESTATE TRANSACTIONS

The following are negotiable and shall be addressed in an agreement/disclosure statement with the licensee:

- The duration of the licensee's employment/ listing agreement or contract.
- The licensee's fees or commission.
- The scope of the licensee's activities or practices.
- The broker's cooperation with other brokers.

Any sales agreement must contain the zoning classification of a property except in cases where the property is zoned solely or primarily to permit single family dwellings.

A Real Estate Recovery Fund exists to reimburse any person who has obtained a final civil judgment against a Pennsylvania real estate licensee owing to fraud, misrepresentation, or deceit in a real estate transaction and who has been unable to collect the judgment after exhausting all legal and equitable remedies. For complete details about the Fund, call (717) 783-3658.

ACKNOWLEDGMENT

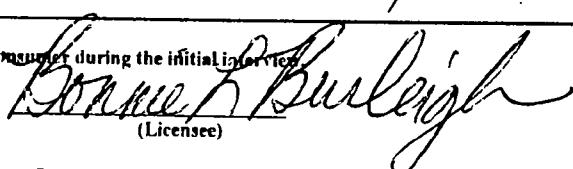
I acknowledge that I have received this disclosure.

DATE: 9-11-01


(Consumer) 
(Consumer)

I certify that I have provided this document to the above consumer during the initial interview.

DATE: 9-11-01


(Licensee)

Adopted by the State Real Estate Commission at 49 Pa. Code §35.336.

3-30-99

CERTIFICATE OF SERVICE

AND NOW, this 17th day of September 2003, David F. Wilk, Esquire, hereby certifies that the foregoing Arbitration Pretrial Memorandum of Defendant Burleigh Real Estate has been served upon the following in the manner indicated herein:

VIA U.S. FIRST CLASS MAIL:

James A. Naddeo, Esquire
211 1/2 East Locust Street
P.O. Box 552
Clearfield, PA 16830

R. Denning Gearhart, Esquire
215 E. Locust Street
Clearfield, PA 16830

Benjamin S. Blakley, Esquire
90 Beaver Drive, Box 6
DuBois, PA 15801

F. Cortez Bell, III, Esquire
Bell, Silberblatt & Wood
PO Box 670
Clearfield, PA 16830

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190 W. Park Avenue, Suite 5
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Attorney for Defendant
33 West Third Street, Suite 200
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Telephone: (570)326-9091

CLERAFFIELD, PENNSYLVANIA 16830
P.O. BOX 552
211 1/2 EAST LOCUST STREET
ATTORNEY AT LAW
JAMES A. NADDEO

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IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

MICHAEL D. GUELICH and
JANELLE J. GUELICH, husband
and wife,
Plaintiffs,

vs.

KARL A. DEMI and JEAN A.
DEMI, husband and wife; and
BURLEIGH REAL ESTATE

★ ★ ★ ★

No. 02 - 682 - CD

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Type of Pleading:

11

**PLAINTIFFS' PRE-TRIAL
MEMORANDUM**

* * * * *

Filed on behalf of:
Plaintiffs

• • • •

James A. Naddeo, Esq.
Pa. I.D. 06820

• • •

211 1/2 E. Locust Street
P.O. Box 552
Clearfield, PA 16830
(814) 765-1601

RECEIVED

SEP 19 2003

**COURT ADMINISTRATOR'S
OFFICE**

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

MICHAEL D. GUELICH and *
JANELLE J. GUELICH, husband *
and wife, *
Plaintiffs, *
*
vs. * No. 02 - 682 - CD
*
KARL A. DEMI and JEAN A. *
DEMI, husband and wife; and *
BURLEIGH REAL ESTATE *

PRE-TRIAL MEMORANDUM

I. Factual Statement.

Plaintiffs and Defendants Demi entered into an agreement for the purchase of a residential dwelling and 4.5 acres of land located in Pike Township, Clearfield County, Pennsylvania, on September 11, 2001. A copy of said agreement is attached hereto as Exhibit "A". This dwelling was serviced by a private water supply.

Plaintiffs inspected the property both before and after entering into the sales agreement. During the course of those inspections the Plaintiffs noticed that the domestic water supply was rust colored and cloudy. They also noticed that the water stained toilet bowls and sinks with a reddish brown color. Plaintiffs discussed the condition of the water with Defendants Demi as well as with their agent, Defendant Burleigh.

Prior to closing the Defendant Carl A. Demi took remedial action in an effort to abate the condition of the water as noted by Plaintiffs. Demi disconnected an iodine feeder which failed to cure the problem. He also rinsed the interior of the water holding tank located in the garage of the dwelling. This effort also proved to be futile.

The parties went to closing at the office of James A. Naddeo, Esquire, on October 31, 2001. The water problem discovered by Plaintiffs had not been cured by the closing date. The closing was attended by Plaintiffs, Defendants Demi, Defendants' agent, Bonnie Burleigh, and Linda C. Lewis, Esquire, who was representing the buyers.

In the course of closing Attorney Lewis was required to leave the conference room. During her absence, Plaintiffs raised the "cloudy water issue" with the sellers and their agent. At that time Defendant Burleigh produced a document entitled Final Property Inspection and Acceptance, a copy of which was signed by Defendant Burleigh on behalf of sellers and the Plaintiffs. A copy of said Final Property Inspection and Acceptance is attached hereto as Exhibit "B". Defendant Burleigh informed the Plaintiffs that the document they had signed would preserve the cloudy reddish-brown water issue for future resolution. In reliance upon this representation the sale was closed and Plaintiffs accepted deliverance of the deed.

Subsequent to closing Plaintiffs discovered that the private water supply servicing the dwelling purchased from Defendants Demi had a high iron content which was causing the cloudy reddish-brown appearance. In order to cure the problem, Plaintiffs were required to purchase a filtration system. This system was purchased from Water Pro for the sum of \$2,544.00. A copy of Water Pro's invoice which has been paid by Plaintiffs is attached hereto as Exhibit "C". The installation of the filtration system has cured the water problem.

Plaintiffs have made demand upon Defendants to reimburse them for the cost of the water filtration system. Defendants have refused to do so.

II. Legal Theory.

Plaintiffs are seeking recovery from Defendants Demi for breach of contract. Plaintiffs contend that the water servicing the dwelling was not suitable for domestic use at time of sale. All parties were aware of the cloudy reddish-brown condition of the water. Efforts to cure the condition in advance of sale were futile. Plaintiffs protected their right to have the water problem rectified post closing by executing the Final Property Inspection and Acceptance specifically excepting the water. Defendant Demis' warranty as to the

suitability of the water for domestic purposes did not merge with the deed.

Alternatively, Plaintiffs contend that Defendants' agent, Bonnie Burleigh, misrepresented to them the nature of the Final Property Inspection and Acceptance and that they relied upon that misrepresentation to their detriment. Plaintiffs are therefore entitled to recovery from Defendant Burleigh.

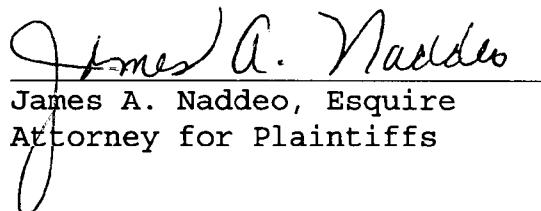
III. Witnesses

- A. Michael D. Guelich, RR1 Box 403, Curwensville, PA 16830
- B. Janelle J. Guelich, RR1 Box 403, Curwensville, PA 16830
- C. Tim Shuey, Water Pro, 3215 6 Mile Rd., Philipsburg, PA 16866.

IV. Damages.

- A. \$2,544.00

Respectfully submitted,


James A. Naddeo, Esquire
Attorney for Plaintiffs

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

MICHAEL D. GUELICH and *
JANELLE J. GUELICH, husband *
and wife, *
Plaintiffs, *
*
vs. * No. 02 - 682 - CD
*
KARL A. DEMI and JEAN A. *
DEMI, husband and wife; and *
BURLEIGH REAL ESTATE *

CERTIFICATE OF SERVICE

I, James A. Naddeo, Esquire, do hereby certify that a true and correct copy of Plaintiffs' Pre-Trial Memorandum filed in the above-captioned action was served on the following persons and in the following manner on the 19th day of September, 2003:

First-Class Mail, Postage Prepaid

R. Denning Gearhart, Esquire
215 East Locust Street
Clearfield, PA 16830

David F. Wilk, Esquire
MARSHALL, DENNEHEY, WARNER,
COLEMAN & GOGGIN
33 W. Third Street, Suite 200
Williamsport, PA 17701

Benjamin S. Blakley, III, Esquire
90 Beaver Drive, Box 6
DuBois, PA 15801

F. Cortez Bell, III, Esquire
BELL, SILBERBLATT & WOOD
318 East Locust Street
P. O. Box 670
Clearfield, PA 16830

Jeffrey S. DuBois, Esquire
HANAK, GUIDO & TALADAY
498 Jeffers Street
P.O. Box 487
DuBois, PA 15801

James A. Naddeo
James A. Naddeo, Esquire
Attorney for Plaintiffs

PA LICENSED BROKER LISTING BROKER (Company) <u>Burleigh Real Estate</u> ADDRESS <u>P.O. Box 375/116 E. Locust St.</u> <u>Clearfield, PA 16830</u> PH <u>(814) 765-9660</u> FAX <u>(814) 765-9663</u> DESIGNATED AGENT FOR SELLER (if applicable)	PA LICENSED BROKER SELLING BROKER (Company) _____ ADDRESS _____ PH _____ FAX _____ DESIGNATED AGENT FOR BUYER (if applicable)
--	--

1. **This Agreement**, dated September 11, 2001, is between

SELLER(S):

Karl A. Demi
 Jean A. Demi

called "Seller," and
 BUYER(S):

Michael D. Guelich
 Janelle J. Guelich

called "Buyer."

2. PROPERTY (1-98) Seller hereby agrees to sell and convey to Buyer, who hereby agrees to purchase: ALL THAT CERTAIN lot or piece of ground with buildings and improvements thereon erected, if any, known as: RR#1, Box 403 Ridge Avenue, Curwensville, consisting of a Ranch home & 4.5 Acres in the Township of Pike, in the Commonwealth of Pennsylvania, Zip Code 16831, Identification (e.g., Tax ID#; Parcel #; Lot, Block; Deed Book, Page, Recording Date) Map #126-H9-157

3. TERMS (1-00)

(A) Purchase Price One Hundred Forty Four Thousand Two Hundred Fifty \$144,250.00 Dollars which will be paid to Seller by Buyer as follows:

(B) Cash or check at signing this Agreement: \$ 500.00
 (C) Cash or check within _____ days of the execution of this Agreement: \$ _____
 (D) \$ _____
 (E) Cash, cashier's or certified check at time of settlement: \$ 143,750.00
 (F) Deposits paid on account of purchase price to be held by Listing Broker, unless otherwise stated here: TOTAL \$ 144,250.00
 (G) Seller's written approval to be on or before: September 12, 2001
 (H) Settlement to be made on or before: November 16, 2001
 (I) Conveyance from Seller will be by fee simple deed of special warranty unless otherwise stated here:
 (J) Payment of transfer taxes will be divided equally between Buyer and Seller unless otherwise stated here:
 (K) At time of settlement, the following will be adjusted pro-rata on a daily basis between Buyer and Seller, reimbursing where applicable: taxes; rents; interest on mortgage assumptions; condominium fees and homeowner association fees, if any; water and/or sewer fees, if any, together with any other lienable municipal service. The charges are to be pro-rated for the period(s) covered: Seller will pay up to and including the date of settlement; Buyer will pay for all days following settlement, unless otherwise stated here:

4. FIXTURES & PERSONAL PROPERTY (1-00)

(A) INCLUDED in this sale and purchase price are all existing items permanently installed in the Property, free of liens, including plumbing; heating; lighting fixtures (including chandeliers and ceiling fans); water treatment systems; pool and spa equipment; garage door openers and transmitters; television antennas; shrubbery, plantings and unpotted trees; any remaining heating and cooking fuels stored on the Property at the time of settlement; wall to wall carpeting; window covering hardware, shades, blinds; built-in air conditioners; built-in appliances; and the range/oven unless otherwise stated. Also included: Refrigerator

(B) LEASED Items (items not owned by Seller):

(C) EXCLUDED fixtures and items:

5. SPECIAL CLAUSES (1-00)

(A) Buyer and Seller have received the Consumer Notice as adopted by the State Real Estate Commission at 49 Pa. Code §35.336.

(B) Buyer and Seller have received a statement of their respective estimated closing costs before signing this Agreement.

(C) Buyer has received the Seller's Property Disclosure Statement before signing this Agreement, if required by law. (See Notice, Information Regarding the Seller's Property Disclosure Act.)

(D) Buyer has received the Deposit Money Notice (for cooperative sales when Listing Broker is holding deposit money) before signing this Agreement.

(E) The following are part of this Agreement if checked:

- Sale & Settlement of Other Property Contingency Addendum (PAR Form 130)
- Sale & Settlement of Other Property Contingency with Right to Continue Marketing Addendum (PAR Form 131)
- Settlement of Other Property Contingency Addendum (PAR Form 133)

Tenant-Occupied Property Addendum (PAR Form 109)

6. MORTGAGE CONTINGENCY (1-00)

- WAIVED. This sale is NOT contingent on mortgage financing.
- ELECTED

(A) This sale is contingent upon Buyer obtaining mortgage financing as follows:

1. Amount of mortgage loan \$ 137,000.00
2. Minimum Term 30 years
3. Type of mortgage Conventional
4. Interest rate 6.875%, however, Buyer agrees to accept the interest rate as may be committed by the mortgage lender, not to exceed a maximum interest rate of 7%.
5. Discount points, loan origination, loan placement and other fees charged by the lender as a percentage of the mortgage loan (excluding any mortgage insurance premiums or VA funding fee) not to exceed 0 % of the mortgage loan.

The interest rate and fees provisions required by Buyer are satisfied if a mortgage lender makes available to Buyer the right to guarantee an interest rate at or below the Maximum Interest Rate specified herein with the percentage fees at or below the amount specified herein. Buyer gives Seller the right, at Seller's sole option and as permitted by the lending institution and applicable laws, to contribute financially, without promise of reimbursement, to the Buyer and/or lender to make the above terms available to Buyer.

(B) Within 10 days of the execution of this Agreement, Buyer will make a completed, written mortgage application to a responsible mortgage lending institution. The Selling Broker, if any, otherwise the Listing Broker, is authorized to communicate with the lender for the purposes of assisting in the mortgage loan process.

(C) 1. Upon receipt of a mortgage commitment, Buyer and/or Selling Broker will promptly deliver a copy of the commitment to Listing Broker, if any, otherwise to Seller.

2. Mortgage commitment date October 19, 2001. If a written commitment is not received by Listing Broker, if any, otherwise by Seller, by the above date, Buyer and Seller agree to extend the commitment date until Seller terminates this Agreement in writing.

3. Seller has the option to terminate this Agreement in writing, on or after the mortgage commitment date, if the mortgage commitment:

- a. Is not valid until the date of settlement. OR
- b. Is conditioned upon the sale and settlement of any other property, OR
- c. Contains any other condition not specified in this Agreement.

4. In the event Seller does not terminate this Agreement as provided above, Buyer has the option to terminate this Agreement in writing if the mortgage commitment:

- a. Is not obtained by or valid until the date of settlement, OR
- b. Is conditioned upon the sale and settlement of any other property which do not occur by the date of settlement, OR
- c. Contains any other condition not specified in this Agreement which Buyer is unable to satisfy by the date of settlement.

5. If this Agreement is terminated as specified in paragraphs 6 (C) (2), (3) or (4), all deposit monies paid on account of purchase price will be returned to Buyer. Buyer will be responsible for any premiums for mechanics lien insurance and/or title search, or fee for cancellation of same, if any; AND/OR any premiums for flood insurance and/or fire insurance with extended coverage, insurance binder charges or cancellation fee, if any; AND/OR any appraisal fees and charges paid in advance to mortgage lender.

(D) If the mortgage lender requires repairs to the Property, Buyer will, upon receipt, deliver a copy of the mortgage lender's requirements to Listing Broker, if any, otherwise to Seller. Seller will, within 5 days of receipt of the lender's requirements, notify Buyer whether Seller will make the required repairs at Seller's expense.

1. If Seller chooses to make repairs, Buyer will accept the Property and agree to the RELEASE set forth in paragraph 25 of this Agreement.

2. If Seller chooses not to make the required repairs, Buyer will, within 5 days, notify Seller in writing of Buyer's choice to terminate this Agreement OR make the required repairs at Buyer's expense and with Seller's permission, which will not be unreasonably withheld. If Seller denies Buyer permission to make the required repairs, Buyer may, within 5 days of Seller's denial, terminate this Agreement. If Buyer terminates this Agreement, all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

(E) Seller Assist

- NOT APPLICABLE
- APPLICABLE. Seller will pay:

\$ _____, maximum, toward Buyer's costs as permitted by the mortgage lender.
 \$ 4,228.00 toward buyer's closing costs.

FHA/VA, IF APPLICABLE

(F) It is expressly agreed that notwithstanding any other provisions of this contract, Buyer will not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of earnest money deposits or otherwise unless Buyer has been given, in accordance with HUD/FHA or VA requirements, a written statement by the Federal Housing Commissioner, Veterans Administration, or a Direct Endorsement Lender setting forth the appraised value of the Property of not less than \$ 144,250.00 (the dollar amount to be inserted is the sales price as stated in the Agreement). Buyer will have the privilege and option of proceeding with consummation of the contract without regard to the amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value nor the condition of the Property. Buyer should satisfy himself/herself that the price and condition of the Property are acceptable.

Warning: Section 1010 of Title 18, U.S.C., Department of Housing and Urban Development provides, "Whoever for the purpose of . . . influencing in any way the action of such department . . . makes, passes, utters, or publishes any statement knowing the same to be false . . . shall be fined not more than \$5,000 or imprisoned not more than two years, or both."

(G) U.S. Department of Housing and Urban Development (HUD) NOTICE TO PURCHASERS:
 Buyer's Acknowledgement

Buyer has received the HUD Notice "For Your Protection: Get a Home Inspection" (see Notices and Information on Property Condition Inspections). Buyer understands the importance of getting an independent home inspection and has thought about this before signing this Agreement.
Buyer's Initials _____ Date _____

Certification We the undersigned, Seller(s) and Buyer(s) party to this transaction each certify that the terms of this contract for purchase are true to the best of our knowledge and belief, and that any other agreement entered into by any of these parties in connection with this transaction is attached to this Agreement.

7. INSPECTIONS (1-98)

(A) Seller hereby agrees to permit inspections by authorized appraisers, reputable certifiers, insurer's representatives, surveyors, municipal officials and/or Buyer as may be required by the lending institutions, if any, or insuring agencies. Seller further agrees to permit any other inspections required by or provided for in the terms of this Agreement.

(B) Buyer reserves the right to make a pre-settlement walk-through inspection of the Property. Buyer's right to make this inspection is not waived by any other provision of this Agreement.

(C) Seller will have heating and all utilities (including fuel(s)) on for the inspections.

8. PROPERTY INSPECTION CONTINGENCY (1-00)

WAIVED. Buyer understands that Buyer has the option to request inspections of the Property (see Property Inspection and Environmental Notices). BUYER WAIVES THIS OPTION and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

ELECTED

(A) Within _____ days of the execution of this Agreement, Buyer, at Buyer's expense, may choose to have inspections and/or certifications completed by licensed or otherwise qualified professionals (see Property Inspection and Environmental Notices). This contingency does not apply to the following existing conditions and/or items:

(B) Other provisions of this Agreement may provide for inspections and/or certifications that are not waived or altered by Buyer's election here.

(C) If Buyer is not satisfied with the condition of the Property as stated in any written report, Buyer will, within the time given for completing inspections:

Option 1

1. Accept the Property with the information stated in the report(s) and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
2. Terminate the Agreement in writing by notice to Listing Broker, if any, otherwise to Seller, within the time given for inspection, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

Option 2

1. Accept the Property with the information stated in the report(s) and agree to the RELEASE set forth in paragraph 25 of this Agreement. UNLESS the total cost to correct the conditions contained in the report(s) is more than \$ _____.
2. If the total cost to correct the conditions contained in the report(s) EXCEEDS the amount specified in paragraph 8(C) (Option 2) 1. Buyer will deliver the report(s) to Listing Broker, if any, otherwise to Seller, within the time given for inspection.
 - a. Seller will, within _____ days of receiving the report(s), inform Buyer in writing of Seller's choice to:
 - 1) Make repairs before settlement so that the remaining cost to repair conditions contained in the report(s) is less than or equal to the amount specified in paragraph 8 (C) (Option 2) 1.
 - 2) Credit Buyer at settlement for the difference between the estimated cost of repairing the conditions contained in the report(s) and the amount specified in paragraph 8 (C) (Option 2) 1. This option must be acceptable to the mortgage lender, if any.
 - 3) Not make repairs and not credit Buyer at settlement for any defects in conditions contained in the report(s).
 - b. If Seller chooses to make repairs or credit Buyer at settlement as specified in paragraph 8 (C) (Option 2) 2, Buyer will accept the Property and agree to the RELEASE set forth in paragraph 25 of this Agreement.
 - c. If Seller chooses not to make repairs and not to credit Buyer at settlement, or if Seller fails to choose any option within the time given, Buyer will, within _____ days:
 - 1) Accept the Property with the information stated in the report(s) and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - 2) Terminate the Agreement in writing by notice to Listing Broker, if any, otherwise to Seller, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

9. WOOD INFESTATION CONTINGENCY (1-00)

WAIVED. Buyer understands that Buyer has the option to request that the Property be inspected for wood infestation by a certified Pest Control Operator. BUYER WAIVES THIS OPTION and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

ELECTED

(A) Within _____ days of the execution of this Agreement, Buyer, at Buyer's expense, will obtain a written "Wood-Destroying Insect Infestation Inspection Report" from a certified Pest Control Operator and will deliver it and all supporting documents and drawings provided by the Pest Control Operator to Listing Broker, if any, otherwise to Seller. The report is to be made satisfactory to and in compliance with applicable laws, mortgage and lending institutions, and/or Federal Insuring and Guaranteeing Agency requirements, if any. The inspection will include all readily visible and accessible areas of all structures on the Property except the following structures, which will not be inspected:

(B) If the inspection reveals evidence of active infestation(s), Seller agrees, at Seller's expense and before settlement, to treat for active infestation(s), in accordance with applicable laws.

(C) If the inspection reveals damage from active infestation(s) or previous infestation(s), Buyer, at Buyer's expense, has the option to obtain a written report by a professional contractor, home inspection service, or structural engineer that is limited to structural damage to the Property caused by wood-destroying organisms and a proposal to repair the damage. Buyer will deliver the structural damage report and corrective proposal to Listing Broker, if any, otherwise to Seller, within _____ days of delivering the original inspection report.

(D) Within 5 days of receiving the structural damage report and corrective proposal, Seller will advise Buyer whether Seller will repair, at Seller's expense and before settlement, any structural damage from active or previous infestation(s).

(E) If Seller chooses to repair structural damage revealed by the report, Buyer agrees to accept the Property as repaired and agrees

(F) to the RELEASE set forth in paragraph 25 of this Agreement.

(F) If Seller chooses not to repair structural damage revealed by the report or fails to respond within 5 days of receiving Buyer's notice, will notify Seller in writing of Buyer's choice to:

1. Accept the Property with the defects revealed by the inspection, without abatement of price and agree to the RELEASE set forth in paragraph 25 of this Agreement. OR
2. Make the repairs before settlement, if required by the mortgage lender, if any, at Buyer's expense and with Seller's permission, which will not be unreasonably withheld, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement. If Seller denies Buyer permission to make the repairs, Buyer may, within 5 days of Seller's denial, terminate this Agreement. If Buyer terminates this Agreement, all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID, OR
3. Terminate this Agreement, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

10. **RESIDENTIAL LEAD-BASED PAINT HAZARD REDUCTION ACT NOTICE REQUIRED FOR PROPERTIES BUILT BEFORE 1978 (1-00)**

NOT APPLICABLE
 APPLICABLE

(A) Seller represents that: (check 1 OR 2)

1. Seller has no knowledge concerning the presence of lead-based paint and/or lead-based paint hazards in or about the Property.

2. Seller has knowledge of the presence of lead-based paint and/or lead-based paint hazards in or about the Property. (Provide the basis for determining that lead-based paint and/or hazards exist, the location(s), the condition of the painted surfaces, and other available information concerning Seller's knowledge of the presence of lead-based paint and/or lead-based paint hazards.)

(B) Records/Reports (check 1 OR 2)

1. Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in or about the Property.

2. Seller has provided Buyer with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in or about the Property. (List documents)

(C) Buyer's Acknowledgment

1. Buyer has received the pamphlet *Protect Your Family from Lead in Your Home* and has read the Lead Warning Statement contained in this Agreement (See Environmental Notices).
 Buyer's Initials _____ Date _____

2. Buyer has reviewed Seller's disclosure of known lead-based paint and/or lead-based paint hazards, as identified in paragraph 10(A) and has received the records and reports pertaining to lead-based paint and/or lead-based paint hazards identified in paragraph 10(B).
 Buyer's Initials _____ Date _____

(D) RISK ASSESSMENT/INSPECTION: Buyer acknowledges that before Buyer is obligated to buy a residential dwelling built before 1978, Buyer has a 10 day period (unless Buyer and Seller agree in writing to a different period of time) to conduct a risk assessment or inspection of the Property for the presence of lead-based paint and/or lead-based paint hazards.

WAIVED. Buyer understands that Buyer has the right to conduct a risk assessment or inspection of the Property to determine the presence of lead-based paint and/or lead-based paint hazards. BUYER WAIVES THIS RIGHT and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

ELECTED

1. Buyer, at Buyer's expense, chooses to obtain a risk assessment and/or inspection of the Property for lead-based paint and/or lead-based paint hazards. The risk assessment and/or inspection will be completed within _____ days of the execution of this Agreement (insert "10" unless Buyer and Seller agree to a different period of time).
2. Within the time set forth above for obtaining the risk assessment and/or inspection of the Property for lead-based paint and/or lead-based paint hazards, Buyer may deliver to Listing Broker, if any, otherwise to Seller, a written list of the specific hazardous conditions cited in the report and those corrections requested by Buyer, along with a copy of the risk assessment and/or inspection report.
3. Seller may, within _____ days of receiving the list and report(s), submit a written corrective proposal to Buyer. The corrective proposal will include, but not be limited to, the name of the remediation company and a completion date for corrective measures. Seller will provide certification from a risk assessor or inspector that corrective measures have been made satisfactorily on or before the completion date.
4. Upon receiving the corrective proposal, Buyer, within 5 days, will:
 - Accept the corrective proposal and the Property in writing, and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.
5. Should Seller fail to submit a written corrective proposal within the time set forth in paragraph 10(D)3. of this Agreement, then Buyer, within 5 days, will:
 - Accept the Property in writing, and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

(E) Certification By signing this Agreement, Buyer and Seller certify the accuracy of their respective statements, to the best of their knowledge.

11. **RADON CONTINGENCY (1-00)**

(A) Seller represents that: (check appropriate response(s))

1. Seller has no knowledge concerning the presence or absence of radon.

2. Seller has knowledge that the Property was tested on the dates, by the methods (e.g., charcoal canister, alpha track, etc.), and with the results of all tests indicated below:

DATE	TYPE OF TEST	RESULTS (picocuries/liter or working levels)
_____	_____	_____
_____	_____	_____
_____	_____	_____

COPIES OF ALL AVAILABLE TEST REPORTS will be delivered to Buyer with this Agreement. SELLER DOES NOT WARRANT EITHER THE METHODS OR RESULTS OF THE TESTS.

3. Seller has knowledge that the Property underwent radon reduction measures on the date(s) and by the method(s)

WAIVED. Buyer understands that Buyer has the option to request that the Property be inspected for radon by a certified inspector (see Radon Notice). BUYER WAIVES THIS OPTION and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

ELECTED

(B) Buyer, at Buyer's expense, has the option to obtain, from a certified inspector, a radon test of the Property and will deliver a copy of the test report to Listing Broker, if any, otherwise to Seller, within _____ days of the execution of this Agreement. (See Radon Notice.)

1. If the test report reveals the presence of radon below 0.02 working levels (4 picocuries/liter), Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement.
2. If the test report reveals the presence of radon at or exceeding 0.02 working levels (4 picocuries/liter), Buyer will, within _____ days of receipt of the test results:

Option 1

- a. Accept the Property in writing and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
- b. Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID, OR
- c. Submit a written, corrective proposal to Listing Broker, if any, otherwise to Seller. The corrective proposal will include, but not be limited to, the name of the certified mitigation company; provisions for payment, including retests; and completion date for corrective measures.
 - 1) Within 5 days of receiving the corrective proposal, Seller will:
 - a) Agree to the terms of the corrective proposal in writing, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b) Not agree to the terms of the corrective proposal.
 - 2) Should Seller not agree to the terms of the corrective proposal or fail to respond within the time given, Buyer will, within 5 days, elect to:
 - a) Accept the Property in writing and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b) Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

Option 2

- a. Accept the Property in writing and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
- b. Submit a written, corrective proposal to Listing Broker, if any, otherwise to Seller. The corrective proposal will include, but not be limited to, the name of the certified mitigation company; provisions for payment, including retests; and completion date for corrective measures. Seller will pay a maximum of \$ _____ toward the total cost of remediation and retests, which will be completed by settlement.
 - 1) If the total cost of remediation and retests EXCEEDS the amount specified in paragraph 11(B) (Option 2) b, Seller will, within 5 days of receipt of the cost of remediation, notify Buyer in writing of Seller's choice to:
 - (a) Pay for the total cost of remediation and retests, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - (b) Not pay for the total cost of remediation and retests.
 - 2) If Seller chooses not to pay for the total cost of remediation and retests, or if Seller fails to choose either option within the time given, Buyer will, within 5 days, notify Seller in writing of Buyer's choice to:
 - a) Pay the difference between Seller's contribution to remediation and retests and the actual cost thereof, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b) Terminate this Agreement, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

12. STATUS OF WATER (1-00)

(A) Seller represents that this property is served by:

Public Water
 On-site Water
 Community Water
 None

(B) WATER SERVICE INSPECTION CONTINGENCY

WAIVED. Buyer acknowledges that Buyer has the option to request an inspection of the water service for the Property. BUYER WAIVES THIS OPTION and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

ELECTED

1. Buyer has the option, within _____ days of the execution of this Agreement and at Buyer's expense, to deliver to Listing Broker, if any, otherwise to Seller, a written inspection report by a qualified, professional water testing company of the quality and/or quantity of the water service.
2. Seller agrees to locate and provide access to the on-site (or individual) water system, if applicable, at Seller's expense, if required by the inspection company. Seller also agrees to restore the Property prior to settlement.
3. If the report reveals that the water service does not meet the minimum standards of any applicable governmental authority and/or fails to satisfy the requirements for quality and/or quantity set by the mortgage lender, if any, then Seller will, within _____ days of receipt of the report, notify Buyer in writing of Seller's choice to:
 - a. Upgrade the water service to the minimum acceptable levels, before settlement, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b. Not upgrade the water service.
4. If Seller chooses not to upgrade the water service to minimum acceptable levels, or fails to respond within the time given, Buyer will, within _____ days, either:
 - a. Accept the Property and the water service and, if required by the mortgage lender, if any, and/or any governmental authority, upgrade the water service before settlement or within the time required by the mortgage lender, if any, and/or any governmental authority, at Buyer's expense and with Seller's permission, which will not be unreasonably withheld, and agree to the RELEASE set forth in paragraph 25 of this Agreement. If Seller

denies Buyer permission to upgrade the water service, Buyer may, within 5 days of Seller's denial, terminate this Agreement. If Buyer terminates this Agreement, all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID, OR

b. Terminate this Agreement, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

13. STATUS OF SEWER (1-00)

(A) Seller represents that property is served by:

Public Sewer
 Individual On-lot Sewage Disposal System (See Sewage Notice 1)
 Individual On-lot Sewage Disposal System in Proximity to Well (See Sewage Notice 1; see Sewage Notice 4, if applicable)
 Community Sewage Disposal System
 Ten-acre Permit Exemption (See Sewage Notice 2)
 Holding Tank (See Sewage Notice 3)
 None (See Sewage Notice 1)
 None Available/Permit Limitations in Effect (See Sewage Notice 5)

(B) **INDIVIDUAL ON-LOT SEWAGE DISPOSAL INSPECTION CONTINGENCY**

WAIVED. Buyer acknowledges that Buyer has the option to request an individual on-lot sewage disposal inspection of the Property. BUYER WAIVES THIS OPTION and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

ELECTED

1. Buyer has the option, within _____ days of the execution of this Agreement and at Buyer's expense, to deliver to Listing Broker, if any, otherwise to Seller, a written inspection report by a qualified, professional inspector of the individual on-lot sewage disposal system.
2. Seller agrees to locate and provide access to the individual on-lot sewage disposal system, and, if required by the inspection company, empty the septic tank, at Seller's expense. Seller also agrees to restore the Property prior to settlement.
3. If the report reveals defects that do not require expansion or replacement of the existing sewage disposal system, Seller will, within _____ days of receipt of the report, notify Buyer in writing of Seller's choice to:
 - a. Correct the defects before settlement, including retests, at Seller's expense, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b. Not correct the defects, or if Seller fails to respond within the time given, Buyer will, within _____ days, either:
 - (1) Accept the Property and the system and, if required by the mortgage lender, if any, and/or any governmental authority, correct the defects before settlement or within the time required by the mortgage lender, if any, and/or any governmental authority, at Buyer's sole expense and with Seller's permission, which will not be unreasonably withheld, and agree to the RELEASE set forth in paragraph 25 of this Agreement. If Seller denies Buyer permission to correct the defects, Buyer may, within 5 days of Seller's denial, terminate this Agreement. If Buyer terminates this Agreement, all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID, OR
 - (2) Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.
4. If the report reveals the need to expand or replace the existing individual on-lot sewage disposal system, Seller may, within _____ days of receipt of the report, submit a corrective proposal to Selling Broker, if any, otherwise to Buyer. The corrective proposal will include, but not be limited to, the name of the remediation company; provisions for payment, including retests; and completion date for corrective measures. Within 5 days of receiving Seller's corrective proposal, or if no corrective proposal is received within the time given, Buyer will:
 - a. Agree to the terms of the corrective proposal, if any, in writing, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b. Accept the Property and the system and, if required by the mortgage lender, if any, and/or any governmental authority, correct the defects before settlement or within the time required by the mortgage lender, if any, and/or any governmental authority, at Buyer's sole expense and with Seller's permission, which will not be unreasonably withheld, and agree to the RELEASE set forth in paragraph 25 of this Agreement. If Seller denies Buyer permission to correct the defects, Buyer may, within 5 days of Seller's denial, terminate this Agreement. If Buyer terminates this Agreement, all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID, OR
 - c. Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

14. NOTICES, ASSESSMENTS & CERTIFICATES OF OCCUPANCY (1-00)

(A) Seller represents as of Seller's execution of this Agreement, that no public improvement, condominium or homeowner association assessments have been made against the Property which remain unpaid and that no notice by any government or public authority has been served upon Seller or anyone on Seller's behalf, including notices relating to violations of zoning, housing, building, safety or fire ordinances which remain uncorrected, and that Seller knows of no condition that would constitute violation of any such ordinances which remains uncorrected, unless otherwise specified here:

(B) Seller knows of no other potential notices (including violations) and assessments except as follows:

(C) In the event any notices (including violations) and assessments are received after execution of this Agreement and before settlement, Seller will notify Buyer in writing, within 5 days of receiving the notice or assessment, that Seller will:

1. Comply with notices and assessments at Seller's expense, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
2. NOT comply with notices and assessments at Seller's expense, in which case Buyer will notify Seller within 5 days in writing that Buyer will:
 - a. Comply with the notices and assessments at Buyer's expense and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b. Terminate this Agreement, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.
If Buyer fails to notify Seller within the time given, Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

(D) Buyer is advised that access to a public road may require issuance of a highway occupancy permit from the Department of

transportation.

(E) If required by law, within _____ days of the execution of this Agreement, Seller will for delivery to Selling Broker, if any, otherwise to Buyer, before settlement,

1. A certification from the appropriate municipal department or departments disclosing notice of any uncorrected violation of zoning, housing, building, safety or fire ordinances, AND/OR
2. A certificate permitting occupancy of the Property. In the event repairs/improvements are required for the issuance of the certificate, Seller will, within 5 days of Seller's receipt of the requirements, notify Buyer of the requirements and whether Seller will make the required repairs/improvements at Seller's expense.

If Seller chooses not to make the required repairs/improvements, Buyer will, within 5 days, notify Seller in writing of Buyer's choice to terminate this Agreement OR make the repairs/improvements at Buyer's expense and with Seller's permission, which will not be unreasonably withheld. If Seller denies Buyer permission to make the required repairs, Buyer may, within 5 days of Seller's denial, terminate this Agreement. If Buyer terminates this Agreement, all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

15. **TITLE, SURVEYS, & COSTS (1-00)**

(A) The Property is to be conveyed free and clear of all liens, encumbrances, and easements, EXCEPTING HOWEVER the following: existing deed restrictions, historic preservation restrictions or ordinances, building restrictions, ordinances, easements of roads, easements visible upon the ground, easements of record, privileges or rights of public service companies, if any; otherwise the title to the above described real estate will be good and marketable and such as will be insured by a reputable Title Insurance Company at the regular rates.

(B) In the event Seller is unable to give a good and marketable title and such as will be insured by a reputable Title Company at the regular rates, as specified in paragraph 15(A), Buyer will have the option of taking such title as Seller can give without changing the price or of being repaid all monies paid by Buyer to Seller on account of purchase price and Seller will reimburse Buyer for any costs incurred by Buyer for those items specified in paragraph 15(C) and in paragraph 15(D) items (1), (2), (3); and in the latter event there will be no further liability or obligation on either of the parties hereto and this Agreement will become VOID.

(C) Any survey or surveys which may be required by the Title Insurance Company or the abstracting attorney, for the preparation of an adequate legal description of the Property (or the correction thereof), will be secured and paid for by Seller. However, any survey or surveys desired by Buyer or required by the mortgage lender will be secured and paid for by Buyer.

(D) Buyer will pay for the following: (1) The premium for mechanics lien insurance and/or title search, or fee for cancellation of same, if any; (2) The premiums for flood insurance and/or fire insurance with extended coverage, insurance binder charges or cancellation fee, if any; (3) Appraisal fees and charges paid in advance to mortgage lender, if any; (4) Buyer's customary settlement costs and accruals.

16. **ZONING CLASSIFICATION (1-00)**

Failure of this Agreement to contain the zoning classification (except in cases where the property (and each parcel thereof, if subdividable) is zoned solely or primarily to permit single-family dwellings) will render this Agreement voidable at the option of the Buyer, and, if voided, any deposits tendered by the Buyer will be returned to the Buyer without any requirement for court action.

Zoning Classification: None

ELECTED. Within _____ days of the execution of this Agreement, Buyer will verify that the existing use of the Property as _____ is permitted. In the event the use is not permitted, Buyer will, within the time given for verification, notify Listing Broker, if any, otherwise Seller, in writing that the existing use of the Property is not permitted and this Agreement will be VOID, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer. Buyer's failure to respond within the time given will constitute a WAIVER of this contingency and all other terms of this Agreement remain in full force and effect.

17. **COAL NOTICE**

NOT APPLICABLE
 APPLICABLE

THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHTS OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL SUCH COAL AND IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. (This notice is set forth in the manner provided in Section 1 of the Act of July 17, 1957, P.L. 984.) "Buyer acknowledges that he may not be obtaining the right of protection against subsidence resulting from coal mining operations, and that the property described herein may be protected from damage due to mine subsidence by a private contract with the owners of the economic interests in the coal. This acknowledgment is made for the purpose of complying with the provisions of Section 14 of the Bituminous Mine Subsidence and the Land Conservation Act of April 27, 1966." Buyer agrees to sign the deed from Seller which deed will contain the aforesaid provision.

18. **POSSESSION (1-98)**

(A) Possession is to be delivered by deed, keys and:

1. Physical possession to a vacant building (if any) broom-clean, free of debris at day and time of settlement, AND/OR
2. Assignment of existing lease(s), together with any security deposits and interest, at time of settlement, if Property is tenant-occupied at the execution of this Agreement or unless otherwise specified herein. Buyer will acknowledge existing lease(s) by initiating said leases(s) at time of signing of this Agreement, if Property is tenant-occupied.

(B) Seller will not enter into any new leases, written extension of existing leases, if any, or additional leases for the Property without expressed written consent of Buyer.

19. **RECORDING (3-85)** This Agreement will not be recorded in the Office for the Recording of Deeds or in any other office or place of public record and if Buyer causes or permits this Agreement to be recorded, Seller may elect to treat such act as a breach of this Agreement.

20. **ASSIGNMENT (3-85)** This Agreement will be binding upon the parties, their respective heirs, personal representatives, guardians and successors, and to the extent assignable, on the assigns of the parties hereto, it being expressly understood, however, that Buyer will not transfer or assign this Agreement without the written consent of Seller.

21. **DEPOSIT & RECOVERY FUND (1-00)**

(A) Deposits paid by Buyer within 30 days of settlement will be by cash, cashier's or certified check. Deposits, regardless of the form of payment and the person designated as payee, will be paid to Broker or party identified in paragraph 5(F), who will retain them in an escrow account until consummation or termination of this Agreement in conformity with all applicable laws and regulations. Any uncashed check tendered as deposit may be held pending the acceptance of this offer.

(B) In the event of a dispute over entitlement to deposit monies, a broker holding the deposit is required by the Rules and Regulations of the State Real Estate Commission (49 Pa. Code §35.327) to retain the monies in escrow until the dispute is resolved. In the event of litigation for the return of deposit monies, a broker will distribute the monies as directed by a final

21. **NOT APPLICABLE** **APPLICABLE** **CONDOMINIUM**

Buyer acknowledges that the Property is a unit of a condominium that is primarily run by a unit owners' association. §3407 of the Uniform Condominium Act of Pennsylvania requires Seller to furnish Buyer with a Certificate of Resale and copies of the condominium declaration (other than plats and plans), the bylaws, and the rules and regulations of the association.

APPLICABLE: PLANNED COMMUNITY (HOMEOWNER ASSOCIATION)

Buyer acknowledges that the Property is part of a planned community as defined by the Uniform Planned Community Act. (See Definition of Planned Community Notice for the definition contained in the Act). §3407(a) of the Act requires Seller to furnish Buyer with a copy of the Declaration (other than plats and plans), the bylaws, the rules and regulations of the association, and a Certificate containing the provisions set forth in §3407(a) of the Act.

(A) Within _____ days of the execution of this Agreement, Seller will submit a request to the association for a Certificate of Resale and the documents necessary to enable Seller to comply with the Act. The Act provides that the association is required to provide these documents within 10 days of Seller's request.

(B) Under the Act, Seller is not liable to Buyer for the failure or delay of the association to provide the Certificate in a timely manner, nor is Seller liable to Buyer for any erroneous information provided by the association and included in the Certificate.

(C) Buyer may declare this Agreement VOID at any time before Buyer's receipt of the association documents and for 5 days thereafter. OR until settlement, whichever occurs first. Buyer's notice declaring the Agreement void must be in writing; thereafter all deposit monies will be returned to Buyer.

(D) In the event the association has the right to buy the Property (right of first refusal), and the association exercises that right, Seller will reimburse Buyer for all monies paid by Buyer on account of purchase price and for any costs incurred by Buyer for: (1) The premium for mechanics lien insurance and/or title search, or fee for cancellation of same, if any; (2) The premiums for flood insurance and/or fire insurance with extended coverage, insurance binder charges or cancellation fee, if any; (3) Appraisal fees and charges paid in advance to mortgage lender, if any; (4) Buyer's customary settlement costs and accruals.

22. **CONDOMINIUM / PLANNED COMMUNITY (HOMEOWNER ASSOCIATION) RESALE NOTICE (1-00)**

(A) Seller will maintain the Property, grounds, fixtures, and any personal property specifically scheduled herein in its present condition, normal wear and tear excepted.

(B) In the event any system or appliance included in the sale of the Property fails and Seller does not repair or replace the item, Seller will promptly notify Buyer in writing of Seller's choice to:

1. Repair or replace the failed system or appliance before settlement or credit Buyer at settlement for the fair market value of the failed system or appliance (this option must be acceptable to the mortgage lender, if any). In each case, Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
2. Make no repairs or replacements, and not credit Buyer at settlement for the fair market value of the failed system or appliance, in which case Buyer will notify Seller in writing within 5 days of before settlement, whichever is sooner,
 - a. Accept the Property and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b. Terminate this Agreement, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

(C) Seller will bear risk of loss from fire or other casualties until time of settlement. In the event of damage by fire or other casualties to any property included in this sale that is not repaired or replaced prior to settlement, Buyer will have the option of rescinding this Agreement and promptly receiving all monies paid on account of purchase price or of accepting the Property in its then condition together with the proceeds of any insurance recovery obtainable by Seller. Buyer is hereby notified that Buyer may insure Buyer's equitable interest in this Property as of the time of execution of this Agreement.

23. **MAINTENANCE & RISK OF LOSS (1-00)**

(A) Seller will maintain the Property, grounds, fixtures, and any personal property specifically scheduled herein in its present condition, normal wear and tear excepted.

(B) In the event any system or appliance included in the sale of the Property fails and Seller does not repair or replace the item, Seller will promptly notify Buyer in writing of Seller's choice to:

1. Repair or replace the failed system or appliance before settlement or credit Buyer at settlement for the fair market value of the failed system or appliance (this option must be acceptable to the mortgage lender, if any). In each case, Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
2. Make no repairs or replacements, and not credit Buyer at settlement for the fair market value of the failed system or appliance, in which case Buyer will notify Seller in writing within 5 days of before settlement, whichever is sooner,
 - a. Accept the Property and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b. Terminate this Agreement, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

(C) Seller will bear risk of loss from fire or other casualties until time of settlement. In the event of damage by fire or other casualties to any property included in this sale that is not repaired or replaced prior to settlement, Buyer will have the option of rescinding this Agreement and promptly receiving all monies paid on account of purchase price or of accepting the Property in its then condition together with the proceeds of any insurance recovery obtainable by Seller. Buyer is hereby notified that Buyer may insure Buyer's equitable interest in this Property as of the time of execution of this Agreement.

24. **WAIVER OF CONTINGENCIES (1-00)**

In the event this Agreement is contingent on Buyer's right to inspect and/or repair the Property, Buyer's failure to exercise any of Buyer's options within the time limits specified in the contingency provision(s) will constitute a WAIVER of that contingency and Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

25. **RELEASE (1-00)** Buyer hereby releases, quit claims and forever discharges SELLER, ALL BROKERS, their LICENSEES, EMPLOYEES, and any OFFICER or PARTNER of any one of them and any other PERSON, FIRM, or CORPORATION who may be liable by or through them, from any and all claims, losses or demands, including, but not limited to, personal injuries and property damage and all of the consequences thereof, whether now known or not, which may arise from the presence of termites or other wood-boring insects, radon, lead-based paint hazards, environmental hazards, any defects in the individual on-lot sewage disposal system or deficiencies in the on-site water service system, or any defects or conditions on the Property. This release will survive settlement.

26. **REPRESENTATIONS (1-00)**

(A) Buyer understands that any representations, claims, advertising, promotional activities, brochures or plans of any kind made by Seller, Brokers, their licensees, employees, officers or partners are not a part of this Agreement, unless expressly incorporated or stated in this Agreement.

(B) It is understood that Buyer has inspected the Property before signing this Agreement (including fixtures and any personal property specifically scheduled herein); or has waived the right to do so, and has agreed to purchase it in its present condition unless otherwise stated in this Agreement. Buyer acknowledges that Brokers, their licensees, employees, officers or partners have not made an independent examination or determination of the structural soundness of the Property, the age or condition of the components, environmental conditions, the permitted uses, or of conditions existing in the locale where the Property is situated; nor have they made a mechanical inspection of any of the systems contained therein.

(C) It is further understood that this Agreement contains the whole agreement between Seller and Buyer and there are no other terms, obligations, covenants, representations, statements or conditions, oral or otherwise of any kind whatsoever concerning this sale. Furthermore, this Agreement will not be altered, amended, changed, or modified except in writing executed by the parties.

(D) The headings, captions, and line numbers in this Agreement are meant only to make it easier to find the paragraphs.

27. **TIME OF THE ESSENCE- DEFAULT (1-00)**

The said time for settlement and all other times referred to for the performance of any of the obligations of this Agreement are hereby agreed to be of the essence of this Agreement. For the purposes of this Agreement, number of days will be counted from the

(B) Furnish false or incomplete information to Seller, Listing Broker, Selling Broker, or the mortgage lender, if any, concerning Buyer's legal or financial status, or fail to cooperate in the processing of the mortgage application, which acts would result in the failure to obtain the approval of a mortgage loan commitment; OR

(C) Violate or fail to fulfill any other terms or conditions of this Agreement; then in such case, Seller has the option of retaining all sums paid by Buyer, including the deposit monies, 1) on account of purchase price, or 2) as monies to be applied to Seller's damages, or 3) as liquidated damages for such breach, as Seller may elect, unless otherwise checked below.

Seller is limited to retaining sums paid by Buyer, including deposit monies, as liquidated damages.
If Seller elects to retain all sums paid by Buyer, including deposit monies, as liquidated damages, Buyer and Seller will be released from further liability or obligation and this Agreement will be VOID.

28. **BROKERS (1-00)** The Business Relationships between the Broker(s) and Seller and Buyer are as follows. UNLESS a different relationship is checked below.

(A) The Listing Broker is Agent for Seller.

(B) The Selling Broker is Agent for Buyer.

(C) When the Listing Broker and Selling Broker are the same, the Broker is a Dual Agent. Dual Agency applies to all licensees. UNLESS there is a Designated Agent(s) for Seller and a Designated Agent(s) for Buyer. If the same Licensee is designated for Seller and Buyer, the Licensee is a Dual Agent.

A Business Relationship exists that is different from above, as follows:

The Selling Broker is the Agent/Subagent for Seller.

The Selling Broker is a Transaction Licensee.

The Listing Broker is a Transaction Licensee.

(D) Broker(s) may perform services to assist unrepresented parties in complying with the terms of this Agreement.

29. **MEDIATION (7-96)**

NOT AVAILABLE

WAIVED. Buyer and Seller understand that they may choose to mediate at a later date, should a dispute arise, but that there will be no obligation on the part of any party to do so.

ELECTED

(A) Buyer and Seller will try to resolve any dispute or claim that may arise from this Agreement through mediation, in accordance with the Rules and Procedures of the Home Sellers/Home Buyers Dispute Resolution System. Any agreement reached through a mediation conference and signed by the parties will be binding.

(B) Buyer and Seller acknowledge that they have received, read, and understand the Rules and Procedures of the Home Sellers/Home Buyers Dispute Resolution System. (See Mediation Notice.)

(C) This agreement to mediate disputes arising from this Agreement will survive settlement.

Buyer and Seller acknowledge that they have read and understand the notices and explanatory information set forth in this Agreement.

Buyer acknowledges receiving a copy of this Agreement at the time of signing.

NOTICE TO PARTIES: WHEN SIGNED, THIS AGREEMENT IS A BINDING CONTRACT. Return by facsimile transmission (FAX) of this Agreement, and all addenda, bearing the signatures of all parties, constitutes acceptance of this Agreement. Parties to this transaction are advised to consult an attorney before signing if they desire legal advice.

WITNESS Karla Demi BUYER Michael D. Guelich DATE 9-11-01
 Michael D. Guelich
 305 Elm Avenue, Clearfield, PA 16830

WITNESS as to both BUYER Karla Demi DATE 9-11-01
 Janelle J. Guelich
 305 Elm Avenue, Clearfield, PA 16830

Email _____
 Seller hereby approves the above contract this (date) 9-11-01
 and in consideration of the services rendered in procuring the Buyer, Seller agrees to pay the named Listing Broker a fee of 1% of 100% of the sale price, Seller, 50%, Listing Broker, but in no event will the sum paid to Listing Broker be in excess of the above specified Broker's fee.

WITNESS Stephanie Peavy SELLER Karla Demi DATE 9-11-01
 Karl A. Demi

WITNESS Stephanie Peavy SELLER Jean A. Demi DATE 9-11-01
 Jean A. Demi

Email _____
 Brokers/Licensees' Certifications (check all that are applicable):

knowledge and belief.

Acknowledgment: The Licensees involved in this transaction have informed Seller of Seller's obligations under The Residential Lead Paint Hazard Reduction Act, 42 U.S.C. 4852(d), and are aware of their responsibility to ensure compliance.

Regarding FHA Mortgages: The undersigned Licensees involved in this transaction, on behalf of themselves and their brokers, certify that the terms of this contract for purchase are true to the best of their knowledge and belief, and that any other agreement entered into by any of these parties in connection with this transaction is attached to this Agreement.

Regarding Mediation: The undersigned Listing Broker Selling Broker agree to submit to mediation in accordance with paragraph 29 of this Agreement.

LISTING BROKER (Company Name) Burleigh Real Estate ACCEPTED BY Conrad Burleigh DATE 9/11/01

SELLING BROKER (Company Name) _____
ACCEPTED BY _____ DATE _____

NOTICES AND INFORMATION

INFORMATION REGARDING THE SELLER'S PROPERTY DISCLOSURE ACT

Generally speaking, the Seller's Property Disclosure Act applies to any sale, exchange, installment sales contract, lease with an option to buy, or transfer of an interest in real estate where not less than one and not more than four residential dwelling units are involved. The Act stipulates that certain disclosures have to be made and delivered in a form defined by the Act, before an agreement of sale is signed.

The Act defines nine exceptions, where the form does not have to be used.

1. Transfers that are the result of a court order.
2. Transfers to a mortgage lender that result from a buyer's default and subsequent foreclosure sales that result from default.
3. Transfers by a fiduciary during the administration of a decedent estate, guardianship, conservatorship or trust.
4. Transfers from a co-owner to one or more other co-owners.
5. Transfers made to a spouse or a direct descendant.
6. Transfers between spouses that result from divorce, legal separation, or property settlement.
7. Transfers by a corporation to its shareholders as part of a plan of liquidation.
8. Transfers by a partnership to its partners as part of a plan of liquidation.
9. Transfers of new construction that has never been occupied when:
 - a. The buyer has received a one-year written warranty covering the construction;
 - b. The building has been inspected for compliance with the applicable building code or, if none, a nationally recognized model building code; and
 - c. A certificate of occupancy or a certificate of code compliance has been issued for the dwelling.

In addition to these exceptions, the Act limits the disclosure in the cases of condominiums and cooperatives to the seller's particular unit. It does not impose disclosures regarding common areas or facilities; those elements are already addressed in the laws that govern the resales of condominiums and cooperative interests.

NOTICE TO BUYERS SEEKING FINANCING

The appraised value of the Property is used in determining the maximum amount of the loan and may be different from the purchase price and/or market value.

NOTICES AND INFORMATION ON PROPERTY CONDITION INSPECTIONS

U.S. Department of Housing and Urban Development FHA Loans:

For Your Protection: Get a Home Inspection

What the FHA Does For Buyers...and What We Don't Do

What we do: FHA helps people become homeowners by insuring mortgages for lenders. This allows lenders to offer mortgages to first-time buyers and others who may not qualify for conventional loans. Because the FHA insures the loan for the lender, the buyer pays only a very low down-payment.

What we don't do: FHA does not guarantee the value or condition of your potential new home. If you find problems with your new home after closing, we cannot give or lend you money for repairs, and we cannot buy the home back from you.

That's why it is so important for you, the buyer, to get an independent home inspection. Before you sign a contract, ask a qualified home inspector to inspect your potential new home and give you the information you need to make a wise decision.

Appraisals and Home Inspections are Different

As part of our job insuring the loan, we require that the lender conduct an FHA appraisal. An appraisal is different from a home inspection. Appraisals are for lenders; home inspections are for buyers. The lender does an appraisal for three reasons:

- To estimate the value of a house
- To make sure that the house meets FHA minimum property standards
- To make sure that the house is marketable

Appraisals are not home inspections.

Why a Buyer Needs a Home Inspection

A home inspection gives the buyer more detailed information than an appraisal - information you need to make a wise decision. In a home inspection, a qualified inspector takes an in-depth, unbiased look at your potential new home to:

- Evaluate the physical condition: structure, construction, and mechanical systems
- Identify items that need to be repaired or replaced
- Estimate the remaining useful life of the major systems, equipment, structure, and finishes

What Goes into a Home Inspection

A home inspection gives the buyer an impartial, physical evaluation of the overall condition of the home and items that need to be repaired or replaced. The inspection gives a detailed report on the condition of the structural components, exterior, roofing, plumbing, electrical, heating, insulation and ventilation, air conditioning, and interiors.

Be an Informed Buyer

It is your responsibility to be an informed buyer. Be sure that what you buy is satisfactory in every respect. You have the right to carefully examine your potential new home with a qualified home inspector. You should arrange to have a home inspection before you purchase your home. Make sure your contract states that the sale of the home depends on the inspection.

If you believe you have been subject to discrimination because of your race, color, religion, sex, handicap, familial status, or national origin, you should call the HUD Fair Housing and Equal Opportunity Complaint Hotline: (800) 669-9777.

This statement must be delivered to you at the time of initial loan application. Return one copy to your lender as proof of notification and keep one copy for your records.

PROPERTY INSPECTION NOTICES

Property Inspection: A general inspection of the Property can be performed by a professional contractor or home inspection service and may include inspections of: structural components; roof; exterior windows and exterior doors; exterior siding, fascia, gutters, and downspouts; appliances; electrical, plumbing, heating, and cooling systems; water penetration; and any other items Buyer may select. Inspections or certifications might include: Environmental Hazards (e.g., Asbestos, Ureaformaldehyde Foam Insulation, Underground Storage Tanks, etc.); Electromagnetic Fields; Wetlands Inspection; Flood Plain Verification; Property Boundary/Square Footage Verification; and any other items Buyer may select. Buyer is advised to investigate easements, deed and use restrictions (including any historic preservation restrictions or ordinances) that apply to the Property and to review local zoning ordinances.

Flood Plains: If the Property is located in a flood plain, Buyer may be required to carry additional insurance.

Property Boundary/Square Footage: Buyer is advised that Seller has not had the Property surveyed and that any fences, hedges, walls and other natural or constructed barriers may or may not represent the true boundary lines of the Property. Buyer is also advised that any numerical representations of square footage of the structure(s) and/or lot size are approximations only and may be inaccurate. Buyer is advised to engage a professional surveyor or obtain an independent measurement of the structure(s) and/or lot size if Buyer wishes to make this sale contingent on Buyer's approval of the Property's boundaries or square footage.

Water Service: Buyer may elect to have the water service inspected by a professional water testing company. In addition, on-site water service systems may have to meet certain quality and/or quantity requirements set by the municipality or the lender.

Wood-Destroying Insect Infestation: Insects whose primary source of food is wood, such as termites, wood-boring beetles, carpenter ants, carpenter bees, and certain other insects, can cause damage to the wood structure of a residence. Termite and Pest Control companies are available to make inspections to determine whether wood-destroying insects are present. Because of the way these insects function, damage to wood may be hidden. Careful selection should be made of skilled experts in the termite/pest control field to insure a proper determination of whether wood-boring insects or resultant damage is present.

ENVIRONMENTAL NOTICES

Asbestos: The heat-resistant and durable nature of asbestos makes it useful in construction and industry. The physical properties that give asbestos its resistance to heat and decay are linked with several adverse human health effects. Asbestos can easily break into microscopic fibers that can remain suspended in the air for long periods of time. When inhaled, these fibers easily penetrate body tissue. Asbestos is known to cause Asbestosis and various forms of cancer. Inquiries or requests for more information about asbestos can be directed to the United States Environmental Protection Agency, 111 18th Street N.W., Washington, D.C. 20207, and/or the Department of Health, Commonwealth of Pennsylvania, Division of Environmental Health, Harrisburg, PA 17120.

Electromagnetic Fields: Electromagnetic Fields (EMFs) occur around all electrical appliances and power lines. Conclusive evidence that EMFs pose health risks does not exist at present, and Pennsylvania has no laws regarding this issue.

Environmental Hazards: The U.S. Environmental Protection Agency has a list of hazardous substances, the use and disposal of which are restricted by law. Generally, if hazardous substances are found on a property, it is the property owner's responsibility to dispose of them properly. For more information and a list of hazardous substances, contact U.S. Environmental Protection Agency, 111 18th Street N.W., Washington, D.C. 20207, (202) 260-4700.

Ureaformaldehyde Foam Insulation (UFFI): Ureaformaldehyde Foam Insulation (UFFI) is a thermal insulation material that is manufactured at the site of installation and pumped into the space in the walls of the building being insulated. UFFI can release formaldehyde gas into the interiors of the buildings in which it is installed. Adverse health effects linked to exposure to UFFI are cancer, acute illness such as eye, nose, and throat irritation, and sensitization. Although a 1982 ban of future sales of UFFI by the U.S. Consumer Product Safety Commission was overturned in 1983 because the health risk was not established as "unreasonable," it is recommended that prospective buyers be informed if UFFI is present or has been present on the property. Tests can be conducted to determine the concentration of formaldehyde gas present in a structure, as well as to measure the presence and toxicity of UFFI. The cost of removing UFFI will vary with the design of the construction and the accessibility of the insulation. Information regarding tests and testing procedures can be obtained by writing the U.S. Consumer Product Safety Commission, Office of the Secretary, Third Floor, 5401 Westbard Avenue, Bethesda, MD 20207.

Wetlands: Wetlands are protected by both the federal and state governments. Buyer may wish to have the Property inspected for wetlands by an environmental engineer to determine if permits for plans to build, improve, or develop the property would be affected or denied because of wetlands.

Lead: (For Properties built before 1978)

Lead Warning Statement: Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Lead Hazard Disclosure Requirements: In accordance with the Residential Lead-Based Paint Hazard Reduction Act, any seller of property built before 1978 must provide the buyer with an EPA-approved lead hazards information pamphlet titled *Protect Your Family From Lead in Your Home* and must disclose to the buyer and the Broker(s) the known presence of lead-based paint and/or lead-based paint hazards in or on the property being sold, including the basis used for determining that lead-based paint and/or lead-based paint hazards exist, the location of lead-based paint and/or lead-based paint hazards, and the condition of painted surfaces. Any seller of a pre-1978 structure must also provide the buyer with any records or reports available to the seller pertaining to lead-based paint and/or lead-based paint hazards in or about the property being sold, the common areas, or other residential dwellings in multi-family housing. The Act further requires that before a buyer is obligated to purchase any housing constructed prior to 1978, the seller will give the buyer 10 days (unless buyer and seller agree in writing to another time period) to conduct a

Housing built in 1978 or later is not subject to the Act.

Radon: Radon is a natural, radioactive gas that is produced in the ground by the normal decay of uranium and radium. Studies indicate that extended exposure to high levels of radon gas can increase the risk of lung cancer. Radon can find its way into any air-space, including basements and crawl spaces and can permeate a structure. The U.S. Environmental Protection Agency (EPA) advises corrective action if the annual average exposure to radon exceeds 0.02 working levels or 4 picocuries/liter. If a house has a radon problem, it usually can be cured by increased ventilation and/or by preventing radon entry. Any person who tests, mitigates, or safeguards a building for radon in Pennsylvania must be certified by the Department of Environmental Protection. Information about radon and about certified testing or mitigation firms is available through DEP, Bureau of Radiation Protection, P.O. Box 2603, Harrisburg, PA 17120, (800) 23RADON or (717) 783-3594.

SEWAGE NOTICES
NOTICES PURSUANT TO THE PENNSYLVANIA SEWAGE FACILITIES ACT

NOTICE 1: **THERE IS NO CURRENTLY EXISTING COMMUNITY SEWAGE SYSTEM AVAILABLE FOR THE SUBJECT PROPERTY.** Section 7 of the Pennsylvania Sewage Facilities Act provides that no person shall install, construct, request bid proposals for construction, alter, repair or occupy any building or structure for which an individual sewage system is to be installed, without first obtaining a permit. Buyer is advised by this notice that, before signing this Agreement, Buyer should contact the local agency charged with administering the Act to determine the procedure and requirements for obtaining a permit for an individual sewage system. The local agency charged with administering the Act will be the municipality where the Property is located or that municipality working cooperatively with others.

NOTICE 2: **THIS PROPERTY IS SERVICED BY AN INDIVIDUAL SEWAGE SYSTEM INSTALLED UNDER THE TEN-ACRE PERMIT EXEMPTION PROVISIONS OF SECTION 7 OF THE PENNSYLVANIA SEWAGE FACILITIES ACT.** (Section 7 provides that a permit may not be required before installing, constructing, awarding a contract for construction, altering, repairing or connecting to an individual sewage system where a ten-acre parcel or lot is subdivided from a parent tract after January 10, 1987). Buyer is advised that soils and site testing were not conducted and that, should the system malfunction, the owner of the Property or properties serviced by the system at the time of a malfunction may be held liable for any contamination, pollution, public health hazard or nuisance which occurs as a result.

NOTICE 3: **THIS PROPERTY IS SERVICED BY A HOLDING TANK (PERMANENT OR TEMPORARY) TO WHICH SEWAGE IS CONVEYED BY A WATER CARRYING SYSTEM AND WHICH IS DESIGNED AND CONSTRUCTED TO FACILITATE ULTIMATE DISPOSAL OF THE SEWAGE AT ANOTHER SITE.** Pursuant to the Pennsylvania Sewage Facilities Act, Seller must provide a history of the annual cost of maintaining the tank from the date of its installation or December 14, 1995, whichever is later.

NOTICE 4: **AN INDIVIDUAL SEWAGE SYSTEM HAS BEEN INSTALLED AT AN ISOLATION DISTANCE FROM A WELL THAT IS LESS THAN THE DISTANCE SPECIFIED BY REGULATION.** The regulations at 25 Pa. Code §73.13 pertaining to minimum horizontal isolation distances provide guidance. Subsection (b) of §73.13 states that the minimum horizontal isolation distance between an individual water supply or water supply system suction line and treatment tanks shall be 50 feet. Subsection (c) §73.13 states that the horizontal isolation distance between the individual water supply or water supply system suction line and the perimeter of the absorption area shall be 100 feet.

NOTICE 5: **THIS LOT IS WITHIN AN AREA IN WHICH PERMIT LIMITATIONS ARE IN EFFECT AND IS SUBJECT TO THOSE LIMITATIONS.** SEWAGE FACILITIES ARE NOT AVAILABLE FOR THIS LOT AND CONSTRUCTION OF A STRUCTURE TO BE SERVED BY SEWAGE FACILITIES MAY NOT BEGIN UNTIL THE MUNICIPALITY COMPLETES A MAJOR PLANNING REQUIREMENT PURSUANT TO THE PENNSYLVANIA SEWAGE FACILITIES ACT AND REGULATIONS PROMULGATED THEREUNDER.

DEFINITION OF A PLANNED COMMUNITY

The Uniform Planned Community Act defines "planned community" as real estate with respect to which a person, by virtue of ownership of an interest in any portion of the real estate, is or may become obligated by covenant, easement or agreement imposed on the owner's interest to pay any amount for real property taxes, insurance, maintenance, repair, improvement, management, administration or regulation of any part of the real estate other than the portion or interest owned solely by the person. The term excludes a cooperative and a condominium, but a cooperative or condominium may be part of a planned community. For the purposes of this definition, "ownership" includes holding a leasehold interest of more than 20 years, including renewal options, in real estate. The term includes non-residential campground communities.

Exemptions from the Uniform Planned Community Act- When a Certificate of Resale Is Not Required
The owner of a property located within a planned community is not required to furnish the buyer with a certificate of resale under the following circumstances:

- A. The Planned Community contains no more than 12 units, provided there is no possibility of adding real estate or subdividing units to increase the size of the planned community.
- B. The Planned Community is one in which all of the units are restricted exclusively to non-residential use, unless the declaration provides that the resale provisions are nevertheless to be followed.
- C. The Planned Community or units are located outside the Commonwealth of Pennsylvania.
- D. The transfer of the unit is a gratuitous transfer.
- E. The transfer of the unit is required by court order.
- F. The transfer of the unit is by the government or a governmental agency.
- G. The transfer of the unit is the result of foreclosure or in lieu of foreclosure.

Notices Regarding Public Offering Statements and Right to Rescission

If Seller is a Declarant of the condominium or planned community, Seller is required to furnish Buyer with a copy of the Public Offering Statement and its amendments. For condominiums, the delivery of the Public Offering Statement must be made no later than the date the buyer executes this Agreement. Buyer may cancel this Agreement within 15 days after receiving the Public Offering Statement and any amendments that materially and adversely affect Buyer. For planned communities, the Declarant must provide the Buyer with a copy of the Public Offering Statement and its amendments no later than the date the Buyer executes this Agreement.

TIME IS OF THE ESSENCE

All dates and time limits set within this Agreement must be adhered to or this Agreement breached. For the purposes of this Agreement, number of days will be counted from the date of execution by excluding the day on which this Agreement was executed and by including the last day of the time period. The date of execution is the date when Buyer and Seller have indicated full acceptance of this Agreement by signing and/or initialing it.

MEDIATION

DISPUTE RESOLUTION SYSTEM RULES AND PROCEDURES

1. **Agreement of Parties** The Rules and Procedures of the Dispute Resolution System (DRS) apply when the parties have agreed in writing to mediate under DRS. The written agreement can be achieved by a standard clause in an agreement of sale, an addendum to an agreement of sale, or through a separate written agreement.
2. **Initiation of Mediation** If a dispute exists, any party may start the mediation process by submitting a completed Request to Initiate Mediation DRS Transmittal Form (Transmittal Form) to the local Association of REALTORS® (hereafter "Administrator"). The Transmittal Form should be available through the Administrator's office. The initiating party should try to include the following information when sending the completed Transmittal Form to the Administrator:
 - a. A copy of the written agreement to mediate if there is one, OR a request by the initiating party to have the Administrator contact the other parties to the dispute to invite them to join the mediation process.
 - b. The names, addresses and telephone numbers of the parties involved in the dispute, including the name of every insurance company known to have received notice of the dispute or claim and the corresponding file or claim number.
 - c. A brief statement of the facts of the dispute and the damages or relief sought.
3. **Selection of Mediator** Within five days of receiving the completed Transmittal Form, the Administrator will send each party to the dispute a copy of the Transmittal Form and a list of qualified mediators and their fee schedules. Each party then has ten days to review the list of mediators, cross off the name of any mediator to whom the party objects, and return the list to the Administrator. The Administrator will appoint the first available mediator who is acceptable to all parties involved.
A mediator who has any financial or personal interest in the dispute or the results of the mediation cannot serve as mediator to that dispute, unless all parties are informed and give their written consent.
4. **Mediation Fees** Mediation fees will be divided equally among the parties and will be paid *before* the mediation conference. The parties will follow the payment terms contained in the mediator's fee schedule.
5. **Time and Place of Mediation Conference** Within ten days of being appointed to the dispute, the mediator will contact the parties and set the date, time and place of the mediation conference. The mediator must give at least twenty days' advance notice to all parties. The mediation conference should not be more than sixty days from the mediator's appointment to the dispute.
6. **Conduct of Mediation Conference** The parties attending the mediation conference will be expected to:
 1. Have the authority to enter into and sign a binding settlement to the dispute.
 2. Produce all information required for the mediator to understand the issues of the dispute. The information may include relevant written materials, as well as descriptions of witnesses and the content of their testimony, whether or not they will be appearing at the mediation conference. The mediator can require the parties to deliver written materials and information before the date of the mediation conference.

The mediator presiding over the conference:

1. Will impartially conduct an orderly settlement negotiation.
2. Will help the parties define the matters in dispute and reach a mutually agreeable solution.
3. Will have no authority to render an opinion, to bind the parties to his or her decision, or to force the parties to reach a settlement.

Formal rules of evidence will not apply to the mediation conference.

7. **Representation by Counsel** Any party who intends to be accompanied to the mediation conference by legal counsel will notify the mediator and the other parties of the intent at least ten days before the conference.
8. **Confidentiality** No aspect of the mediation can be relied upon or introduced as evidence in any arbitration, judicial or other proceeding. This includes, but is not limited to, any opinions or suggestions made by any party regarding a possible settlement; any admissions made during the course of the mediation; any proposals or opinions expressed by the mediator; and any responses given by any party to opinions, suggestions, or proposals.

No privilege will be affected by disclosures made in the course of the mediation.

Transcripts or recordings of the mediation will not be allowed without the prior, written consent of all parties and the mediator.

Records, reports, and other documents received or prepared by the mediator or Administrator cannot be compelled by an arbitration, judicial, or other proceeding, with the exception of an agreement that was reached in the course of mediation and signed by all the parties.

Neither the mediator nor the Administrator can be compelled to testify in any proceeding regarding information given or representations made either in the course of the mediation or in any confidential communication.

9. **Mediated Settlement** When a dispute is resolved through mediation, the mediator will put the complete agreement in writing and all parties will sign the written agreement within ten days of the conclusion of the mediation conference. Every reasonable effort will be made to sign the written agreement at the end of the conference.

10. **Judicial Proceedings and Immunity** NEITHER THE ADMINISTRATOR, THE MEDIATOR, THE NATIONAL ASSOCIATION OF REALTORS®, THE PENNSYLVANIA ASSOCIATION OF REALTORS®, NOR ANY OF ITS MEMBER BOARDS, SHALL BE DEEMED NECESSARY OR EXPENSABLE PARTIES IN ANY JUDICIAL PROCEEDINGS RELATING TO MEDIATION UNDER THESE RULES AND PROCEDURES, NOR SHALL ANY OF THEM SERVING UNDER THESE PROCEDURES BE LIABLE TO ANY PARTY FOR ANY ACT, ERROR OR OMISSION IN CONNECTION WITH ANY SERVICE OR THE OPERATION OF THE HOME SELLERS/HOME BUYERS DISPUTE RESOLUTION SYSTEM.

PROPERTY

RR#1, Box 403, Ridge Avenue
Curwensville, PA 16833

SELLER

Karl A. Demi
Jean A. Demi

BUYER

Michael D. Guelich
Janelle J. Guelich

DATE OF AGREEMENT September 11, 2001

The contract is to be changed as follows:

3(A) The purchase price will be \$135,000.00.
 6(A)1. The amount of mortgage loan will be \$128,250.00.
 6(E) The Seller Assist is not applicable.
 The commission to Burleigh Real Estate will be 5% (\$6,750.00).

All other terms and conditions of the said agreement shall remain unchanged and in full force and effect.

WITNESS	<u>Bonnie Burleigh</u>	BUYER	<u>Michael D. Guelich</u>	DATE	<u>10-18-01</u>
WITNESS	<u>as to both</u>	BUYER	<u>Janelle J. Guelich</u>	DATE	<u>10-18-01</u>
WITNESS	<u>Bonnie Burleigh</u>	SELLER	<u>Karl A. Demi</u>	DATE	<u>10-22-01</u>
WITNESS	<u>as to both</u>	SELLER	<u>Jean A. Demi</u>	DATE	<u>10-22-01</u>



BURLEIGH REAL ESTATE

BONNIE L. BURLEIGH, GRI
Broker/Owner
Certified Residential Appraiser

Seller: Karl A. & Jean A. Demi

Buyer: Michael D. & Janelle J. Guelich

Property: RR#1, Box 403, Curwensville, PA 16833

FINAL PROPERTY INSPECTION AND ACCEPTANCE

10/3/01

The Buyer of the above property agrees that they have inspected said property, including but not limited to all mechanical equipment, appliances, electrical, plumbing, heating and cooling equipment, sanitary drains and/or septic systems, and pool and pool equipment (if any).

The Buyer agrees that the above are in good working order and that said property is in acceptable condition, so any contingencies in the "STANDARD AGREEMENT FOR THE SALE OF REAL ESTATE" pertaining to condition of said property are hereby satisfied and withdrawn.

Exceptions: water? cloudy reddish/brown - won't run
clear

The Buyer of the above property has been given the opportunity to do a final inspection and has waived this right. The property is accepted in its present condition.

The Seller and their agents are hereby released from all liability and responsibility for same.

Michael J. Guelich 10/3/01
Buyer/Date

Bonnie L. Burleigh 10/31/01
Agent for Seller/Date

Janelle J. Guelich 10/3/01
Buyer/Date



116 E. LOCUST ST. ■ P.O. BOX 375 ■ CLEARFIELD, PA 16830 ■ (814) 765-9660 ■ FAX: (814) 765-9663



Problem Water Treatment
Residential & Commercial

**"WATER PRO"
PROBLEM WATER TREATMENT**

R. R. 3, Box 202 • Philipsburg, PA 16866
Phone: 814-342-7527 • Fax: 814-342-4011

Chlorine Removal • Iron • Sulfur • Hardness • Bacteria • Taste & Odor
Pipe Replacement & Removal

Customer to Furnish Electrical
Outlet Within 5 Feet
of Unit Installation

Install 11-8-01
10AM

Name Mike Gulin L Phone No. 236-0447 Date Nov 4 2001
Address FBI Box 403 City Cov. County CIFD State PA Zip 16833
Directions 3 mile Gacowood Rd. wh. - w/ Pitts # 403

• WATER ANALYSIS REPORT •

Hardness	<u>2</u>	g.p.g.	Iron	<u>4.2</u>	p.p.m.
Ph.	<u>5.8</u>		Hyd. Sul.		p.p.m.
No. Family	<u>5</u>	Apx	No. Reg.		
Iron Algae			Other	<u>TDS 78</u>	

Performance Guaranteed

3 yr. Warr on water bodies
1 yr. Warr on parts
90 day free labor
200 lb. T.A.T. soft
Life-Tax on municipal tanks

Performance guarantee does not apply if above water characteristics change or if inadequate water supply exists.

• PURCHASE TERMS •

	Description of Equipment	Model	Price
16754	TC STR SOFT	3310	
9948	IR Fil Coro/est	5600	
	w/UV 5 gpm/1000		1800.00
			2400.00
TERMS	1. Total Cash Selling Price		
No. of	2. Trade-In Allowance		
Months	3. Cash Down		
	4. Sub-total		
Monthly	5. Interest		
Payment	6. Other	<u>Tax 6%</u>	144.00
	Due Date		
	7. TOTAL		2544.00

NOTICE OF CANCELLATION

You may cancel this transaction, without penalty or obligation, within three business days of the above date. If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within ten business days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your residence in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's risk and expense. If you do make the goods available to the seller and the seller does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to Water Pro., R. R. 3, Box 202, Philipsburg, PA 16866, not later than midnight of _____.

I hereby cancel this transaction.

(Buyer's Signature)

(Date)

Witnessed:

Customer Signature

BUYER'S APPROVAL

EXHIBIT "C"

Customer Signature

Representative of Company

Arb 9-29-03

JAMES A. NADDEO
ATTORNEY AT LAW
211½ EAST LOCUST STREET
MARINO BUILDING
P.O. BOX 552
CLEARFIELD, PENNSYLVANIA 16830

ASSOCIATE
LINDA C. LEWIS

TELEPHONE
(814) 765-1601
TELECOPIER
(814) 765-8142

September 19, 2003

Marcy Kelley, Deputy Court Adm.
Office of Court Administrator
Clearfield County Courthouse
230 East Market Street
Clearfield, PA 16830

Re: Guelich vs. Demi, et al.
No. 02-682-CD

Dear Ms. Kelley:

Enclosed is Plaintiff's Pre-Trial Statement. By copy of this letter, I am forwarding same to counsel of record and to the Arbitrators.

Sincerely,

James A. Naddeo
James A. Naddeo

JAN/jlr

Enclosure

cc: R. Denning Gearhart, Esquire (w/ enc.)
David F. Wilk, Esquire (w/ enc.)
Benjamin S. Blakley, III, Esquire (w/enc.)
F. Cortez Bell, III, Esquire (w/ enc.)
Jeffrey S. DuBois, Esquire (w/ enc.)

RECEIVED

SEP 19 2003

**COURT ADMINISTRATOR'S
OFFICE**

PA LICENSED BROKER LISTING BROKER (Company) <u>Burleigh Real Estate</u> ADDRESS <u>PO Box 375/116 E. Locust St.</u> Clearfield, PA 16830 PH <u>(814) 765-9660</u> FAX <u>(814) 765-9663</u> DESIGNATED AGENT FOR SELLER (if applicable)	PA LICENSED BROKER SELLING BROKER (Company) _____ ADDRESS _____ PH _____ FAX _____ DESIGNATED AGENT FOR BUYER (if applicable)
--	---

PL#1

1. **This Agreement**, dated September 11, 2001, is between
SELLER(S):

Karl A. Demi
Jean A. Demi

called "Seller," and
BUYER(S):

Michael D. Guelich
Janelle J. Guelich

called "Buyer."

2. **PROPERTY (1-98)** Seller hereby agrees to sell and convey to Buyer, who hereby agrees to purchase: ALL THAT CERTAIN lot or piece of ground with buildings and improvements thereon erected, if any, known as: RR#1, Box 403 Ridge Avenue, Curwensville, consisting of a Ranch home & 4.5 Acres in the Township of Pike, County of Clearfield, in the Commonwealth of Pennsylvania, Zip Code 16833, Identification (e.g., Tax ID#; Parcel #; Lot, Block; Deed Book, Page, Recording Date) Map #126-H9-157

3. **TERMS (1-00)**

(A) Purchase Price One Hundred Forty Four Thousand Two Hundred Fifty \$144,250.00 Dollars which will be paid to Seller by Buyer as follows:

(B) Cash or check at signing this Agreement: \$ 500.00

(C) Cash or check within _____ days of the execution of this Agreement: \$ _____

(D) _____

(E) Cash, cashier's or certified check at time of settlement: \$ 143,750.00

(F) Deposits paid on account of purchase price to be held by Listing Broker, unless otherwise stated here: TOTAL \$ 144,250.00

(G) Seller's written approval to be on or before: September 12, 2001

(H) Settlement to be made on or before: November 16, 2001

(I) Conveyance from Seller will be by fee simple deed of special warranty unless otherwise stated here:

(J) Payment of transfer taxes will be divided equally between Buyer and Seller unless otherwise stated here:

(K) At time of settlement, the following will be adjusted pro-rata on a daily basis between Buyer and Seller, reimbursing where applicable: taxes; rents; interest on mortgage assumptions; condominium fees and homeowner association fees, if any; water and/or sewer fees, if any, together with any other lienable municipal service. The charges are to be pro-rated for the period(s) covered: Seller will pay up to and including the date of settlement; Buyer will pay for all days following settlement, unless otherwise stated here:

4. **FIXTURES & PERSONAL PROPERTY (1-00)**

(A) INCLUDED in this sale and purchase price are all existing items permanently installed in the Property, free of liens, including plumbing; heating; lighting fixtures (including chandeliers and ceiling fans); water treatment systems; pool and spa equipment; garage door openers and transmitters; television antennas; shrubbery, plantings and unrooted trees; any remaining heating and cooking fuels stored on the Property at the time of settlement; wall to wall carpeting; window covering hardware, shades, blinds; built-in air conditioners; built-in appliances; and the range/oven unless otherwise stated. Also included: Refrigerator

(B) LEASED Items (items not owned by Seller): _____

(C) EXCLUDED fixtures and items: _____

5. **SPECIAL CLAUSES (1-00)**

(A) Buyer and Seller have received the Consumer Notice as adopted by the State Real Estate Commission at 49 Pa. Code §35.336.

(B) Buyer and Seller have received a statement of their respective estimated closing costs before signing this Agreement.

(C) Buyer has received the Seller's Property Disclosure Statement before signing this Agreement, if required by law. (See Notice, Information Regarding the Seller's Property Disclosure Act.)

(D) Buyer has received the Deposit Money Notice (for cooperative sales when Listing Broker is holding deposit money) before signing this Agreement.

(E) The following are part of this Agreement if checked:

A

- Sale & Settlement of Other Property Contingency Addendum (PAR Form 130)
- Sale & Settlement of Other Property Contingency with Right to Continue Marketing Addendum (PAR Form 131)
- Settlement of Other Property Contingency Addendum (PAR Form 133)

- Tenant-Occupied Property Addendum (PAR Form TOP)
- _____
- _____
- _____

6. MORTGAGE CONTINGENCY (1-00)

- WAIVED. This sale is NOT contingent on mortgage financing.
- ELECTED

(A) This sale is contingent upon Buyer obtaining mortgage financing as follows:

1. Amount of mortgage loan \$ 137,000.00
2. Minimum Term 30 years
3. Type of mortgage Conventional
4. Interest rate 6.875%; however, Buyer agrees to accept the interest rate as may be committed by the mortgage lender, not to exceed a maximum interest rate of 7%.
5. Discount points, loan origination, loan placement and other fees charged by the lender as a percentage of the mortgage loan (excluding any mortgage insurance premiums or VA funding fee) not to exceed 0% of the mortgage loan.

The interest rate and fees provisions required by Buyer are satisfied if a mortgage lender makes available to Buyer the right to guarantee an interest rate at or below the Maximum Interest Rate specified herein with the percentage fees at or below the amount specified herein. Buyer gives Seller the right, at Seller's sole option and as permitted by the lending institution and applicable laws, to contribute financially, without promise of reimbursement, to the Buyer and/or lender to make the above terms available to Buyer.

(B) Within 10 days of the execution of this Agreement, Buyer will make a completed, written mortgage application to a responsible mortgage lending institution. The Selling Broker, if any, otherwise the Listing Broker, is authorized to communicate with the lender for the purposes of assisting in the mortgage loan process.

(C) 1. Upon receipt of a mortgage commitment, Buyer and/or Selling Broker will promptly deliver a copy of the commitment to Listing Broker, if any, otherwise to Seller.

2. Mortgage commitment date October 19, 2001. If a written commitment is not received by Listing Broker, if any, otherwise by Seller, by the above date, Buyer and Seller agree to extend the commitment date until Seller terminates this Agreement in writing.

3. Seller has the option to terminate this Agreement in writing, on or after the mortgage commitment date, if the mortgage commitment:

- a. Is not valid until the date of settlement, OR
- b. Is conditioned upon the sale and settlement of any other property, OR
- c. Contains any other condition not specified in this Agreement.

4. In the event Seller does not terminate this Agreement as provided above, Buyer has the option to terminate this Agreement in writing if the mortgage commitment:

- a. Is not obtained by or valid until the date of settlement, OR
- b. Is conditioned upon the sale and settlement of any other property which do not occur by the date of settlement, OR
- c. Contains any other condition not specified in this Agreement which Buyer is unable to satisfy by the date of settlement.

5. If this Agreement is terminated as specified in paragraphs 6 (C) (2), (3) or (4), all deposit monies paid on account of purchase price will be returned to Buyer. Buyer will be responsible for any premiums for mechanics lien insurance and/or title search, or fee for cancellation of same, if any; AND/OR any premiums for flood insurance and/or fire insurance with extended coverage, insurance binder charges or cancellation fee, if any; AND/OR any appraisal fees and charges paid in advance to mortgage lender.

(D) If the mortgage lender requires repairs to the Property, Buyer will, upon receipt, deliver a copy of the mortgage lender's requirements to Listing Broker, if any, otherwise to Seller. Seller will, within 5 days of receipt of the lender's requirements, notify Buyer whether Seller will make the required repairs at Seller's expense.

1. If Seller chooses to make repairs, Buyer will accept the Property and agree to the RELEASE set forth in paragraph 25 of this Agreement.

2. If Seller chooses not to make the required repairs, Buyer will, within 5 days, notify Seller in writing of Buyer's choice to terminate this Agreement OR make the required repairs at Buyer's expense and with Seller's permission, which will not be unreasonably withheld. If Seller denies Buyer permission to make the required repairs, Buyer may, within 5 days of Seller's denial, terminate this Agreement. If Buyer terminates this Agreement, all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

(E) Seller Assist

NOT APPLICABLE

APPLICABLE. Seller will pay:

\$ _____, maximum, toward Buyer's costs as permitted by the mortgage lender.
 \$ 1,328.00 toward buyer's closing costs.

(F) It is expressly agreed that notwithstanding any other provisions of this contract, Buyer will not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of earnest money deposits or otherwise unless Buyer has been given, in accordance with HUD/FHA or VA requirements, a written statement by the Federal Housing Commissioner, Veterans Administration, or a Direct Endorsement Lender setting forth the appraised value of the Property of not less than \$ 144,250.00 (the dollar amount to be inserted is the sales price as stated in the Agreement). Buyer will have the privilege and option of proceeding with consummation of the contract without regard to the amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value nor the condition of the Property. Buyer should satisfy himself/herself that the price and condition of the Property are acceptable.

Warning: Section 1010 of Title 18, U.S.C., Department of Housing and Urban Development provides, "Whoever for the purpose of . . . influencing in any way the action of such department . . . makes, passes, utters, or publishes any statement knowing the same to be false . . . shall be fined not more than \$5,000 or imprisoned not more than two years, or both."

(G) U.S. Department of Housing and Urban Development (HUD) NOTICE TO PURCHASERS:
 Buyer's Acknowledgement

Buyer has received the HUD Notice "For Your Protection: Get a Home Inspection" (see Notices and Information on Property Condition Inspections). Buyer understands the importance of getting an independent home inspection and has thought about this before signing this Agreement.
 Buyer's Initials _____ Date _____

(H) Certification We the undersigned, Seller(s) and Buyer(s) party to this transaction each certify that the terms of this contract for purchase are true to the best of our knowledge and belief, and that any other agreement entered into by any of these parties in connection with this transaction is attached to this Agreement.

7. INSPECTIONS (1-98)

(A) Seller hereby agrees to permit inspections by authorized appraisers, reputable certifiers, insurer's representatives, surveyors, municipal officials and/or Buyer as may be required by the lending institutions, if any, or insuring agencies. Seller further agrees to permit any other inspections required by or provided for in the terms of this Agreement.

(B) Buyer reserves the right to make a pre-settlement walk-through inspection of the Property. Buyer's right to make this inspection is not waived by any other provision of this Agreement.

(C) Seller will have heating and all utilities (including fuel(s)) on for the inspections.

8. PROPERTY INSPECTION CONTINGENCY (1-00)

WAIVED. Buyer understands that Buyer has the option to request inspections of the Property (see Property Inspection and Environmental Notices). BUYER WAIVES THIS OPTION and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

ELECTED

(A) Within _____ days of the execution of this Agreement, Buyer, at Buyer's expense, may choose to have inspections and/or certifications completed by licensed or otherwise qualified professionals (see Property Inspection and Environmental Notices). This contingency does not apply to the following existing conditions and/or items:

(B) Other provisions of this Agreement may provide for inspections and/or certifications that are not waived or altered by Buyer's election here.

(C) If Buyer is not satisfied with the condition of the Property as stated in any written report, Buyer will, within the time given for completing inspections:

Option 1

1. Accept the Property with the information stated in the report(s) and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
2. Terminate the Agreement in writing by notice to Listing Broker, if any, otherwise to Seller, within the time given for inspection, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

Option 2

1. Accept the Property with the information stated in the report(s) and agree to the RELEASE set forth in paragraph 25 of this Agreement. UNLESS the total cost to correct the conditions contained in the report(s) is more than \$ _____
2. If the total cost to correct the conditions contained in the report(s) EXCEEDS the amount specified in paragraph 8(C) (Option 2) 1, Buyer will deliver the report(s) to Listing Broker, if any, otherwise to Seller, within the time given for inspection.
 - a. Seller will, within _____ days of receiving the report(s), inform Buyer in writing of Seller's choice to:
 - 1) Make repairs before settlement so that the remaining cost to repair conditions contained in the report(s) is less than or equal to the amount specified in paragraph 8 (C) (Option 2) 1.
 - 2) Credit Buyer at settlement for the difference between the estimated cost of repairing the conditions contained in the report(s) and the amount specified in paragraph 8 (C) (Option 2) 1. This option must be acceptable to the mortgage lender, if any.
 - 3) Not make repairs and not credit Buyer at settlement for any defects in conditions contained in the report(s).
 - b. If Seller chooses to make repairs or credit Buyer at settlement as specified in paragraph 8 (C) (Option 2) 2, Buyer will accept the Property and agree to the RELEASE set forth in paragraph 25 of this Agreement.
 - c. If Seller chooses not to make repairs and not to credit Buyer at settlement, or if Seller fails to choose any option within the time given, Buyer will, within _____ days:
 - 1) Accept the Property with the information stated in the report(s) and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - 2) Terminate the Agreement in writing by notice to Listing Broker, if any, otherwise to Seller, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

9. WOOD INFESTATION CONTINGENCY (1-00)

WAIVED. Buyer understands that Buyer has the option to request that the Property be inspected for wood infestation by a certified Pest Control Operator. BUYER WAIVES THIS OPTION and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

ELECTED

(A) Within _____ days of the execution of this Agreement, Buyer, at Buyer's expense, will obtain a written "Wood-Destroying Insect Infestation Inspection Report" from a certified Pest Control Operator and will deliver it and all supporting documents and drawings provided by the Pest Control Operator to Listing Broker, if any, otherwise to Seller. The report is to be made satisfactory to and in compliance with applicable laws, mortgage and lending institutions, and/or Federal Insuring and Guaranteeing Agency requirements, if any. The inspection will include all readily visible and accessible areas of all structures on the Property except the following structures, which will not be inspected:

(B) If the inspection reveals evidence of active infestation(s), Seller agrees, at Seller's expense and before settlement, to treat for active infestation(s), in accordance with applicable laws.

(C) If the inspection reveals damage from active infestation(s) or previous infestation(s), Buyer, at Buyer's expense, has the option to obtain a written report by a professional contractor, home inspection service, or structural engineer that is limited to structural damage to the Property caused by wood-destroying organisms and a proposal to repair the damage. Buyer will deliver the structural damage report and corrective proposal to Listing Broker, if any, otherwise to Seller, within _____ days of delivering the original inspection report.

(D) Within 5 days of receiving the structural damage report and corrective proposal, Seller will advise Buyer whether Seller will repair, at Seller's expense and before settlement, any structural damage from active or previous infestation(s).

(E) If Seller chooses to repair structural damage revealed by the report, Buyer agrees to accept the Property as repaired and agrees

(F) to the RELEASE set forth in paragraph 25 of this Agreement.

(F) If Seller chooses not to repair structural damage revealed by the report or fails to respond within the time given, Buyer, within 5 days of receiving Seller's notice, will notify Seller in writing of Buyer's choice to:

1. Accept the Property with the defects revealed by the inspection, without abatement of price and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
2. Make the repairs before settlement, if required by the mortgage lender, if any, at Buyer's expense and with Seller's permission, which will not be unreasonably withheld, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement. If Seller denies Buyer permission to make the repairs, Buyer may, within 5 days of Seller's denial, terminate this Agreement. If Buyer terminates this Agreement, all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID, OR
3. Terminate this Agreement, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

10. **RESIDENTIAL LEAD-BASED PAINT HAZARD REDUCTION ACT NOTICE REQUIRED FOR PROPERTIES BUILT BEFORE 1978 (1-00)**

NOT APPLICABLE
 APPLICABLE

(A) Seller represents that: (check 1 OR 2)

1. Seller has no knowledge concerning the presence of lead-based paint and/or lead-based paint hazards in or about the Property.

2. Seller has knowledge of the presence of lead-based paint and/or lead-based paint hazards in or about the Property. (Provide the basis for determining that lead-based paint and/or hazards exist, the location(s), the condition of the painted surfaces, and other available information concerning Seller's knowledge of the presence of lead-based paint and/or lead-based paint hazards.)

(B) Records/Reports (check 1 OR 2)

1. Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in or about the Property.

2. Seller has provided Buyer with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in or about the Property. (List documents)

(C) Buyer's Acknowledgment

1. Buyer has received the pamphlet *Protect Your Family from Lead in Your Home* and has read the Lead Warning Statement contained in this Agreement (See Environmental Notices).
 Buyer's Initials _____ Date _____

2. Buyer has reviewed Seller's disclosure of known lead-based paint and/or lead-based paint hazards, as identified in paragraph 10(A) and has received the records and reports pertaining to lead-based paint and/or lead-based paint hazards identified in paragraph 10(B).
 Buyer's Initials _____ Date _____

(D) RISK ASSESSMENT/INSPECTION: Buyer acknowledges that before Buyer is obligated to buy a residential dwelling built before 1978, Buyer has a 10 day period (unless Buyer and Seller agree in writing to a different period of time) to conduct a risk assessment or inspection of the Property for the presence of lead-based paint and/or lead-based paint hazards.

WAIVED. Buyer understands that Buyer has the right to conduct a risk assessment or inspection of the Property to determine the presence of lead-based paint and/or lead-based paint hazards. BUYER WAIVES THIS RIGHT and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

ELECTED

1. Buyer, at Buyer's expense, chooses to obtain a risk assessment and/or inspection of the Property for lead-based paint and/or lead-based paint hazards. The risk assessment and/or inspection will be completed within _____ days of the execution of this Agreement (insert "10" unless Buyer and Seller agree to a different period of time).
2. Within the time set forth above for obtaining the risk assessment and/or inspection of the Property for lead-based paint and/or lead-based paint hazards, Buyer may deliver to Listing Broker, if any, otherwise to Seller, a written list of the specific hazardous conditions cited in the report and those corrections requested by Buyer, along with a copy of the risk assessment and/or inspection report.
3. Seller may, within _____ days of receiving the list and report(s), submit a written corrective proposal to Buyer. The corrective proposal will include, but not be limited to, the name of the remediation company and a completion date for corrective measures. Seller will provide certification from a risk assessor or inspector that corrective measures have been made satisfactorily on or before the completion date.
4. Upon receiving the corrective proposal, Buyer, within 5 days, will:
 - a. Accept the corrective proposal and the Property in writing, and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b. Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.
5. Should Seller fail to submit a written corrective proposal within the time set forth in paragraph 10(D)3 of this Agreement, then Buyer, within 5 days, will:
 - a. Accept the Property in writing, and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b. Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

(E) Certification By signing this Agreement, Buyer and Seller certify the accuracy of their respective statements, to the best of their knowledge.

11. **RADON CONTINGENCY (1-00)**

(A) Seller represents that: (check appropriate response(s))

1. Seller has no knowledge concerning the presence or absence of radon.

2. Seller has knowledge that the Property was tested on the dates, by the methods (e.g., charcoal canister, alpha track, etc.), and with the results of all tests indicated below:

DATE	TYPE OF TEST	RESULTS (picocuries/liter or working levels)

COPIES OF ALL AVAILABLE TEST REPORTS will be delivered to Buyer with this Agreement. SELLER DOES NOT WARRANT EITHER THE METHODS OR RESULTS OF THE TESTS.

3. Seller has knowledge that the Property underwent radon reduction measures on the date(s) and by the method(s)

WAIVED. Buyer understands that Buyer has the option to request that the Property be inspected for radon by a certified inspector (see Radon Notice). BUYER WAIVES THIS OPTION and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

ELECTED

(B) Buyer, at Buyer's expense, has the option to obtain, from a certified inspector, a radon test of the Property and will deliver a copy of the test report to Listing Broker, if any, otherwise to Seller, within _____ days of the execution of this Agreement. (See Radon Notice)

1. If the test report reveals the presence of radon below 0.02 working levels (4 picocuries/liter), Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement.
2. If the test report reveals the presence of radon at or exceeding 0.02 working levels (4 picocuries/liter), Buyer will, within _____ days of receipt of the test results:

Option 1

- a. Accept the Property in writing and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
- b. Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID. OR
- c. Submit a written, corrective proposal to Listing Broker, if any, otherwise to Seller. The corrective proposal will include, but not be limited to, the name of the certified mitigation company; provisions for payment, including retests; and completion date for corrective measures.
 - 1) Within 5 days of receiving the corrective proposal, Seller will:
 - a) Agree to the terms of the corrective proposal in writing, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b) Not agree to the terms of the corrective proposal.
 - 2) Should Seller not agree to the terms of the corrective proposal or fail to respond within the time given, Buyer will, within 5 days, elect to:
 - a) Accept the Property in writing and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b) Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

Option 2

- a. Accept the Property in writing and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
- b. Submit a written, corrective proposal to Listing Broker, if any, otherwise to Seller. The corrective proposal will include, but not be limited to, the name of the certified mitigation company; provisions for payment, including retests; and completion date for corrective measures. Seller will pay a maximum of \$ _____ toward the total cost of remediation and retests, which will be completed by settlement.
 - 1) If the total cost of remediation and retests EXCEEDS the amount specified in paragraph 11(B) (Option 2) b, Seller will, within 5 days of receipt of the cost of remediation, notify Buyer in writing of Seller's choice to:
 - (a) Pay for the total cost of remediation and retests, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - (b) Not pay for the total cost of remediation and retests.
 - 2) If Seller chooses not to pay for the total cost of remediation and retests, or if Seller fails to choose either option within the time given, Buyer will, within 5 days, notify Seller in writing of Buyer's choice to:
 - a) Pay the difference between Seller's contribution to remediation and retests and the actual cost thereof, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b) Terminate this Agreement, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

12. STATUS OF WATER (1-00)

(A) Seller represents that this property is served by:

Public Water
 On-site Water
 Community Water
 None

(B) WATER SERVICE INSPECTION CONTINGENCY

WAIVED. Buyer acknowledges that Buyer has the option to request an inspection of the water service for the Property. BUYER WAIVES THIS OPTION and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

ELECTED

1. Buyer has the option, within _____ days of the execution of this Agreement and at Buyer's expense, to deliver to Listing Broker, if any, otherwise to Seller, a written inspection report by a qualified, professional water testing company of the quality and/or quantity of the water service.
2. Seller agrees to locate and provide access to the on-site (or individual) water system, if applicable, at Seller's expense, if required by the inspection company. Seller also agrees to restore the Property prior to settlement.
3. If the report reveals that the water service does not meet the minimum standards of any applicable governmental authority and/or fails to satisfy the requirements for quality and/or quantity set by the mortgage lender, if any, then Seller will, within _____ days of receipt of the report, notify Buyer in writing of Seller's choice to:
 - a. Upgrade the water service to the minimum acceptable levels, before settlement, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b. Not upgrade the water service.
4. If Seller chooses not to upgrade the water service to minimum acceptable levels, or fails to respond within the time given, Buyer will, within _____ days, either:
 - a. Accept the Property and the water service and, if required by the mortgage lender, if any, and/or any governmental authority, upgrade the water service before settlement or within the time required by the mortgage lender, if any, and/or any governmental authority, at Buyer's expense and with Seller's permission, which will not be unreasonably withheld, and agree to the RELEASE set forth in paragraph 25 of this Agreement. If Seller

denies Buyer permission to upgrade the water service, Buyer may, within 5 days of Seller's denial, terminate this Agreement. If Buyer terminates this Agreement, all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID. C
b. Terminate this Agreement, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

13. STATUS OF SEWER (1-00)

(A) Seller represents that property is served by:

- Public Sewer
- Individual On-lot Sewage Disposal System (See Sewage Notice 1)
- Individual On-lot Sewage Disposal System in Proximity to Well (See Sewage Notice 1; see Sewage Notice 4, if applicable)
- Community Sewage Disposal System
- Ten-acre Permit Exemption (See Sewage Notice 2)
- Holding Tank (See Sewage Notice 3)
- None (See Sewage Notice 1)
- None Available/Permit Limitations in Effect (See Sewage Notice 5)

(B) INDIVIDUAL ON-LOT SEWAGE DISPOSAL INSPECTION CONTINGENCY

WAIVED. Buyer acknowledges that Buyer has the option to request an individual on-lot sewage disposal inspection of the Property. BUYER WAIVES THIS OPTION and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

ELECTED

1. Buyer has the option, within _____ days of the execution of this Agreement and at Buyer's expense, to deliver to Listing Broker, if any, otherwise to Seller, a written inspection report by a qualified, professional inspector of the individual on-lot sewage disposal system.
2. Seller agrees to locate and provide access to the individual on-lot sewage disposal system, and, if required by the inspection company, empty the septic tank, at Seller's expense. Seller also agrees to restore the Property prior to settlement.
3. If the report reveals defects that do not require expansion or replacement of the existing sewage disposal system, Seller will, within _____ days of receipt of the report, notify Buyer in writing of Seller's choice to:
 - a. Correct the defects before settlement, including retests, at Seller's expense, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b. Not correct the defects, or if Seller fails to respond within the time given, Buyer will, within _____ days, either:
 - (1) Accept the Property and the system and, if required by the mortgage lender, if any, and/or any governmental authority, correct the defects before settlement or within the time required by the mortgage lender, if any, and/or any governmental authority, at Buyer's sole expense and with Seller's permission, which will not be unreasonably withheld, and agree to the RELEASE set forth in paragraph 25 of this Agreement. If Seller denies Buyer permission to correct the defects, Buyer may, within 5 days of Seller's denial, terminate this Agreement. If Buyer terminates this Agreement, all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.
 - (2) Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.
4. If the report reveals the need to expand or replace the existing individual on-lot sewage disposal system, Seller may, within _____ days of receipt of the report, submit a corrective proposal to Selling Broker, if any, otherwise to Buyer. The corrective proposal will include, but not be limited to, the name of the remediation company; provisions for payment, including retests; and completion date for corrective measures. Within 5 days of receiving Seller's corrective proposal, or if no corrective proposal is received within the time given, Buyer will:
 - a. Agree to the terms of the corrective proposal, if any, in writing, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b. Accept the Property and the system and, if required by the mortgage lender, if any, and/or any governmental authority, correct the defects before settlement or within the time required by the mortgage lender, if any, and/or any governmental authority, at Buyer's sole expense and with Seller's permission, which will not be unreasonably withheld, and agree to the RELEASE set forth in paragraph 25 of this Agreement. If Seller denies Buyer permission to correct the defects, Buyer may, within 5 days of Seller's denial, terminate this Agreement. If Buyer terminates this Agreement, all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.
 - c. Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

14. NOTICES, ASSESSMENTS & CERTIFICATES OF OCCUPANCY (1-00)

(A) Seller represents as of Seller's execution of this Agreement, that no public improvement, condominium or homeowner association assessments have been made against the Property which remain unpaid and that no notice by any government or public authority has been served upon Seller or anyone on Seller's behalf, including notices relating to violations of zoning, housing, building, safety or fire ordinances which remain uncorrected, and that Seller knows of no condition that would constitute violation of any such ordinances which remains uncorrected, unless otherwise specified here:

(B) Seller knows of no other potential notices (including violations) and assessments except as follows:

(C) In the event any notices (including violations) and assessments are received after execution of this Agreement and before settlement, Seller will notify Buyer in writing, within 5 days of receiving the notice or assessment, that Seller will:

1. Comply with notices and assessments at Seller's expense, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR
2. NOT comply with notices and assessments at Seller's expense, in which case Buyer will notify Seller within 5 days in writing that Buyer will:
 - a. Comply with the notices and assessments at Buyer's expense and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b. Terminate this Agreement, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.
If Buyer fails to notify Seller within the time given, Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

(D) Buyer is advised that access to a public road may require issuance of a highway occupancy permit from the Department of

Transportation.

(E) If required by law, within _____ days of the execution of this Agreement, Seller will for delivery to Selling Broker, if any, otherwise to Buyer, before settlement,

1. A certification from the appropriate municipal department or departments disclosing notice of any uncorrected violation of zoning, housing, building, safety or fire ordinances, AND/OR
2. A certificate permitting occupancy of the Property. In the event repairs/improvements are required for the issuance of the certificate, Seller will, within 5 days of Seller's receipt of the requirements, notify Buyer of the requirements and whether Seller will make the required repairs/improvements at Seller's expense.

If Seller chooses not to make the required repairs/improvements, Buyer will, within 5 days, notify Seller in writing of Buyer's choice to terminate this Agreement OR make the repairs/improvements at Buyer's expense and with Seller's permission, which will not be unreasonably withheld. If Seller denies Buyer permission to make the required repairs, Buyer may, within 5 days of Seller's denial, terminate this Agreement. If Buyer terminates this Agreement, all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

15. TITLE, SURVEYS, & COSTS (1-00)

(A) The Property is to be conveyed free and clear of all liens, encumbrances, and easements, EXCEPTING HOWEVER the following: existing deed restrictions, historic preservation restrictions or ordinances, building restrictions, ordinances, easements of roads, easements visible upon the ground, easements of record, privileges or rights of public service companies, if any; otherwise the title to the above described real estate will be good and marketable and such as will be insured by a reputable Title Insurance Company at the regular rates.

(B) In the event Seller is unable to give a good and marketable title and such as will be insured by a reputable Title Company at the regular rates, as specified in paragraph 15(A), Buyer will have the option of taking such title as Seller can give without changing the price or of being repaid all monies paid by Buyer to Seller on account of purchase price and Seller will reimburse Buyer for any costs incurred by Buyer for those items specified in paragraph 15(C) and in paragraph 15(D) items (1), (2), (3); and in the latter event there will be no further liability or obligation on either of the parties hereto and this Agreement will become VOID.

(C) Any survey or surveys which may be required by the Title Insurance Company or the abstracting attorney, for the preparation of an adequate legal description of the Property (or the correction thereof), will be secured and paid for by Seller. However, any survey or surveys desired by Buyer or required by the mortgage lender will be secured and paid for by Buyer.

(D) Buyer will pay for the following: (1) The premium for mechanics lien insurance and/or title search, or fee for cancellation of same, if any; (2) The premiums for flood insurance and/or fire insurance with extended coverage, insurance binder charges or cancellation fee, if any; (3) Appraisal fees and charges paid in advance to mortgage lender, if any; (4) Buyer's customary settlement costs and accruals.

16. ZONING CLASSIFICATION (1-00)

Failure of this Agreement to contain the zoning classification (except in cases where the property (and each parcel thereof, if subdividable) is zoned solely or primarily to permit single-family dwellings) will render this Agreement voidable at the option of the Buyer, and, if voided, any deposits tendered by the Buyer will be returned to the Buyer without any requirement for court action.

Zoning Classification: None

ELECTED. Within _____ days of the execution of this Agreement, Buyer will verify that the existing use of the Property as _____ is permitted. In the event the use is not permitted, Buyer will, within the time given for verification, notify Listing Broker, if any, otherwise Seller, in writing that the existing use of the Property is not permitted and this Agreement will be VOID, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer. Buyer's failure to respond within the time given will constitute a WAIVER of this contingency and all other terms of this Agreement remain in full force and effect.

17. COAL NOTICE

NOT APPLICABLE
 APPLICABLE

THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHTS OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL SUCH COAL AND IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. (This notice is set forth in the manner provided in Section 1 of the Act of July 17, 1957, P.L. 984.) "Buyer acknowledges that he may not be obtaining the right of protection against subsidence resulting from coal mining operations, and that the property described herein may be protected from damage due to mine subsidence by a private contract with the owners of the economic interests in the coal. This acknowledgment is made for the purpose of complying with the provisions of Section 14 of the Bituminous Mine Subsidence and the Land Conservation Act of April 27, 1966." Buyer agrees to sign the deed from Seller which deed will contain the aforesaid provision.

18. POSSESSION (1-98)

(A) Possession is to be delivered by deed, keys and:

1. Physical possession to a vacant building (if any) broom-clean, free of debris at day and time of settlement, AND/OR
2. Assignment of existing lease(s), together with any security deposits and interest, at time of settlement, if Property is tenant-occupied at the execution of this Agreement or unless otherwise specified herein. Buyer will acknowledge existing lease(s) by initialing said leases(s) at time of signing of this Agreement, if Property is tenant-occupied.

(B) Seller will not enter into any new leases, written extension of existing leases, if any, or additional leases for the Property without expressed written consent of Buyer.

19. RECORDING (3-85) This Agreement will not be recorded in the Office for the Recording of Deeds or in any other office or place of public record and if Buyer causes or permits this Agreement to be recorded, Seller may elect to treat such act as a breach of this Agreement.

20. ASSIGNMENT (3-85) This Agreement will be binding upon the parties, their respective heirs, personal representatives, guardians and successors, and to the extent assignable, on the assigns of the parties hereto, it being expressly understood, however, that Buyer will not transfer or assign this Agreement without the written consent of Seller.

21. DEPOSIT & RECOVERY FUND (1-00)

(A) Deposits paid by Buyer within 30 days of settlement will be by cash, cashier's or certified check. Deposits, regardless of the form of payment and the person designated as payee, will be paid to Broker or party identified in paragraph 3(F), who will retain them in an escrow account until consummation or termination of this Agreement in conformity with all applicable laws and regulations. Any uncashed check tendered as deposit may be held pending the acceptance of this offer.

(B) In the event of a dispute over entitlement to deposit monies, a broker holding the deposit is required by the Rules and Regulations of the State Real Estate Commission (49 Pa. Code §35.327) to retain the monies in escrow until the dispute is resolved. In the event of litigation for the return of deposit monies, a broker will distribute the monies as directed by a final

order of court or the written Agreement of the parties. Buyer and Seller agree that, in the event any broker or affiliated licensee is joined in litigation for the return of deposit monies, the attorneys' fees and costs of the broker(s) and licensee(s) will be paid by the party bringing them.

(C) A Real Estate Recovery Fund exists to reimburse any persons who have obtained a final civil judgment against a Pennsylvania real estate licensee owing to fraud, misrepresentation, or deceit in a real estate transaction and who have been unable to collect the judgment after exhausting all legal and equitable remedies. For complete details about the Fund, call (717) 783-3658, or (800) 822-2113 (within Pennsylvania) and (717) 783-4854 (outside Pennsylvania).

22. **CONDOMINIUM / PLANNED COMMUNITY (HOMEOWNER ASSOCIATION) RESALE NOTICE (1-00)**

NOT APPLICABLE

APPLICABLE: CONDOMINIUM
Buyer acknowledges that the Property is a unit of a condominium that is primarily run by a unit owners' association. §3407 of the Uniform Condominium Act of Pennsylvania requires Seller to furnish Buyer with a Certificate of Resale and copies of the condominium declaration (other than plats and plans), the bylaws, and the rules and regulations of the association.

APPLICABLE: PLANNED COMMUNITY (HOMEOWNER ASSOCIATION)
Buyer acknowledges that the Property is part of a planned community as defined by the Uniform Planned Community Act. (See Definition of Planned Community Notice for the definition contained in the Act). §5407(a) of the Act requires Seller to furnish Buyer with a copy of the Declaration (other than plats and plans), the bylaws, the rules and regulations of the association, and a Certificate containing the provisions set forth in §5407(a) of the Act.

(A) Within _____ days of the execution of this Agreement, Seller will submit a request to the association for a Certificate of Resale and the documents necessary to enable Seller to comply with the Act. The Act provides that the association is required to provide these documents within 10 days of Seller's request.

(B) Under the Act, Seller is not liable to Buyer for the failure or delay of the association to provide the Certificate in a timely manner, nor is Seller liable to Buyer for any erroneous information provided by the association and included in the Certificate.

(C) Buyer may declare this Agreement VOID at any time before Buyer's receipt of the association documents and for 5 days thereafter. OR until settlement, whichever occurs first. Buyer's notice declaring the Agreement void must be in writing; thereafter all deposit monies will be returned to Buyer.

(D) In the event the association has the right to buy the Property (right of first refusal), and the association exercises that right, Seller will reimburse Buyer for all monies paid by Buyer on account of purchase price and for any costs incurred by Buyer for: (1) The premium for mechanics lien insurance and/or title search, or fee for cancellation of same, if any; (2) The premiums for flood insurance and/or fire insurance with extended coverage, insurance binder charges or cancellation fee, if any; (3) Appraisal fees and charges paid in advance to mortgage lender, if any; (4) Buyer's customary settlement costs and accruals.

23. **MAINTENANCE & RISK OF LOSS (1-00)**

(A) Seller will maintain the Property, grounds, fixtures, and any personal property specifically scheduled herein in its present condition, normal wear and tear excepted.

(B) In the event any system or appliance included in the sale of the Property fails and Seller does not repair or replace the item, Seller will promptly notify Buyer in writing of Seller's choice to:

1. Repair or replace the failed system or appliance before settlement or credit Buyer at settlement for the fair market value of the failed system or appliance (this option must be acceptable to the mortgage lender, if any). In each case, Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement. OR
2. Make no repairs or replacements, and not credit Buyer at settlement for the fair market value of the failed system or appliance, in which case Buyer will notify Seller in writing within 5 days of before settlement, whichever is sooner.
 - a. Accept the Property and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR
 - b. Terminate this Agreement, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

(C) Seller will bear risk of loss from fire or other casualties until time of settlement. In the event of damage by fire or other casualties to any property included in this sale that is not repaired or replaced prior to settlement, Buyer will have the option of rescinding this Agreement and promptly receiving all monies paid on account of purchase price or of accepting the Property in its then condition together with the proceeds of any insurance recovery obtainable by Seller. Buyer is hereby notified that Buyer may insure Buyer's equitable interest in this Property as of the time of execution of this Agreement.

24. **WAIVER OF CONTINGENCIES (1-00)**

In the event this Agreement is contingent on Buyer's right to inspect and/or repair the Property, Buyer's failure to exercise any of Buyer's options within the time limits specified in the contingency provision(s) will constitute a WAIVER of that contingency and Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement.

25. **RELEASE (1-00)** Buyer hereby releases, quit claims and forever discharges SELLER, ALL BROKERS, their LICENSEES, EMPLOYEES, and any OFFICER or PARTNER of any one of them and any other PERSON, FIRM, or CORPORATION who may be liable by or through them, from any and all claims, losses or demands, including, but not limited to, personal injuries and property damage and all of the consequences thereof, whether now known or not, which may arise from the presence of termites or other wood-boring insects, radon, lead-based paint hazards, environmental hazards, any defects in the individual on-lot sewage disposal system or deficiencies in the on-site water service system, or any defects or conditions on the Property. This release will survive settlement.

26. **REPRESENTATIONS (1-00)**

(A) Buyer understands that any representations, claims, advertising, promotional activities, brochures or plans of any kind made by Seller, Brokers, their licensees, employees, officers or partners are not a part of this Agreement, unless expressly incorporated or stated in this Agreement.

(B) It is understood that Buyer has inspected the Property before signing this Agreement (including fixtures and any personal property specifically scheduled herein), or has waived the right to do so, and has agreed to purchase it in its present condition unless otherwise stated in this Agreement. Buyer acknowledges that Brokers, their licensees, employees, officers or partners have not made an independent examination or determination of the structural soundness of the Property, the age or condition of the components, environmental conditions, the permitted uses, or of conditions existing in the locale where the Property is situated; nor have they made a mechanical inspection of any of the systems contained therein.

(C) It is further understood that this Agreement contains the whole agreement between Seller and Buyer and there are no other terms, obligations, covenants, representations, statements or conditions, oral or otherwise of any kind whatsoever concerning this sale. Furthermore, this Agreement will not be altered, amended, changed, or modified except in writing executed by the parties.

(D) The headings, captions, and line numbers in this Agreement are meant only to make it easier to find the paragraphs.

27. **TIME OF THE ESSENCE- DEFAULT (1-00)**

The said time for settlement and all other times referred to for the performance of any of the obligations of this Agreement are hereby agreed to be of the essence of this Agreement. For the purposes of this Agreement, number of days will be counted from the

(B) Furnish false or incomplete information to Seller, Listing Broker, Selling Broker, or the mortgage lender, if any, concerning Buyer's legal or financial status, or fail to cooperate in the processing of the mortgage application, which acts would result in the failure to obtain the approval of a mortgage loan commitment; OR

(C) Violate or fail to fulfill and perform any other terms or conditions of this Agreement; then in such case, Seller has the option of retaining all sums paid by Buyer, including the deposit monies, 1) on account of purchase price, or 2) as monies to be applied to Seller's damages, or 3) as liquidated damages for such breach, as Seller may elect, unless otherwise checked below.

Seller is limited to retaining sums paid by Buyer, including deposit monies, as liquidated damages. If Seller elects to retain all sums paid by Buyer, including deposit monies, as liquidated damages, Buyer and Seller will be released from further liability or obligation and this Agreement will be VOID.

28. BROKERS (1-00) The Business Relationships between the Broker(s) and Seller and Buyer are as follows, UNLESS a different relationship is checked below.

(A) The Listing Broker is Agent for Seller.

(B) The Selling Broker is Agent for Buyer.

(C) When the Listing Broker and Selling Broker are the same, the Broker is a Dual Agent. Dual Agency applies to all licensees, UNLESS there is a Designated Agent(s) for Seller and a Designated Agent(s) for Buyer. If the same Licensee is designated for Seller and Buyer, the Licensee is a Dual Agent.

A Business Relationship exists that is different from above, as follows:

The Selling Broker is the Agent/Subagent for Seller.

The Selling Broker is a Transaction Licensee.

The Listing Broker is a Transaction Licensee.

(D) Broker(s) may perform services to assist unrepresented parties in complying with the terms of this Agreement.

29. MEDIATION (7-96)

NOT AVAILABLE

WAIVED. Buyer and Seller understand that they may choose to mediate at a later date, should a dispute arise, but that there will be no obligation on the part of any party to do so.

ELECTED

(A) Buyer and Seller will try to resolve any dispute or claim that may arise from this Agreement through mediation, in accordance with the Rules and Procedures of the Home Sellers/Home Buyers Dispute Resolution System. Any agreement reached through a mediation conference and signed by the parties will be binding.

(B) Buyer and Seller acknowledge that they have received, read, and understand the Rules and Procedures of the Home Sellers/Home Buyers Dispute Resolution System. (See Mediation Notice.)

(C) This agreement to mediate disputes arising from this Agreement will survive settlement.

Buyer and Seller acknowledge that they have read and understand the notices and explanatory information set forth in this Agreement.

Buyer acknowledges receiving a copy of this Agreement at the time of signing.

NOTICE TO PARTIES: WHEN SIGNED, THIS AGREEMENT IS A BINDING CONTRACT. Return by facsimile transmission (FAX) of this Agreement, and all addenda, bearing the signatures of all parties, constitutes acceptance of this Agreement. Parties to this transaction are advised to consult an attorney before signing if they desire legal advice.

WITNESS Kinelli Guelich **BUYER** Michael D. Guelich **DATE** 9-11-01
 Michael D. Guelich
 305 Elm Avenue, Clearfield, PA 16830

WITNESS as to both **BUYER** Janelle J. Guelich **DATE** 9-11-01
 Janelle J. Guelich
 305 Elm Avenue, Clearfield, PA 16830

Email _____
 Seller hereby approves the above contract this (date) 9-11-01 and in consideration of the services rendered in procuring the Buyer, Seller agrees to pay the named Listing Broker a fee of \$1,175.00 or from the herein specified sale price. In the event the Buyer defaults hereunder, any monies paid on account will be divided 50%, Seller, 50%, Listing Broker, but in no event will the sum paid to Listing Broker be in excess of the above specified Broker's fee.

WITNESS Stephanie Demi **SELLER** Karl A. Demi **DATE** 9-11-01
 Karl A. Demi

WITNESS Stephanie Demi **SELLER** Jean A. Demi **DATE** 9-11-01
 Jean A. Demi

Email _____

Brokers'/Licensees' Certifications (check all that are applicable):

On behalf of themselves and their brokers, certify that their statements are true to the best of their knowledge and belief.

Acknowledgment: The Licensees involved in this transaction have informed Seller of Seller's obligations under The Residential Lead Paint Hazard Reduction Act, 42 U.S.C. 4852(d), and are aware of their responsibility to ensure compliance.

Regarding FHA Mortgages: The undersigned Licensees involved in this transaction, on behalf of themselves and their brokers, certify that the terms of this contract for purchase are true to the best of their knowledge and belief, and that any other agreement entered into by any of these parties in connection with this transaction is attached to this Agreement.

Regarding Mediation: The undersigned Listing Broker Selling Broker agree to submit to mediation in accordance with paragraph 29 of this Agreement.

LISTING BROKER (Company Name) Burleigh Real Estate ACCEPTED BY Donald R. Burleigh DATE 9/11/01

SELLING BROKER (Company Name) _____ ACCEPTED BY _____ DATE _____

NOTICES AND INFORMATION

INFORMATION REGARDING THE SELLER'S PROPERTY DISCLOSURE ACT

Generally speaking, the Seller's Property Disclosure Act applies to any sale, exchange, installment sales contract, lease with an option to buy, or transfer of an interest in real estate where not less than one and not more than four residential dwelling units are involved. The Act stipulates that certain disclosures have to be made and delivered in a form defined by the Act, before an agreement of sale is signed.

The Act defines nine exceptions, where the form does not have to be used.

1. Transfers that are the result of a court order.
2. Transfers to a mortgage lender that result from a buyer's default and subsequent foreclosure sales that result from default.
3. Transfers by a fiduciary during the administration of a decedent estate, guardianship, conservatorship or trust.
4. Transfers from a co-owner to one or more other co-owners.
5. Transfers made to a spouse or a direct descendant.
6. Transfers between spouses that result from divorce, legal separation, or property settlement.
7. Transfers by a corporation to its shareholders as part of a plan of liquidation.
8. Transfers by a partnership to its partners as part of a plan of liquidation.
9. Transfers of new construction that has never been occupied when:
 - a. The buyer has received a one-year written warranty covering the construction;
 - b. The building has been inspected for compliance with the applicable building code or, if none, a nationally recognized model building code; and
 - c. A certificate of occupancy or a certificate of code compliance has been issued for the dwelling.

In addition to these exceptions, the Act limits the disclosure in the cases of condominiums and cooperatives to the seller's particular unit. It does not impose disclosures regarding common areas or facilities; those elements are already addressed in the laws that govern the resales of condominiums and cooperative interests.

NOTICE TO BUYERS SEEKING FINANCING

The appraised value of the Property is used in determining the maximum amount of the loan and may be different from the purchase price and/or market value.

NOTICES AND INFORMATION ON PROPERTY CONDITION INSPECTIONS

U.S. Department of Housing and Urban Development FHA Loans:

For Your Protection: Get a Home Inspection

What the FHA Does For Buyers...and What We Don't Do
What we do: FHA helps people become homeowners by insuring mortgages for lenders. This allows lenders to offer mortgages to first-time buyers and others who may not qualify for conventional loans. Because the FHA insures the loan for the lender, the buyer pays only a very low down-payment.

What we don't do: FHA does not guarantee the value or condition of your potential new home. If you find problems with your new home after closing, we cannot give or lend you money for repairs, and we cannot buy the home back from you.

That's why it is so important for you, the buyer, to get an independent home inspection. Before you sign a contract, ask a qualified home inspector to inspect your potential new home and give you the information you need to make a wise decision.

Appraisals and Home Inspections are Different

As part of our job insuring the loan, we require that the lender conduct an FHA appraisal. An appraisal is different from a home inspection. Appraisals are for lenders; home inspections are for buyers. The lender does an appraisal for three reasons:

- To estimate the value of a house
- To make sure that the house meets FHA minimum property standards
- To make sure that the house is marketable

Appraisals are not home inspections.

Why a Buyer Needs a Home Inspection

A home inspection gives the buyer more detailed information than an appraisal - information you need to make a wise decision. In a home inspection, a qualified inspector takes an in-depth, unbiased look at your potential new home to:

- Evaluate the physical condition: structure, construction, and mechanical systems
- Identify items that need to be repaired or replaced
- Estimate the remaining useful life of the major systems, equipment, structure, and finishes

What Goes into a Home Inspection

A home inspection gives the buyer an impartial, physical evaluation of the overall condition of the home and items that need to be repaired or replaced. The inspection gives a detailed report on the condition of the structural components, exterior, roofing, plumbing, electrical, heating, insulation and ventilation, air conditioning, and interiors.

Be an Informed Buyer

It is your responsibility to be an informed buyer. Be sure that what you buy is satisfactory in every respect. You have the right to carefully examine your potential new home with a qualified home inspector. You should arrange to have a home inspection before you purchase your home. Make sure your contract states that the sale of the home depends on the inspection.

If you believe you have been subject to discrimination because of your race, color, religion, sex, handicap, familial status, or national origin, you should call the HUD Fair Housing and Equal Opportunity Complaint Hotline: (800) 669-9777.

This statement must be delivered to you at the time of initial loan application. Return one copy to your lender as proof of notification and keep one copy for your records.

PROPERTY INSPECTION NOTICES

Property Inspection: A general inspection of the Property can be performed by a professional contractor or home inspection service and may include inspections of: structural components; roof; exterior windows and exterior doors; exterior siding, fascia, gutters, and downspouts; appliances; electrical, plumbing, heating, and cooling systems; water penetration; and any other items Buyer may select. Inspections or certifications might include: Environmental Hazards (e.g., Asbestos, Ureaformaldehyde Foam Insulation, Underground Storage Tanks, etc.), Electromagnetic Fields, Wetlands Inspection, Flood Plain Verification, Property Boundary/Square Footage Verification, and any other items Buyer may select. Buyer is advised to investigate easements, deed and use restrictions (including any historic preservation restrictions or ordinances) that apply to the Property and to review local zoning ordinances.

Flood Plains: If the Property is located in a flood plain, Buyer may be required to carry additional insurance.

Property Boundary/Square Footage: Buyer is advised that Seller has not had the Property surveyed and that any fences, hedges, walls and other natural or constructed barriers may or may not represent the true boundary lines of the Property. Buyer is also advised that any numerical representations of square footage of the structure(s) and/or lot size are approximations only and may be inaccurate. Buyer is advised to engage a professional surveyor or obtain an independent measurement of the structure(s) and/or lot size if Buyer wishes to make this sale contingent on Buyer's approval of the Property's boundaries or square footage.

Water Service: Buyer may elect to have the water service inspected by a professional water testing company. In addition, on-site water service systems may have to meet certain quality and/or quantity requirements set by the municipality or the lender.

Wood-Destroying Insect Infestation: Insects whose primary source of food is wood, such as termites, wood-boring beetles, carpenter ants, carpenter bees, and certain other insects, can cause damage to the wood structure of a residence. Termite and Pest Control companies are available to make inspections to determine whether wood-destroying insects are present. Because of the way these insects function, damage to wood may be hidden. Careful selection should be made of skilled experts in the termite/pest control field to insure a proper determination of whether wood-boring insects or resultant damage is present.

ENVIRONMENTAL NOTICES

Asbestos: The heat-resistant and durable nature of asbestos makes it useful in construction and industry. The physical properties that give asbestos its resistance to heat and decay are linked with several adverse human health effects. Asbestos can easily break into microscopic fibers that can remain suspended in the air for long periods of time. When inhaled, these fibers easily penetrate body tissue. Asbestos is known to cause Asbestosis and various forms of cancer. Inquiries or requests for more information about asbestos can be directed to the United States Environmental Protection Agency, 111 18th Street N.W., Washington, D.C. 20207, and/or the Department of Health, Commonwealth of Pennsylvania, Division of Environmental Health, Harrisburg, PA 17120.

Electromagnetic Fields: Electromagnetic Fields (EMFs) occur around all electrical appliances and power lines. Conclusive evidence that EMFs pose health risks does not exist at present, and Pennsylvania has no laws regarding this issue.

Environmental Hazards: The U.S. Environmental Protection Agency has a list of hazardous substances, the use and disposal of which are restricted by law. Generally, if hazardous substances are found on a property, it is the property owner's responsibility to dispose of them properly. For more information and a list of hazardous substances, contact U.S. Environmental Protection Agency, 111 18th Street N.W., Washington, D.C. 20207, (202) 260-4700.

Ureaformaldehyde Foam Insulation (UFFI): Ureaformaldehyde Foam Insulation (UFFI) is a thermal insulation material that is manufactured at the site of installation and pumped into the space in the walls of the building being insulated. UFFI can release formaldehyde gas into the interiors of the buildings in which it is installed. Adverse health effects linked to exposure to UFFI are cancer, acute illness such as eye, nose, and throat irritation, and sensitization. Although a 1982 ban of future sales of UFFI by the U.S. Consumer Product Safety Commission was overturned in 1983 because the health risk was not established as "unreasonable," it is recommended that prospective buyers be informed if UFFI is present or has been present on the property. Tests can be conducted to determine the concentration of formaldehyde gas present in a structure, as well as to measure the presence and toxicity of UFFI. The cost of removing UFFI will vary with the design of the construction and the accessibility of the insulation. Information regarding tests and testing procedures can be obtained by writing the U.S. Consumer Product Safety Commission, Office of the Secretary, Third Floor, 5401 Westbard Avenue, Bethesda, MD 20207.

Wetlands: Wetlands are protected by both the federal and state governments. Buyer may wish to have the Property inspected for wetlands by an environmental engineer to determine if permits for plans to build, improve, or develop the property would be affected or denied because of wetlands.

Lead: (For Properties built before 1978)

Lead Warning Statement: Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Lead Hazard Disclosure Requirements: In accordance with the Residential Lead-Based Paint Hazard Reduction Act, any seller of property built before 1978 must provide the buyer with an EPA-approved lead hazards information pamphlet titled *Protect Your Family From Lead in Your Home* and must disclose to the buyer and the Broker(s) the known presence of lead-based paint and/or lead-based paint hazards in or on the property being sold, including the basis used for determining that lead-based paint and/or lead-based paint hazards exist, the location of lead-based paint and/or lead-based paint hazards, and the condition of painted surfaces. Any seller of a pre-1978 structure must also provide the buyer with any records or reports available to the seller pertaining to lead-based paint and/or lead-based paint hazards in or about the property being sold, the common areas, or other residential dwellings in multi-family housing. The Act further requires that before a buyer is obligated to purchase any housing constructed prior to 1978, the seller will give the buyer 10 days (unless buyer and seller agree in writing to another time period) to conduct a

Radon: Radon is a natural, radioactive gas that is produced in the ground by the normal decay of uranium and radium. Studies indicate that extended exposure to high levels of radon gas can increase the risk of lung cancer. Radon can find its way into any air-space, including basements and crawl spaces and can permeate a structure. The U.S. Environmental Protection Agency (EPA) advises corrective action if the annual average exposure to radon exceeds 0.02 working levels or 4 picocuries/liter. If a house has a radon problem, it usually can be cured by increased ventilation and/or by preventing radon entry. Any person who tests, mitigates, or safeguards a building for radon in Pennsylvania must be certified by the Department of Environmental Protection. Information about radon and about certified testing or mitigation firms is available through DEP, Bureau of Radiation Protection, P.O. Box 2603, Harrisburg, PA 17120, (800) 23RADON or (717) 783-3594.

SEWAGE NOTICES
NOTICES PURSUANT TO THE PENNSYLVANIA SEWAGE FACILITIES ACT

NOTICE 1: **THERE IS NO CURRENTLY EXISTING COMMUNITY SEWAGE SYSTEM AVAILABLE FOR THE SUBJECT PROPERTY.** Section 7 of the Pennsylvania Sewage Facilities Act provides that no person shall install, construct, request bid proposals for construction, alter, repair or occupy any building or structure for which an individual sewage system is to be installed, without first obtaining a permit. Buyer is advised by this notice that, before signing this Agreement, Buyer should contact the local agency charged with administering the Act to determine the procedure and requirements for obtaining a permit for an individual sewage system. The local agency charged with administering the Act will be the municipality where the Property is located or that municipality working cooperatively with others.

NOTICE 2: **THIS PROPERTY IS SERVICED BY AN INDIVIDUAL SEWAGE SYSTEM INSTALLED UNDER THE TEN-ACRE PERMIT EXEMPTION PROVISIONS OF SECTION 7 OF THE PENNSYLVANIA SEWAGE FACILITIES ACT.** (Section 7 provides that a permit may not be required before installing, constructing, awarding a contract for construction, altering, repairing or connecting to an individual sewage system where a ten-acre parcel or lot is subdivided from a parent tract after January 10, 1987). Buyer is advised that soils and site testing were not conducted and that, should the system malfunction, the owner of the Property or properties serviced by the system at the time of a malfunction may be held liable for any contamination, pollution, public health hazard or nuisance which occurs as a result.

NOTICE 3: **THIS PROPERTY IS SERVICED BY A HOLDING TANK (PERMANENT OR TEMPORARY) TO WHICH SEWAGE IS CONVEYED BY A WATER CARRYING SYSTEM AND WHICH IS DESIGNED AND CONSTRUCTED TO FACILITATE ULTIMATE DISPOSAL OF THE SEWAGE AT ANOTHER SITE.** Pursuant to the Pennsylvania Sewage Facilities Act, Seller must provide a history of the annual cost of maintaining the tank from the date of its installation or December 14, 1995, whichever is later.

NOTICE 4: **AN INDIVIDUAL SEWAGE SYSTEM HAS BEEN INSTALLED AT AN ISOLATION DISTANCE FROM A WELL THAT IS LESS THAN THE DISTANCE SPECIFIED BY REGULATION.** The regulations at 25 Pa. Code §73.13 pertaining to minimum horizontal isolation distances provide guidance. Subsection (b) of §73.13 states that the minimum horizontal isolation distance between an individual water supply or water supply system suction line and treatment tanks shall be 50 feet. Subsection (c) §73.13 states that the horizontal isolation distance between the individual water supply or water supply system suction line and the perimeter of the absorption area shall be 100 feet.

NOTICE 5: **THIS LOT IS WITHIN AN AREA IN WHICH PERMIT LIMITATIONS ARE IN EFFECT AND IS SUBJECT TO THOSE LIMITATIONS. SEWAGE FACILITIES ARE NOT AVAILABLE FOR THIS LOT AND CONSTRUCTION OF A STRUCTURE TO BE SERVED BY SEWAGE FACILITIES MAY NOT BEGIN UNTIL THE MUNICIPALITY COMPLETES A MAJOR PLANNING REQUIREMENT PURSUANT TO THE PENNSYLVANIA SEWAGE FACILITIES ACT AND REGULATIONS PROMULGATED THEREUNDER.**

DEFINITION OF A PLANNED COMMUNITY

The Uniform Planned Community Act defines "planned community" as real estate with respect to which a person, by virtue of ownership of an interest in any portion of the real estate, is or may become obligated by covenant, easement or agreement imposed on the owner's interest to pay any amount for real property taxes, insurance, maintenance, repair, improvement, management, administration or regulation of any part of the real estate other than the portion or interest owned solely by the person. The term excludes a cooperative and a condominium, but a cooperative or condominium may be part of a planned community. For the purposes of this definition, "ownership" includes holding a leasehold interest of more than 20 years, including renewal options, in real estate. The term includes non-residential campground communities.

Exemptions from the Uniform Planned Community Act- When a Certificate of Resale Is Not Required
The owner of a property located within a planned community is not required to furnish the buyer with a certificate of resale under the following circumstances:

- A. The Planned Community contains no more than 12 units, provided there is no possibility of adding real estate or subdividing units to increase the size of the planned community.
- B. The Planned Community is one in which all of the units are restricted exclusively to non-residential use, unless the declaration provides that the resale provisions are nevertheless to be followed.
- C. The Planned Community or units are located outside the Commonwealth of Pennsylvania.
- D. The transfer of the unit is a gratuitous transfer.
- E. The transfer of the unit is required by court order.
- F. The transfer of the unit is by the government or a governmental agency.
- G. The transfer of the unit is the result of foreclosure or in lieu of foreclosure.

Notices Regarding Public Offering Statements and Right to Rescission
If Seller is a Declarant of the condominium or planned community, Seller is required to furnish Buyer with a copy of the Public Offering Statement and its amendments. For condominiums, the delivery of the Public Offering Statement must be made no later than the date the buyer executes this Agreement. Buyer may cancel this Agreement within 15 days after receiving the Public Offering Statement and any amendments that materially and adversely affect Buyer. For planned communities, the Declarant must provide the Buyer with a copy of the Public Offering Statement and its amendments no later than the date the buyer executes this Agreement.

TIME IS OF THE ESSENCE

All dates and time limits set within this Agreement must be adhered to or this Agreement is void. For the purposes of this Agreement, number of days will be counted from the date of execution by excluding the day on which this Agreement was executed and by including the last day of the time period. The date of execution is the date when Buyer and Seller have indicated full acceptance of this Agreement by signing and/or initialing it.

MEDIATION**DISPUTE RESOLUTION SYSTEM RULES AND PROCEDURES**

- Agreement of Parties** The Rules and Procedures of the Dispute Resolution System (DRS) apply when the parties have agreed in writing to mediate under DRS. The written agreement can be achieved by a standard clause in an agreement of sale, an addendum to an agreement of sale, or through a separate written agreement.
- Initiation of Mediation** If a dispute exists, any party may start the mediation process by submitting a completed Request to Initiate Mediation DRS Transmittal Form (Transmittal Form) to the local Association of REALTORS® (hereafter "Administrator"). The Transmittal Form should be available through the Administrator's office. The initiating party should try to include the following information when sending the completed Transmittal Form to the Administrator:
 - A copy of the written agreement to mediate if there is one, OR a request by the initiating party to have the Administrator contact the other parties to the dispute to invite them to join the mediation process.
 - The names, addresses and telephone numbers of the parties involved in the dispute, including the name of every insurance company known to have received notice of the dispute or claim and the corresponding file or claim number.
 - A brief statement of the facts of the dispute and the damages or relief sought.
- Selection of Mediator** Within five days of receiving the completed Transmittal Form, the Administrator will send each party to the dispute a copy of the Transmittal Form and a list of qualified mediators and their fee schedules. Each party then has ten days to review the list of mediators, cross off the name of any mediator to whom the party objects, and return the list to the Administrator. The Administrator will appoint the first available mediator who is acceptable to all parties involved.

A mediator who has any financial or personal interest in the dispute or the results of the mediation cannot serve as mediator to that dispute, unless all parties are informed and give their written consent.
- Mediation Fees** Mediation fees will be divided equally among the parties and will be paid *before* the mediation conference. The parties will follow the payment terms contained in the mediator's fee schedule.
- Time and Place of Mediation Conference** Within ten days of being appointed to the dispute, the mediator will contact the parties and set the date, time and place of the mediation conference. The mediator must give at least twenty days' advance notice to all parties. The mediation conference should not be more than sixty days from the mediator's appointment to the dispute.
- Conduct of Mediation Conference** The parties attending the mediation conference will be expected to:
 - Have the authority to enter into and sign a binding settlement to the dispute.
 - Produce all information required for the mediator to understand the issues of the dispute. The information may include relevant written materials, as well as descriptions of witnesses and the content of their testimony, whether or not they will be appearing at the mediation conference. The mediator can require the parties to deliver written materials and information before the date of the mediation conference.

The mediator presiding over the conference:

- Will impartially conduct an orderly settlement negotiation.
- Will help the parties define the matters in dispute and reach a mutually agreeable solution.
- Will have no authority to render an opinion, to bind the parties to his or her decision, or to force the parties to reach a settlement.

Formal rules of evidence will not apply to the mediation conference.

- Representation by Counsel** Any party who intends to be accompanied to the mediation conference by legal counsel will notify the mediator and the other parties of the intent at least ten days before the conference.
- Confidentiality** No aspect of the mediation can be relied upon or introduced as evidence in any arbitration, judicial or other proceeding. This includes, but is not limited to, any opinions or suggestions made by any party regarding a possible settlement; any admissions made during the course of the mediation; any proposals or opinions expressed by the mediator; and any responses given by any party to opinions, suggestions, or proposals.

No privilege will be affected by disclosures made in the course of the mediation.

Transcripts or recordings of the mediation will not be allowed without the prior, written consent of all parties and the mediator.

Records, reports, and other documents received or prepared by the mediator or Administrator cannot be compelled by an arbitration, judicial, or other proceeding, with the exception of an agreement that was reached in the course of mediation and signed by all the parties.

Neither the mediator nor the Administrator can be compelled to testify in any proceeding regarding information given or representations made either in the course of the mediation or in any confidential communication.

- Mediated Settlement** When a dispute is resolved through mediation, the mediator will put the complete agreement in writing and all parties will sign the written agreement within ten days of the conclusion of the mediation conference. Every reasonable effort will be made to sign the written agreement at the end of the conference.

10. **Judicial Proceedings and Immunity** NEITHER THE ADMINISTRATOR, THE MEDIATOR, THE NATIONAL ASSOCIATION OF REALTORS®, THE PENNSYLVANIA ASSOCIATION OF REALTORS®, NOR ANY OF ITS MEMBER BOARDS, SHALL BE DEEMED NECESSARY OR DISPENSABLE PARTIES IN ANY JUDICIAL PROCEEDINGS RELATING TO MEDIATION UNDER THESE RULES AND PROCEDURES, NOR SHALL ANY OF THEM SERVING UNDER THESE PROCEDURES BE LIABLE TO ANY PARTY FOR ANY ACT, ERROR OR OMISSION IN CONNECTION WITH ANY SERVICE OR THE OPERATION OF THE HOME SELLERS/HOME BUYERS DISPUTE RESOLUTION SYSTEM.

ADDENDUM/ENDORSEMENT TO AGREEMENT OF SALE

102

PROPERTY

RR#1, Box 403, Ridge Avenue
Curwensville, PA 16833

SELLER

Karl A. Demi
Jean A. Demi

BUYER

Michael D. Guelich
Janelle J. Guelich

DATE OF AGREEMENT September 11, 2001

The contract is to be changed as follows:

3(A) The purchase price will be \$135,000.00.
6(A)1. The amount of mortgage loan will be \$128,250.00.
6(E) The Seller Assist is not applicable.
The commission to Burleigh Real Estate will be 5% (\$6,750.00).

All other terms and conditions of the said agreement shall remain unchanged and in full force and effect.

WITNESS Burleigh BUYER Michael D. Guelich DATE 10-18-01
WITNESS as to both BUYER Janelle J. Guelich DATE 10-18-01

WITNESS Burleigh SELLER Karl A. Demi DATE 10-22-01
WITNESS as to both SELLER Jean A. Demi DATE 10-22-01

Property Address:

Seller:

Karl & Jerry Dens

PL #2

A seller must disclose to a buyer all known material defects about property being sold that are not readily observable. This disclosure statement is designed to assist Seller in complying with disclosure requirements and to assist Buyer in evaluating the property being considered. This Statement discloses Seller's knowledge of the condition of the property as of the date signed by Seller and is not a substitute for any inspections or warranties that Buyer may wish to obtain. This Statement is not a warranty of any kind by Seller or a warranty or representation by any listing real estate broker, any selling real estate broker, or their licensees. Buyer is encouraged to address concerns about the conditions of the property that may not be included in this Statement. This Statement does not relieve Seller of the obligation to disclose a material defect that may not be addressed on this form. A material defect is a problem with the property or any portion of it that would have a significant adverse impact on the value of the residential real property or that involves an unreasonable risk to people on the land.

1. SELLER'S EXPERTISE Seller does not possess expertise in contracting, engineering, architecture, or other areas related to the construction and conditions of the property and its improvements, except as follows:

2. OCCUPANCY

(a) Do you Seller, currently occupy this property? Yes No

If "no," when did you last occupy the property? 12/1/2002

(b) Have there been any pets living in the house or other structures during your ownership? Yes No
If "yes," describe:

3. ROOF

(a) Date roof installed: 6/98 Documented? Yes No Unknown

(b) Has the roof been replaced or repaired during your ownership? Yes No
If "yes," were the existing shingles removed? Yes No Unknown

(c) Has the roof ever leaked during your ownership? Yes No

(d) Do you know of any problems with the roof, gutters or downspouts? Yes No
Explain any "yes" answers that you give in this section:

4. BASEMENTS AND CRAWL SPACES (Complete only if applicable)

(a) Does the property have a sump pump? Yes No Unknown

(b) Are you aware of any water leakage, accumulation, or dampness within the basement or crawl space? Yes No
If "yes," describe in detail:

(c) Do you know of any repairs or other attempts to control any water or dampness problem in the basement or crawl space? Yes No
If "yes," describe the location, extent, date, and name of the person who did the repair or control effort:

5. TERMITES/WOOD-DESTROYING INSECTS, DRYROT, PESTS

(a) Are you aware of any termites/wood-destroying insects, dryrot, or pests affecting the property? Yes No

(b) Are you aware of any damage to the property caused by termites/wood-destroying insects, dryrot, or pests? Yes No

(c) Is your property currently under contract by a licensed pest control company? Yes No

(d) Are you aware of any termite/pest control reports or treatments for the property in the last five years? Yes No
Explain any "yes" answers that you give in this section, including the name of any service/treatment provider, if applicable:

STRUCTURAL ITEMS

(a) Are you aware of any past or present water leakage in the house or other structures? Yes No

(b) Are you aware of any past or present movement, shifting, deterioration, or other problems with walls, foundations, or other structural components? Yes No

(c) Are you aware of any past or present problems with driveways, walkways, patios, or retaining walls on the property? Yes No

(d) Is your property constructed with an Exterior Insulating Finishing System (EIFS), such as dryvit or synthetic stucco?

Yes No Unknown

If "yes," describe any known problems: _____

(e) Are there any defects in flooring, including stains? Yes No Unknown

If "yes," explain: _____

Explain any "yes" answers that you give in this section. When explaining efforts to control or repair, please describe the location and extent of the problem, and the date and person by whom the work was done, if known: _____

7. ADDITIONS/REMODELS Have you made any additions, structural changes, or other alterations to the property? Yes No
If "yes," describe: _____

8. WATER AND SEWAGE

(a) What is the source of your drinking water? Public Water On-Site Water (Well on Property)
 Community Water None Other (explain): _____

(b) If your drinking water source is not public:

When was your water last tested? 3/1/98 What was the result of the test? Good

Is the pumping system in working order? Yes No

If "no," explain: _____

(c) Do you have a softener, filter, or other purification system? Yes No
If "yes," is the system Leased Owned

(d) What is the type of sewage system? Public Sewer Individual On-lot Sewage Disposal System
 Individual On-lot Sewage Disposal System in Proximity to Well Community Sewage Disposal System
 Ten-acre Permit Exemption Holding Tank None None Available Permit Limitations in Effect
 Other _____

If Individual On-lot, what type? Cesspool Drainfield Unknown Other (specify): _____

Is there a septic tank on the Property? Yes No Unknown

If "yes," what is the type of tank? Metal/steel Cement/concrete Fiberglass Unknown

Other (specify): _____

Other type of sewage system (explain): _____

(e) When was the on-site sewage disposal system last serviced? 6/15/98

(f) Is there a sewage pump? Yes No

If "yes," is it in working order? Yes No

(g) Is either the water or sewage system shared? Yes No

If "yes," explain: _____

(h) Are you aware of any leaks, backups, or other problems relating to any of the plumbing, water, and sewage-related items?

Yes No

If "yes," explain: _____

9. PLUMBING SYSTEM

(a) Type of plumbing: Copper Galvanized Lead PVC Unknown
 Other (explain): _____

(b) Are you aware of any problems with any of your plumbing fixtures (e.g., including but not limited to: kitchen, laundry, or bathroom fixtures; wet bars; hot water heater, etc.)? Yes No

If "yes," explain: _____

10. HEATING AND AIR CONDITIONING

(a) Type of air conditioning: Central Electric Central Gas Wall None
Number of window units included in sale _____ Location _____

(b) List any areas of the house that are not air conditioned: _____

(c) Type of heating: Electric Fuel Oil Natural Gas Propane (On-site)

Are there wood or coal burning stoves? Yes No If "yes," how many? 1 Are they working? Yes No
Are there any fireplaces? Yes No If "yes," how many? 1 Are they working? Yes No
Other types of heating systems (explain): _____

(d) Are there any chimneys? Yes No If "yes," how many? 1 Are they working? Yes No
When were they last cleaned? _____

(e) List any areas of the house that are not heated: _____

(f) Type of water heating: Electric Gas Solar Other _____

(g) Are you aware of any underground fuel tanks on the property? Yes No
If "yes," describe: _____

If tanks are not owned, explain: _____

(h) Are you aware of any problems with any item in this section? Yes No
If "yes," explain: _____

11. ELECTRICAL SYSTEM Are you aware of any problems or repairs needed in the electrical system? Yes No
If "yes," explain: _____

12. OTHER EQUIPMENT AND APPLIANCES INCLUDED IN SALE (Complete only if applicable)
Equipment and appliances ultimately included in the sale will be determined by negotiation and according to the terms of the Agreement of Sale.

(a) Electric Garage Door Opener (2) No. of Transmitters 5

(b) Smoke Detectors How many? 2 Location Upstairs & Downstairs

(c) Security Alarm System Owned Lensed Lense information _____

(d) Lawn Sprinkler No. _____ Automatic Timer

(e) Swimming Pool Pool Heater Spa/HotTub
Pool/Spa Equipment (list): _____

(f) Refrigerator Range Microwave Oven Dishwasher Trash Compactor Garbage Disposal

(g) Washer Dryer

(h) Intercom

(i) Ceiling Fans No. 4 Location Foyer, Living Room, Kitchen & Master Bedroom

(j) Other: _____

Are any items in this section in need of repair or replacement? Yes No Unknown
If "yes," explain: _____

13. LAND (SOILS, DRAINAGE, AND BOUNDARIES)

(a) Are you aware of any fill or expansive soil on the property? Yes No

(b) Are you aware of any sliding, settling, earth movement, upheaval, subsidence, or earth stability problems that have occurred on or affect the property? Yes No

Note to Buyer: The property may be subject to mine subsidence damage. Maps of the counties and mines where mine subsidence damage may occur and mine subsidence insurance are available through: Department of Environmental Protection, Mine Subsidence Insurance Fund, 3913 Washington Road, McMurray, PA 15317 (800) 922-1678 (within Pennsylvania) or (724) 941-7100 (outside Pennsylvania).

(c) Are you aware of any existing or proposed mining, strip-mining, or any other excavations that might affect this property? Yes No

(d) To your knowledge, is this property, or part of it, located in a flood zone or wetlands area? Yes No

(e) Do you know of any past or present drainage or flooding problems affecting the property? Yes No

(f) Do you know of any encroachments, boundary line disputes, or easements? Yes No

Note to Buyer: Most properties have easements running across them for utility services and other reasons. In many cases, the easements do not restrict the ordinary use of the property, and Seller may not be readily aware of them. Buyers may wish to determine the existence of easements and restrictions by examining the property and ordering an Abstract of Title or searching the records in the Office of the Recorder of Deeds for the county before entering into an Agreement of Sale.

(g) Are you aware of any shared or common areas (e.g., driveways, bridges, docks, walls, etc.) or maintenance agreements? Yes No
Explain any "yes" answers that you give in this section: _____

14. HAZARDOUS SUBSTANCES

(a) Are you aware of any underground tanks (other than fuel tanks) or hazardous substances present on the property (structure or soil) such as, but not limited to, asbestos, Polychlorinated biphenyls (PCBs), Urea Formaldehyde Foam Insulation (UFFI), Yes No

(b) To your knowledge, has the property been tested for any hazardous substances? Yes No

(c) Do you know of any other environmental concerns that might impact upon the property? Yes No
Explain any "yes" answers that you give in this section:

(d) Do you know of any tests for radon gas that have been performed in any buildings on the Property? Yes No
If "yes," list date, type, and results of all tests below:

DATE	TYPE OF TEST	RESULTS (picocuries/liter or working levels)	NAME OF TESTING SERVICE

(e) Are you aware of any radon removal system on the Property? Yes No

If "yes," list date installed and type of system, and whether it is in working order below:

DATE INSTALLED	TYPE OF SYSTEM	PROVIDER	WORKING ORDER
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No

(f) If Property was constructed, or if construction began, before 1978, you must disclose any knowledge of lead-based paint on the property. Are you aware of any lead-based paint or lead-based paint hazards on the property? Yes No
If "yes," explain how you know of it, where it is, and the condition of those lead-based paint surfaces:

(g) If Property was constructed, or if construction began, before 1978, you must disclose any reports or records of lead-based paint on the Property. Are you aware of any reports or records regarding lead-based paint or lead-based paint hazards on the Property? Yes No
If "yes," list all available reports and records:

15. CONDOMINIUMS AND OTHER HOMEOWNER ASSOCIATIONS (Complete only if applicable)

Type: Condominium Cooperative Homeowner Association or Planned Community Other

Notice Regarding Condominiums, Cooperatives, and Planned Communities: According to Section 3407 of the Uniform Condominium Act (68 Pa. C.S. §3407 (relating to resale of units) and 68 Pa. C.S. §4409 (relating to resale of cooperative interests)) and Section 5407 of the Uniform Planned Community Act (68 Pa. C.S. §5407 (relating to resale of units)), a buyer of a resale unit in a condominium, cooperative, or planned community must receive a copy of the declaration (other than the plats and plats), the by-laws, the rules or regulations, and a certificate of resale issued by the association in the condominium, cooperative, or planned community. The buyer will have the option of canceling the agreement with the return of all deposit monies until the certificate has been provided to the buyer and for five days thereafter or until conveyance, whichever occurs first.

16. MISCELLANEOUS

(a) Are you aware of any historic preservation restriction or ordinance or archeological designation associated with the property? Yes No

(b) Are you aware of any existing or threatened legal action affecting the property? Yes No

(c) Do you know of any violations of federal, state, or local laws or regulations relating to this property? Yes No

(d) Are you aware of any public improvement, condominium or homeowner association assessments against the property that remain unpaid or of any violations of zoning, housing, building, safety or fire ordinances that remain uncorrected? Yes No

(e) Are you aware of any judgment, encumbrance, lien (for example co-maker or equity loan), overdue payment on a support obligation, or other debt against this property that cannot be satisfied by the proceeds of this sale? Yes No

(f) Are you aware of any reason, including a defect in title, that would prevent you from giving a warranty deed or conveying title to the property? Yes No

(g) Are you aware of any material defects to the property, dwelling, or fixtures which are not disclosed elsewhere on this form? Yes No
A material defect is a problem with the property or any portion of it that would have a significant adverse impact on the value of the residential real property or that involves an unreasonable risk to people on the land.

Explain any "yes" answers that you give in this section:

The undersigned Seller represents that the information set forth in this disclosure statement is accurate and complete to the best of Seller's knowledge. Seller hereby authorizes the Listing Broker to provide this information to prospective buyers of the property and to other real estate licensees. SELLER ALONE IS RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION CONTAINED IN THIS STATEMENT. Seller shall cause Buyer to be notified in writing of any information supplied on this form which is rendered inaccurate by a change in the condition of the property following completion of this form.

WITNESS _____ SELLER Karl A Dennis DATE 7/7/01
WITNESS _____ SELLER Janice Dennis DATE 7/7/01

EXECUTOR, ADMINISTRATOR, TRUSTEE SIGNATURE BLOCK

According to the provisions of the "Real Estate Seller Disclosure Act," the undersigned executor, administrator or trustee is not required to fill out a Seller's Property Disclosure Statement. The executor, administrator or trustee, must, however, disclose any known material defect(s) of the property.

_____ DATE

RECEIPT AND ACKNOWLEDGEMENT BY BUYER

The undersigned Buyer acknowledges receipt of this Disclosure Statement. Buyer acknowledges that this Statement is not a warranty and that, unless stated otherwise in the sales contract, Buyer is purchasing this property in its present condition. It is Buyer's responsibility to satisfy himself or herself as to the condition of the property. Buyer may request that the property be inspected, at Buyer's expense and by qualified professionals, to determine the condition of the structure or its components.

WITNESS _____ BUYER _____ DATE _____

WITNESS _____ BUYER _____ DATE _____



BURLEIGH REAL ESTATE

BONNIE L. BURLEIGH, GRI
Broker/Owner
Certified Residential Appraiser

PL#3

Seller: Karl A. & Jean A. Demi

Buyer: Michael D. & Janelle J. Guelich

Property: RR#1, Box 403, Curwensville, PA 16833

FINAL PROPERTY INSPECTION AND ACCEPTANCE

10/31/01

The Buyer of the above property agrees that they have inspected said property, including but not limited to all mechanical equipment, appliances, electrical, plumbing, heating and cooling equipment, sanitary drains and/or septic systems, and pool and pool equipment (if any).

The Buyer agrees that the above are in good working order and that said property is in acceptable condition, so any contingencies in the "STANDARD AGREEMENT FOR THE SALE OF REAL ESTATE" pertaining to condition of said property are hereby satisfied and withdrawn.

Exceptions: water? cloudy reddish/brown - won't run
Clear

The Buyer of the above property has been given the opportunity to do a final inspection and has waived this right. The property is accepted in its present condition.

The Seller and their agents are hereby released from all liability and responsibility for same.


10/31/01
Buyer/Date


10/31/01
Agent for Seller/Date


10/31/01
Buyer/Date



"WATER PRO" PROBLEM WATER TREATMENT

R. R. 3, Box 202 • Philipsburg, PA 16866
Phone: 814-342-7527 • Fax: 814-342-4011

**Chlorine Removal • Iron • Sulfur • Hardness • Bacteria • Taste & Odor
Pipe Replacement & Removal**

**Customer to Furnish Electrical
Outlet Within 5 Feet
of Unit Installation**

PL #41

Install 11-8-01
10AM

Name Mike Gulick Phone No. 236-0447 Date Nov 4 2001
Address FBI Box 403 City Cov. County Clif State Fl Zip 16833
Directions 3 mile paved rd. w. - w/ pillars #403.

• WATER ANALYSIS REPORT •

Hardness	2	g.p.g.	Iron	4.2	p.p.m.
Ph.	5.8		Hyd. Sul.		p.p.m.
No. Family	51407		No. Reg.		
Iron Algae			Other	TDS 78	

Performance Guaranteed

3 yr. Wall on water bodies
1 yr. Willow Posts
90 Day See Lashes
200 ft. Treated Soft
Life Trees and material Trucks

Performance guarantee does not apply if above water characteristics change or if inadequate water supply exists.

• PURCHASE TERMS •

Description of Equipment	Model	Price
TC STR SOFT	5510	
IR FIL CRO/CR	5600	
W/UV 5ppm/ft/min.		1800.00
		2400.00
TERMS	1. Total Cash Selling Price	
No. of	2. Trade-In Allowance	
Months	3. Cash Down	
	4. Sub-total	
Monthly	5. Interest	
Payment	6. Other <u>Tax 6%</u>	144.00
Due Date		
	7. TOTAL	2544.00

NOTICE OF CANCELLATION

You may cancel this transaction, without penalty or obligation, within three business days of the above date. If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within ten business days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your residence in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's risk and expense. If you do make the goods available to the seller and the seller does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to **Water Pro., R. R. 3, Box 202, Philipsburg, PA 16866**, not later than midnight of _____.

I hereby cancel this transaction.

(Buyer's Signature)

(Date)

Witnessed:

Representative of Company



Customer Signature

BUKER'S APPROVAL

Customer Signature



OFFICE OF COURT ADMINISTRATOR
FORTY-SIXTH JUDICIAL DISTRICT OF PENNSYLVANIA

CLEARFIELD COUNTY COURTHOUSE
SUITE 228, 230 EAST MARKET STREET
CLEARFIELD, PENNSYLVANIA 16830

DAVID S. MEHOLICK
COURT ADMINISTRATOR

PHONE: (814) 765-2641
FAX: 1-814-765-7649

MARCY KELLEY
DEPUTY COURT ADMINISTRATOR

July 22, 2003

James A. Naddeo, Esquire
Attorney at Law
Post Office Box 552
Clearfield, PA 16830

R. Denning Gearhart, Esquire
Attorney at Law
215 East Locust Street
Clearfield, PA 16830

David F. Wilk, Esquire
Attorney at Law
33 West Third Street
Williamsport, PA 17701

RE: MICHAEL D. GUELICH, al
vs.
KARL A. DEMI, al
No. 02-682-CD

Dear Counsel:

The above case is scheduled for Arbitration Hearing to be held **Mondays**,
September 29, 2003 at 9:00 A.M. The following have been appointed to the Board of
Arbitrators:

Benjamin S. Blakley, Esquire
F. Cortez Bell, III, Esquire
Theron G. Noble, Esquire
Jeffrey S. DuBois, Esquire
David T. Thompson, Esquire
Paul Colavecchi, Esquire

If you wish to strike an Arbitrator, you must notify the undersigned within seven
(7) days from the date of this letter the name you wish stricken from the list.

Very truly yours,
Marcy Kelley
Marcy Kelley
Deputy Court Administrator



OFFICE OF COURT ADMINISTRATOR
FORTY-SIXTH JUDICIAL DISTRICT OF PENNSYLVANIA

CLEARFIELD COUNTY COURTHOUSE
SUITE 228, 230 EAST MARKET STREET
CLEARFIELD, PENNSYLVANIA 16830

DAVID S. MEHOLICK
COURT ADMINISTRATOR

PHONE: (814) 765-2641
FAX: 1-814-765-7649

MARCY KELLEY
DEPUTY COURT ADMINISTRATOR

August 1, 2003

James A. Naddeo, Esquire
Attorney at Law
Post Office Box 552
Clearfield, PA 16830

R. Denning Gearhart, Esquire
Attorney at Law
215 East Locust Street
Clearfield, PA 16830

David F. Wilk, Esquire
Attorney at Law
33 West Third Street
Williamsport, PA 17701

RE: MICHAEL D. GUELICH, al

vs.

KARL A. DEMI, al
No. 02-682-CD

Dear Counsel:

The above case is scheduled for Arbitration Hearing to be held Monday, September 29, 2003 at 9:00 A.M. The following have been appointed to the Board of Arbitrators:

Benjamin S. Blakley, Esquire, Chairman
F. Cortez Bell, III, Esquire
Jeffrey S. DuBois, Esquire

Pursuant to Local Rule 1306A, you must submit your Pre-Trial Statement seven (7) days prior to the scheduled Arbitration. The original should be forwarded to the Court Administrator's Office and copies to opposing counsel and each member of the Board of Arbitrators. For your convenience, a Pre-Trial (Arbitration) Memorandum Instruction Form is enclosed as well as a copy of said Local Rule of Court.

Very truly yours,
Marcy Kelley
Marcy Kelley
Deputy Court Administrator

cc: Benjamin S. Blakley, Esquire
F. Cortez Bell, III, Esquire
Jeffrey S. DuBois, Esquire