

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (the "Agreement") is made and entered into on this ___ day of _____, 2026, by and between **LEXINGTON FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government and political subdivision of the Commonwealth of Kentucky pursuant to KRS 67A (hereinafter referred to as "Lexington"), whose mailing address is 200 East Main Street, Lexington, Kentucky 40507, and **COMMONWEALTH OF KENTUCKY, by and through the UNIVERSITY OF KENTUCKY**, 107 Main Building, Lexington, Kentucky 40506 (hereinafter referred to as the "University") (collectively the "Parties").

WHEREAS, the Parties entered into a Memorandum of Understanding (attached hereto as **Exhibit A**) (hereinafter referred to as the "MOU") in which the University agreed to convey the Coldstream Property to Lexington in exchange for the conveyance by Lexington to the University of certain streets and roadways. Said MOU also provides that one-half of any proceeds from the sale or use of the Coldstream Property shall be conveyed to the University; and

WHEREAS, the Parties consummated said MOU, in part, by executing the Special Warranty Deed dated January 3, 2019 and recorded in Deed Book 3639 Page 293 (hereinafter referred to as the "Deed") (attached hereto as **Exhibit B**); and

WHEREAS, the Deed includes a vendor's lien to secure the obligation to pay the University one-half of any proceeds from the sale or use of the Coldstream Property; and

WHEREAS, the Deed also includes a restrictive covenant including purchase price requirements; and

WHEREAS, Lexington desires to use 1785 McGrathiana Parkway - Lot 25C – 4.1696 acres (hereinafter referred to as the "Property"), as further described on the plat attached hereto as **Exhibit C**, for a police training academy; and

WHEREAS, in lieu of a formal sale of the Property and in order to satisfy the requirements mentioned above, Lexington wishes to provide the University with one-half the fair market value of the Property in return for release of the vendor's lien and restrictive covenants.

WITNESSETH

NOW, THEREFORE, in consideration of the foregoing and mutually agreed upon promises, conditions, and covenants hereinafter set forth, the receipt and sufficiency of which are acknowledged, the parties hereby agree as follows:

1. The above recitals are incorporated herein as if fully stated.

2. Property Use. Lexington shall be entitled to use the Property for a police training academy, to which University has no objection.
3. Payment. At a closing date determined between the Parties, Lexington shall pay University a total amount not to exceed Four Hundred Thirty-Seven Thousand and Eight Hundred Fifty Dollars and Zero Cents (\$437,850.00) as compensation for Lexington's use of the Property.
 - a. The Parties agree this payment shall satisfy the requirements set forth in the MOU and within the Vendor's Lien.
 - b. The Parties agree this payment represents half of the fair market value of the Property. University agrees that this payment satisfies the requirement set forth in the MOU and within the Restrictive Covenant.
 - c. The Parties agree that the University shall not be entitled to any proceeds of any future sale or transfer of the Property, should Lexington sell or transfer the Property at any time in the future.
4. Release of Vendor's Lien and Restrictive Covenant. At a closing date determined between the Parties, the University shall release the Vendor's Lien and Restrictive Covenant from the Property. The University shall pay for recording of any documents necessary to facilitate said release.
5. University and Lexington each binds itself and its partners, successors, executors, administrators, assigns and legal representatives of such other party, in respect to all covenants, agreements, and obligations of the Agreement.
6. Contractual Relationship Only. In no event shall the Parties be construed, held, or become in any way or for any purpose the employee of the other party, or partners, associates or joint ventures in the conduct of their respective endeavors or otherwise. The Parties agree that neither is an agent, servant, or employee of the other and each party agrees that it is responsible for its individual acts and deeds as well as the acts and deeds of its contractors, employees, representatives, and agents.
7. No Assignment. University may not assign any of its rights and duties under this Agreement without the prior written consent of Lexington.
8. No Third-Party Rights. This Agreement does not create a contractual relationship with or right of action in favor of a third party against either University or Lexington.

9. Kentucky Law And Venue. This Agreement shall be governed in all respects by the laws of the Commonwealth of Kentucky and venue for all actions shall lie in the Circuit Court of Fayette County, Kentucky.
10. Amendments. By mutual agreement, the Parties to this Agreement may, from time to time, make written changes to any provision hereof. Organization acknowledges that Lexington may make such changes only upon approval of its legislative authority, the Lexington-Fayette Urban County Council, and the signature of the Mayor or their designee.
11. Waiver. The waiver by either party of any breach of any provision of this Agreement shall not constitute a continuing waiver or waiver of any subsequent breach by either party of either the same or another provision.
12. Notice. Any written notice required by the Agreement shall be delivered by certified mail, return receipt requested, to the following:

If to University:

Eric N. Monday, Executive Vice President
For Finance and Administration, and
Melody Flowers, Executive Director
For Strategic Analysis and Policy
107 Main Building
Lexington, Kentucky 40506

With copy to:

General Counsel
301 Main Building
Lexington, Kentucky 40506

If to Lexington:

Chris Ford
Commissioner, Department of General Services
Government Center
200 East Main Street
Lexington, Kentucky 40507

With copy to:

Commissioner of Law

Department of Law
Government Center
200 East Main Street
Lexington, KY 40507

13. Entire Agreement. This Agreement shall constitute the entire agreement between the Parties and no representations, inducements, promises or agreements, oral or otherwise, which are not incorporated by reference herein shall be effective for any purpose. This Agreement shall replace any previous agreement between the Parties on the same subject matter.

IN WITNESS WHEREOF, the Parties hereto have executed this Memorandum of Understanding on the date first above written.

Lexington-Fayette Urban
County Government

By: _____
Linda Gorton, Mayor

Attest: _____
Council Clerk

University of Kentucky

By: _____
Eric N. Monday
Executive Vice President
Finance and Administration