

**AGREEMENT OF SALE AND ESCROW**

THIS AGREEMENT dated the \_\_\_\_\_ day of May, 2022, by and between Jean Sokolowski, hereinafter referred to as the "Wife,"

A  
N  
D

Henry Sokolowski, hereinafter referred to as the "Husband,"

A  
N  
D

Stephen Sokolowski, hereinafter referred to as the "Agent"

**WITNESSETH:**

WHEREAS, Husband and Wife are currently involved in divorce litigation in the Court of Common Pleas of Montgomery County, Pennsylvania, at Civil Action Docket No. 2020-18118; and,

WHEREAS, Husband and Wife intend this Agreement to be binding in said divorce litigation; and,

WHEREAS, the parties wish to enter into an agreement for the sale of the property located at 2010 Butternut Drive Huntingdon Valley, Pennsylvania 19006 with all net proceeds being put into escrow to be distributed as Marital Property; and

WHEREAS, Husband and Wife are desirous of eliminating maintenance expenses and risk of loss related to said property; and,

WHEREAS, Husband and Wife are the parents of Agent, Stephen Sokolowski and alternate agent, Christopher Sokolowski; and,

WHEREAS, Agent is desirous of helping his parents to a mutually desirable

resolution by liquidating the largest remaining asset of Husband and Wife; and,

WHEREAS, all parties fully understand all the terms, conditions and provisions of this Agreement and believe it to be fair, just, adequate and reasonable, and, accordingly, both all parties freely and voluntarily accept such terms, conditions and provisions; and

NOW, THEREFORE, with the foregoing recitals being hereinafter incorporated by reference and deemed an essential part hereof, and intending to be legally bound hereby, and for other good and sufficient consideration, the receipt whereof is hereby acknowledged, the parties being separately advised and represented by counsel, mutually agree as follows:

A. TRANSFER TO AGENT

1. Husband and Wife agree to transfer ownership of the property located at 2010 Butternut Drive Huntingdon Valley, Pennsylvania 19006 (hereinafter the "Property") to Agent pursuant to a quit-claim deed in the form attached hereto as Exhibit "A." Said transfer shall be contemporaneous with the execution of this Agreement. With the exception of the restrictions enumerated herein, Agent shall own the Property in fee simple. Agent shall record the deed and pay for any costs or fees of same.

2. Ownership of any items of personalty that remain at the Property after the Property is vacated by Husband, will be transferred to Agent. These items will be used as staging to sell the property and then said items shall be sold. Value of the items will be decided by unanimous vote of Husband and Wife. If a vote is tied, Agent will be the tiebreaker as to value of the items. Funds from the sale of these items will be deposited along with sale proceeds in the account mentioned in section C.2. of this Agreement.

3. Agent will pay all outstanding liens, property taxes and overdue balances

against the Property. Agent will obtain a loan of around \$200,000 to effectuate this paragraph. Said loan will be with a loan-to-value ratio of 50% and stocks will be used as the collateral.

#### B. SALE OF PROPERTY

1. Agent will fund and manage maintenance, repairs, insurance and sale of the Property.
2. Agent will consult with a realtor of his choosing (the "Realtor") and make all repairs to the Property as recommended by Realtor.
3. Agent will immediately begin the process of bidding repair jobs to multiple reputable contractors. Agent will always make the most prudent decision regarding repairs, maintenance and sale, with cost being the most important factor.
4. Agent will utilize Realtor as the realtor for the Property and will list the Property for Sale.
5. Agent will direct the Realtor to lower the price as appropriate to accelerate the sale process.
6. Agent will bring any offers on the Property to Husband and Wife. Agent will act according to unanimous vote by Husband and Wife regarding offers. If a vote is tied as to whether or not to accept an offer, Agent will be the tiebreaking vote.

#### C. AFTER SALE

1. At the closing of sale for the Property, Agent will be paid any expenses, debts, or time that he has paid or advanced relating to the Property. This includes:
  - a. the loan balance used to pay liens, judgements or other liability and overdue bills;

- b. Interest at federal funds rate plus 5% compounded on a 360 day basis on said loan balance for lost opportunity cost;
- c. fees and costs for any repairs, maintenance, or sale including realtor fees and taxes;
- d. any lost collateral relating to the loan;
- e. utilities, insurance and prorated property taxes;
- f. 20 % of gross revenue of sale of any items left at the Property; and
- g. \$2,000 for time and travel.

2. The remainder of the net proceeds from the sale of the Property will be deposited by Agent at institutional lender Genesis Capital as an escrow for Husband and Wife. The account will earn the prevailing interest rate at Genesis Capital which the parties understand to currently be at or around 9.5%. Said interest will remain invested or be re-invested in the same account. Said funds will remain until a court order or executed agreement by Husband and Wife directs how the funds should be distributed. At all times during which funds are held by Genesis Capital, or other financial institution, Agent will provide statements of said accounts to Husband and Wife by the 5<sup>th</sup> of every month. Notwithstanding the above, neither Husband nor Wife shall have the authority to unilaterally withdraw funds without a court order.

3. In the event that Genesis Capital terminates services, the funds will be placed in a standard savings account subject to the same restrictions and duties as in Paragraph C.2.

#### D. DUTIES OF THE PARTIES

1. Husband shall endeavor in good faith to find a new living arrangement prior to May 23, 2022. Husband shall sign a **lease** in the form attached hereto as Exhibit “B,”

leasing the Property from Agent until May 23, 2022. Husband shall file a “change of address” form with the U.S. Postal Service by May 23, 2022.

2. If Husband has not vacated the Property by May 23, 2022, he shall pay a fine of \$50 per day to Agent and \$50 per day to Wife for every day that he is still residing at the Property.

3. If Husband vacates the Property by May 23, 2022, Wife will withdraw her motion to compel sale of the house. If Husband has not vacated the Property by May 23, 2022, Wife shall be entitled to utilize said hearing as an argument to compel Husband to vacate the Property.

4. If Agent passes away or is otherwise unable to perform this Agreement, Christopher Sokolowski, child of Husband and Wife, will be responsible for all duties of Agent.

#### E. BANKRUPTCY

In the event that either party hereafter obtains a discharge in bankruptcy whereby debts that are herein assumed by the party would then become the sole liability of the non-discharged party, or where one party would be discharged from his or her obligation to the non-discharged party under any provision regarding equitable distribution of marital property, then this Agreement may be modified by a court of competent jurisdiction in order to affect a net distribution of assets and assumption of liabilities as intended by this Agreement.

A Federal Bankruptcy Court Discharge may be controlling on this issue; therefore, it is necessary for the non-debtor spouse with notice of bankruptcy proceedings to intervene

in the bankruptcy case in order to protect interests established by the terms of this Agreement.

F. MODIFICATION OR WAIVER

A modification or waiver of any of the provisions of this Agreement shall be effective only if made in writing and executed with the same formality as this Agreement. This Agreement shall remain in full force and effect unless and until terminated under and pursuant to the terms of this Agreement. The failure of any party to insist upon strict performance of any of the provisions of this Agreement shall in no way affect the right of the party hereafter to enforce same, nor shall the waiver of any default or breach of any provision hereof be construed as a waiver of any subsequent default or breach of the same or similar nature, nor shall it be construed as a waiver of strict performance of any other obligations herein.

G. BREACH

If any party defaults in the due performance of any of the terms, conditions and covenants of this Agreement on his or her part to be performed, any non-defaulting party shall have the right to sue for specific performance or damages for the breach of this Agreement, and the defaulting party shall pay the reasonable legal fees for any services rendered by the non-defaulting party's attorney as well as any other attendant expenses in any action or proceeding to compel the defaulting party's due performance hereunder.

It is the specific agreement and intent of the parties that the breaching or wrongdoing party shall bear the obligation of any and all costs, expenses (including expert witness fees and travel costs, if applicable) and counsel fees incurred by the other party in protecting and enforcing his or her rights under this Agreement, including payment of all costs, expenses, and counsel fees incurred by the non-breaching party to recover said fees and costs for which

the breaching party has become liable under the terms of this paragraph.

H. SEVERABILITY

If any term, condition, clause or provision of this Agreement shall be determined to be void or invalid at law, or for any other reason, then only that term, condition, clause or provision shall be stricken from this Agreement as is held to be void or invalid; and in all other respects, this Agreement shall remain in full force and effect.

I. AGREEMENT TO BE INCORPORATED IN DIVORCE CASE

The parties agree that the terms of this Agreement shall be incorporated, into an Order by the Court of Common Pleas of Montgomery County to Docket 2020-18118. The parties further agree that the Court of Common Pleas of Montgomery County shall retain continuing jurisdiction over the parties and the subject matter of this Agreement for the purpose of enforcement of any of the provisions thereof. It is the intent of the parties hereto that this Agreement shall create contractual rights and obligations entirely independent of the Court Order and this Agreement may be enforced by contract remedies in addition to any other remedies which may be available pursuant to the terms of this Agreement or otherwise under law or equity or the Divorce Code.

J. MUTUAL COOPERATION

Each party shall, at the request of any other party, promptly execute any and all documents, which may require their signature for the purpose of effectuating all of the terms and conditions of this Agreement so as to give full force and effect to this Agreement.

K. AGREEMENT BINDING ON HEIRS

It is understood and agreed that the heirs, executors, administrators and assigns of the parties hereto shall be bound by all of the terms, conditions and clauses of this Agreement.

L. CONTRACT INTERPRETATION

For purposes of contract interpretation and for purposes of resolving any ambiguity herein, the parties agree that this Agreement was prepared jointly.

M. LAWS OF PENNSYLVANIA

All matters affecting the interpretation of this Agreement and the rights of the parties shall be governed by the laws of the Commonwealth of Pennsylvania.

N. ADDRESSES OF PARTIES

As long as obligations remain to be performed pursuant to the provisions of this Agreement, each party shall have the affirmative obligation to keep the other informed of his or her residence address and shall promptly notify the other in writing of any change or address by giving the address of the new residence.

O. DESCRIPTIVE HEADINGS

The descriptive headings used herein are used for convenience only. They shall have no effect whatsoever in determining the rights or obligations of the parties.



IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby,  
have hereunto set their hands and seals to this Agreement the day and year first above written.

Witnesses:

\_\_\_\_\_ (SEAL)  
Jean Sokolowski, "Wife"

\_\_\_\_\_ (SEAL)  
Henry Sokolowski, "Husband"

\_\_\_\_\_ (SEAL)  
Steve Sokolowski, "Agent"

\_\_\_\_\_ (SEAL)  
Christopher Sokolowski, Alternate Agent