

IRREVOCABLE OFFER TO PURCHASE FOR REAL ESTATE ASSETS – (the “Contract”)

Agents of the Seller:

Tranzon Asset Advisors of Ohio, Inc. (the “Agent”)

All notices to be sent to: 1108-A North Dixie Highway, Elizabethtown, KY 42701, Phone: (270) 769-0284

This is a legally binding Contract to purchase real estate, if any party does not understand any portion of this Contract, please contact competent legal counsel.

1. The undersigned Buyer, through the Agent, hereby offers to purchase from the Seller, Black Heart Development, LLC (the “Seller”), the following described real property along with all improvements, attachments and appurtenances; subject to those exceptions set forth within the attached title commitment(s).

_____ (the “Buyer”), offers for the Property the following amount in United States funds

High Bid Price: \$ _____

+ 10% Buyer’s Premium: \$ _____ (the “Premium”)

=Total Sale Price: \$ _____ (the “Total Sale Price”)

Total Deposit Due (10% of Total Sale Price): \$ _____ (the “Deposit”)

Less Initial Deposit \$ _____

Net Deposit Due with this Contract: \$ _____

The Total Sale Price less credit for non-refundable deposits shall be paid in full with cash (certified funds or wire transfer) at or prior to settlement/closing date referenced in Section 6 of this Contract. The Buyer hereinafter tenders to Northwest Title Agency Co. (the “Designated Escrow Agent”) the sum of \$ _____ with this Contract (for a total of ten-percent (10%) of Total Sale Price) which in its entirety will be the good faith escrow deposit. The disposition of the Deposit is referenced in Section 8 of this Contract.

The Property of: Black Heart Development, LLC
Address of Property: E. Bluelick Road, Lima, OH 45801
*See survey attached as “Exhibit A”

Tract/Lot Number(s) Per Record Plat:

Collectively (the “Property”)

The balance of the Total Sale Price shall be paid by the Buyer in the following manner: Buyer shall tender to Northwest Title Agency Co. (the “Designated Closing Agent”) the balance of the Total Sale Price in cash, or equivalent, at or prior to closing. Seller will convey title to the Buyer by Limited Warranty Deed subject to the exceptions set forth within the attached title commitment(s). If Seller is unable to furnish marketable title, as described herein, on the date set for closing, the Buyer agrees that the Seller shall be given ninety (90) additional days from the contractual closing deadline listed in Section 6 of this Contract to cure any defects. If Seller fails to deliver marketable title, as provided herein within the ninety (90) day timeframe outlined above, Buyer, as its sole remedy, may terminate this Contract and the Deposit shall be returned to Buyer. The sale is subject to applicable zoning or use regulations imposed by any local or state authority, but approval for use, development or subdivision is not a condition or contingency of closing.

2. Title Insurance: At close of escrow or contract settlement the Buyer may elect to purchase, at its expense, title insurance covering the title and transfer of the Property.

Initials; _____; _____; _____

3. Inspection by Buyer, Condition of Property and Release of Liability: The Buyer acknowledges and agrees that, the Property is being conveyed by Seller in “AS IS and WHERE IS” condition, that Buyer is fully familiar with the condition of the Property, and the Buyer is buying the Property based solely on Buyer’s knowledge and research of the Property and not in reliance on any representation made by Seller, Agent or employee of the Seller. The Seller will not be providing any Property disclosures to the Buyer. Seller expressly disclaims any representations or warranties of any kind regarding the Property except as expressly set forth herein, including, without limitation, any representations or warranties regarding the physical condition, conformity of zoning or uses and/or any environmental compliance of the Property. Buyer releases, fully and unconditionally, the Seller and Agent from any and all liability relating to any defect or deficiency affecting said real estate; this and all other releases in this Contract shall survive the closing of this transaction, indefinitely. The Buyer has made all inspections of the Property and agrees to purchase the Property “AS IS and WHERE IS”, without reservation. **The Seller and Agent grant no warranties of any kind, either expressed or implied with respect to the condition, merchantability, standards or suitability of the Property for the Buyer.**

Further defined for the benefit of the Buyer; the Seller and Agent make no warranty to the environmental condition of said Property, and by signing this Contract, the Buyer fully and unconditionally releases the Seller, Agent, their employees, associates and independent contractors from any and all liability regarding environmental condition. **Property is sold to Buyer by survey attached to this Contract as Exhibit A. The Buyer acknowledges that a new survey has been conducted for the benefit of this sale.** Should the Buyer elect to have a survey conducted prior to or after close of escrow which reveals a discrepancy between the information provided by the Seller or Agent, there will be no price or terms adjustments by the Seller. If the Buyer elects to have their own survey conducted, those expenses are solely the responsibility of the Buyer and shall in no way absolve the Buyer from their share of the per-acre Survey Cost as outlined in Section 7. The Buyer is accepting the Property in its “AS IS and WHERE IS” condition, which is directly applicable to a survey or boundary measurement of the Property and/or improvements.

The materials, data or other information provided to Buyer with respect to the Property, including, without limitation, any information supplied by the Agent is provided only for Buyer’s convenience in making its own examination and determination with respect to the Property and, in so doing, the Buyer has relied exclusively on its own independent investigation and evaluation of every aspect of the Property prior to making an offer or bid, and not on any material or information supplied by Seller or its Agent. Buyer expressly disclaims any intent to rely on any such materials or information provided to it by Seller or Agent in connection with its inspection and review of the Property and agrees that it shall rely solely on its own independently developed or verified information.

4. Agency Representation: All parties acknowledge that Tranzon Asset Advisors of Ohio, Inc. solely represents the interests of the Seller in this transaction as Agent of the Seller. Nothing contained within this Contract, oral statements, sale memoranda, advertising or information packages will be construed to interpret the status of the Agent as any form other than Agent of the Seller. Any other agent or broker that may represent the Buyer, by written agreement, and be involved in the transaction, shall solely be responsible for providing all legally necessary agency disclosures to their client(s) and Tranzon Asset Advisors of Ohio, Inc. Attached to this Contract are the legally required Ohio Agency Disclosure documents that will be signed by each party to this transaction and acknowledged by the broker of record.

5. Time is of the Essence: Notice is hereby given that the timelines noted in this Contract must be strictly adhered to in order to avoid a default. In the event the Buyer fails to perform according to the terms of this Contract, the Deposit will be considered forfeited as liquidated damages, not as a penalty, without delay or need for further agreement or release and applied against Seller’s damages without affecting any of the Seller’s further remedies it may have at law or in equity. The Designated Escrow Agent enters this Contract for the sole purpose of acknowledging its obligation of collecting and holding the Deposit and will abide by the terms and conditions of this Contract should a default or dispute arise in regards to this Contract.

BUYER ACKNOWLEDGES THAT THIS CONTRACT IS FOR CASH AND IS NOT CONTINGENT UPON FINANCING OR OTHER APPROVALS; THE BUYER WILL FORFEIT ITS DEPOSIT UPON DEFAULT OF THIS CONTRACT, AND MAY INCUR OTHER SANCTIONS ALLOWED BY LAW OR EQUITY.

6. Closing and Possession: Closing shall occur on or before April 25, 2019. The Seller will pay for deed preparation, their prorated share of taxes, pre-auction title search, their portion of the Survey Cost as described in Section 7 below, and their own attorney fees, if any. The Buyer shall pay all other costs of closing and transfer. Possession shall be given to Buyer at closing.

Initials; _____; _____; _____

7. Payment of Real Estate Taxes, Leases, Owner Association Fees or Dues: All real estate taxes for the year in which the Property is sold shall be prorated to the date of closing, as is standard and common practice to the area in which the Property is located. All delinquent real estate taxes, if any, shall be paid by the Seller from the first proceeds of closing.

Additionally, the Seller has procured the services of Peterman Associates, Inc. for the purpose of obtaining a survey of the Property prior to the auction sale, which is attached as Exhibit A to this Contract. The total cost to obtain this survey is \$ _____ (the "Survey Cost"). The Survey Cost shall be divided equally between Buyer and Seller, at closing, per the following terms: The Buyer hereby acknowledges and agrees to pay for one-half (1/2) of the Survey Cost, which shall be prorated at a rate of \$ _____ per acre purchased. The Seller hereby acknowledges and agrees to pay for one-half (1/2) of the Survey Cost, which shall be prorated at a rate of \$ _____ per acre sold.

8. Non-Refundable Deposit: Buyer has tendered to the Designated Escrow Agent immediately available funds in accordance with Ohio's Good Funds legislation in the amount of \$ _____ as evidence of earnest money binding this Contract. The Deposit must be equal to ten-percent (10%) of the Total Sale Price. The Deposit will be held in the escrow/trust account of the Designated Escrow Agent. All deposits are to be placed in a financial institution with FDIC insured accounts.

9. Seller Default: In the event that the Seller defaults hereunder, Buyer shall solely be entitled to a return of the Deposit. The Buyer shall not be entitled to seek damages, penalty or specific performance from the Seller.

10. Effective Date: The effective date of this Contract is agreed to be the date on which the last of the parties accepts and enters into this Contract.

11. Electronic Transmission: Any copy of this Contract, either by facsimile or duplicate via any electronic means and delivered to either party, shall have the same force and effect of the original document.

12. Counterparts: This Contract may be executed in counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute the same instrument.

13. Assignment of Contract: This Contract is assignable by the Buyer with written notice to the Seller, its counsel, and Agent. The assignee and assignor shall be fully bound to all terms contained herein until escrow is closed.

14. Irrevocable Offer: This offer will remain valid, irrevocable and available for the Seller's acceptance for seven (7) business days after delivery of the offer to the Seller, its counsel, or Agent.

15. Risk of Loss: All risk of loss to the Property, including physical damage or destruction to the Property or its improvements due to any cause except ordinary wear and tear and loss caused by a taking in eminent domain, shall be borne by Seller until the transaction is closed.

16. Fair Housing and Non-Discrimination: All parties acknowledge that this sale and transaction has been conducted without regard to race, color, national origin, religion, sex, familial status or disability.

17. Venue and Procedure for Dispute Settlement: Venue for settlement of disputes will be deemed to be in the courts sitting in Allen County, Ohio. All parties hereby waive their right to trial by jury and agree to submit to a bench trial for the resolution of any dispute. The Buyer and Seller further agree that whichever party prevails in the legal action shall have the right to collect all costs, fees and expenses, including, but not limited to, reasonable legal fees for enforcement or defense of its rights under this Contract. The Buyer and Seller further indemnify and release the Agent from any and all liability related to this transaction and sale.

18. Prohibition to Recordation of Contract: The parties agree they will not present for filing to any recorder or county clerk's office this Contract, and further, all parties are prohibited and disabled from any recordation.

19. Auction Signage Removal: Upon closing and transfer of title to Buyer, the Buyer hereby accepts responsibility for the removal of all signage placed on the Property for the purpose of promoting the auction sale.

20. Survivorship of Agreement: This Contract, amendments, attachments and codicils shall be binding on all parties, their heirs, administrators, assigns and trustees that may be assigned by any court of adequate jurisdiction and/or by previous agreement, corporate resolution and/or the binding will or estate instructions, as applicable.

Initials; _____; _____; _____

The undersigned Buyer and Seller agree they have read the entire contents of this Contract, they agree that all terms of this transaction are contained in this Contract and acknowledge receipt of a copy of it. This offer will remain valid, irrevocable and available for the Seller's acceptance. This is a legally binding Contract; if you do not understand this Contract, consult qualified legal counsel.

Receipt and Acknowledgement of the Contract by the Buyer

*Buyer's Signature: X _____ Date: _____ Time: _____

Buyer's Printed Name: _____ Title: _____

*Buyer's Signature: X _____ Date: _____ Time: _____

Buyer's Printed Name: _____ Title: _____

Company Name: _____

*Type of Ownership: (please check only one)

- _____ CORPORATION organized under the laws of the State of _____
- _____ GENERAL PARTNERSHIP organized under the laws of the State of _____
- _____ LIMITED PARTNERSHIP organized under the laws of the State of _____
- _____ LIMITED LIABILITY COMPANY organized under the laws of the State of _____
- _____ INDIVIDUAL(s) resident of the State(s) of _____
- _____ OTHER (indicate type of entity and state of organization: _____)

*Buyer's Address: _____

*Telephone: _____, Fax: _____, Mobile: _____

*Email Address: _____

Acceptance of the Contract by the Seller

The undersigned Seller agrees to accept the Buyer's offer for the Property, if this sale is conditioned upon final approval of a Court of adequate jurisdiction then the Seller's acceptance is not final until an Order of the Court approves the sale.

SELLER: BLACK HEART DEVELOPMENT, LLC

BY: _____ Date: _____ Time: _____

Name: Craig D. Burkholder Title: Member

SELLER: BLACK HEART DEVELOPMENT, LLC

BY: _____ Date: _____ Time: _____

Name: Donna J. Burkholder Title: Member

Initials; _____; _____; _____

Acceptance of Good Faith Deposit by Escrow Agent

The Designated Escrow Agent agrees that by accepting the Buyer's non-refundable Deposit per the terms of this Contract that it agrees it will abide by all the terms and conditions affecting the Deposit and disposition of same including default by either Buyer or Seller.

BY: _____ Date: _____ Time: _____

Name: _____ Title: _____

Designated Closing Agent/Escrow Agent

Northwest Title Agency Co.
101 N. Elizabeth St., 6th Floor
Lima, OH 45801
Contact: Christine K. DuBois
Phone: (419) 222-1122
Email: cdubois@corylpa.com

SAMPLE

“Tranzon Asset Advisors of Ohio, Inc. is a member company of Tranzon, LLC and is independently owned and operated; Tranzon Asset Advisors of Ohio, Inc. is solely responsible for the conduct and operations of this sale.”

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Initials; _____; _____; _____



AGENCY DISCLOSURE STATEMENT



The real estate agent who is providing you with this form is required to do so by Ohio law. You will not be bound to pay the agent or the agent's brokerage by merely signing this form. Instead, the purpose of this form is to confirm that you have been advised of the role of the agent(s) in the transaction proposed below. (For purposes of this form, the term "seller" includes a landlord and the term "buyer" includes a tenant.)

Property Address: _____

Buyer(s): _____

Seller(s): _____

I. TRANSACTION INVOLVING TWO AGENTS IN TWO DIFFERENT BROKERAGES

The buyer will be represented by _____ AGENT(S) and _____ BROKERAGE.

The seller will be represented by _____ AGENT(S), and _____ BROKERAGE.

II. TRANSACTION INVOLVING TWO AGENTS IN THE SAME BROKERAGE

If two agents in the real estate brokerage _____ represent both the buyer and the seller, check the following relationship that will apply:

- Agent(s) _____ work(s) for the buyer and Agent(s) _____ work(s) for the seller. Unless personally involved in the transaction, the broker and managers will be "dual agents", which is further explained on the back of this form. As dual agents they will maintain a neutral position in the transaction and they will protect all parties' confidential information.
- Every agent in the brokerage represents every "client" of the brokerage. Therefore, agents _____ and _____ will be working for both the buyer and seller as "dual agents". Dual agency is explained on the back of this form. As dual agents they will maintain a neutral position in the transaction and they will protect all parties' confidential information. Unless indicated below, neither the agent(s) nor the brokerage acting as a dual agent in this transaction has a personal, family or business relationship with either the buyer or seller. *If such a relationship does exist, explain:* _____

III. TRANSACTION INVOLVING ONLY ONE REAL ESTATE AGENT

Agent(s) _____ and real estate brokerage _____ will

- be "dual agents" representing both parties in this transaction in a neutral capacity. Dual agency is further explained on the back of this form. As dual agents they will maintain a neutral position in the transaction and they will protect all parties' confidential information. Unless indicated below, neither the agent(s) nor the brokerage acting as a dual agent in this transaction has a personal, family or business relationship with either the buyer or seller. *If such a relationship does exist, explain:* _____
- represent only the (check one) seller or buyer in this transaction as a client. The other party is not represented and agrees to represent his/her own best interest. Any information provided the agent may be disclosed to the agent's client.

CONSENT

I (we) consent to the above relationships as we enter into this real estate transaction. If there is a dual agency in this transaction, I (we) acknowledge reading the information regarding dual agency explained on the back of this form.

BUYER/TENANT _____ DATE _____

SELLER/LANDLORD _____ DATE _____

BUYER/TENANT _____ DATE _____

SELLER/LANDLORD _____ DATE _____

DUAL AGENCY

Ohio law permits a real estate agent and brokerage to represent both the seller and buyer in a real estate transaction as long as this is disclosed to both parties and they both agree. This is known as dual agency. As a dual agent, a real estate agent and brokerage represent two clients whose interests are, or at times could be, different or adverse. For this reason, the dual agent(s) may not be able to advocate on behalf of the client to the same extent the agent may have if the agent represented only one client.

As a dual agent, the agent(s) and brokerage shall:

- Treat both clients honestly;
- Disclose latent (not readily observable) material defects to the purchaser, if known by the agent(s) or brokerage;
- Provide information regarding lenders, inspectors and other professionals, if requested;
- Provide market information available from a property listing service or public records, if requested;
- Prepare and present all offers and counteroffers at the direction of the parties;
- Assist both parties in completing the steps necessary to fulfill the terms of any contract, if requested.

As a dual agent, the agent(s) and brokerage shall not:

- Disclose information that is confidential, or that would have an adverse effect on one party's position in the transaction, unless such disclosure is authorized by the client or required by law;
- Advocate or negotiate on behalf of either the buyer or seller;
- Suggest or recommend specific terms, including price, or disclose the terms or price a buyer is willing to offer or that a seller is willing to accept;
- Engage in conduct that is contrary to the instructions of either party and may not act in a biased manner on behalf of one party.

Compensation: Unless agreed otherwise, the brokerage will be compensated per the agency agreement.

Management Level Licensees: Generally the broker and managers in a brokerage also represent the interests of any buyer or seller represented by an agent affiliated with that brokerage. Therefore, if both buyer and seller are represented by agents in the same brokerage, the broker and manager are dual agents. There are two exceptions to this. The first is where the broker or manager is personally representing one of the parties. The second is where the broker or manager is selling or buying his own real estate. These exceptions only apply if there is another broker or manager to supervise the other agent involved in the transaction.

Responsibilities of the Parties: The duties of the agent and brokerage in a real estate transaction do not relieve the buyer and seller from the responsibility to protect their own interests. The buyer and seller are advised to carefully read all agreements to assure that they adequately express their understanding of the transaction. The agent and brokerage are qualified to advise on real estate matters. **IF LEGAL OR TAX ADVICE IS DESIRED, YOU SHOULD CONSULT THE APPROPRIATE PROFESSIONAL.**

Consent: By signing on the reverse side, you acknowledge that you have read and understand this form and are giving your voluntary, informed consent to the agency relationship disclosed. If you do not agree to the agent(s) and/or brokerage acting as a dual agent, you are not required to consent to this agreement and you may either request a separate agent in the brokerage to be appointed to represent your interests or you may terminate your agency relationship and obtain representation from another brokerage.

Any questions regarding the role or responsibilities of the brokerage or its agents should be directed to an attorney or to:

Ohio Department of Commerce
Division of Real Estate & Professional Licensing
77 S. High Street, 20th Floor
Columbus, OH 43215-6133
(614) 466-4100





It Is Illegal To Discriminate Against Any Person Because of Race, Color, Religion, Sex, Ancestry, Disability, Familial Status, Or National Origin

- In the sale or rental of housing or residential lots
- In advertising the sale or rental of housing
- In the financing of housing
- In the provision of real estate brokerage services

Blockbusting is also illegal

The Broker and Sales Associates are licensed by the Division of Real Estate, Ohio Department of Commerce. The division may be contacted for inquiries and complaints and for information on the Real Estate Recovery Special Account (Section 4735.12 of the Revised Code) as a source of satisfaction for unsatisfied civil judgments against a licensee.

**Ohio Department Of Commerce
Division Of Real Estate &
Professional Licensing**

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Columbus, OH 43215-6133
(614) 466-4100

615 W. Superior Avenue, 12th Floor
Cleveland, OH 44113-1801
(216) 787-3100

www.com.state.oh.us/real

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Ohio Department of Commerce

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77 South High Street • 20th Floor
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Bob Taft
Governor

Doug White
Director

Fair Housing Statement – For all Agency Agreements

Revised Code 4735.55

It is illegal, pursuant to the Ohio Fair Housing Law, Division (H) of Section 4112.02 of the Revised Code and the Federal Fair Housing law, 42 U.S.C.A. 3601, to refuse to sell, transfer, assign, rent, lease, sublease or finance housing accommodations, refuse to negotiate for the sale or rental of housing accommodations, or otherwise deny or make unavailable housing accommodations because of race, color, religion, sex, familial status as defined in Section 4112.01 of the Revised Code, ancestry, disability as defined in that section, or national origin or to so discriminate in advertising the sale or rental of housing, in the financing of housing, or in the provision of real estate brokerage services.

It is also illegal, for profit, to induce or attempt to induce a person to sell or rent a dwelling by representations regarding the entry into the neighborhood of a person or persons belonging to one of the protected classes.

SAMPLE

EXHIBIT A
(SURVEY)

SAMPLE

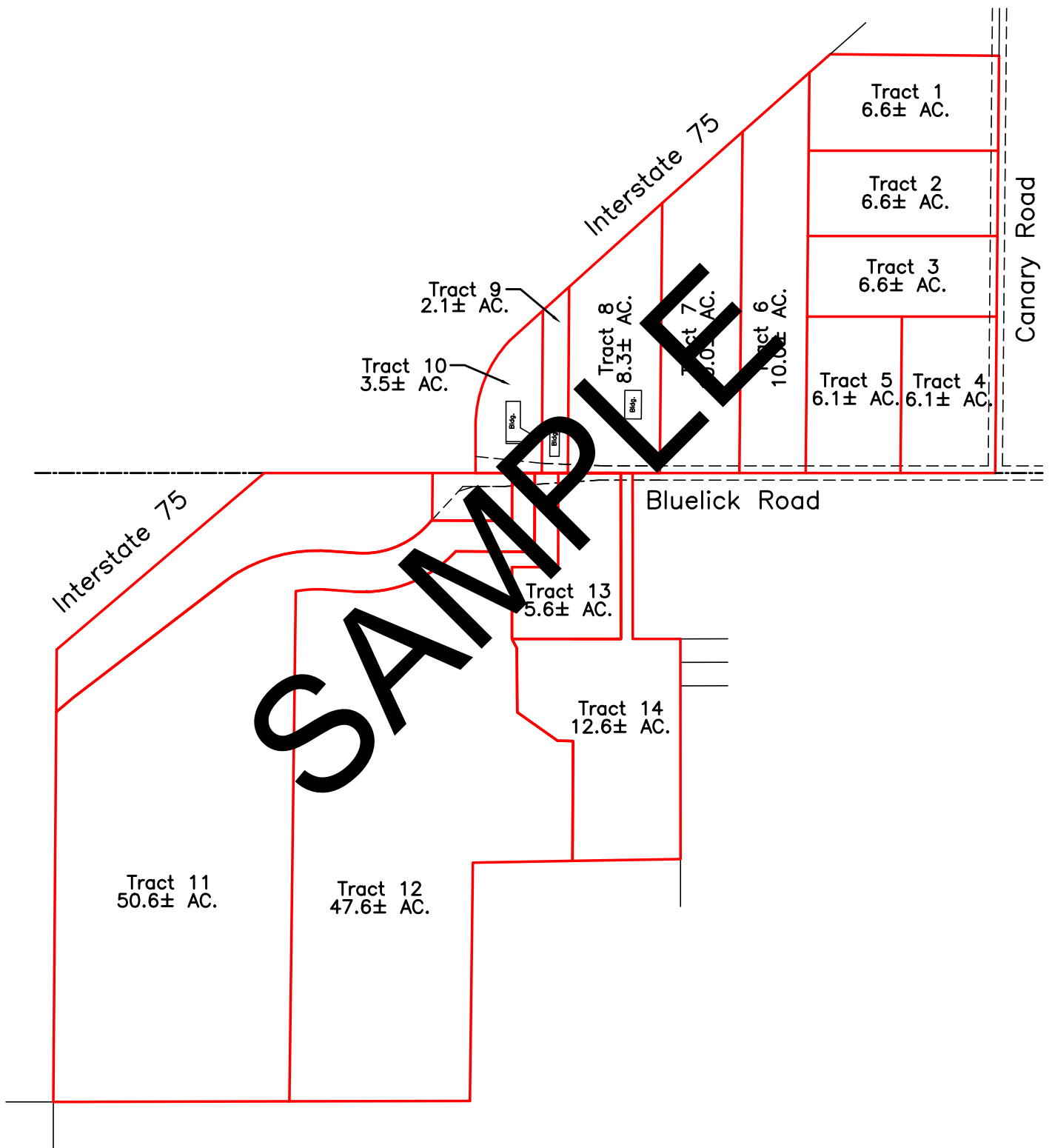


EXHIBIT B
(TITLE COMMITMENT)

SAMPLE