

Selling Restaurants

Commercial Real Estate and/or Business Purchase Agreement

1. PARTIES: For the purposes of this Commercial Real Estate and/or Business purchase agreement (the "Agreement") and notifications related to this Agreement, Seller and Buyer are identified as follows:

BUYER: ("Buyer")

SELLER: ("Seller")

Name 1: _____

Name 2: _____

Name 3: _____

2. TRANSACTION: Upon the following terms and conditions, Seller agrees to sell and convey to Buyer and Buyer agrees to purchase from Seller the certain Real Property and/or Business and/or Assets located at and described as:

Name: _____

Address: _____

City, State, Zip: _____

APN: _____ (if applicable)

3. SUMMARY OF TERMS:

A. The summary of the terms being offered by Buyer, and described in more detail in this Agreement, are:

- | | |
|--|--|
| <input type="checkbox"/> All Cash. | <input type="checkbox"/> Min. Deposit Amount in check form of \$_____. |
| <input type="checkbox"/> SBA Loan at current market rates, terms & fees. | <input type="checkbox"/> Seller Financing Max. _____% of selling price. |
| <input type="checkbox"/> Seller Financing secured with business real estate. | <input type="checkbox"/> Seller Financing @ _____% & Amort. _____ months. Due in _____ months. |
| <input type="checkbox"/> Seller Financing secured with personal guarantee. | <input type="checkbox"/> Seller Financing secured with Buyer's Real Estate. |
| <input type="checkbox"/> Training at no additional charge for _____ hours. | <input type="checkbox"/> Covenant not to compete for _____ months and _____ miles. |
| <input type="checkbox"/> Commercial Loan at current market rates & terms | |

B. The assets of the business being purchased in the sale are to include the following checked items:

- | | | |
|--|--|--|
| <input type="checkbox"/> Furniture, Fixtures & Equipment | <input type="checkbox"/> Recipes | <input type="checkbox"/> Goodwill |
| <input type="checkbox"/> Leasehold Interest & Improvements | <input type="checkbox"/> Trade Name & Logo | <input type="checkbox"/> Consumable Inv. & Supp. |
| <input type="checkbox"/> Liquor License (Type_____) | <input type="checkbox"/> Franchise Rights | <input type="checkbox"/> Real Estate |
| <input type="checkbox"/> Website | <input type="checkbox"/> Other _____ | <input type="checkbox"/> Signage |

4. PURCHASE PRICE:

A. TOTAL PURCHASE PRICE: (Sum of Items B through I below)

\$ _____

B. INITIAL DEPOSIT:

\$ _____

Upon acceptance of this Agreement by Seller, Buyer by the next business day shall directly deposit into _____ ("Escrow Holder") the Initial Deposit to be used toward the total purchase price or liquidated damages as the parties may agree to hereunder.

C. INCREASE DEPOSIT:

\$ _____

Buyer agrees to increase deposit in escrow by the amount stated upon obtaining:

- Lease assignment in writing, or;
 New lease in writing, or;
 Franchise approval, or;
 Loan Approval, or;
 Other: _____

D. SELLER FINANCING:

\$ _____

Is evidenced by a note in favor of Seller secured by the assets of the Business, together with a security agreement in the usual and customary form covering all assets of the Business, and a UCC-1 filed with the Secretary of State, which shall include proceeds of collateral in first position. Note is payable at an interest rate of _____%, amortized over _____ months, and all due and payable in _____ months. A late fee of \$_____ is due if the note is not paid within 10 days after the due date. Note shall contain a due on sale clause. Note shall not contain a prepayment penalty. Note shall be secured with a trust deed on Buyer's residence located at: _____.

Note shall be personally guaranteed by principal shareholder(s) or other controlling owner(s) of the Buyer.

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CAUTION: Obligations secured by mixed collateral (i.e. both personal and real property) are subject to complex rules and court decisions. Buyer and Seller are **STRONGLY** urged to consult an attorney in connection with any security issues, including enforcement of the obligation.

E. THIRD PARTY FINANCING:

\$ _____

Buyer to obtain Third Party Financing from a Commercial or Small Business Administration Lender, which may be secured by Buyer's own real property or, if real property is included in sale, by that real property.

For real estate the maximum initial interest rate of _____%, amortized over _____ months and due and payable in _____ months.

For the business the maximum initial interest rate is prime plus _____% amortized over _____ months and due and payable in _____ months.

F. HOME LOAN:

\$ _____

Buyer to obtain a Home Loan, either an equity loan or a refinance loan, on residence located at _____.

. This is a contingency of the purchase. The loan shall have a maximum interest rate of _____%, amortized over _____ months and due and payable in _____ months.

G. INVENTORY & SUPPLIES "Targeted Amount": (check one)

\$ _____

Buyer and Seller agree to perform or cause to be performed a count of inventory and supplies just prior to close of escrow. Inventory and supplies shall be purchased at Seller's wholesale cost. If final inventory and supplies amount is more than "targeted amount," the Buyer shall directly pay (outside of escrow) to the Seller the amount in excess of "Targeted Amount." If final amount of inventory and supplies is less than "targeted amount," Seller shall directly pay (outside of escrow) to Buyer the amount in excess of "Targeted Amount."

Inventory and supplies on hand at closing are included in purchase price. No final count of inventory will occur.

H. BUSINESS LIABILITIES

\$ _____

Buyer is NOT purchasing any business liabilities, EXCEPT those checked below:

Yellow Page or other advertising at a monthly cost of \$ _____

Equipment Lease(s) for _____

Website or other maintenance agreements at a monthly cost of \$ _____

Other: _____

I. BALANCE OF PURCHASE PRICE:

\$ _____

Buyer shall deposit with Escrow Holder, within a sufficient time to close this transaction, the balance of the purchase price. **Note:** This amount **EXCLUDES** escrow fees, sales tax, and other taxes and escrow fees, all of which Buyer will need to deposit with Escrow Holder prior to closing escrow.

5. BUYER'S AND SELLER'S DUE DILIGENCE AND CONTINGENCIES: The following time periods may be extended, altered, or modified only by mutual written agreement. In addition to other contingencies in this Agreement, Buyer's purchase of this Business and/or Real Property is contingent upon the satisfaction or waiver of the following checked items.

A. FINANCIAL AND BUSINESS RECORDS REVIEW: Buyer shall have _____ days from acceptance of this Agreement to review and approve the financial books and records of the business.

B. SELLER'S DISCLOSURE: Buyer shall have _____ days from acceptance of this Agreement to review and approve the Seller's Business Disclosure Statement form.

C. INVESTIGATION AND INSPECTION OF REAL PROPERTY (Real Property Only): Buyer shall have the right to conduct inspections, investigations, tests, surveys and other inspections of the real property and building at Buyer expense. Buyer shall have _____ days either after receiving lender commitment letter or after acceptance of this Agreement, whichever is later, to complete and approve these inspections. If Buyer does not exercise this right to conduct inspections, Buyer is acting against the advice of Broker. In any event, Buyer is relying upon his/her inspections made or obtained in deciding to accept the real property. Buyer and Seller are aware Broker does not guarantee, or make any representations as to condition or suitability of real property. Buyer is advised to seek professional licensed inspectors.

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D. INVESTIGATION AND INSPECTION OF BUSINESS ASSETS AND PREMISES: Buyer shall have the right to conduct inspections, investigations, tests, surveys and other inspections of equipment, fixtures, premises and other personal property at Buyer expense. Buyer shall have ____ days after obtaining landlord's written approval to transfer lease or obtain a new lease to complete and approve these inspections. If Buyer does not exercise this right to conduct inspections, Buyer is acting against the advice of Broker. In any event, Buyer is relying upon its inspections made or obtained in deciding to accept personal property and premises. Buyer and Seller are aware Broker does not guarantee, or make any representations whatsoever as to the condition or suitability of personal property or premises. Buyer is advised to seek professional licensed inspectors and seek professional legal advice.

E. GEOLOGICAL INSPECTION: Buyer has 30 days after acceptance of this Agreement to complete geological, soil and environmental inspections. Buyer is advised to seek professional licensed inspectors. **(Only Real Property Purchase).**

F. LEASEHOLD:

ASSIGNMENT OR SUBLEASE: Buyer to assume Seller's current lease. Buyer shall apply to assign or sublease the lease within 10 days after satisfaction or waiver of contingencies in Paragraphs 5.A through 5.C and 5.J. inclusive of this Agreement. The purchase is contingent upon landlord's approval of assignment or sublease. Buyer agrees to make a good faith effort to obtain lease assignment or sublease, and Seller agrees to cooperate with Buyer in obtaining the same. Buyer Seller Buyer and Seller Equally shall pay all costs associated with obtaining transfer of leasehold rights, if any. An assignment or sublease agreement removes contingency.

NEW LEASE: Buyer shall negotiate a new lease with rent and other principal economic terms no more favorable to Seller. Buyer shall apply with Landlord to obtain a new lease within 10 days of satisfaction or waiver of contingencies in Paragraphs 5.A through 5.C and 5.J. inclusive of this Agreement. Buyer agrees to make a good faith effort to obtain a new lease. A new lease agreement removes contingency.

G. FRANCHISE APPROVAL: Approval and transfer by Franchisor of franchise agreement. Buyer Seller Buyer and Seller Equally shall pay all costs associated with obtaining transfer of franchise rights, if any. Franchise approval removes contingency.

H. LIQUOR LICENSE: Approval by State Agency to transfer the liquor license. Buyer agrees to make a good faith effort to complete all transfer documents and apply for a transfer. Buyer must set an ABC appointment within 7 days after obtaining landlord's verbal approval to assign, sublease or execute a new lease. Buyer shall pay all cost associated with transferring license or obtaining a new license. An ABC posting removes contingency.

I. LOAN: Buyer shall have ____ days to submit all loan application documents to lender. Buyer shall provide Seller with a bona fide loan commitment letter from lender within ____ days of acceptance of this Agreement or Seller may cancel this Agreement at Seller's option, without recourse, and both parties shall be considered released from this Agreement and the Buyer deposit(s) returned minus any escrow fees incurred. Loan must be funded no later than ____ days from acceptance of this Agreement. A loan commitment letter removes contingency.

J. FURNITURE, FIXTURES & EQUIPMENT INVENTORY: Within ____ days of execution of this Agreement, Seller will provide Buyer with a complete list of furniture, fixtures and equipment included in sale. Buyer shall have ____ days from receipt of such list to review and approve contents of the list (but not condition of items on the list, which is the subject of Paragraph 5.D). Upon approval of list it shall be incorporated into this Agreement. If Buyer does not approve said list within the stated number of days, this Agreement shall be considered cancelled, Buyer's deposit returned and both parties shall be considered completely relieved from all obligations under this Agreement. Buyer and Seller must both notify Broker in writing in order to extend this deadline.

K. PRELIMINARY TITLE REPORT (Real Property only): Buyer shall receive a preliminary title report within 10 days after acceptance of this Agreement. Buyer has 21 days from acceptance of this Agreement to review and approve said title report.

L. SUFFICIENT FUNDS: Buyer shall, within 7 days after acceptance of this Agreement, provide Seller and Broker written verification of sufficient funds to close this transaction. Seller, with approval of Broker, has the option to cancel this Agreement if verification is not supplied within such period.

WARNING: Buyer is strongly advised to investigate, inspect and verify the financial and operating aspects of the business and all matters affecting the value or desirability of the business including, but not limited to past, present and future financial performance and condition of fixtures, equipment and leasehold improvements. Among other things, Buyer should also investigate licenses and permits, vendor relationships, employee status and premise facilities. Buyer is also strongly advised to investigate condition and suitability of all aspects of real property and all matters affecting value or desirability of property including but not limited to the structural, foundation, roof, plumbing, heating, ventilating, air conditioning, electrical, mechanical, security, fixtures, equipment ADA Compliance and outside influences. Buyer should also verify and/or investigate square footage, property lines and boundaries, sewer, water, other utilities, potential environmental hazards, hazardous waste, soil, terrain stability, suitability and drainage.

Read and Approved by Buyer(s) (____) (____) (____) / Seller(s) (____) (____) (____)

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6. CONTINUATION OF DUE DILIGENCE PROCESS:

A. TIME IS OF THE ESSENCE: Seller agrees to provide Buyer with all available requested business records and information in a timely manner. Seller warrants all information, records and documents provided are and will be true and complete to the best of Seller's ability and knowledge. Buyer agrees time is of the essence in successfully closing this transaction and agrees to make a good faith effort to assign or transfer the lease, complete all Franchisor and all State and Local agencies transfer requirements, if any. Buyer warrants all information, records and documents provided to Seller, Broker, Landlord, Franchisor and all State and Local Agencies will be true and complete to the best of Buyer's ability and knowledge.

B. GOOD FAITH EFFORT: Buyer and Seller agree to act in good faith in successfully closing this transaction, completing all contingencies, and cooperating with the Broker, Landlord, Franchisor, and all state and Local agencies.

C. REMOVAL OF CONTINGENCIES: By the end of the time periods specified in Paragraph 5 of this Agreement, Buyer shall remove, in writing, the applicable contingencies or cancel this Agreement.

D. BUYER RIGHT TO CANCEL: After Buyer makes a good faith effort to remove the contingencies under paragraph 5 above, Buyer must, in writing, notify Seller of canceling this Agreement specifying the reason(s). If Buyer does not proceed with purchase because a contingency could not be satisfied despite Buyer's good faith effort, Buyer may have the deposit returned minus any applicable escrow costs. In this case, Buyer and Seller are relieved of all obligations of this Agreement.

E. EFFECTS OF REMOVING CONTINGENCIES: If any contingencies or cancellation rights are removed by Buyer in writing or by delivery of a third party writing such as a commitment letter or lease assignment agreement, unless otherwise specified in a separate agreement between Buyer and Seller, Buyer shall conclusively be deemed to have: (a) removed that particular contingency and; (b) elected to proceed with the transaction.

F. FAILURE TO REMOVE CONTINGENCIES: If Buyer fails or refuses to remove contingencies in writing, Seller may give Buyer a written 3 day Notice to Perform. Seller, after giving such notice, may cancel this Agreement by written document issued to Buyer, and authorize return of Buyer's deposit if by the time specified under paragraph 5 of this Agreement: (1) Buyer acted in good faith or, (2) Buyer does not remove in writing the applicable contingency, or (3) Buyer cancel the Agreement. Once all contingencies are removed, failure of either Buyer or Seller to close escrow in the time specified in this Agreement is a material breach of this Agreement and subject to liquidated damages.

7. BUYER'S DEFAULT AND LIQUIDATED DAMAGES: AFTER REMOVAL OF CONTINGENCIES PROVIDED FOR IN SECTION 5, IF BUYER FAILS TO COMPLETE THIS PURCHASE BECAUSE OF BUYER BREACH OR DEFAULT, SELLER SHALL RETAIN, AS LIQUIDATED DAMAGES, THE DEPOSIT ACTUALLY PAID. BY PLACING THEIR INITIALS HERE BUYER (____)(____)(____) AND SELLER (____)(____)(____) AGREE THAT THIS AMOUNT IS A REASONABLE SUM GIVEN IT IS IMPRACTICAL OR EXTREMELY DIFFICULT TO FIX ACTUAL DAMAGES SUFFERED BECAUSE OF SUCH DEFAULT. FUNDS DEPOSITED IN ESCROW ARE NOT AUTOMATICALLY RELEASED IN THE EVENT OF DEFAULT OR BREACH; SUCH REQUIRES THE WRITTEN AGREEMENT OF BOTH PARTIES OR A JUDICIAL OR ARBITRATION DECISION.

8. INTENTIONALLY LEFT BLANK

9. TRAINING. If checked, Seller agrees to provide training, at no cost to Buyer, in all aspects of business for a total of ____ hours at ____ hours per day ____ days per week. Training period shall start at close of escrow and take place during normal operating hours unless otherwise mutually agreed to by Buyer and Seller.

10. COVENANT NOT TO COMPETE: If checked, Seller agrees not to operate a _____ either directly or indirectly through ownership interest or employment, within a ____ mile radius of the current location for and during the ____ months following close of escrow, so long as Buyer or Buyer's successor-in-interest is operating business in the purchased location.

11. PURCHASE PRICE ALLOCATION: If checked, Buyer and Seller agree to the following purchase price allocation:

Furniture, Fixtures and Equipment:	\$ _____
Leasehold Improvements:	\$ _____
Land:	\$ _____
Building:	\$ _____
Covenant Not to Compete:	\$ _____
Goodwill	\$ _____
Liquor License	\$ _____
Inventory	\$ _____ (targeted amount)
Other: _____	\$ _____
Total Purchase Price	\$ _____

If checked, within 7 days of acceptance of this Agreement, Buyer shall submit to Seller the proposed purchase price allocation for review and approval by Seller, which approval shall not be unreasonably withheld.

Purchase Price Allocation can have significant tax consequences for Buyer and Seller. Consult with your tax advisor. Buyer shall pay for all sales tax related to transfer of fixtures and equipment.

Read and Approved by Buyer(s) (____) (____) (____) / Seller(s) (____) (____) (____)

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12. SELLER REPRESENTATIONS, WARRANTIES AND COVENANTS: (i) Seller warrants to the best of its knowledge all furniture, fixtures and/or equipment transferred to Buyer under this Agreement shall be in good working condition at time of closing, except as otherwise disclosed in writing to Buyer. (ii) Seller warrants to the best of its knowledge at the time of the closing, facilities and operations of Seller shall be in compliance with applicable Fire and Health Department(s) regulations and/or licensing requirements. (iii) Seller warrants the business and all property, except as agreed to herein, will be transferred to Buyer free of all debts, obligations or taxes of any kind. (iv) Seller agrees to pay all suppliers and vendors Seller owes in a timely fashion so as not to create any disruption to business after closing. (v) Except as disclosed in Seller's Disclosure Statement under paragraph 5.B. above, Seller has no knowledge of any claims, litigation, proceedings, or investigation pending or threatened against Seller that may result in any material adverse change in business or condition of assets being conveyed under this Agreement. (vi) Seller knows of no material fact that has resulted, or that in the reasonable judgment of Seller will result in, a material change in business, operations, or assets of Seller that has not been set forth in this Agreement or otherwise disclosed to Buyer under the Seller's Disclosure Statement under paragraph 5.B. above. (vii) Seller will not assign, sell, lease or otherwise transfer or dispose of any of the assets of business being purchased, other than inventory sold in ordinary course of business. (viii) As of or prior to the closing date, Seller will pay each employee all wages, commissions, and accrued vacation pay earned up to time of escrow closing, including overtime pay.

Re: REAL PROPERTY: Seller warrants on the date possession is made available to Buyer:, except as otherwise disclosed in writing to Buyer, (1) roof shall be free of known leaks, (2) all ventilating systems, electrical, plumbing, water, sewer systems shall be operative, (3) all broken or cracked glass shall be replaced, (4) property, including landscaping and grounds, shall be maintained in substantially same condition as on date of acceptance of this Agreement, (5) all personal property not included in sale and all debris shall be removed and (6) all additions or improvements made to Real Property have been approved by City/County governing agencies where applicable unless otherwise disclosed and accepted by Buyer.

13. EARLY POSSESSION: If checked, Seller agrees to give possession to Buyer prior to close of escrow upon the following conditions being met by Buyer:

- a. Buyer obtains a lease assignment or new lease for the premises.
- b. Buyer obtains the necessary operating licenses and permits.
- c. Buyer obtains general liability (in amount specified in premise lease) and worker's compensation insurance policies. Buyer must provide proof of insurance to Seller and include Seller as additional insured until escrow closes.
- d. Buyer removes all contingencies to purchase in writing.
- e. Buyer deposits into escrow full amount of funds required to successfully close escrow including purchase price and all closing and escrow fees, and Buyer signs final escrow instructions.
- f. If a liquor license is involved, the Buyer has applied for license transfer and the posting is placed on the property.
- g. The end of public notice publication period is no more than 5 days from the possession date.

Under early possession of business and/or real property by Buyer, Seller grants possession of business operation and premises to Buyer prior to legal closing. Buyer is aware it is financially responsible for all indebtedness incurred by it and will financially benefit from all profits made by it from the date of early possession. Seller is aware that allowing possession prior to closing may result in detrimental changes to business and/or its assets and there is no guarantee the pending sale of business and/or real property will consummate. Both Buyer and Seller agree to indemnify Paramount Restaurant Brokers, Inc., its agents, and associates and to hold them harmless as a result of this action. **Added Value Alliance, Inc. does not recommend early possession.**

IF BY NO MATERIAL DEFAULT OR DIRECT CAUSE BY SELLER, BUYER FAILS TO CLOSE THIS TRANSACTION IN ACCORDANCE WITH THIS AGREEMENT, BUYER SHALL BE CONSIDERED IN DEFAULT OF THIS AGREEMENT.

BUYER DEFAULT AND LIQUIDATED DAMAGES UNDER EARLY POSSESSION: UNDER A BUYER DEFAULT AS PROVIDED FOR IN THIS AGREEMENT, SELLER MAY, SUBJECT TO ANY RIGHTS OF BROKER, RETAIN ALL DEPOSITS PAID INTO ESCROW AS DAMAGES. IF BUYER FAILS TO COMPLETE THIS PURCHASE BECAUSE OF BUYER BREACH OR DEFAULT, SELLER SHALL RETAIN, AS LIQUIDATED DAMAGES, THE DEPOSIT ACTUALLY PAID. BY PLACING THEIR INITIALS HERE BUYER (____)(____)(____) AND SELLER (____)(____)(____) AGREE THAT THIS AMOUNT IS A REASONABLE SUM GIVEN THAT IT IS IMPRACTICAL OR EXTREMELY DIFFICULT TO FIX THE ACTUAL DAMAGES SUFFERED BECAUSE OF SUCH DEFAULT. FUNDS DEPOSITED IN ESCROW ARE NOT AUTOMATICALLY RELEASED IN EVENT OF DISPUTE; RELEASE OF SUCH FUNDS REQUIRES WRITTEN AGREEMENT OF BOTH PARTIES OR A JUDICIAL OR ARBITRATION DECISION.

If Seller agrees with Buyer or Seller is found by a legal decision having jurisdiction over this transaction to be at fault or direct cause of Buyer's default or inability to close escrow, then at Buyer's option, Buyer may cancel this Agreement and both parties shall be fully released from all obligations and Buyer's escrow deposit shall be returned less any applicable costs or escrow fees incurred.

Read and Approved by Buyer(s) (____) (____) (____) / Seller(s) (____) (____) (____)

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14. BULK SALE TRANSFER: INTENTIONALLY LEFT BLANK

15. INDEMNIFICATION: Seller agrees to indemnify, save harmless, and defend Buyer from all liability from loss, damage, or injury to property or persons from any incident involving operation of business occurring prior to transfer of business and Buyer agrees to indemnify, save harmless, and defend Seller from all liability from loss, damage, or injury, to property or persons from any incident involving operation of business after the transfer of business unless otherwise expressly provided for in this Agreement.

16. OPERATING OR BUSINESS DURING ESCROW: During escrow, Seller shall, unless Early Possession has been granted to Buyer: (i) operate Business diligently and in substantially same manner as prior to this Agreement; (ii) maintain the goodwill of Business; (iii) keep all equipment, leasehold improvement, and personal and real property (if applicable) in normal operating condition.

17. PRORATING: If applicable, personal property taxes, real estate taxes, rents, lease deposits, licenses, services, etc. and other prepaid deposits or expenses Buyer benefits from shall be prorated as of close of escrow. Buyer through escrow shall pay Seller prorated amount.

18. CUSTOMER DEPOSITS: Any customer deposits or prepayments of business at close of escrow shall be prorated and credited to Buyer.

19. SALES & USE TAX: Buyer shall pay any sales or use tax payable as a result of sale under any law.

20. TAX CLEARANCE: Seller shall deliver to Escrow Holder proof city (if applicable), state, and federal income tax are current. Amounts withheld but not yet payable will be transferred in escrow. Seller shall also deliver to Escrow Holder any clearance documents available from State Board of Equalization and Employment Development Department. Funds are not released from escrow until such documents are received.

21. ESCROW CLOSING AND CLOSING FEES: Buyer and Seller agree to close this transaction in a timely manner and shall deliver to escrow holder all instruments and funds necessary to complete sale in accordance with terms of this Agreement. The targeted date for closing escrow is _____ or sooner. Unless Buyer and Seller agree otherwise in writing, escrow shall not close later than _____.

A. Escrow fees shall be paid by Buyer Seller Equally by Buyer and Seller.

B. Any loan related fees or expenses shall be paid by Buyer.

C. County transfer tax or transfer fee shall be paid by Buyer Seller Shared equally. (Real Estate Only)

D. If there is any City transfer tax or transfer fee it shall be paid by Buyer Seller equally by Buyer and Seller.

E. Buyer shall receive a Washington Land Title Association (WLTA) policy issued by Wa-Land Title Co. Buyer Seller equally pays for cost of WLTA policy. (Real Estate Only)

22. TIME: Time is of the essence in this Agreement. The term "days" as referred to in this Agreement shall be counted as calendar days.

23. TRANSACTION OBLIGATIONS: It is implied Buyer and Seller shall execute and/or provide necessary documents and information in a timely manner to close escrow as scheduled.

24. ATTORNEY FEES: If action is instituted relating to this Agreement, the prevailing party shall receive reasonable attorneys' fees and costs as fixed by the court.

25. PROFESSIONAL AND BROKERAGE FEES: Buyer and Seller agree to pay for their own attorney, consulting or accounting fees incurred to close this transaction. Seller acknowledges and agrees to pay in cash from escrow proceeds the Compensation to Added Value Alliance, Inc. as agreed pursuant to section 4 of their Sole and Exclusive Right to Sell Agreement or other listing agreement.

26. FORM OF OWNERSHIP: Business shall be owned in the form designated in Buyer's escrow instructions. **MANNER OF TAKING TITLE AND FORM OF OWNERSHIP OF BUSINESS MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. CONSULT A PROFESSIONAL.**

27. TITLE: Seller shall furnish to Buyer bills of sale and other instruments of transfer or assignment necessary to carry out this Agreement. Title for real estate shall be transferred by grant deed and shall be free of liens and obligations, except as provided for in this Agreement.

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28. LIENS, ENCUMBRANCES, AND RESTRICTIONS: Seller warrants, to the best of its knowledge, there are no undisclosed liens, encumbrances or restrictions upon the Business and/or Real Estate.

29. DAMAGE OR DISTRUCTION: If Business or Real Property is destroyed or materially damaged prior to close of escrow, then on demand of Buyer, any deposit(s) made by Buyer shall be returned to Buyer and this Agreement shall terminate.

30. POSSESSION: Physical possession will be given to Buyer at: close of escrow or early possession as described under paragraph 13.

31. BROKER'S REPRESENTATIONS AND SCOPE OF DUTY (i) Buyer and Seller agree and understand there are no verbal or written agreements, understandings, or representations made by Broker not set forth herein. (ii) Broker strongly recommends Buyer in making the decision to purchase business only rely on its independent investigation of historical and/or potential future revenues, expenses and profitability of business and suitability of the assets being purchased meets with Buyer's approval. (iii) Broker or Broker's agents have not made and do not make any representations as to accuracy of business information supplied or ability of Buyer to conduct or profitably operate said business at any current, historic or projected revenue or profit level. (iv) Information provided to Buyer was based on information as supplied in whole or in part by Seller of business and is believed to be accurate. However, Broker and its agents have not attempted to confirm or verify any information supplied by Seller or other and make no representations (expressed or implied) with respect to the accuracy of its content. (v) Buyer and Seller acknowledge and agree Broker and its agents do not decide what price the Buyer should pay or Seller should accept, and Broker does not guarantee performance or repairs of others who have provided services or products to Buyer or Seller.

32. ADVISORS REVIEW: Both Buyer and Seller are advised to seek independent legal and accounting counsel relating to all legal and business implications involved in this Agreement.

33. AMENDMENTS: This Agreement can only be modified by a written document signed by Buyer and Seller.

34. GIFT CERTIFICATES: If Seller has dispersed gift certificates or related, at close of escrow Seller will provide Buyer with a credit equal to the outstanding amount of gift certificates not more than ____ months old. Buyer agrees to honor all such gift certificates when redeemed. Seller advertising promotions shall not be reimbursed and Buyer agrees to honor such advertising promotions.

35. SUFFICIENCY OF AGREEMENT: Seller and Buyer agree performance under the terms and conditions of this Agreement are sufficient compensation for exchange of value contemplated between Seller and Buyer.

36. SEVERABILITY: Any provision(s) in this Agreement proved to be invalid or illegal shall in no way effect or invalidate any other provision of this Agreement and all other provisions shall remain in full force and effect.

37. GOVERNING LAW: This Agreement shall be governed by laws of the State of _____ without regard to choice of law principles.

38. AGENCY: Buyer and Seller understand and agree Broker or Broker's agent(s) since beginning of Buyer's enquiry into this Business or Real Estate transaction are and have been the exclusive agent representing only Seller. Buyer verifies it has signed a Confidentiality Agreement and Disclaimer (Digital or written form) with Broker and such Agreement is an integral part of this Agreement. If Broker has assisted in drafting of this Agreement for Buyer, it is done solely to accommodate Seller, and does not create or intend to create an agency relationship with Buyer.

39. ASSIGNMENT PROHIBITED: This Agreement is personal to Buyer and Seller and Buyer shall not assign rights under this contract without the prior written consent of Seller.

40. EXPIRATION: This offer to purchase expires within ____ days of the day as signed below by Buyer, unless Seller signs acceptance and acceptance is communicated to Broker. If offer expires, this offer shall be deemed revoked and deposit shall be returned.

41. ENVIRONMENTAL HAZARD CONSULTATION: Buyer and Seller acknowledge: (i) Federal, State, and local legislation impose liability upon existing and former owners and users of real property, in applicable situations, for certain legislative defined, environmentally hazardous substances; (ii) Broker(s) has/have made no representation concerning the applicability of any such law to this transaction or to Buyer or Seller, except as otherwise indicated in this Agreement; (iii) Broker(s) has/have made no representations concerning the existence, testing, discovery, location and evaluation of/for, and risks pose by, environmentally hazardous substances, if any, located on or potentially affecting the Business or Real Property; and (iv) Buyer and Seller are each advised to consult with technical and legal experts concerning existence, testing, discovery, location and evaluation of/for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Business or Real Property.

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42. AMERICANS WITH DISABILITIES ACT: On July 26, 1990 the American with Disabilities Act of 1990 (ADA) was signed into law. This legislation prohibits discrimination against individual with disabilities. The ADA affects almost all commercial facilities and public accommodation. The ADA can require, among other things, buildings to be made readily accessible to the disabled. Compliance with the ADA may require significant costs. A Broker does not have the technical expertise either to determine whether a building is in compliance with ADA requirements or to advise a principal on the requirements of the ADA. Each of Buyer and Seller are advised to contact the appropriate professionals or other qualified persons of its choosing to determine to what degree, if at all, the ADA impacts Buyer or Seller in this transaction.

43. OTHER TERMS AND CONDITIONS:

44. OFFER TO PURCHASE: This constitutes an offer to purchase the herein-described commercial real estate and/or business and/or assets and the contents reflect all of Buyer's intent. Buyer and Seller have read entire Agreement, understand, approve and have received a complete copy of this Agreement. This Agreement comprises the complete agreement between Seller and Buyer and supersedes any other agreement between Seller and Buyer, whether written or oral. Buyer acknowledges receiving the SellingRestaurants brochure "**Important Points about Buying a Restaurant.**"

The provisions, terms and conditions of this Agreement are hereby understood and accepted:

BUYER APPROVAL:

Date: _____ By: _____
Date: _____ By: _____
Date: _____ By: _____

SELLER APPROVAL:

- If checked, the Seller acceptance is subject to the attached counter offer.
- If checked, the Seller accepts the foregoing Agreement to sell the herein described business and property for the price and on the terms and conditions herein specified.

Date: _____ By: _____
Date: _____ By: _____
Date: _____ By: _____

BROKER:
Value Added Alliance, Inc.

Date: _____ By: _____