

## **CONTRACT OF SALE**

**THIS CONTRACT OF SALE is hereby made and entered into by and between Elisabeth P. Hughes Revocable Living Trust, (herein called "Seller"), and Mid South Sikh Sabha or assigns (herein called "Purchaser").**

### **WITNESSETH:**

**For and in consideration of the sum of \$5,000.00 as earnest money deposited with Mark C. Johnson Commercial Realty as the Escrow Agent, and to be applied to the purchase price, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller hereby agrees to sell to Purchaser, and Purchaser hereby agrees to purchase from Seller, a certain parcel of real property as described in Exhibit A, which is attached hereto, together with all improvements and fixtures thereon and all easements, covenants, licenses, and other rights appurtenant to said real property.**

**A complete legal description of said real property satisfactory to Purchaser, and counsel for the parties, shall follow at closing. All property and interests of Seller to be conveyed hereunder are herein sometimes collectively called the "Property."**

**THIS SALE SHALL BE MADE UPON THE FOLLOWING TERMS AND CONDITIONS:**

**1. Purchase Price. The purchase price for the Property shall be payable in cash at closing, as follows:**

**a) Purchaser shall pay to Seller at closing \$485,000.00 in cash or cashier's check. Such amount shall be reduced or increased by reason of pro-rations and other adjustments as hereinafter provided.**

**b) Sellers offer to Purchase the Property is contingent upon Seller obtaining acceptable financing.**

**2. Conveyance of Property; Title Insurance. Upon payment in full of the purchase price as outlined above, Seller shall convey good and marketable fee simple title to Purchaser or Purchaser's assigns by general warranty deeds subject only to any recorded leases and any utility or other easements, ordinances, or restrictions that do not impair marketability of title or Purchaser's intended use of the Property.**

**3. Closing of Sale. Closing of sale shall take place at the offices of to be**

determined or by mail and shall occur on or before August 31, 2007. At closing, all documents necessary for conveyance of the Property shall be executed and delivered, all adjustments shall be made, and the balance of the purchase price shall be paid as provided above. Seller at closing shall execute and deliver all instruments reasonably deemed necessary by Purchaser to accomplish this transaction. Each party shall pay their own respective closing costs.

4. Prorations. All insurance and real estate taxes due and payable by seller shall be pro-rated to the day of closing.

5. Possession. Possession shall pass with delivery of deed. All warranties shall be assigned to Purchaser at closing. Seller represents that there are no parties with the right to possession of any part of the property.

6. Feasibility Period.

7. Seller's Warranties. Seller warrants:

(a) that it is the true and lawful owner of the Property and it has good right to convey it to Purchaser free and clear of any encumbrances, except those that may be shown on the Survey of the Property, and;

(b) that the zoning of the Property permits the operation of a non-profit religious congregational meeting facility and offices (tax ID# 62-1775854); and

(c) that the Property has access to public utilities; and

(d) that the Property has unrestricted access to a public roadway;

These warranties shall survive closing.

8. Commissions. Mark C. Johnson Commercial Realty is entitled to a sales price commission, which totals Six (6%) percent of the sales price, which is to be paid out to broker by the Seller. Each party represents to the other that no other real estate commissions are due on account of this transaction, and each shall indemnify and hold the other harmless from any and all liability and loss arising out of commissions which may have been incurred by such party.

9. Default. Should Purchaser default in the performance of this Contract, then Seller shall be entitled to retain Purchaser's earnest money deposit as its sole remedy. Should Seller default, Purchaser shall receive the earnest money deposit back as its sole remedy.

**10. Eminent Domain.** If prior to the date of closing, eminent domain or similar proceedings are threatened or commenced against the Property, or any portion thereof, Purchaser, at its sole election, shall be entitled to the return of all earnest money paid. Upon return of such earnest money, this Contract shall terminate and neither party shall have any further claim against the other arising hereunder. In the event that Purchaser does not elect to terminate this contract then the parties shall proceed to closing and Purchaser shall be entitled to any proceeds of such award.

**11. Miscellaneous.** This Contract is binding upon the heirs, successors, and assigns of the respective parties, and constitutes the entire agreement between the parties. Captions are for convenience only and shall not limit the scope or intent of this agreement, or any part hereof. Any notice required or allowed hereunder shall be hand-delivered or sent by United States certified mail, return receipt requested, postage prepaid, if to Purchaser, care of Mid South Sikh Sabha, 1242 Palmina Cv., Cordova, TN 38018, if to Seller, at Elisabeth P. Hughes Revocable Living Trust, c/o Mark C. Johnson Commercial Realty, 3257 W. Sarazen's Circle, Memphis, TN 38125.

**12.** Where the circumstances require, the singular shall refer to the plural and the plural to the singular, and the use of one gender shall be applicable to all genders. This instrument is severable such that the invalidity or unenforceability of any provision hereof shall not affect the validity or enforceability of the remaining provisions. This Contract and the rights hereunder are not assignable, and the provisions hereof shall survive the closing.

**13. Acceptance of Offer.** Seller may accept this offer only by delivery of a signed Contract to Purchaser.

**14. Risk of Loss and Management Decisions.** All risk of loss, including liability and casualty losses, shall remain with Seller until closing, and in the event of a loss, Purchaser shall have the right to cancel this contract and receive a full refund of its earnest money or to continue the contract and receive the insurance proceeds payable to Seller under any insurance policy covering the Property.

**15. Like-kind Exchange.** If applicable, each party agrees to cooperate with the other in structuring this transaction as a like-kind exchange in accordance with the provisions of I.R.C. 1031, and at no cost to execute such other documents as may be reasonable required to effect such a transaction. Each party agrees to indemnify and hold harmless the other from any additional costs incurred as a result of the electing

**party's treatment of the transaction as such.**

**16. Review Period.** Buyer shall have the right during the forty five (45) days from the date hereof (Review Period) to make such inspections of the Property as Buyer deems reasonable and necessary. Buyer must give notice of failing inspections within the first thirty (30) days of the review period to Seller. Buyer may withdraw the offer to purchase due to failing inspections within such time and Seller will return all earnest money.

**17. Documents to close checklist.** Documents requested by Buyer from Seller will be provided during the thirty day review period.

**18.** After closing date any physical problems with the premises being conveyed (described herein), other than items covered by the warranties listed in paragraph 7 above and/or otherwise provided by the Seller, will be the responsibility of the Buyer.

**19.** The sale of the property is to be in "as-is" condition. The Seller agrees to fix the leaking urinal in the bathroom.

IN WITNESS WHEREOF, the parties have executed this Contract to be effective as of the last date written below.

SELLER: Elisabeth P. Hughes Revocable Living Trust

DATE: \_\_\_\_\_

NAME: \_\_\_\_\_

PURCHASER:

DATE: \_\_\_\_\_

NAME: \_\_\_\_\_  
Surjit S. Kamra signing on behalf of Mid South Sikh Sabha

PURCHASER: Mid South Sikh Sabha

DATE: \_\_\_\_\_

NAME: \_\_\_\_\_  
Pritpal S. Bansal signing on behalf of Mid South Sikh Sabha