

July 5, 2019

Kevin Atkins  
Chief Development Officer  
City of Lexington, KY  
200 E Main Street  
Lexington, KY 40507

**Letter of Intent**

Dear Mr. Atkins:

Pursuant to our recent discussions, this letter of intent is to outline our proposal as the basic terms under which we will purchase three acres located on the southern corner of area 25 as identified on the CRV Survey Plat L-750 of the Coldstream Research Campus, and as depicted on the attached exhibit A in the Coldstream Research Campus.

1. On the terms and subject to the conditions set forth below, A Great American Brand Real Estate, LLC or its nominee ("Buyer") will acquire the subject Property for a purchase price of \$585,000.00 (the "Purchase Price").
2. The undersigned represent that the Property is owned by the Lexington-Fayette Urban County Government ("LFUCG"), Kentucky via Special Warranty Deed and it has the full right to enter into a contract of sale of the Property and to fully carry out the terms thereof subject to the terms of said deed and any restrictions or covenants therein.
3. Buyer shall pay a down payment of \$58,500.00 upon execution of the Agreement defined below which shall be nonrefundable should the Buyer default under the Agreement. Buyer shall pay the balance of the Purchase Price by a cashier's check or wire transfer of immediately available funds at closing.
4. All the parties shall enter into a definitive agreement (the "Agreement") that is satisfactory to our respective counsel regarding the transactions contemplated by this letter of intent. The Agreement will incorporate the substance of this letter and contain such other customary and reasonable terms and provisions as we and our counsel shall agree to, including without limitation, evidence of good title to the Property by title insurance and acceptable survey as to the real estate involved in this transaction for the Buyer's intended use as an office building ("Intended Use"). The Agreement shall contain mutually agreeable covenants, opinions, and representations as to the condition of the soil and sub surface of

the Property satisfactory to the Buyer and sufficient for the Buyer's Intended Use, access to the Property, utility service sufficient for Buyer's Intended Use available at the boundaries of the Property, satisfactory environmental condition of the Property, satisfactory zoning of the Property for Buyer's Intended Use, there being no covenants, or, restrictions applicable to Property which would interfere with the Buyer's Intended Use and such other covenants and representations as may be agreed to by the parties.

5. The Agreement, among other things, shall provide the following:
  - a. Subject to applicable ordinances and approval processes, which approval shall not be unreasonably withheld, the Buyer shall be granted the right to install a monument sign and the right to affix signage to the building identifying the property as the corporate offices of A&W Restaurants, Inc.; and
  - b. Buyer shall be permitted to adhere to the P-2 University Research Campus Ordinance allowing for one parking space for every 400 square feet of usable building space for the total parking required for the subject lot.
  - c. If, after completion of site analysis, Buyer determines that the site work or any other site feature required to construct the building for the Intended Use is so extensive as to require expenditures above the reasonably expected costs of such site work, Buyer may terminate the Agreement and all deposits shall be refunded.
6. Buyer shall have 180 days from the date of execution of the Agreement to perform due diligence investigation on the property and submit and receive any required governmental approvals for the construction of the Intended Use. To facilitate such closing, LFUCG shall deliver to Buyer within five (5) days of parties execution of the Agreement, copies of the following to the extent in LFUCG's possession: (i) Property title insurance policies, surveys, covenants, conditions and restrictions applicable to the Property, (ii) geological reports, borings reports and soil sample reports as to the Property, (iii) environmental reports concerning the Property, and (iv) any other studies, or agreements (other than matters of record) that are applicable to the Property.
7. Buyer will commence its due diligence investigation promptly and complete same with all deliberate speed. Further, Buyer agrees that any instruments, documents, reports, agreements, studies and records that the LFUCG makes available to Buyer for their review are confidential and private, and that Buyer will not disclose same to any third party other than their counsel, accountants, and architectural consultants.
8. The transaction shall close reasonably promptly after the execution of the Agreement and after Buyer has performed such inspections, reviewed such instruments, documents and records related to the Property, and obtained a commitment for title insurance as to any real estate as Buyer may deem reasonably necessary, but in no event later than January 15, 2020, unless all parties agree to a later date.

9. From the date of execution of this letter to the date of closing, LFUCG will continue to operate the Property in the usual and ordinary course, and will refrain from any significant changes unless it discussed same with Buyer first.
10. Pending execution and delivery of the Agreement, LFUCG will not solicit proposals for the purchase of the subject Property from any other party and that it will, instead, negotiate in good faith with the Buyer for the purchase of same.
11. Each party shall pay their own attorneys' fees and expenses related to this transaction.

Except for Paragraphs 6 through 11 above, which shall be binding on the parties, this letter of intent is not binding upon the parties, but represents their current good faith intention to negotiate and execute a definitive written agreement for the purchase and sale of the Property under the terms and conditions stated herein. Since the proposal incorporates the execution and delivery of the Agreement satisfactory to our respective counsel as a condition to its enforceability, nothing in this letter of intent will preclude the insertion of other mutually satisfactory provisions in the Agreement.

If you agree in principle with this proposal, please sign the enclosed copy of this letter of intent and return to us by July 17, 2019. After receipt of the executed copy of this Letter of Intent, we will then instruct our counsel to prepare the Agreement for our mutual review. Notwithstanding anything to the contrary herein, either one of us may withdraw from this proposal at any time.

Sincerely,



Kevin M. Bazner

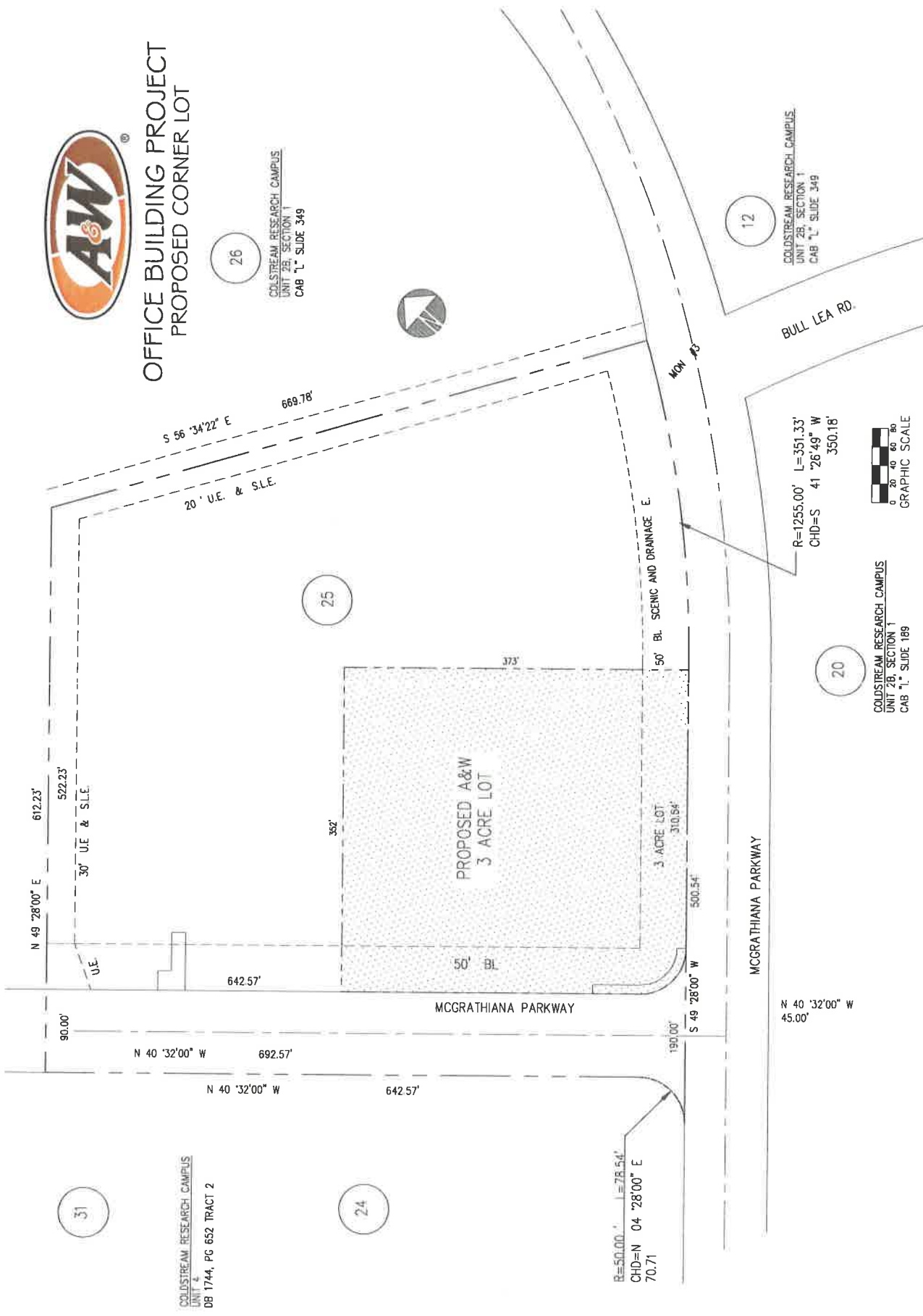
CEO, A&W Restaurants, Inc.

Manager, A Great American Brand Real Estate, LLC

Linda Gorton  
Mayor - Lexington  
07-09-2019



# OFFICE BUILDING PROJECT PROPOSED CORNER LOT



COLDSTREAM RESEARCH CAMPUS  
UNIT 2B, SECTION 1  
DB 1744, PG 652 TRACT 2

COLDSTREAM RESEARCH CAMPUS  
UNIT 2B, SECTION 1  
CAB "L" SLIDE 349

COLDSTREAM RESEARCH CAMPUS  
UNIT 2B, SECTION 1  
CAB "L" SLIDE 189

COLDSTREAM RESEARCH CAMPUS  
UNIT 2B, SECTION 1  
CAB "L" SLIDE 349

31

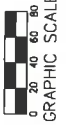
24

25

26

12

20



GRAPHIC SCALE

612.23'

N 49° 28' 00" E

30' U.E. & S.L.E.

U.E.

90.00'

N 40° 32' 00" W

N 40° 32' 00" W

S 56° 34' 22" E

20' U.E. & S.L.E.

642.57'

350'

MCGRATHIANA PARKWAY

PROPOSED A&W  
3 ACRE LOT

50' BL

R=50.00' L=78.54'  
CHD=N 04° 28' 00" E  
70.71

190.00'

S 49° 28' 00" W

50' BL SCENIC AND DRAINAGE E

3 ACRE LOT

500.54'

MON #3

MCGRATHIANA PARKWAY

N 40° 32' 00" W  
45.00'

R=1255.00' L=351.33'  
CHD=S 41° 26' 49" W  
350.18'

BULL LEA RD.