

CONDOMINIUM OFFER TO PURCHASE CONTRACT

This Offer to Purchase Contract dated _____, by and between _____, whose address is _____ (hereinafter referred to as "Purchaser"), and East Main Venture, LLC, a Kentucky limited liability company, and North Broadway Venture, LLC, a Kentucky limited liability company, which have a mailing address of 3470 Blazer Parkway, The Atrium, Lexington, Fayette County, Kentucky 40509 (hereinafter referred to collectively as "Seller").

1. **IDENTIFICATION OF PROPERTY:** The property which is the subject matter of this Offer to Purchase Contract, hereinafter Contract, is located in Fayette County, Kentucky, and is described as follows (hereinafter Property):

300 East Main Street, Condominium Unit No. _____, of the East Main Office Condominiums, consisting of _____ gross square feet, plus the on-site parking spaces as set forth in the Master Deed, as amended.

2. **PURCHASE PRICE AND EARNEST MONEY:** Purchaser offers and agrees to pay the sum of \$_____ as the full purchase price of the Property. An earnest money deposit of \$_____ shall be paid upon acceptance hereof and shall be deposited with _____ to be applied to the purchase price at closing. This deposit shall be refunded to Purchaser if title to the Property is unmarketable, or if any contingencies contained in this Contract are unsatisfied at the time of the closing. The balance of the purchase price shall be paid in full at closing.

The parties acknowledge that in accordance with K.R.S. 324.111(4), the earnest money deposit shall not be removed from the broker's escrow account except upon (a) performance of this Contract by all Parties, (b) written agreement of the Parties, or (c) an order from a court of competent jurisdiction.

3. **CONDOMINIUM REGIME.** The property being sold is a unit in the East Main Office Condominiums, a condominium project subject to the MASTER DEED dated the 31st day of January, 2005, and as filed with the Clerk's office of the Fayette County Court Clerk in DB 2256, page 264 and CDB 56, page 668. Said MASTER DEED contains Exhibit "A", the LEGAL DESCRIPTION OF THE LAND PARCELS and Exhibit "B", the BYLAWS OF THE EAST MAIN OFFICE COUNCIL OF CO-OWNERS, INC. and reference to Condo Plat Cabinet G, Slide 670.

4. **CLOSING, POSSESSION AND CLOSING COSTS:** The closing of the Property shall be held at such time and place as the Parties may agree. The closing date shall be on or before _____. All property taxes, condominium assessments, rents or any other charges affecting the Property shall be prorated as of the date of closing. Possession of the Property, in its "as is" condition and subject to any existing leasehold rights, shall be given to Purchaser at the time of closing. Purchaser shall pay the costs of any title policies, title opinions, and recording fees. Seller shall pay for deed transfer tax and deed preparation. Unless otherwise agreed, each party shall be responsible for its own attorney's fees and such other closing costs as are customarily paid by a Purchaser and Seller in the area.

5. **TITLE AND TITLE DEFECTS:** At closing, an unencumbered marketable title to the Property shall be conveyed to Purchaser by deed of general warranty with the usual covenants such as any national title company will insure, free and clear of all liens and encumbrances, and subject to all restrictions, easements and agreements of record affecting the Property. Purchaser shall have a title examination not later than 14 days prior to the scheduled closing date. Should the title be defective, Seller shall have 15 days, after receipt of notice from Purchaser of such defect(s), within which to remedy same at the cost of Seller. If said defects cannot be resolved to the satisfaction of Purchaser within said time frame, this Contract shall be voidable at the option of Purchaser, as its sole remedy. Should this Contract be voided, both parties shall sign a mutual release to refund all earnest money to Purchaser.

6. **DEFAULT.** In the event of a default by Purchaser, Seller may accept the earnest money deposit as full settlement for any damages, with both parties signing a release to that effect, or Seller may pursue available legal remedies. If Seller defaults, then Purchaser shall be entitled to a refund of the earnest money deposit and shall be entitled to pursue any legal remedy, including the right to specific performance.

7. **ZONING.** Seller represents, that based on maps and zoning authorities, the Property is currently zoned B-2B.

8. **ENVIRONMENTAL.** Purchaser shall have the right to conduct a hazardous waste and environmental study, at Purchaser's expense. If any violations are revealed and are not corrected, this Contract shall be voidable at the option of the Purchaser. Should this Contract be voided, both Parties shall sign a mutual release to refund all earnest money to the Purchaser.

9. **UTILITIES.** Seller represents that all utilities consistent with the present use of Property, including electricity, water, and sewer, are available to the Property site. If Purchaser intends to change the use of the Property from the present use, then it is Purchaser's responsibility to provide the utilities needed for the intended use of the Property.

10. **NOTICES.** All notices, elections, requests, demands, or other communications herein mentioned shall be made to the address shown in this Contract, shall be made in writing, and shall be delivered by (1) United States mail, certified with return receipt requested; (2) personal delivery; or (3) a nationally recognized overnight delivery service. Notice shall be deemed to have been effective on the date of actual receipt, except that if delivery is attempted and refused, then notice shall be deemed to be effective on the third day after delivery is attempted, whether or not actually received.

11. **REAL ESTATE COMMISSION.** Seller agrees to pay to _____ at the time of closing a real estate commission equal to 3.0% of the total purchase price of the Property. The Parties hereby warrant and represent that neither of them have contracted with other agents, brokers, or otherwise taken any action which would give rise to a claim by another broker or agent for a commission, and that there are not other brokers or agents involved in this transaction, and that no additional commissions are due any such brokers or agents not specifically mentioned herein.

12. **RISK OF LOSS.** Subject to the provisions of Section 4, the risk of loss from whatever cause with respect to the Property shall remain with the Seller (and the condominium association as appropriate) prior to closing, except that Purchaser shall be responsible for any loss that results from action taken by the Purchaser, or Purchaser's authorized agent or representative. In the event the Property is damaged so that it cannot be conveyed in substantially the same condition as it was at the time of acceptance of this Contract, this contract is voidable at the option of Purchaser. Should this contract be voided, both Parties shall sign mutual release to refund all earnest money to Purchaser.

13. **PEST INSPECTIONS.** Prior to closing the Purchaser may obtain, at Purchaser's cost, an inspection certificate from a duly licensed pest control organization stating that any structure on the Property is free from wood destroying organisms. If evidence of wood destroying organisms is found, the Seller and Purchaser shall negotiate payment for treatment and/or repair. In the event they cannot agree, this Contract is voidable by either party. Should this Contract be voided, both Parties shall sign a mutual release to refund all earnest money to Purchaser.

14. **INSPECTION PERIODS – ACCESS TO PROPERTY.** Purchaser, and its authorized agents, shall have the right to conduct an inspection of the premises to determine the condition of the premises, and to determine that said premises meet the intended use of the Purchaser, which inspection shall be made at any time with reasonable notice to Seller, but not later than 15 days prior to the closing. Purchaser shall bear all costs of such inspections, and all tests required by such inspections. Seller may be present for the inspections and/or tests. If any repairs or maintenance defects are found, Purchaser shall notify Seller within 3 days of discovery of said defect. If, however, Seller does not agree that repairs are needed, or if Seller and Purchaser cannot agree on the payment for repairs, this Contract is voidable at the option of Purchaser. Should this Contract be voided, both Parties shall sign a mutual release to refund all earnest money to Purchaser.

Purchaser, or its assigns, shall have the right, after execution of this Contract, to enter the Property at reasonable times for the purpose of making any inspections which are permitted by this Contract, provided that purchaser shall indemnify and hold Seller harmless from any and all losses or damages caused by Purchaser, Purchaser's employees or agents, and provided that all such inspections shall be completed not later than 15 days prior to closing. Purchaser shall have the right to reinspect the Property within 48 hours prior to closing for the sole and exclusive purpose of confirming that the Property is in substantially the same condition, except for normal wear and tear, as of the date of this Contract.

15. MAINTENANCE OF PROPERTY. Seller agrees to maintain the Property and grounds, its systems, appliances and equipment in normal operating condition and in good repair at all times prior to closing. The Seller warrants that Seller has no knowledge of any existing defects which would impair the fitness of the Property for an office. Other than maintaining the property in its present condition, Seller shall have no further obligation to make additional repairs unless agreed in writing.

16. CONTRACT CONTINGENCIES. This Contract is contingent upon the following conditions being met to the satisfaction of the Purchaser prior to closing, or with any time limit as may be particularly set forth herein. If any of the contingencies are not satisfied, this Contract shall become null and void and the earnest money shall be returned to the Purchaser, with both Parties signing a mutual release.

A. Financing: Purchaser to obtain a loan in the amount of \$_____ at an interest rate not to exceed _____% per annum, to be amortized over a period of _____ years, having a maturity of _____ years, with monthly payments of approximately \$_____ for principal and interest. Purchaser agrees to proceed with due diligence to obtain said financing, and agrees to provide Seller with a copy of a bona fide loan commitment, or other proof that said loan has been approved, within 45 days of the acceptance hereof, or this Contract is voidable at the option of the Seller.

B. Miscellaneous Contingencies or Conditions. In addition to the foregoing contingencies, this Contract shall be subject to the following additional contingencies or conditions: _____

_____.

17. TAX DEFERRED EXCHANGE. In the event either party desires to make this transaction part of a tax-deferred exchange, then both Parties agree to cooperate, including the execution of additional documents, in effecting such exchange; provided that, the exchanging party shall be responsible for all additional costs associated with such exchange, and provided that the other party shall not be required to assume or incur any additional liability as a result of such exchange.

18. MISCELLANEOUS PROVISIONS. The following miscellaneous provisions shall apply:

A. Entire Contract. This Contract contains the entire agreement of the Parties. The Parties acknowledge that there are not other contracts, oral or written, and that this Contract may not be amended except in writing signed by all Parties.

B. Binding on Parties. This Contract shall inure to the benefit of and shall be binding upon the respective, heirs, successors and assigns of the Parties hereto. Purchaser may assign Purchaser's interest under this Contract.

C. Applicable Law. This Contract shall be construed under the laws of the state of the Commonwealth of Kentucky.

D. Grammatical Number and Gender. Whenever the context requires or permits, the singular shall include the plural and the plural shall include the singular. The masculine, feminine, and neuter genders shall be freely interchangeable.

19. **NOTICE TO PARTIES.** All notices required by the Contract shall be made to the following Parties:

To Seller:

East Main Venture, LLC
North Broadway Venture, LLC
c/o Harman Property Management Services, Inc.
3470 Blazer Parkway, The Atrium
Lexington, KY 40509-1810

To Purchaser:

20. **ACCEPTANCE.** This Offer to Purchase must be accepted on or before _____, 2005 at _____.

THIS IS A LEGAL AND BINDING DOCUMENT AND THE EXECUTION HEREOF MAY RESULT IN LEGAL CONSEQUENCES THAT COULD BE ENFORCEABLE IN A COURT OF LAW. BOTH PARTIES ACKNOWLEDGE THAT BY EXECUTING THIS DOCUMENT THEY HAVE HAD SUFFICIENT OPPORTUNITY TO CONSULT WITH THEIR RESPECTIVE ATTORNEYS REGARDING THIS CONTRACT AND UNDERSTAND THE LEGAL IMPLICATIONS OF EXECUTION HEREOF.

PURCHASER:

SELLER:

EAST MAIN VENTURE, LLC
NORTH BROADWAY VENTURE, LLC
BY: HARMAN PROPERTY MANAGEMENT SERVICES, INC., Managing Member

By: _____
William R. Harman, Its President

Date & Time: _____

Date & Time: _____