

PURCHASE AND SALE AGREEMENT
AND
ESCROW INSTRUCTIONS

between

The ARIZONA BOARD OF REGENTS,
a body corporate,
for and on behalf of
THE UNIVERSITY OF ARIZONA

“Seller”

and

CITY OF DOUGLAS, a municipal corporation

“Purchaser”

**PURCHASE AND SALE AGREEMENT
AND
ESCROW INSTRUCTIONS**

DATE: [INSERT]

SELLER: The ARIZONA BOARD OF REGENTS, a body corporate,
for and on behalf of the UNIVERSITY OF ARIZONA

Address:
Planning, Design & Construction-Real Estate
University of Arizona
PO Box 210300
Tucson, AZ 85721
Attn: Director, Real Estate
Telephone: (520) 621-3775

PURCHASER: CITY OF DOUGLAS, a municipal corporation

Address:
City Manager
425 10th Street
Douglas, AZ 85607

ESCROW AGENT: FIDELITY NATIONAL TITLE AGENCY

Address:
1 S. Church Avenue, Suite 1410
Tucson, AZ 85701
Attn: Bobby Raymond
Telephone: (520) 475-5370

PROPERTY: The real property legally described on **Exhibit "A"**, together with all the rights, easements, and appurtenances pertaining thereto, including, without limitation, any right, title and interest of Seller in and to adjacent streets, alleys, or rights of way (the "**Land**"); all buildings and improvements located on or appurtenant to the Land, including but not limited to the following buildings: Veterinary Clinic/Kennel approximately 5,736 sq.ft. (the "**Clinic**"), and the Warehouse Building approximately 2,363 sq.ft. (the "**Warehouse**"), (collectively, the "**Improvements**"); all HVAC units, fans, furniture, fixtures, carpets, machinery, equipment, supplies, utility taps and other personal property located at and used in connection with the operation, management or maintenance of the Land or the

Improvements and owned by Seller (the “**Personal Property**”); and all intangible personal property used in the operation of the Land or Improvements held by Seller in connection with the Land or the Improvements (the “**Intangible Property**”). The Land, Improvements, Personal Property, and Intangible Property are hereinafter collectively referred to as the “**Property**.” The Property is located at 2017 Rogers Avenue, Douglas, AZ 85607, APN 410-21-002C and consists of the Land, approximately 3.08 acres, on which the Improvements are situated.

OPENING DATE:

[To be inserted by Escrow Agent]

RECITALS:

Seller is the owner of the Property and desires to sell the Property to Purchaser and Purchaser desires to purchase the Property from Seller upon the terms and conditions set forth herein. Seller and Purchaser are individually referred to as the “**Party**” and collectively referred to as the “**Parties**.”

AGREEMENT:

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Purchase and Sale; Purchase Price; Terms of Payment.

1.1. Purchase and Sale. Seller agrees to sell and Purchaser agrees to purchase the Property on the terms and conditions set forth in this Agreement.

1.2. Purchase Price. The total purchase price which Purchaser agrees to pay for the Property (the “**Purchase Price**”) is Five Hundred Sixty Thousand Dollars (\$560,000), subject to all prorations and adjustments provided for herein shall be paid at Closing.

1.3. Terms of Payment. The Purchase Price shall be payable as follows:

1.3.1. Earnest Money Deposit. Purchaser will deposit _____ Dollars (\$_____) in immediately available funds with Escrow Agent, as partial payment and as an earnest money deposit (the “**Deposit**”) within five (5) business days after the execution of this Agreement by Seller and Purchaser. The Deposit shall become non-refundable to Purchaser after the expiration of the Property Review Period and the Title Review Period except: (i) if this Agreement terminates pursuant to any provision of this Agreement specifically allowing a refund

of the Deposit; (ii) in the event Seller fails to perform when due any act required by this Agreement to be performed by Seller; (iii) if any condition to Purchaser's obligation to close escrow hereunder has not been satisfied; or (iv) as otherwise specifically set forth in this Agreement. Upon receipt of any portion of the Deposit, Escrow Agent shall immediately deposit it in a federally insured, interest bearing account of Purchaser's choice. All interest earned thereon shall become part of the Deposit and shall be paid to whichever Party becomes entitled to the Deposit under any provision of this Agreement, whether or not the provision specifically refers to interest on the Deposit.

1.3.2. Cash Payment. An amount equal to the difference between the Purchase Price and the Deposit shall be paid by Purchaser in immediately available funds on or before the date one (1) business day prior to the Closing (the "**Cash Payment**").

2. Closing; Conditions to Closing.

2.1. Closing. The Closing of this transaction (the "**Closing**") is conditional upon Arizona Board of Regents approval at the February 7-9, 2024 board meeting. Closing shall occur thirty (30) days thereafter at the offices of Escrow Agent, unless some other location is mutually agreed to by the Parties (the "**Closing Date**").

2.2. Conditions to Seller's Obligation to Close. Seller's obligation to close escrow hereunder is conditioned upon the following:

2.2.1. Purchaser's payment of the Deposit;

2.2.2. Purchaser's payment of the Purchase Price;

2.2.3. Purchaser's execution and delivery of the Assignment and Assumption Agreement, as that term is defined in **Section 3.3**;

2.2.4. Purchaser's payment of all closing costs, proratable items and other charges, costs and expenses to be borne by Purchaser pursuant to **Articles 8** and **9**;

2.2.5. Each representation of Purchaser set forth in **Section 14.2** being true and correct in all material respects as of the Closing Date;

2.2.6. The execution and delivery by Seller and Purchaser of an escrow closing statement prepared by the Escrow Agent Consistent with this Agreement; and

2.2.7. Purchaser's compliance with all of its other obligations under this Agreement.

2.3. Conditions to Purchaser's Obligation to Close. Purchaser's obligation to close escrow hereunder is conditioned upon the following:

2.3.1. Purchaser's approval of the status of title to the Property pursuant to **Article 4**;

2.3.2. Purchaser's approval of the feasibility of the Property for its purposes pursuant to **Article 5**;

2.3.3. Seller's execution, acknowledgement (where applicable), and delivery of the Deed, Bill of Sale, and Assignment and Assumption Agreement, as those three terms are defined in **Article 3**;

2.3.4. Seller's execution, acknowledgement, and delivery of the Non-Foreign Affidavit, as that term is defined in **Section 14.1.12**;

2.3.5. The irrevocable written commitment as of the Closing Date of Title Insurer, as that term is defined in **Section 4.1**, to issue the Owner's Title Policy, as that term is defined in **Section 4.4**, to Purchaser;

2.3.6. Seller's delivery of the required Tenant Estoppel Certificates and Seller Estoppel Certificates, if applicable, as those terms are defined in **Article 6**;

2.3.7. Seller's delivery of the Survey, as that term is defined in **Article 7**;

2.3.8. Seller's payment of all closing costs, proratable items and other charges, costs and expenses to be borne by Seller pursuant to **Articles 8** and **9**;

2.3.9. Each representation and warranty of Seller set forth in **Section 14.1** being true and correct in all material respects as of the Closing Date;

2.3.10. The execution and delivery by Seller and Purchaser of an escrow closing statement prepared by the Escrow Agent consistent with this Agreement; and

2.3.11. Seller's compliance with all of its other obligations under this Agreement.

3. **Conveyance of Documents**. At the Closing, Seller shall deliver the following documents to Purchaser.

3.1. **Deed**. A duly executed special warranty deed in the form attached hereto as **Exhibit "B"** (the "**Deed**"), conveying to Purchaser fee title to the Property subject only to those specific matters approved by Purchaser as herein provided in connection with the title insurance policy to be issued by the Title Insurer.

3.2. **Bill of Sale**. A duly executed bill of sale in the form attached hereto as **Exhibit "C"** (the "**Bill of Sale**"), conveying the Personal Property to Purchaser.

3.3. **Assignment and Assumption Agreement**. A duly executed Assignment and Assumption Agreement in the form attached hereto as **Exhibit "D"** (the "**Assignment and**

Assumption Agreement”), assigning to Purchaser the Seller’s interest in Leases, all warranties and guarantees relating to the Improvements, all leases of tangible fixtures and personal property at the Property, all service and other contracts affecting the operation or maintenance of the Property, except any property management contract (collectively, the “**Service Contracts**”), all licenses and governmental approvals and permits of any nature relating to the Property, all Property Documents (as that term is defined in **Section 5.4**), and all trade names and trademarks or servicemarks used in connection with the Property. Notwithstanding anything contained in this Agreement to the contrary, Purchaser shall not be obligated to accept assignment of or assume any lease of tangible fixtures or personal property at the Property or any Service Contract that is not terminable, with or without cause, and without liability to Purchaser, upon thirty (30) days or less notice.

4. Title and Title Insurance.

4.1. Commitment. Within five (5) days from the Opening Date, Escrow Agent shall deliver to Purchaser and Seller a current Commitment for Title Insurance, together with legible copies of all documents referred to therein (collectively, the “**Commitment**”) from Fidelity National Title (the “**Title Insurer**”). The Commitment shall show the status of title to the Property as of the date of the Commitment and shall list Purchaser as the proposed insured.

4.2. Title Review Period. Purchaser shall have a period of time beginning upon its receipt of both the Commitment and the Survey, and ending at 5:00 p.m., Arizona time, thirty (30) days thereafter (the “**Title Review Period**”), to review the Commitment and to give Seller and Escrow Agent notice of any title exception which is unacceptable to Purchaser. Purchaser shall have an additional five (5) business days after receipt of any amended Commitment and any underlying documents relating to such amendment to give Seller and Escrow Agent notice of any title exception not previously listed which is unacceptable to Purchaser (including, without limitation, any exception discovered by Title Insurer’s physical inspection of the Property or any so-called “survey exception” added to the Commitment or any amended Commitment). If Purchaser gives notice of dissatisfaction as to any exception to title, Seller may, but shall not be required to, attempt to eliminate the disapproved exception from the Commitment or amended Commitment prior to the Closing. If Seller fails to notify Purchaser within ten (10) days after receipt of Purchaser’s notice of dissatisfaction that Seller has elected to eliminate the disapproved exception from the Commitment or amended Commitment prior to the Closing, such failure shall be deemed Seller’s election not to eliminate a disapproved exception. If Seller notified Purchaser in writing of its election not to eliminate a disapproved exception from the Commitment or amended Commitment, or is deemed to have elected not to eliminate a disapproved exception, Purchaser shall have until the earlier of the Closing or ten (10) days after receipt of such notice (or if applicable ten (10) days after the date on which Seller is deemed to have elected not to eliminate a disapproved exception) to either terminate this Agreement or to agree to close this transaction subject to such previously disapproved exception. Purchaser’s failure to timely give any such notice shall be deemed Purchaser’s election to close this transaction subject to such previously disapproved exception. If Seller timely elects to eliminate a disapproved exception from the Commitment or amended Commitment prior to the Closing, Seller shall be obligated to do so by either causing such disapproved exception to be eliminated entirely from the Commitment or amended Commitment or to be endorsed over in form and substance acceptable to Purchaser in its sole and absolute

discretion. Notwithstanding the foregoing to the contrary, Seller shall be required prior to the Closing to eliminate any monetary lien, judgment lien or mechanics' lien shown as an exception to title in the Commitment or any amended Commitment, and Purchaser shall not be required to object thereto.

4.3. Approval or Disapproval of Status of Title. Purchaser's failure to timely approve or disapprove any exception shall be deemed Purchaser's approval thereof. Upon any termination in accordance with this Section, Escrow Agent shall, without further instruction from either Party, return the Deposit and all interest earned thereon together with all documents deposited in escrow by Purchaser to Purchaser, return all documents deposited in escrow by Seller to Seller, and this Agreement and the escrow shall terminate.

4.4. Owner's Title Policy. Seller shall cause Escrow Agent to provide Purchaser with an ALTA extended coverage owner's policy of title insurance, including an owner's comprehensive endorsement and a survey endorsement with respect to the Survey (collectively, the "**Owner's Title Policy**") at the Closing or as soon thereafter as is reasonably possible. The Owner's Title Policy shall be issued by the Title Insurer in the full amount of the Purchase Price, be effective as of the Closing Date, and shall insure Purchaser that fee simple title to the Property is vested in Purchaser, subject only to: (i) the usual printed exceptions and exclusions contained in such title insurance policies; (ii) the exceptions to title approved by Purchaser as provided for in **Sections 5.2 and 5.3** of this Agreement; and (iii) any other matter approved in writing by Purchaser.

5. Feasibility Condition.

5.1. Property Review Period. For a period of time beginning upon the Opening Date and continuing through the Closing Date, Purchaser shall have the right to enter upon the Property with Purchaser's representatives and agents for the purpose of testing, examining and investigating the Property. Purchaser, its representatives and agents shall have the right during such period to conduct soils, hydrology, architectural, engineering, marketing, valuation, environmental and all other testing, examinations, investigations and interviews it deems necessary to determine the feasibility of the Property for its purposes (collectively, the "**Inspections**"). Purchaser shall have the right during the period beginning upon the Opening Date and ending at 5:00 p.m., Arizona time, thirty (30) days after the Property Documents Delivery Date, as that term is defined in **Section 5.4**, (the "**Property Review Period**"), to terminate this Agreement if Purchaser is dissatisfied, in Purchaser's sole and absolute discretion, with the results of the testing, examinations and investigations it may conduct, for any reason affecting the feasibility of the Property for Purchaser's purposes, or for any other reason.

5.2. Approval or Disapproval of Feasibility. On or before expiration of the Property Review Period, Purchaser shall give written notice to Seller and Escrow Agent of its election whether or not to terminate this Agreement as described in **Section 5.1**. If Purchaser elects to terminate this Agreement in accordance with this Section, Escrow Agent shall, without further instruction from either Party, return the Deposit and all documents deposited in escrow by Purchaser to Purchaser, return all documents deposited in escrow by Seller to Seller, and this Agreement and the escrow shall terminate. If Purchaser elects not to terminate this transaction, the Deposit shall become nonrefundable to Purchaser except as set forth in **Section 1.3.1**.

Purchaser's failure to timely give written notice of its election to terminate or not to terminate this transaction pursuant to this Section shall be deemed an election by Purchaser to terminate this transaction during the Property Review Period.

5.3. Restoration of Property. If Purchaser elects, or is deemed to have elected, to terminate this Agreement in accordance with this Section, Purchaser shall, at its sole expense, repair any damage caused to the Property by any entry thereon by Purchaser, its agents or contractors, including, without limitation, any Inspections.

5.4. Transfer of Documentation. Promptly after the Opening Date, Seller shall provide Purchaser with (and shall transfer as part of the purchase herein contemplated) copies of all of the following information and documentation relating to the Property which are then owned by, or in possession of, or are reasonably accessible to, Seller or its agents (collectively, the "**Property Documents**"): a complete inventory of all of the Personal Property; any plans or specifications for the Improvements; the paid bill files for the last three (3) years; any photographs, studies, appraisals and marketing studies; any termite, environmental or engineering (including, without limitation, roof and mechanical) reports; any existing surveys and topographical maps; copies of all building and other permits, licenses and certificates of occupancy; copies of contractor bids for proposed capital expenditures; copies of all real estate and personal property statements and statements of special assessments; copies of all warranties currently in effect; copies of all written notices of violations, if any, of any applicable laws, including, without limitation, the Americans with Disabilities Act and zoning and environmental laws; copies of any claims made on any insurance policies; and all similar or relevant information and documentation requested by Purchaser or which could reasonably affect or influence Purchaser's use of the Property or Purchaser's willingness to close escrow hereunder. The date on which all of the Property Documents are received by Purchaser shall be referred to as the "**Property Documents Delivery Date.**" Seller shall give Purchaser written notice of the Property Documents Delivery Date within three (3) business days thereafter. Seller's delivery of such notice shall be deemed Seller's representation to Purchaser that Seller has delivered to Purchaser all of the Property Documents and the Survey.

6. Estoppel Certificates. Seller shall obtain and deliver to Purchaser on or before the Closing Date, Estoppel Certificates in the form attached as Exhibit "F" from all tenants under the Leases as of the Closing Date, dated no earlier than thirty (30) days prior to the Closing Date (the "**Tenant Estoppel Certificates**").

7. ALTA/ACSM Survey. Seller acknowledges and agrees that Purchaser has the right to procure and deliver to the Title Insurer an ALTA/ACSM Land Title Survey (the "**Survey**") of the Property, which shall be conducted by an Arizona registered land surveyor chosen by Purchaser (the "**Surveyor**"), shall be certified to Purchaser, its successors and assigns, and the Title Insurer, shall be dated not earlier than 30 days prior to the date of delivery, shall be prepared in accordance with the "2011 Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys" as adopted by American Land Title Association ("**ALTA**") and National Society of Professional Surveyors ("**NSPS**"), shall meet the current "Accuracy Standards for Land Title Surveys" adopted by ALTA and NSPS, and shall otherwise be sufficient to meet Title Insurer's requirements for issuance of the Owner's Title Policy. Should there be any conflict between the legal description

for the Property set forth on the exhibit to this Agreement, the legal description set forth on the Survey, and the legal description set forth on the Commitment, the legal description which the Title Insurer is willing to insure shall control. Upon receipt of an invoice from Surveyor, Seller shall promptly pay Surveyor for the full cost of the Survey. This obligation of Seller to pay the cost of the Survey shall survive the Closing or termination, cancellation of this Agreement.

8. Escrow.

8.1. Establishment of Escrow. An escrow for this transaction (the “**Escrow**”) shall be established with Escrow Agent and Escrow Agent is hereby employed by the Parties to handle the escrow. This Agreement shall constitute escrow instructions and a fully executed copy or counterpart copies shall be deposited with Escrow Agent for this purpose. Should Escrow Agent require the execution of its standard form printed escrow instructions, Purchaser and Seller agree to execute the same; however, such instructions shall be construed as applying only to Escrow Agent’s employment, and if there are conflicts between the terms of this Agreement and the terms of the printed escrow instructions, the terms of this Agreement shall control. In no event shall the Parties be required to execute any printed escrow instructions that purport to exculpate Escrow Agent or Title Insurer from their own negligent conduct, willful misconduct, breach of written instructions or bad faith acts.

8.2. Cancellation of Escrow. If the escrow fails to close because of Seller’s default, Seller shall be liable for all customary escrow cancellation charges. If the escrow fails to close because of Purchaser’s default, Purchaser shall be liable for all customary escrow cancellation charges. If the escrow fails to close for any other reason, Seller and Purchaser shall each be liable for one-half (1/2) of all customary escrow cancellation charges.

9. Closing Costs.

9.1. Seller’s Closing Costs. Upon the Closing, Seller agrees to pay all recording costs, one-half (1/2) of the escrow charges, the cost of the Survey, pursuant to **Section 7**, and that portion of the cost of the Owner’s Title Policy equal to the cost of a standard coverage owner’s policy of title insurance.

9.2. Purchaser’s Closing Costs. Upon the Closing, Purchaser agrees to pay one-half (1/2) of the escrow charges and that portion of the cost of the Owner’s Title Policy which exceeds the cost of a standard coverage policy in the full amount of the Purchase Price and the full cost of the endorsements described in **Section 4.4**.

10. Prorations and Apportionments.

10.1. General. All revenues and all expenses of the Property shall be prorated and apportioned as of 12:01 a.m. on the Closing Date, so that Seller shall bear all expenses with respect to the Property and shall have the benefit of all income with respect to the Property for the period preceding the Closing Date. Any revenue or expense amount which cannot be ascertained with certainty as of the Closing Date shall be prorated on the basis of the Parties’ reasonable estimates

of such amount and shall be the subject of a final proration outside of escrow forty-five (45) days after the Closing Date or as soon thereafter as the precise amounts can be ascertained.

10.2. Prorations. Items to be prorated shall include, without limitation, tenant rents and other amounts payable under the Leases; real estate taxes and personal property taxes with respect to the Property; income and expenses under the assigned Service Contracts; and utility charges payable by the owner of the Property, except as reimbursable by tenants.

10.3. Taxes. In prorating real estate and personal property taxes, the proration shall be based upon the most recently available tax rate and valuation. All assessments against the Property shall be paid in full on or before the Closing Date by Seller.

10.4. Utilities. If possible, in lieu of prorating utility charges, utility readings will be taken on the day prior to the Closing Date, Seller shall pay the charges for utility services based on such reading, and Purchaser shall contract for such utilities and pay all utility expenses incurred after the Closing Date.

10.5. Payment. At the Closing, the net adjustment by reason of the closing costs incurred by the Parties and by the foregoing prorations and apportionments, if in favor of Seller, shall be paid in immediately available funds to Escrow Agent, or, if in favor of Purchaser, shall be paid by set off against the cash portion of the Purchase Price due at Closing.

11. Possession. Possession of the Property shall be delivered to Purchaser upon the Closing.

12. Brokerage. Seller and Purchaser each warrant and represent to the other that neither has dealt with any real estate broker or salesperson in connection with this transaction.

13. Remedies.

13.1. Seller's Remedies. If Purchaser fails to perform as required by this Agreement, in the time and manner set forth in this Agreement, and provided Seller is not then in default, Seller, as Seller's sole and exclusive remedy, may terminate this Agreement and the escrow, such termination to be effective five (5) days after Seller has given written notice of its intent to terminate to Purchaser and Escrow Agent if Purchaser's failure is not cured within such five (5) day time period. Upon such termination, Seller shall be entitled to, and Escrow Agent shall deliver to Seller, the Deposit, or so much thereof as has been paid into escrow by Purchaser, as consideration for acceptance of this Agreement, for taking the Property off the market, and as the Parties' best estimate of Seller's damages resulting from Purchaser's default, but not as a penalty. Such funds released to Seller upon such termination shall be retained by Seller as Seller's sole and exclusive remedy against Purchaser in all respects, except for any indemnification obligations of Purchaser contained in this Agreement.

13.2. Purchaser's Remedies. If Seller fails to perform when due any act required by this Agreement to be performed by Seller and provided Purchaser is not then in default, then, in addition to whatever other remedies are available to Purchaser at law or in equity, including the right of specific performance, Purchaser may terminate this Agreement and the escrow, such

termination to be effective five (5) days after Purchaser has given written notice of its intent to terminate to Seller and Escrow Agent if Seller's failure is not cured within such five (5) day time period. Upon such termination and without further instructions from Seller, Purchaser shall be entitled to a return of, and Escrow Agent shall deliver to Purchaser, the Deposit, or so much thereof as has been paid into escrow by Purchaser, and all interest earned thereon.

14. Opening Date. The "**Opening Date**" shall be the date on which the Deposit together with the fully executed copy or counterpart copies hereof are delivered to and accepted by Escrow Agent. Escrow Agent is hereby instructed to enter the Opening Date on page 2 of this Agreement and deliver a fully executed copy, including Escrow Agent's Acceptance, to Purchaser and Seller.

15. Representations and Warranties.

15.1. Seller's Representations and Warranties. Seller represents and warrants to Purchaser (and on the Closing Date shall be deemed to represent and warrant) as follows:

15.1.1. Full Power and Authority. Sellers have the full power and authority to execute and deliver this Agreement, and to perform and carry out all covenants and obligations to be performed and carried out by them hereunder.

15.1.2. Legal, Valid and Binding. This Agreement and all other instruments or documents executed or delivered in connection with this transaction each constitute legal, valid and binding obligations of Seller, enforceable against Seller in accordance with their respective terms.

15.1.3. No Approval by Governmental Authority. No consent, approval, authorization, registration, qualification, designation, declaration or filing with any governmental authority is required in connection with the execution and delivery of this Agreement by Seller.

15.1.4. No Conflict. The execution, delivery and performance of this Agreement by Seller and the consummation of the transaction contemplated herein will not: (i) result in a breach or acceleration of or constitute a default or event of termination under the provisions of any agreement or instrument by which the Property is bound or affected; (ii) result in the creation or imposition of any lien, charge or encumbrance, not provided for herein, on or against the Property or any portion thereof; or (iii) constitute or result in the violation or breach by Seller of any judgment, order, writ, injunction or decree issued against or imposed upon Seller, or result in the violation of any applicable law, rule or regulation of any governmental authority.

15.1.5. No Lawsuits. There are no actions, suits, proceedings, or investigations pending, or to the best of Seller's knowledge, threatened, with respect to or in any manner affecting Seller's ownership of the Property or otherwise affecting any portion thereof, or which will become a cloud on the title to the Property or question the validity or enforceability of the transaction contemplated herein.

15.1.6. Leases. There are three (3) leases and/or tenancies affecting a portion of the Property as of the Closing Date. The Rent Roll delivered, and Leases made available to

Purchaser pursuant to this Agreement will be complete and correct in all material respects. As of the Closing Date there will be no default by Seller under any Lease, and no event will have occurred which would constitute, or which, with notice or lapse of time would constitute, a default by Seller under any Lease, and none of the tenants will have any defense, set off or counterclaim with regard to its tenancy. Seller has paid all municipal privilege license (sales) taxes and county transaction privilege taxes due by reason of the rental income received by Seller under any leases and any previous lease on the Property.

15.1.7. Property Documents. To the best of Seller's knowledge, none of the Property Documents to be made available to Purchaser are incorrect or materially misleading. Seller shall not knowingly withhold any of the information or documentation described in **Section 5.4** as the Property Documents.

15.1.8. Latent Defects. To the best of Seller's knowledge, there are no defects associated with the condition of the Property that would materially interfere with Purchaser's intended uninterrupted use thereof and which could not be discovered by the exercise of reasonable diligence by Purchaser and qualified consultants retained by Purchaser.

15.1.9. No Notices of Violation. Seller has not received notice from any governmental agency or official, whether federal, state or local, that the Property or any operations conducted thereon, whether currently or in the past, is or was in violation of any law, rule, ordinance or regulation.

15.1.10. No Mechanics Liens. No work has been performed or is in progress at, and no materials have been furnished to, the Property or any portion thereof, which is not presently the subject of a lien, but which might give rise to mechanics', materialmen's or other liens against Purchaser's interest in the Property or any portion thereof. Seller hereby agrees to indemnify Purchaser from and against any and all claims of third parties, and from all mechanics' liens connected with the Property whose claim of lien arises from labor or material provided to the Property prior to Closing or pursuant to contract entered into with Seller prior to Closing, including all costs and reasonable attorneys' fees.

15.1.11. Subsequent Actions. Prior to the Closing Date or any extension thereof, Seller will not sell, assign, transfer, lease, or convey any right, title or interest whatsoever in and to the Property without the prior written consent of the Purchaser.

15.1.12. Non-Foreign Affidavit. Seller is not, and as of the Closing Date will not be, a "foreign person" within the meaning of Internal Revenue Code Section 1445, and Seller shall deliver to Purchaser at Closing a Non-Foreign Affidavit pursuant to Section 1445(b)(2) of the Internal Revenue Code.

15.1.13. Environmental Compliance. To the best of Seller's knowledge (but without having undertaken any independent inquiry), the Property is not in violation of any Environmental Law. During the time in which Seller has owned the Property, neither Seller nor, to the best of Seller's knowledge, any third party has released onto, under, about or from the Property any Hazardous Materials. For purposes of this Agreement, (i) "**Hazardous Materials**"

shall include, but not be limited to, any substance, waste or material which is or may become regulated in any manner under any Environmental Law now or hereinafter in effect, including, but not limited to, petroleum, oil, gasoline or other petroleum derivative products, flammable substances, explosives, radioactive materials, dioxins and radon gas; urea formaldehyde foam insulation, asbestos containing materials, any liquid, chemical substance, mixture, element, compound or solution included in the definition of “hazardous substances”, “hazardous wastes”, “hazardous materials”, “extremely hazardous wastes”, “extremely hazardous substances”, “restricted hazardous wastes”, “toxic substances”, “regulated substances”, “pollutant” or “contaminant” in any Environmental Law; and (ii) “**Environmental Law**” means any federal, state or local law, including, but not limited to, common law, court or administrative decisions, statute, ordinance, regulation, rule, court order or decree, administrative order or publicly available and published government agency guidelines now or hereinafter in effect relating to the environment, public health, occupational safety, industrial hygiene, the presence, release or threatened release into the environment of any Hazardous Material.

15.1.14. Absence of Material Adverse Change. Except as may be disclosed to Purchaser in writing prior to the Closing, there shall be at Closing no Material Adverse Change.

15.2. Purchaser’s Representations. Purchaser represents to Seller (and on the Closing Date shall be deemed to represent) as follows:

15.2.1. Full Power and Authority. Purchaser is a body corporate duly organized, validly existing and in good standing under the laws of the state of Arizona and has the full power and authority to execute and deliver this Agreement and to perform and carry out all covenants and obligations to be performed and carried out by Purchaser hereunder.

15.2.2. Legal, Valid and Binding. This Agreement constitutes the legal, valid, and binding obligation of Purchaser, enforceable against Purchaser in accordance with its respective terms.

15.2.3. No Conflict. The execution, delivery and performance of this Agreement by Purchaser and the consummation of the transaction contemplated herein will not constitute or result in the violation or breach by Purchaser of any judgment, order, writ, injunction, or decree issued against or imposed upon Purchaser, or result in the violation of any applicable law, rule or regulation of any governmental authority.

15.2.4. No Lawsuits. There are no actions, suits, proceedings, or investigations pending, or to the best of Purchaser’s knowledge, threatened against Purchaser, which question the validity or enforceability of the transaction contemplated herein.

15.3. As Is, Where Is. Other than the representations and warranties expressly stated in this Agreement, Seller makes no other or further representations and/or warranties of any sort whatsoever. Except for the express representations and warranties set forth in this Agreement, Purchaser is relying entirely on Purchaser’s own investigations and examinations as to the physical condition of the Property, including without limitation, the structural integrity of the Improvements, the conformity of the Improvements to any plans or specifications for the Property,

conformity to past, current or future zoning or building code requirements, the existence of soil instability, soil repairs, and any other soil conditions, sufficiency of undershoring and drainage, the existence of any flood plains or flood hazards or similar conditions, every other matter affecting the stability or integrity of the Land or Improvements, and the environmental condition of the Property. Purchaser acknowledges that Purchaser is purchasing the Property on an “**AS-IS, WHERE-IS**” basis, except as expressly represented and warranted in this Agreement.

15.4. Operation of Property. Seller will operate the Property diligently during the period between the Opening Date and the Closing and only in the ordinary course of business and in accordance with Seller’s past management practices. Seller will keep and maintain the Property in good, presentable and rent-ready condition during the escrow period and will make or cause to be made all ordinary and necessary repairs and maintenance with respect to the Property until the Closing Date. Seller will not make any material alterations to the Property without the prior written consent of Purchaser, which consent shall not be unreasonably withheld, conditioned, or delayed. Seller shall not transfer or remove any material item of personal property or fixtures from the Property, including, without limitation, the personal property listed on the inventory delivered to Purchaser pursuant to Section 5.4, without the prior written approval of Purchaser, which approval shall not be unreasonably withheld, conditioned or delayed, except for purposes of replacement thereof in the ordinary course of business, in which case such replacement shall be installed prior to Closing and shall be reasonably comparable in quantity and quality to the item(s) being replaced.

16. Condemnation. If prior to the Closing all of the Property shall be taken by condemnation or eminent domain, this Agreement shall be automatically terminated, the Deposit shall be returned to Purchaser, and thereupon neither Party shall have any further liability or obligation to the other. If prior to the Closing less than all of the Property shall be taken by condemnation or eminent domain, then Purchaser may, at its option, terminate this Agreement prior to the Closing, in which event Escrow Agent shall return to Purchaser the Deposit and thereupon neither Party shall have any further liability or obligation to the other, or Purchaser may accept title to the Property subject to the taking, in which event at the Closing the proceeds of the award or payment shall be assigned by Seller to Purchaser and any monies theretofore received by Seller in connection with such taking shall be paid over to Purchaser. As used in this Section and in Article 16, a “taking” of the Property by condemnation or eminent domain shall include an agreement in lieu of condemnation or eminent domain proceedings between the Seller and the governmental authority seeking to acquire the Property or applicable portion thereof.

17. Casualty Loss. If prior to the Closing the Property is damaged as the result of fire or other casualty in an amount exceeding \$25,000.00 and is not entirely restored by the Closing Date, Purchaser shall have the option prior to the Closing to (a) accept title to the Property without any abatement of the Purchase Price whatsoever, in which event at the Closing all of the insurance proceeds shall be assigned by Seller to Purchaser, any monies theretofore received by Seller in connection with such fire or other casualty shall be paid over to Purchaser and Purchaser shall receive a credit in the amount of the deductible or other co-payment required under Seller’s insurance policy, or (b) terminate this Agreement, and thereupon neither Party shall have any further liability or obligation to the other. If prior to the Closing, the Property is damaged as a result of fire or other casualty in an amount less than \$25,000.00 and provided Purchaser has not previously terminated this transaction in accordance with the other provisions of this Agreement,

Purchaser shall accept title to the Property without any abatement of the Purchase Price whatsoever, provided Seller is fully insured for the replacement cost of any damage and Seller's insurer confirms to Purchaser in writing that such damage is actually covered, in which event at the Closing Purchaser shall receive a credit in the amount of the deductible or other co-payment required under Seller's insurance policy and all of the insurance proceeds shall be assigned by Seller to Purchaser and any monies theretofore received by Seller in connection with such fire or other casualty shall be paid over to Purchaser. Seller shall maintain adequate insurance on the Property to cover the replacement value of the Improvements in case of any fire or other casualty occurring before the Closing.

Seller shall not settle any fire or casualty loss claims or agree to any award or payment in condemnation or eminent domain (or in lieu thereof) or any award or payment in connection with the change in grade of any street, road, highway or avenue in respect of or in connection with the Property without obtaining Purchaser's prior written consent in each case, Seller shall promptly notify Purchaser in writing following Seller obtaining knowledge of any casualty or proposed taking of the Property by condemnation or eminent domain.

18. Risk of Loss. Except as expressly set forth in **Article 15 and 16**, the risk of loss or damage to the Property until the Closing shall be borne by Seller.

19. Notices. Notices must, unless otherwise specified herein, be in writing and may be delivered by hand delivery, United States mail, overnight courier service or facsimile, addressed as follows. A copy of any notice shall be given to Escrow Agent.

Copies of any notice given to Seller shall also be given to:

Office of the General Counsel
The University of Arizona
1401 East University Boulevard
Post Office Box 210066
Tucson, Arizona 85721-0066

Copies of any notice given to Purchaser shall also be given to

Notice by hand delivery will be effective at the close of business on the day actually received, if received during business hours on a Business Day, and otherwise will be effective at the close of business on the next Business Day. Notice by overnight United States mail or courier will be effective on the next Business Day after it was sent. A Party may change its addresses by providing notice of same in accordance with this Agreement.

20. Miscellaneous.

20.1. Incorporation of Recitals. The recitals to this Agreement are hereby affirmed by the Parties as true and correct and are incorporated herein by this reference.

20.2. Waivers. No waiver of any of the provisions of this Agreement shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver be a continuing waiver. Except as expressly provided in this Agreement, no waiver shall be binding unless executed in writing by the Party making the waiver. Either Party may waive any provision of this Agreement intended for its sole benefit; however, unless otherwise provided for herein, such waiver shall in no way excuse the other Party from the performance of any of its other obligations under this Agreement.

20.3. Construction. This Agreement shall be interpreted according to Arizona law and shall be construed as a whole and in accordance with its fair meaning and without regard to, or taking into account, any presumption or other rule of law requiring construction against the Party preparing this Agreement or any part hereof.

20.4. Time. Time is of the essence of this Agreement.

20.5. Attorneys' Fees. If any action is brought by either Party in respect to its rights under this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees and courts costs as determined by the court.

20.6. Binding Effect. This Agreement and all instruments or documents entered into pursuant hereto are binding upon and shall inure to the benefit of the Parties and their respective successors and assigns.

20.7. Further Assurances and Documentation. Each Party agrees in good faith to take such further actions and execute such further documents as may be necessary or appropriate to fully carry out the intent and purpose of this Agreement.

20.8. Time Periods. If the time for the performance of any obligation under this Agreement expires on a Saturday, Sunday or legal holiday, the time for performance shall be extended to the next succeeding day which is not a Saturday, Sunday or legal holiday.

20.9. Headings. The headings of this Agreement are for purposes of reference only and shall not limit or define the meaning of any provision of this Agreement.

20.10. Entire Agreement. This Agreement, together with all exhibits referred to herein, which are incorporated herein and made a part hereof by this reference, constitutes the entire agreement between the Parties pertaining to the subject matter contained in this Agreement. No supplement, modification or amendment of this Agreement shall be binding unless in writing and executed by Purchaser and Seller.

20.11. Counterparts. This Agreement may be executed by the exchange of faxed or e-mailed signatures and in counterparts.

20.12. Survival. Each of the terms and provisions of this Agreement which are not incorporated into the Deed, or which are not satisfied by the execution and delivery of the Deed,

or which by their nature require the Parties to perform certain acts subsequent to the Closing, including, without limitation, all representations and warranties of the Parties hereunder, shall survive the Closing.

20.13. Tax Deferred Exchange. If Seller so requests, Purchaser will cooperate with the Seller to the extent reasonably necessary for the Seller to qualify all or a portion of the Purchase Price as a tax deferred exchange within the meaning of Section 1031 of the Internal Revenue Code of 1986, as amended; provided, however, that Purchaser shall not be obligated to incur any additional expense (including attorneys' fees) or liability on account of its accommodation of Seller nor shall such tax deferred exchange delay the Closing Date.

20.14. No Back-Up Offers. While this Agreement remains in effect, Seller shall not accept and shall not solicit or cause to be solicited any so-called "back-up offers" to purchase the Property.

20.15. Non-Discrimination. The Parties shall comply with all applicable state and federal statutes and regulations governing equal employment opportunity, non-discrimination, and immigration.

20.16. Arbitration. The Parties agree to arbitrate disputes filed in Arizona Superior Court that are subject to mandatory arbitration pursuant to ARS § 12-133.

20.17. Conflict of Interest. This Agreement may be subject to cancellation pursuant to A.R.S. § 38-511 for conflict of interest.

20.18. State Obligation. The Parties recognize that the performance by the Arizona Board of Regents for and on behalf of the University of Arizona may be dependent upon the appropriation of funds by the State Legislature of Arizona or the availability of funding from other sources. Should the Legislature fail to appropriate the necessary funds, if the Purchaser's appropriation is reduced during the fiscal year, or funding becomes otherwise not legally available, the Arizona Board of Regents may reduce the scope of this Agreement if appropriate or cancel the Agreement without further duty or obligation. The Board agrees to notify Seller as soon as reasonably possible after the unavailability of said funds comes to the Board's attention.

(signatures on next page)

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

SELLER:

The ARIZONA BOARD OF REGENTS, a
body corporate, for and on behalf of
THE UNIVERSITY OF ARIZONA

Date

By: _____
Lisa N. Rulney
Senior Vice President for Business
Affairs and Chief Financial Officer

PURCHASER:

CITY OF DOUGLAS, a municipal corporation

Date

By: _____
Name:
Title:

ACCEPTANCE BY ESCROW AGENT

Escrow Agent hereby (a) acknowledges receipt of a fully executed copy or counterpart copies of this Agreement on this _____ day of _____, 2023 and has inserted said date on the second page of this Agreement, and (b) agrees to establish an escrow (Escrow No. _____) and to administer the same in accordance with the provisions hereof. Escrow Agent further agrees to immediately deliver to Purchaser and Seller copies or counterpart copies of this fully executed Agreement.

FIDELITY NATIONAL TITLE AGENCY

By: _____

Name:

Title:

EXHIBIT "A"

PROPERTY LEGAL DESCRIPTION

A parcel of land which is a portion of the Northwest quarter of the Northwest quarter of the Southeast quarter of Section 8, Township 24 South, Range 28 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona, whose boundary of described as follows:

COMMENCING at the East quarter corner of Section 8, Township 24 South, Range 28 East, said point being monumented with an aluminum cap set by Cochise County;

thence South 89°59'54" West coincident with the East-West mid-section line of Section 8, a distance of 1,922.82 feet to the POINT OF BEGINNING, also being the Northeast corner of Parcel I conveyed in Document No. 9110-20363, records of Cochise County, Arizona;

thence South 00°01'12" West, a distance of 661.27 feet to the Southeast corner of Parcel II conveyed in Document No. 9110-20363;

thence South 89°59'09" West, a distance of 204.52 feet to a point on the Easterly right-of-way line North Rogers Avenue, also being the Southwest corner of said Parcel II;

thence North 00°02'21" East coincident with the Easterly right-of-way line of North Rogers Avenue, a distance of 661.31 feet to a point on the East-West mid-section line of Section 8, also being the Northwest corner of said Parcel I;

thence North 89°59'54" East coincident with the East-West mid-section line of Section 8, a distance of 204.30 feet to the POINT OF BEGINNING;

EXCEPT ½ interest in and to any oil and gas, as reserved in Book 121, Deeds of Real Estate, page 286, records of Cochise County, Arizona.

EXHIBIT "B"

When recorded, return to:

SPECIAL WARRANTY DEED

For the consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration, _____ a(n) _____ ("**Grantor**"), does hereby grant, sell and convey unto _____, a(n) _____, the following described real property located in _____ County, Arizona:

See **Exhibit "A"** attached hereto and by this reference made a part hereof (the "**Property**")

together with all rights, easements and privileges appurtenant thereto.

SUBJECT only to those matters set forth on **Exhibit "B"** attached hereto and by this reference made a part hereof.

Grantor warrants the title to the Property against all acts of Grantor subject only to the matters above set forth.

IN WITNESS WHEREOF, the Grantor has caused these presents to be executed this ____ day of _____, 20__.

EXHIBIT DO NOT EXECUTE

By: _____
Title: _____
Name: _____

EXHIBIT "A" TO SPECIAL WARRANTY DEED

[Attach Legal Description of Property]

EXHIBIT "B" TO SPECIAL WARRANTY DEED

[Attach Title Exceptions Approved by Purchaser Pursuant to Terms of Purchase and Sale Agreement]

EXHIBIT “C”

BILL OF SALE

For Ten Dollars and other good and valuable consideration paid to _____, a(n) _____ (“**Seller**”), the receipt and sufficiency of which are acknowledged, Seller sells, transfers, conveys and assigns to _____, a(n) _____ (“**Purchaser**”), all of Seller’s right, title, and interest in and to that certain personal property listed on **Exhibit “A”** attached hereto and incorporated herein by this reference, including any and all warranties in connection with the same and the right to sue on any claim for relief under such warranties (the “**Personal Property**”).

The Personal Property is located at that certain real property legally described on the attached **Exhibit “B”** (the “**Real Property**”).

The Personal Property is sold in a used, and “as is, where is,” condition, with all faults. Seller makes no warranties, express or implied, of any kind to Purchaser regarding the Personal Property, except as specifically set forth in this Bill of Sale.

Seller warrants to Purchaser that the Personal Property is free and clear of all liens, claims, and encumbrances in favor of any third party. Seller shall defend the title of the Personal Property against all acts of Seller and not otherwise.

IN WITNESS WHEREOF, Seller has executed this Bill of Sale to be effective _____, 20__.

[EXHIBIT DO NOT EXECUTE]

By: _____
Name: _____
Title: _____

EXHIBIT "A" TO BILL OF SALE

All personal property owned by Seller of any type or kind located on, or used in connection with the operation or maintenance of the Real Property, including, without limitation, the following:

EXHIBIT "B" TO BILL OF SALE

[INSERT LEGAL DESCRIPTION OF REAL PROPERTY]

EXHIBIT "D"

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (the "Assignment") is made to be effective as of _____, 20__ [fill in with Closing Date] (the "Effective Date"), between _____ ("Assignor"), and the Arizona Board of Regents, a body corporate, for and on behalf of the University of Arizona ("Assignee").

RECITALS:

A. Under the terms Section 3.3 of the Purchase and Sale Agreement between Assignor, as Seller, and Assignee, as Purchaser, dated _____, 20__ (the "Agreement"), Assignor is assigning to Assignee and Assignee is assuming all of Assignor's interest and obligations in, to and under the leases and any guaranties relating to the same listed on Exhibit "A" attached hereto and incorporated herein by this reference (collectively, the "Leases"); the Warranties, Guaranties, Service Contracts, Permits and Construction Documents (collectively, the "Contracts") and the Trademarks, Property Documents and Proceeds, which are all more fully described on Exhibit "B" attached hereto and incorporated herein by this reference and which pertain to or arise out of the ownership, operation or maintenance of the real property legally described on Exhibit "C" attached hereto and incorporated herein by this reference (the "Property").

AGREEMENTS:

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee agree as set forth below.

1. Assignment of Leases, Contracts, Trademarks, Property Documents and Proceeds. Assignor assigns, conveys, and transfers to Assignee, all of Assignor's right, title and interest in, to and under the Leases, Contracts, Trademarks, Property Documents and Proceeds.
2. Assumption of Leases. Assignee assumes and agrees to perform, fulfill, and comply with all covenants and obligations to be performed, fulfilled or complied with by the landlord under the Leases arising from and after the Effective Date.
3. Assumption of Contracts. Assignee assumes and agrees to pay all sums, and perform, fulfill, and comply with all covenants and obligations to be performed and complied with by the holder of the interest of the person to whom service is due under the Contracts arising on or after the Effective Date.
4. Indemnification. Assignor shall and does indemnify Assignee against, and agree to hold Assignee harmless from, all liabilities and any losses incurred by Assignee as a result of claims brought against Assignee, as Assignor's successor in interest under the Contracts, relating to causes of action under the Contracts that accrued before the Effective Date.

5. Cooperation. Assignor covenants and agrees to reasonably cooperate with Assignee, upon Assignee's request, in making any claim or bringing any action under or on account of the Leases, Contracts, Trademarks or Proceeds or any of them; provided, however, it will be at no cost to Assignor.

6. Binding Effect. This Assignment shall inure to the benefit of and shall be binding upon the parties and their respective successors and assigns.

7. Counterparts. This Assignment may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

8. Governing Law. This Assignment shall be governed by and construed in accordance with the laws of the State of Arizona. Any arbitration or litigation between the Parties shall be conducted in Pima County. Assignee and Assignor hereby submit to venue and jurisdiction in Pima County Arizona in the venue being Pima County.

9. Recitals. The Recitals set forth above are incorporated herein by this reference and are acknowledged by the parties to be true and correct.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the Effective Date.

ASSIGNOR:

[Exhibit – Do not execute]

By: _____

Name: _____

Title: _____

Date: _____

ASSIGNEE:

Arizona Board of Regents a body corporate,
for and on behalf of the University of Arizona

[Exhibit – Do not execute]

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT "A" TO ASSIGNMENT

[LIST OF LEASES]

EXHIBIT “B” TO ASSIGNMENT

The “Contracts” include:

- (a) All warranties and guaranties (the “**Warranties and Guaranties**”) relating to those certain buildings and all other improvements now located on the Property (collectively, the “**Buildings**”);
- (b) The operations, supply, employment, maintenance, repair, service or other contracts and personal property leases relating to the Property and the Buildings, and the ownership, operation and maintenance thereof listed on Schedule “A” attached to this Assignment (collectively, the “**Service Contracts**”);
- (c) All licenses and governmental approvals and permits of any nature relating to the Property or the Buildings (collectively, the “**Permits**”);
- (d) All contracts pertaining to the construction of the Buildings, together with all plans, specifications, drawings and architectural and engineering studies (collectively, the “**Construction Documents**”).

The term “Trademarks” shall include all trade names or trademarks or servicemarks used in connection with the Property and the Buildings, to the fullest extent the same are assignable under applicable law.

The term “Property Documents” shall have the same meaning as set forth in **Section 5.4** of the Agreement.

The term “Proceeds” includes all additions to, substitutions for and replacements of the items described above in this **Exhibit “B,”** including all proceeds of the Warranties and Guaranties. The term “Proceeds” also includes whatever is received or receivable if any of the foregoing is sold, transferred, exchanged, or otherwise disposed of, whether such disposition is voluntary or involuntary.

EXHIBIT "C" TO ASSIGNMENT

[LEGAL DESCRIPTION OF PROPERTY]

EXHIBIT "E"

TENANT NOTICE LETTER

_____, 20__

Re: [Insert Name and Address of Property] (the **"Property"**)

Dear _____:

_____, a(n) _____ (**"Seller"**), has sold the Property to _____, a(n) _____ (**"Purchaser"**). Effective immediately, Purchaser has become your landlord. All further payments due under your lease should be made payable to, and all further correspondence regarding your lease should be sent to:

Purchaser has assumed responsibility for your security deposit, if any, and Seller has no further responsibility therefor.

Purchaser looks forward to its new relationship with you.

Sincerely,

"Seller"

"Purchaser"

By: _____
Its: _____

By: _____
Its: _____

EXHIBIT "F"

TENANT ESTOPPEL

[Date]

Re: [Address of Property] (the "**Property**")

Dear _____:

We have been informed that _____ (the "**Purchaser**") has entered into an agreement to purchase the Property. At the request of _____ (the "**Landlord**"), the current owner of the Property, and knowing that the Purchaser, its assigns, and their lenders will rely on the accuracy of the information contained herein, the undersigned certifies to the Purchaser, its assigns, and their lenders as follows:

1. The undersigned (the "**Tenant**") is the tenant under the lease dated _____ between _____, as landlord, and _____, as tenant, covering a portion of the Property described as Suite _____ (approximately _____ square feet) (the "**Premises**"), including all addenda and exhibits thereto and amendments thereof (collectively, the "**Lease**").

2. The Lease term expires _____.

3. The Lease is in full force and effect, and, to the knowledge of the undersigned, as of the date hereof: (i) neither the Landlord nor the Tenant is in default thereunder, (ii) there are no events or conditions in existence which, with the passage of time or notice or both, would constitute a default on the part of the Landlord or Tenant under the Lease, and (iii) the Tenant has no charge, lien or claim of offset under the Lease or otherwise against rents or other charges due or to become due thereunder or any other claim against the Landlord based on any other matters relating to the Lease or the Property.

4. The Tenant has not, voluntarily or by operation of law, assigned, transferred, mortgaged, sublet, or otherwise transferred or encumbered all or any part of its interest in the Lease or contracted to do so.

5. The amount of the security deposit presently held under the Lease is \$_____.

6. No rent or other amounts due under the Lease have been paid more than thirty (30) days in advance of their due date.

7. Rental and other amounts payable under the Lease have been paid through the last day of the month preceding the date hereof.

8. A true and correct copy of the Lease, including all guaranties thereof and other documents providing security therefor, is attached hereto as **Exhibit "A."**

9. If a guaranty(ies) of the Lease or other document providing security for the performance of the Lease is attached hereto as **Exhibit "A"**, it/they remain in full force and effect.

10. The Tenant has accepted possession of the Premises, and any improvements required by the terms of the Lease to be made by the Landlord have been completed to the satisfaction of the undersigned.

By: _____

Its: _____

Date: _____

EXHIBIT "A" TO TENANT ESTOPPEL