

MASTER LEASE PURCHASE AGREEMENT (Sample Only)

THIS MASTER LEASE PURCHASE AGREEMENT (“Master Lease”) is entered into as of this ____ day of _____, 20__, by and between XYZ Investments, LLC, an Ohio limited liability company, whose address is _____ (the “Owner”) and George W. Bush, an unmarried individual, whose address is 1002 Bridge Pointe Drive, Coldsprings, KY 41076 (the “Purchaser”) provides as follows:

ARTICLE 1. PURCHASE AND SALE

Owner agrees to sell and convey and Purchaser agrees to purchase and pay for, upon the terms, conditions and covenants contained herein, certain real property, and all improvements located thereon, as more specifically described as follows (the “Property” or the “Premises”);

**SEE EXHIBIT “A” ATTACHED HERETO
AND MADE A PART HEREOF**

Being the property conveyed by deed recorded in Official Record Book 9902, Page 308 of the Hamilton County, Ohio Recorder’s Office

The Property shall include the land, all appurtenant rights, privileges and easements and all fixtures.

ARTICLE 2. PURCHASE PRICE AND PAYMENT

Section 2.1 Purchaser shall pay Owner for the purchase price of the Property the sum of Five Hundred Five Thousand and 00/100 Dollars (\$505,000.00) (“Purchase Price”) payable as follows:

(a) Purchaser shall pay Owner Fifteen Thousand and 00/100 Dollars (\$15,000.00) of the Purchase Price in cash upon the execution of this Master Lease.

(b) The remaining balance of the Purchase Price of Four Hundred Ninety Thousand and 00/100 Dollars (\$490,000.00) will bear interest from the date hereof on the unpaid balance at the rate of Four and Nine-Tenths Percent (4.9%) per annum. Interest on the unpaid balance shall be payable in monthly installments of Two Thousand and 83/100 Dollars (\$2,000.83) each on October 1, 20__, November 1, 20__), December 1, 20__ and January 1, 20__; provided, however that interest for a partial month, as applicable, shall be prorated accordingly. Subject to the remaining terms of this Master Lease, all amounts remaining unpaid, including principal and interest, shall become due and payable in full on January 20, 20__. Notwithstanding the preceding, if the contingency described in Section 2.5 is not satisfied in full on or before January 20, 20__, this Master Lease shall be deemed null and void, except that any unpaid interest

payments described in this Section 2.1(b) shall remain due and payable and no part of the amount described in Section 2.1(a) shall be refunded to Purchaser.

Section 2.2 All payments shall be made to Owner at the address stated above, or to such person or place as Owner may direct from time to time by written notice to Purchaser.

Section 2.3 If Purchaser fails to make any installment due under this Master Lease within ten (10) days of its due date, the interest rate on amounts past due shall increase by four percent (4.0%) per annum or the maximum rate allowed by law, whichever is less.

Section 2.4 The unpaid principal balance under this Master Lease may be prepaid in full or in part at any time without premium or penalty.

Section 2.5 Notwithstanding the foregoing, if Purchaser, after the exercise of due diligence, is unable for any reason to secure a mortgage loan on the Premises on or before January 20, 20__, then, unless agreed otherwise in writing by Purchaser and Owner, this Master Lease shall automatically become null and void at the close of business on January 20, 20__. Upon such event, each party hereto shall be completely relieved of its obligations to the other party, except that any unpaid interest payments described in this Section 2.1(b) shall remain due and payable and no part of the amount described in Section 2.1(a) shall be refunded to Purchaser. Purchaser agrees to act in good faith to attempt to obtain a mortgage loan on a timely basis as contemplated by this Section.

Section 2.6 Owner acknowledges that Purchaser is awaiting receipt of an ALTA survey of the Property. If the survey discloses defects as to the property and Purchaser does not pay-off the entire Purchase Price on or before January 20, 20__ as a result of such defects, Purchaser may terminate this Master Lease, and Owner shall thereupon promptly return to Purchaser the amount described in Section 2.1(a) above.

Section 2.7 Upon execution of this Master Lease, Owner shall deliver to Purchaser the full amount of rent due (whether or not yet paid) by all tenants of the Property for the month that the Date of Possession occurs, less the prorated portion due to Owner. Uncollected rents shall be the responsibility of Owner.

ARTICLE 3. POSSESSION AND CONDITION OF PREMISES

Section 3.1 Purchaser shall have exclusive possession of the Property commencing on the date of execution of this Master Lease ("Date of Possession"), and continuing thereafter so long as Purchaser is not in default under this Master Lease.

Section 3.2 By occupying the Property, Purchaser acknowledges that he has inspected the Property, and on the basis of such inspection, accepts the Property in its present condition. Notwithstanding the preceding, Owners represents and warrants to Purchaser that the items described on Exhibit C attached hereto and incorporated herein have by satisfactorily completed on or prior to the Date of Possession.

ARTICLE 4.
USE AND OCCUPANCY

Section 4.1 Purchaser agrees to occupy the Property in compliance with all applicable laws, statutes, ordinances, orders, rules, regulations and requirements of any body or agency having jurisdiction, supervision or control over the use or maintenance of the Property.

ARTICLE 5.
TAXES AND UTILITIES

Section 5.1 Purchaser shall pay, when due, all charges incurred for all utility services used or consumed on the Property from and after the Date of Possession.

Section 5.2 Property Taxes.

(a) Purchaser shall owe and be responsible for all real estate taxes and assessments on the Property from the Date of Possession and thereafter. Owner shall owe and be responsible for all real estate taxes and assessments prior to the Date of Possession. Notwithstanding the preceding, real estate taxes and assessments shall be prorated as of the Date of Possession with Owner being responsible for all taxes accruing prior thereto.

(b) During the term of this Master Lease, Purchaser shall pay the semi-annual installments of real estate taxes and assessments on the Property based on the County Treasurer's bill for such taxes and assessments mailed by Owner to Purchaser. Owner agrees to timely mail to Purchaser all such bills providing at least thirty (30) days for Purchaser to pay such amounts. Purchaser agrees to timely pay the taxes. Notwithstanding the preceding sentences of this Section, Owner shall be solely responsible for installments of real estate taxes and assessments that accrue prior to the Date of Possession.

Section 5.3 If Purchaser fails to pay for such utilities, taxes and assessments, Owner may pay the same for Purchaser, and such payment so made shall be added to the indebtedness due under this Master Lease, which shall be paid by Purchaser to the Owner on the first installment date after Owner notifies Purchaser of said payment.

ARTICLE 6.
MAINTENANCE AND INSURANCE

Section 6.1 Purchaser shall keep and maintain the Property in as good a condition as it is now, excepting ordinary wear and tear. Purchaser shall not, without the prior written consent of Owner, make any structural alterations, additions or improvements to the Property, which consent shall not be unreasonably withheld.

Section 6.2 Owner, at Purchaser's cost, shall insure the Premises against risk of loss covered by fire and extended coverage insurance during the continuance of this Master Lease

with a company or companies reasonably acceptable to Owner, in an amount at least equal to the full replacement cost of all buildings and improvements on the Premises with Purchaser named as an additional insured and loss payee and any mortgagee named as an additional insured and loss payee. Any insurance proceeds payable under any such policy relating to a loss which is not a total loss shall be disbursed by the parties solely to repair or restore the Premises. In the event of a total loss, the proceeds of said insurance shall be payable to Owner to the extent of the unpaid balance due hereunder with the remaining proceeds payable to Purchaser. A certificate evidencing such insurance or a copy of the policies shall be delivered to Owner upon request. If Owner fails to maintain such insurance, Purchaser may insure the Premises at Purchaser's expense.

All risks of loss with respect to the Premises shall be borne by Purchaser, and any damage to or destruction of the Premises, or any part thereof, or the taking of any part of the Premises by eminent domain proceedings or otherwise, shall not give rise to any right of cancellation of this Master Lease by either party.

ARTICLE 7.
INDEMNIFICATION

Purchaser agrees to indemnify and hold Owner harmless from and against any and all actions, causes of action, claims, demands, expenditures, expenses, judgments and proceedings based upon any act of negligence of Purchaser in connection with the Property and the use or occupancy thereof.

ARTICLE 8.
CONDEMNATION

In the event the Property, or any part thereof, shall be damaged or taken by reason of any public improvement or condemnation proceeding (whether or not a suit is filed in connection therewith), Purchaser agrees that such proceeds or awards shall be payable to Owner to be applied in satisfaction of Purchaser's obligations under this Master Lease. Should said proceeds exceed the balance due under this Master Lease, any such excess shall be repaid to Purchaser.

ARTICLE 9.
MORTGAGE OF THE PROPERTY

Owner represents to Purchaser that the only mortgages on the Property are described on Exhibit B attached hereto and incorporated herein. Owner agrees that during the operation of this Master Lease that it will not encumber the Property by placing thereon any mortgage, lien, or other encumbrance, without the prior written consent of Purchaser. Owner shall keep any mortgage on the Property in good standing and, in the event Owner should default on any such mortgage, Purchaser may, at his option, cure such default, and all sums so paid by Purchaser shall be credited by Owner to the payment of principal and interest under this Master Lease.

ARTICLE 10.
REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 10.1 Owner represents and warrants to Purchaser that it has made available to Purchaser for his review by all books, leases agreements, current operating statements, current rent roll, records and information relating to the Property in Owner's possession or otherwise conveniently available to Owner ("Records"). The Records shall include all title insurance policies and commitments, surveys, engineering and environmental reports and studies, soil test reports, notices and correspondence to and from governmental entities, and utility companies, building plans and specifications and permits, licenses and other reports and correspondence relating to the Property and the use thereof which are in Owner's possession or otherwise reasonably available to Owner. In no event shall Purchaser be deemed to have assumed any contractual obligations relating to the Property unless specifically assumed by Purchaser. Owner shall provide to Purchaser immediately prior to the execution of this Master Lease a certified rent roll reflecting rents up to the Date of Possession.

Section 10.2 Owner represents, warrants, and covenants to Purchaser as to the following matters as of the Date of Possession, and shall be deemed to remake all of the following representations, warranties, and covenants as of the date of conveyance described in Article 11 below (subject to Purchaser's to changes caused by Purchaser's actions or omissions). Matters describing due inquiry by Owner includes, without limitation, inquiries of the property manager of the Property.

- (a) The execution and delivery of this Master Lease by Owner, the execution and delivery of every other document and instrument delivered pursuant hereto by or on behalf of Owner, and the consummation of the transactions contemplated hereby have been duly authorized and validly executed and delivered by Owner, and will not: (i) constitute or result in the breach of or default under any oral or written agreement to which Owner is a party or which affects the Property; (ii) constitute or result in a violation of any order, decree, or injunction with respect to which the Owner and/or the Property is bound; (iii) cause or entitle any party to have a right to accelerate or declare a default under any oral or written agreement to which Owner is a party or which affects the Property; and/or (iv) violate any provision of any municipal, state or federal law, statutory or otherwise, to which Owner is or may be subject.
- (b) To the best of Owner's knowledge, there is no pending or threatened litigation, arbitration, administrative action or examination, claim, or demand whatsoever relating to the Property and no attachments, execution proceedings, liens, assignments, or insolvency proceedings are pending or threatened against Owner or the Property or contemplated by Owner. Owner is not contemplating the institution of insolvency proceedings.
- (c) Owner has no knowledge of any pending or contemplated eminent domain, condemnation, or other governmental or quasi governmental taking of any part or all of the Property.

- (d) All action required pursuant to this Master Lease necessary to effectuate the transaction contemplated herein has been, or will be, taken promptly and in good faith by Owner and its agents.
- (e) Owner has paid or will pay in full all bills and invoices for labor and material of any kind arising from its ownership, operation, management, repair, maintenance, or leasing of the Property, and there are no actual or, to the best of Owner's knowledge, potential mechanic's lien or other claims outstanding or available to any party in connection with the ownership, operation, management, repair, maintenance, or leasing of the Property.
- (f) Between the Date of Possession and the conveyance contemplated by Article 11, except as otherwise permitted by this Master Lease, no part of the Property will be alienated, encumbered, or transferred in favor of or to any party whatsoever other than to Purchaser or an assignee of Purchaser. There are no purchase contracts, options, or any other agreements of any kind, oral or written, formal or informal, choate or inchoate, recorded or unrecorded, whereby any person or entity other than Owner will have acquired or will have any basis to assert any right, title, or interest in, or right to possession, use, enjoyment or proceeds of, any part or all of the Property.
- (g) There is no litigation, enforcement or permit revocation action, or proceeding related to compliance with any applicable environmental laws, pending, to the best of Owner's knowledge (after due inquiry) or threatened against Owner.
- (h) Owner is not aware of any environmental condition, or any release, on, at, or relating to the Property, or in the vicinity of the Property, that could give rise to an action or liability under any law, statute, rule, regulation, ordinance, or common law theory.
- (i) After due inquiry, Owner is not currently (a) generating, transporting or disposing of hazardous materials, or (b) handling, manufacturing, possessing, or storing any hazardous materials in violation of any applicable environmental laws.
- (j) To the best of Owner's knowledge (after due inquiry), the Property has not been used for the disposal of hazardous materials and has not been contaminated by any hazardous materials.
- (k) To the best of Owner's knowledge (after due inquiry), there are not presently, nor have there ever been, any underground storage tanks located on the Property.
- (l) Owner has not awarded any concessions to any current tenant.
- (m) The Property does not contain any wetlands.

- (n) To the best of Owner's knowledge (after due inquiry), it is not aware of any current or past mold problems on the Property.
- (o) The sole liens on the Property as of the Date of Possession are described on Exhibit B.
- (p) Owner shall be responsible for returning all security deposits and all other deposits and advance rentals for tenants that terminate their tenancy between the Date of Possession and the date of conveyance described in Article 11. All such deposits and advance rentals shall be paid to Purchaser by Owner, and Purchaser shall make all decisions as to the amount, if any, that shall be repaid to the terminating tenants.

All of the representations, warranties, and covenants made by Owner in this Master Lease shall survive the execution of this Master Lease and the closing described in Article 11 for a period of eighteen months (18) after delivery of the Deed, except for Section 10(o) which shall survive indefinitely, and the representations, warranties and covenants in this Master Lease shall not merge upon signing of this Master Lease or in the Deed.

ARTICLE 11.
CONVEYANCE / CLOSING

When the Purchase Price has been paid in full, Owner shall convey to Purchaser good and marketable title in fee simple to the Property by recordable general warranty deed, free and clear of all liens and encumbrances, except: (a) those created by or assumed by Purchaser; (b) zoning ordinances; and (c) legal highways; and (d) those expressly accepted by Purchaser in writing at the time of conveyance. All security deposits and other deposits, real estate taxes and assessments accrued through the Date of Possession and other applicable proration shall be credited against the Purchase Price.

ARTICLE 12.
DEFAULTS AND REMEDIES

Section 12.1 The entire unpaid balance of the Purchase Price and all charges payable under this Master Lease, shall at Owner's option become immediately due and payable upon the happening of any one of the following events:

- (a) If Purchaser fails to pay any installment of the Purchase Price or any other charges herein required and such default continues for a period greater than ten (10) days after written notice of non-payment from Owner to Purchaser.
- (b) If Purchaser fails to perform any other covenant, agreement, or warranty in this Master Lease thirty (30) days after notice from Owner.
- (c) If an order, judgment or decree shall have been entered by any court of competent jurisdiction on application of a creditor adjudging the Purchaser bankrupt or

insolvent or appointment of a receiver or trustee for the Purchaser for all or a substantial part of the Purchaser's assets, and such order, judgment or decree shall continue unstayed and in effect for ten (10) consecutive days.

(d) If Purchaser abandons the Property during the term of this Master Lease.

(e) If the interest of Purchaser in the Property is attached, levied upon or seized by legal process.

Section 12.2 Upon delivery of any statutory notice, Owner may initiate forfeiture of Purchaser's interest under this Master Lease or recover possession of the Property by use of a proceeding for foreclosure and judicial sale of the Property. In addition, Owner may retain all amounts previously paid by Purchaser as rent and compensation for Purchaser's use and occupancy of the Property.

Section 12.3 The remedies provided for in this Master Lease shall be the sole remedy of Owner at law or in equity.

ARTICLE 13. ASSIGNMENT

Purchaser shall be able to assign Purchaser's interest under this Master Lease without Owner's prior written consent, but shall give notice upon transfer. Purchaser may assign this Master Lease to a limited liability company, other entity, or other person.

ARTICLE 14. PUBLIC ORDER

Owner warrants and represents that no orders of any public agency are pending against the Property.

ARTICLE 15. BROKERS

Owner has been represented by Sperry Van Ness. Purchaser has been represented by Rothen Realty. Owner shall be responsible for all commissions due to such brokers. The commission payable to Rothen Realty shall be equal to three percent (3%) of the gross Purchase Price. Each party represents and warrants to the other that no other broker, finder or other person is entitled to any fee, commission or other compensation in connection with the transaction and agree to indemnify and save and hold the other party harmless from any and all liability for or expense in connection with any other real estate brokers' commission due or alleged to be due to any other real estate broker employed in connection with this transaction. Commissions shall be payable upon payment of the Purchaser Price.

ARTICLE 16.
LIENS

Purchaser shall not permit any liens or encumbrances to attach to the Property and shall, at its sole costs and expenses, promptly discharge the same.

ARTICLE 17.
MISCELLANEOUS PROVISIONS

Section 17.1 Unless Purchaser directs to the contrary, Owner, within twenty (20) days after the date of this Master Lease, shall cause a copy of this Master Lease to be recorded in the office of the Hamilton County, Ohio recorder.

Section 17.2 As used herein, the terms "Owner" and "Purchaser" include, respectively, all persons signing this Master Lease in the capacity so stated and their respective successors, heirs and assigns, and all obligations of each party hereto are joint and several..

Section 17.3 Each fully-executed counterpart hereof shall be deemed to be an original hereof.

Section 17.4 This Master Lease shall be governed by the laws of the State of Ohio.

Section 17.5 All notices or other communications provided for herein shall be addressed to and mailed to the addresses provided above by ordinary mail. Each party may designate such other address to the other party by providing written notice thereof.

Section 17.6 This Master Lease shall be binding upon and inure to the benefit of the successors, heirs, personal representatives and assigns of Owner and Purchaser.

Section 17.7 This Master Lease shall not be modified except in writing signed by both Owner and Purchaser.

Section 17.8 In the event that any word, phrase, clause, sentence or other provision of this Master Lease shall violate any applicable statute, ordinance or rule of law in any jurisdiction in which it is used, that provision shall be ineffective to the extent of the violation without invalidating any other provision of this Master Lease.

[The Remainder of this Page is Intentionally Left Blank]

IN WITNESS WHEREOF, duplicates of this Master Lease have been signed by each of the parties on the day and year first above written.

OWNER:

XYZ Investments, LLC, an Ohio limited liability company

By: _____
Owner

PURCHASER:

Purchaser

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

The foregoing instrument was acknowledged before me this ___ day of _____, 20__ by (Owner name here) , _____ of XYZ Investments, LLC, an Ohio limited liability company, on behalf of the limited liability company.

Notary Public

EXHIBIT A
Property Descriptions

EXHIBIT B

Mortgages/Liens

EXHIBIT C

Repair Items