TERMS AND CONDITIONS OF SALE

1. These Terms and Conditions of Sale are being promulgated in connection with the court authorized public auction sale (tthe "Auction Sale") of a 50% interest in the real property located at 123 Meadow Lane, New Rochelle, New York, subject to all mortgages, liens and encumbrances of record, and tenancies or rights of occupancy, as it presently exists (the "Property"), to the extent such interest in property is owned by the bankruptcy estate of Maria G. Colasuonno and Phillip Colasuonno, Case number 09-23330-RDD (the "Debtors"). The seller of the Property is Marianne T. O'Toole, solely in her capacity as the Chapter 7 Trustee (the "Trustee") of the Debtor's Bankruptcy estate. The sale is required to be authorized by the United States Bankruptcy Court for the Southern District of New York where the Debtor's Bankruptcy case is pending.

2. The Auction Sale for the Property shall be held on December 5, 2012 at 9:45 a.m. (the "Sale Date") at The Honorable Charles L. Brieant Jr. Federal Building and Courthouse, 300 Quarropas Street, White Plains, New York 10601-4140.

3. The Trustee, through her auctioneer, has received and accepted an offer in the amount of $100,000.00, subject to higher or better offers tendered at the Auction Sale with the next minimum bid being $125,000.00.

4. In order to be permitted to bid on the Property, prior to the commencement of the auction, all prospective bidders must deliver to David R. Maltz & Co., Inc., a bank check, in the amount of $10,000.00 (the "Deposit"), payable to "Marianne T. O'Toole, as Chapter 7 Trustee of Maria and Phillip Colasuonno, Debtors and a completed, executed copy of this Terms and Conditions of Sale.

5. The successful bidder shall be the bidder with the highest bid at auction (the "Successful Bidder"), and must pay the balance of the purchase price for the Property (that is the difference between the successful bid and the Deposit) to the Trustee by certified check, bank check, federal funds or wire transfer at the closing of title to the Property (the "Closing"). The Successful Bidder must close title to the Property on or before 12:00 noon on the 15th day after the Order of the United States Bankruptcy Court for the Southern District of New York approving the sale, at the office of the Trustee, 22 Valley Road, Katonah, New York 10536. All bidders are hereby notified that **Time is of the Essence in connection with the Closing Date. The Successful Bidder's failure to pay the balance of the purchase price on the Closing Date will result in the forfeiture of the Deposit and the termination of the Successful Bidder's right to acquire the Property under these Terms of Sale.** Any extension of time to close shall be in writing and at the sole discretion of the Trustee, and the Trustee reserves the right to decline any request for such extension regardless of circumstance or justification. Any New York State or Westchester County Real Estate Transfer Taxes shall be paid at closing by the Successful Bidder. The Successful Bidder shall be obligated to close title to the Property and there is no contingency of any kind or nature that will permit the Successful Bidder to cancel or void these terms of sale other than the Trustee's inability to deliver title to the interest in the property, as defined hereinabove, by Trustee's quitclaim deed.

6. The property will be conveyed subject to all mortgages, liens and encumbrances, and as is and where is, with no representations or warranties of any sort by the Trustee or her agents. Potential bidders are encouraged to arrange for a search of the county records prior to bidding.

7. In the event that the Successful Bidder for the Property fails to tender the payment of the balance of the purchase price on the Closing Date, time being of the essence, or otherwise perform its obligation under these terms of sale, the Trustee, at her sole option, shall be authorized to sell the Property to the second highest bidder(s) ("Second Bidder(s)") without any further notice or approval of the Bankruptcy Court, without giving credit for the Deposit forfeited by the Successful Bidder, and upon such other terms

and conditions as the Trustee deems appropriate. Should the Second Bidder fail to close on the Property, within the time frame outlines above, time being of the essence, the Trustee shall be authorized to sell the property to the next highest bidder without any further notice or approval of the Bankruptcy Court.

8. The Property is being sold "as is", "where is", without any representations, covenants, guarantees or warranties of any kind or nature whatsoever, subject to any mortgages, liens, claims or encumbrances of whatever kind or nature, and is subject to among other things (a) any state of facts that an accurate survey may show; (b) any covenants, restrictions and easements of record; (c) any state of facts a physical inspection may show; (d) any building or zoning ordinances, environmental laws or regulations, or any other applicable federal, state, or municipal regulations and violations thereof. By delivering the Deposit to the Trustee, all bidders acknowledge that they have had the opportunity to drive by the Property and the form of the Deed that the Trustee will execute to convey the Property and will rely solely thereon and on their own independent investigation and inspection of the Property in making their bid. Neither the Trustee nor any of her representatives make any representations or warranties with respect to permissible uses of the Property, including, but not limited to the zoning of the property. All bidders acknowledge that they have conducted their own due diligence in connection with the Property, and are not relying on any information provided by the Trustee or her professionals.

9. The Trustee shall convey the Property by delivery of a Trustee's Quitclaim Deed.

10. Neither the Trustee, Trustee's counsel, the auctioneer, nor the estate of the Debtor are liable or responsible for the payment of fees of any broker that has not been approved, upon the Trustee's consent or direct request, by Order of the Bankruptcy Court for the Southern District of New York prior to the delivery of any Deposit.

11. Nothing contained in these Terms and Conditions of Sale is intended to supersede or alter any provisions of the Title 11 of the United States Code (the "Bankruptcy Code") or otherwise interfere with or limit the jurisdiction of the Bankruptcy Court. All of the Terms and Conditions set forth in these terms of sale are subject to modification as may be directed by the Trustee or by the Court. The Trustee reserves the right, in her sole discretion, to decline any bid and to refuse to consummate the sale, and/or to modify the terms and conditions of sale at the auction or thereafter to maintain consistency with the provisions of the Bankruptcy Code and/or prior orders of the Court.

12. These Terms and Conditions of Sale will be read into the record, or specifically incorporated by reference, at the auction of the Property. By making a bid for the Property, all bidders will be deemed to have acknowledged having read these Terms and Conditions of Sale and having agreed to be bound by them.

13. If the Trustee is unable to deliver title to the Property in accordance with these terms of sale for any reason whatsoever, her only obligation will be to refund the Deposit, <u>without</u> interest, and the purchaser will have no recourse against the Trustee, Trustee's counsel or any Broker or Auctioneer retained by Order of the Court.

14. The Trustee reserves her right to withdraw the Property from auction or from sale, either prior, or subsequent to the auction, for any reason whatsoever, as he deems necessary or appropriate.

15. The sale of the Property is subject to confirmation by the Trustee. The Trustee shall notify the successful bidder in writing as to whether the sale is confirmed.

16. The Property shall **not** be delivered vacant at the closing.

17. Any disputes concerning the auction and the sale of the Property shall be determined by the United States Bankruptcy Court for the Southern District of New York, which shall have exclusive jurisdiction with respect thereto. By participating in the auction, all bidders consent to, and submit themselves to the jurisdiction of the Bankruptcy Court for the Southern District of New York to determine such disputes to final order and judgment.

18. Pursuant to Bankruptcy Rule 6004-1 no appraiser, auctioneer or officer, director, stockholder, agent, employee or insider of any appraiser of auctioneer, or relative of any of the foregoing, shall purchase, directly or indirectly, or have a financial interest in the purchase of, any property of the estate that the appraiser or auctioneer has been employed to appraise or sell.

I have received and read a copy of these Terms and Conditions of Sale and agree to be bound by them.

X____ Buyer # ____________

MEMORANDUM OF SALE

The undersigned has this 5th day of December, 2012, agreed to purchase a 50% interest in the real property located at 123 Meadow Lane, New Rochelle, New York, subject to all mortgages, liens and encumbrances of record, and tenancies or rights of occupancy, as it presently exists (the "Property"), from Marianne T. O'Toole, Esq. solely in her capacity as Chapter 7 Trustee of the estate of Maria G. Colasuonno and Phillip Colasuonno, Case number 09-23330-RDD for the sum of $____________________ DOLLARS, subject to higher or better bids, and hereby promise and agree to comply with the terms and conditions of the sale of said property, as set forth in the annexed Terms of Sale.

____________________	____________________
PURCHASER (Signature)	PURCHASER (Signature)
____________________	____________________
PRINT NAME OF PURCHASER	PRINT NAME OF PURCHASER
____________________	____________________
ADDRESS	ADDRESS
____________________	____________________
TELEPHONE NUMBER	TELEPHONE NUMBER
____________________	____________________
FAX NUMBER	FAX NUMBER

Received from ____________________ the sum of $10,000.00 DOLLARS, as a non-refundable deposit for the purchase of the Property pursuant to the Terms of Sale.

Marianne T. O'Toole, Chapter 7 Trustee
22 Valley Road
Katonah, New York 10536
(914)-232-1511

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DAVID R. MALTZ, AUCTIONEER DCA #762794

RICHARD B. MALTZ, AUCTIONEER DCA # 1240836

ATTORNEY INFORMATION

NAME ____________________

ADDRESS____________________

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PHONE ____________________ FAX ____________________