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CONFIDENTIAL

Lexington-Fayette Urban County Government

Attn: Kevin Atkins
200 E. Main St.
Lexington, KY

Re: Offer to Purchase – Coldstream Research Park – Lots 23 & 31 – 19.61 ac

Dear Kevin:

This letter of intent ("**LOI**") states the basic terms and conditions for the negotiation of a mutually acceptable Purchase and Sale Contract ("**Agreement**") for the Property.

- Seller:** Lexington-Fayette Urban County Government
- Purchaser:** SFG Properties, LLC, a Georgia limited liability company (together with its successors and assigns)
- Property:** An approximately 19.61 acres consisting of 1776 McGrathiana Parkway and 1501 McGrathiana Parkway in the City of Lexington, Fayette County, Kentucky (Exhibit A).
- The Property will include the land, mineral rights, buildings, fixtures, and improvements, an assignment of leases which Purchaser elects to assume, service and other contracts affecting the Property which Purchaser elects to assume, personal property owned by Seller located on and exclusively used in connection with the operation of the Property and all intangibles (including names, permits, warranties, licenses, and entitlements related to the Property).
- Purchase Price:** Approximately \$4,412,250.00, calculated as \$225,000.00 multiplied times the total gross acreage of the land as set forth in the Agreement. Final Purchase Price shall be determined by actual acreage surveyed for transfer in title.
- Terms:** Cash at Closing
- Earnest Money:** Within seven (7) business days following the effective date of the Agreement, Purchaser will deposit the amount of \$100,000.00 with Chicago Title Insurance Company (the "Title Company") at 701 5th Avenue, Suite 2700, Seattle, 98104. Funds shall then be released from the Title Company to the Department of Finance of the Lexington-Fayette Urban County Government within three (3) business days, who shall hold said funds in a separate and restricted fund pending Closing. The Earnest Money will be non-interest-bearing, refundable prior to the expiration of the Contingency Period and as otherwise provided in the Agreement, and applicable to the Purchase Price at Closing.

Title Insurance: Seller shall reasonably cooperate with Purchaser's efforts to secure, at its expense, the current ALTA Form Owner's Policy of Title Insurance. Title Insurance by Chicago Title.

Survey: Purchaser, at purchaser's sole cost and expense, will have prepared a current ALTA survey of the Property.

Due Diligence Documents: Seller will deliver to Purchaser copies of all documents pertaining to the occupancy, development, ownership, or operation of the Property, including site plans, surveys, drawings, title, tax, zoning, operating expense, and environmental documents.

Contingency Period: Purchaser will have a One Hundred Twenty (120) day period commencing on the effective date of the Agreement (the "**Contingency Period**") to inspect all aspects of the Property and to determine in Purchaser's sole discretion whether the Property is suitable. At any time prior to the expiration of the Contingency Period, Purchaser may, in its sole discretion, terminate the Agreement for any reason and receive back the Earnest Money. The Agreement will automatically terminate unless Purchaser delivers written notice to Seller that Purchaser has satisfied or waived the contingency on or prior to expiration of the Contingency Period, in which event the Earnest Money, together with interest thereon, will be refunded to Purchaser.

Early Access: Purchaser will have the right to access the Property prior to the Contingency Period under an Early Access Agreement provide by Seller for purposes of environmental diligence, Phase 1 and Phase 2 testing, planning and measuring, and any other activities to facilitate Purchaser's intended use(s) of and operations at the Property. Purchaser, its vendors, or any representative of purchaser conducting such diligence shall provide Seller with COI naming Seller as certificate holder and additional insured for that period of time or other assurance accepted by Seller in its reasonable discretion (for example an Early Access Agreement).

Contingency Period Extension(s): Purchaser may extend the Contingency Period for up to two (2) additional forty-five (45) day periods by delivering written notice to Seller and depositing with the Title Company an extension fee of \$50,000 for each such extension, prior to the expiration of the Contingency Period then in effect. The extension fee(s) will be non-refundable to Purchaser, except in the event of Seller default, but applicable to the Purchase Price at Closing.

In addition to other customary closing conditions, Purchaser's obligation to Close is conditioned upon receipt of all approvals necessary for development of the site for their intended warehouse and distribution use provided such approvals have been applied for prior to expiration of the initial due diligence period.

Closing: The Closing will take place on or before the fifteenth (15th) day following the later of i) expiration of the Contingency Period, as such may be extended; and ii) receipt of all necessary approvals for the development of the Property for Purchaser's use.

The Seller will deliver to Purchaser at Closing a Statutory Warranty Deed conveying to Purchaser fee simple title to the Property free and clear of



all matters affecting title except for the permitted exceptions approved by Purchaser pursuant to the Agreement.

Costs: Closing costs will be apportioned between Purchaser and Seller in a manner consistent with market convention, to be described in the Agreement. Each party will pay its own attorneys' fees.

Assignment: Purchaser may freely assign PSA or the Agreement without Seller's consent, provided the end use is compliant with any codes and/or covenants governing the Park.

Acknowledgement of Assemblage: Seller acknowledges that this transaction is part of an assemblage with 1525 McGrathiana Parkway, Lexington, KY ("Assembled Parcels"). Closing is conditioned upon the concurrent Closing of the Assembled Parcels and in no event will Purchaser be required to close on Property and Assembled Parcels independently.

Brokerage Commission: Should either party engage outside brokerage for this transaction, any fees and/or commissions due to said broker for the transaction will be the sole responsibility of the contracting party.

Exclusivity: For a period of thirty (30) days following the date of this LOI and during the term of the Agreement (if executed), Seller will not negotiate, or enter into, any agreement pertaining to the sale, exchange, lease or transfer of all or any portion of the Property to any person or entity other than Purchaser (unless Purchaser expressly consents thereto), and will not enter into or extend any service or other agreements relating to the Property that cannot be terminated at Closing.

Authority: Seller has all requisite power and authority to enter into this LOI and perform its obligations pursuant to the Agreement (if executed). No consent, approval, order or authorization of any third party on the part of Seller is required in connection with this LOI.

Agreement Form: Purchaser shall prepare an Agreement consistent with the terms of this LOI using Purchaser's standard form for review by Seller. The parties agree that a mutually acceptable Agreement must be fully negotiated and executed on or before August 31, 2025. If the Agreement is not executed by such date, this LOI shall automatically terminate and be of no further force or effect, and neither party shall have any further obligation to the other with respect to the proposed transaction; *provided, however,* that if Purchaser is diligently and in good faith negotiating the Agreement as of August 31, 2025, then Seller shall grant Buyer a one-time extension of thirty (30) days to finalize and execute the Agreement.

Limiting Conditions: This LOI is intended to support negotiation of a mutually satisfactory Agreement. Except for Seller's obligations for Exclusivity and Confidentiality stated above, this LOI is not legally binding upon the parties, and no liability or obligation of any kind is intended to be created in this LOI. The Agreement (or any other agreements between the parties) will not be binding and in effect unless duly executed and delivered by both Purchaser and Seller (in their respective sole discretion). Neither Purchaser nor Broker will have any liability for any expenses Seller incurs in anticipation of the Agreement or in replying to this LOI.



The offer represented by this LOI will expire if not accepted on or before July 1, 2025.

If this LOI meets with your approval, please indicate Seller's acceptance of the same by signing below, and return one executed copy to us.

If you have any questions, please feel free to contact me. Thank you for your consideration.

Sincerely,

SFG Properties, LLC,
a Georgia limited liability company

By: 

Name: Neal Moskowitz

Title: Vice President

AGREED AND ACCEPTED:

Seller: Lexington-Fayette Urban County Government

By: 
Name: Linda Gorton
Title: Mayor
Date: 6-17-2025



Exhibit A:

