

**INSTALLMENT PURCHASE CONTRACT
TAX ACQUIRED PROPERTY**

NOTICE TO PURCHASER: THIS IS A LEGALLY BINDING CONTRACT. IF YOU DO NOT UNDERSTAND IT, SEEK LEGAL ADVICE BEFORE SIGNING IT.

This agreement is entered into by and between the Town of Freeport, a municipal corporation, located in Freeport, in the County of Cumberland, and State of Maine, hereinafter called the Town, and CHEER UP INC of 130 WARDTOWN ROAD in the County of CUMBERLAND and State of MAINE hereinafter call the Buyer.

WHEREAS, the Town of Freeport has liened certain property more particularly described below, for nonpayment of taxes assessed to the Buyer or the Buyer's predecessor in title, and

WHEREAS, the Buyer represents that he/she is the taxpayer to whom the property was taxed or successor in interest to that taxpayer, and

WHEREAS, the Buyer is desirous of redeeming the property by paying all of the back taxes, interests, and costs together with any taxes, interests, and costs accumulating which would have been assessed against the property if it had not become Town liened, and

WHEREAS, pursuant to Disposition of Tax Acquired Property Policy of the Town of Freeport, the Manager and Treasurer have authority to return tax acquired property back to the taxpayer or the taxpayers successor in interest upon satisfaction of all tax obligations including those accruing during the period of time the property with Town liened,

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. Agreement for Sale: The Town agrees to convey to the Buyer the premises described below upon full and complete satisfaction of the terms and conditions of this Agreement, and of requirements as stated in the Disposition of Tax Acquired Property Policy.

2. Property: The property subject to this Agreement is described as Lot 17-061A on Town of Freeport Tax Map # 17, LOCATED AT 130 WARDTOWN ROAD (Town Assessor's Maps for 2006 which is on file at the Municipal Tax Assessor's Office.) The property was liened for nonpayment of taxes by virtue of the following tax liens:

Record Date
July 31, 2018

Book and Page
35029/239

Lien Date
July 31, 2018

Copies of the above-referenced Municipal Tax Liens by which the Town liened title to the premises which is the subject matter of this Agreement are available.

3. Amount Due: There is currently due as of MARCH 19th, 2019 the sum of \$ 5,948.53. There are no other service fees associated with this property except for the cost of those items required to be provided by the Buyer in connection with his/her occupancy and possession of the property.

4. Interest: It is understood that interest on the outstanding amount of tax due for each tax year that has not been paid in full will be assessed in accordance with the requirements of Title 36 Maine Revised Statutes Annotated, and in accordance with the action of the Town of Freeport setting the interest rate for taxes remaining unpaid after the due date with respect to each individual tax year.

5. Payment:

- A. Initial Payment: There shall be an initial payment, contemporaneously with the execution of this Agreement, in the amount of at least \$200.00.
- B. Installment Payment: There shall be monthly installment payments in the amount of \$620 by the 30th of March, April and May to meet the obligation of the 2018 Tax Lien. There shall be monthly installment payments in the amount of \$650 for each month thereafter to meet the obligation of the 2019 Tax and until all obligations under this Contract are satisfied in full.
- C. Additional Annual Payments: Any State and Federal Income Tax Refunds received and any additional methods of payment available.
- D. Contract Duration: is nine months from date of execution and balance must be paid in full upon end of duration. Anticipated date of November, 2019.
- E. Application of Payments: Each payment shall be applied first to the oldest tax lien; first to reimburse the Town for its costs, second to pay down any interest on the lien, and third to satisfy the principal amount of the assessed tax. Once the oldest tax lien has been satisfied, then the same process will apply to the next oldest

and so forth until all obligations, including those accruing during the period of time the property was Town owned, are satisfied.

6. **Deed:** Upon completion of all obligations under this Contract by the Buyer, the Town will convey its interest in and to the premises by Municipal Quit-Claim Deed. This Deed contains no warranties or representations whatsoever by the Town of Freeport with respect to status of title, condition or any other aspect of the property and the Town makes no such representations.

7. **Retention of Title:** This Agreement does not represent any conveyance of any form of title or interest in and to the premises above-described as acquired by the Town of Freeport for nonpayment of taxes nor does it represent a mortgage on the premises. The Buyer will not obtain title to the property until all of the terms and conditions of this Agreement including full payment of all amounts due hereunder have been satisfied.

8. **Prepayment:** The Buyer reserves the right to accelerate payments and prepay any or all installments together with any other obligations due under the terms and conditions of this Agreement without penalty whatsoever.

9. **Occupancy by Buyer:** In instances where the Buyer or a party responsible to Buyer has possession and occupancy of the premises, and the Town of Freeport has not taken such occupancy, then the following provisions shall apply:

- A. **Risk of Loss/Liability:** Buyer assumes all risk of loss or damage to the property by fire or otherwise and all liability for personal injury, death, or property damage relating to Buyer's control, use or occupancy of the property. The purchase of casualty or liability insurance is Buyer's sole responsibility, and the Town will not procure or maintain such insurance for Buyer or otherwise indemnify Buyer against such loss, damage or liability.
- B. **Taxes, Assessments, Liens and Other Charges:** Buyer is responsible for paying all taxes, assessments, liens and other charges, including interest thereon, made against the property from the date of this Contract and these shall be paid in full in addition to the Total Price (see Section 5 above) before a Quit-Claim Deed is delivered to Buyer from the Town. In the event that any liens attributable to Buyer are recorded against the property during the term of this Contract, Buyer shall satisfy such liens in full before a Quit-Claim Deed is delivered to Buyer from the Town. Failure to satisfy such liens by the time that the final installment payment is due shall be considered a default.

- C. **Insurance:** The Buyer shall see that the property is fully insured for liability and casualty in an amount which is at least twice the amount due under the terms of this Contract and shall list on any insurance policy the Town of Freeport as additional insured.
- D. **Condition:** In addition, at Buyer's expense, the property shall be maintained in good and serviceable condition and no waste shall be permitted with respect to the property or any structures located thereon. This shall include maintenance of all systems.
- E. **Improvements:** The Buyer shall be allowed to make improvements to the property at his/her own expense. Any structural or outside improvements shall require the prior written consent of the Town.

10. **Default and Right to Cure:** Buyer shall be in default of this Contract if Buyer is more than fifteen (15) days late in making any payment. The Town shall notify Buyer in writing of any default; such notice shall be by certified mail, return receipt requested. If said notice is refused or undeliverable, it shall be sent by ordinary mail. Notice is deemed given on the date Buyer signs the certified mail receipt, or in the case of ordinary mail, when the notice was sent. Buyer may cure such default by paying all overdue payments within thirty (30) days after notice is given. If the default is not cured within thirty (30) days after notice is given, the Town may declare this Contract terminated and may retain all payments made, and Buyer shall have no claim to any refund, credit, allowance or otherwise against the Town. Within seven (7) days of declaring the Contract terminated, the Town shall give notice to Buyer by ordinary mail of such termination. These provisions are intended to conform with the requirements of 14 M.R.S.A. Section 6111 and to the extent that they are contradictory, the provisions of Section 6111 shall control.

11. **Encumbrances:** The Town is aware of no encumbrances against the property except: _____

12. **Memorandum of Agreement; Recording:** The parties shall execute contemporaneous with this Contract a Memorandum of Agreement which is in conformity with the requirements of 33 M.R.S.A. Section 482, for purposes of recording in the Cumberland County Registry of Deeds. The Memorandum shall be recorded by the Town of Freeport and the costs of recording shall be paid by the Buyer, said sum to be provided contemporaneous with the execution of this Contract.

13. **Town's Mortgage:** In the unlikely event that the Town of Freeport would acquire a Mortgage regarding this property, and the Town defaults on payments on such Mortgage, then the Buyer shall have the right to pay that Mortgage and receive

credit against any payments due under this Contract for payments made on such Mortgage.

14. **Notices:** Any and all notices required under the terms of this Contract shall be sent to the Town of Freeport in care of the following mailing address:

Town of Freeport
Town Manager's Office
30 Main Street
Freeport, Maine 04032

Any notices required hereunder to be sent to the Buyer shall be sent to the following mailing address: **130 WARDTOWN ROAD
FREEPORT, ME 04032**

In the event that Buyer's mailing address specified above changes during the term of this Contract, Buyer shall within fifteen (15) days of such change notify the Town in writing of Buyer's new mailing address. If Buyer fails to notify the Town of such change, notice given by the Town to the Buyer at the above address shall be considered sufficient and legal.

15. **Waiver:** The failure or waiver, or successive failures or waivers, on the part of either party to this Agreement, and the enforcement of any conditions, covenants, sections or provisions of this Agreement, shall not render the same invalid or impair the right of either party, or their successors, to enforce the same in the event of any subsequent breach thereof.



16. **Separability:** If any provision of this Agreement or portion thereof, or the application thereof, to any particular person or circumstance, is held to be invalid by a court of competent jurisdiction, the remainder of the Agreement including the remainder of any such provision, and the application thereof, shall not be adversely affected thereby.

17. **Bankruptcy:** If at any time during the pendency of this Agreement, Buyer shall voluntarily file a Petition in Bankruptcy, or shall be adjudicated a bankrupt through involuntary proceedings, or through voluntary petition or answer for the reorganization under bankruptcy laws, or shall take advantage of any insolvency acts by voluntary petition or assignment for the benefit of creditors, then and in such event, the Town, may at its option, declare this Agreement terminated and of no further force or effect, with due notice to the Buyer of such election by the Town within fifteen (15) days after the happening of said event.

18. **Construction:** This Agreement and its performance shall be construed and governed in accordance with the laws of the State of Maine.

19. Succession: This Agreement, together with its various provisions, shall be binding on the successors of the parties thereto.

Dated:

TOWN OF FREEPORT

 By: Peter Joseph
 Its: Town Manager

 By: Jessica Maloy
 Its: Treasurer

Signature of Buyer:

By placing my signature below, I agree to be legally bound to the foregoing terms and conditions and I also hereby acknowledge receipt of a copy of this Installment Purchase Contract and also of copies of the Tax Liens evidencing the title of the Town of Freeport.


 Buyer

STATE OF MAINE
CUMBERLAND, SS.

3-19, 2019

Personally appeared the above named Peter E. Joseph, Town Manager, and Jessica L. Maloy, Town Treasurer, and acknowledged the above instrument to be their free act and deed in their said capacities and the free act and deed of said municipality.

Before me,


 Notary Public/Attorney At Law

STATE OF MAINE
CUMBERLAND, SS.

March 19 2019

Personally appeared the above named Ryan Doherty, Buyer, and acknowledged the above instrument to be his/her free act and deed.

Before me,


 Notary Public/Attorney At Law



Preferences

Account Information

Period: 017-061-00A-000
 Location: 130 WARDTOWN ROAD
 Name: CHEER UP INC

Notes/Alerts

Special Conditions Notes

FALL 2018

Special conditions exist for one or more account bills.

Effective Date
 Due 09/19/2019

ACCOUNT S's

Year Type	NSC	Reference	Due Date	Interest Date	Bal	Am/Ad	Prn/Ord	Unpaid	Interest Paid	Int
2018 RE-R	27	1 130 WARDTOWN R	07/31/2018	07/31/2018	1,972.98	0.00	0.00	1,972.98	0.00	0.00
2019 RE-R		1 130 WARDTOWN R...	09/24/2018	11/16/2018	3,837.75	0.00	0.00	3,837.75	0.00	0.00
Totals:					5,810.73	0.00	0.00	5,810.73	0.00	0.00

\$5,810.73
 Interest

\$ 200, then

\$3,800

\$ 650 / mo