

## REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS AGREEMENT (this "Agreement") is made this \_\_\_\_ day of \_\_\_\_\_, 2017 (the "Effective Date"), between **JEFFERSON COUNTY SCHOOL DISTRICT FINANCE CORPORATION**, a Kentucky nonprofit corporation, with a mailing address of ATTN: Real Estate Manager, VanHoose Education Center, 3332 Newburg Road, Louisville, Kentucky 41045 (the "Seller"), and **LOUISVILLE GAS AND ELECTRIC COMPANY**, a Kentucky corporation, having a notice address of ATTN: Real Estate Department, 820 West Broadway, Louisville, Kentucky 40218 (the "Buyer"). Hereinafter, Buyer and Seller may be referred to together as the "Parties" or individually as a "Party."

### WITNESSETH:

1. Sale of Property. Seller agrees to sell and Buyer agrees to purchase, on the terms hereinafter stated, the following described real property located at (i) 13700 Sandray Boulevard, Louisville, Kentucky, and (ii) 7283 Shipley Lane, Louisville, Kentucky and collectively being known as the former Frost Middle School property, together with all improvements located thereon and all rights, privileges and appurtenances thereunto belonging (collectively, the "Real Property"):

Being a part of the same real estate conveyed to Jefferson County School District Finance Corporation, a Kentucky nonprofit corporation, by deed from the County of Jefferson, Kentucky, and the Board of Education of Jefferson County, dated June 30, 2000, and recorded in Deed Book 7472, Page 643, in the Jefferson County Clerk's Office, Louisville, Kentucky.

2. Purchase Price. Subject to the adjustments, prorations and conditions hereinafter described, the total purchase price for the Real Property shall be the sum of One Million Dollars (\$1,000,000.00) (the "Purchase Price").
3.
  - A. Earnest Money Deposit. On the date of this Agreement, Buyer shall pay to Seller the sum of Ten Thousand Dollars (\$10,000.00) (the "Earnest Money Deposit") to be applied to the purchase price at the closing (the "Closing"). The federal tax identification numbers of Seller is 1021128, and the federal tax identification number of Buyer is 61-0264150.
  - B. Cash at Closing. Subject to applicable adjustments, prorations and conditions, on the Closing Date, Buyer will pay to Seller the sum of Nine Hundred Ninety Thousand Dollars (\$990,000.00) by check or a wire transfer of immediately available funds to a bank or escrow agent designated by Seller.
4. Documents, Title and Inspections. Seller shall deliver to Buyer, within five (5) days after the Effective Date, copies of all title reports, surveys, environmental site assessments, inspection reports and/or asbestos reports (including, but not limited to, any AHERA Reports) on the Real Property in Seller's possession (the "Seller Documents"). Buyer and any agent or representative of Buyer, at Buyer's sole cost and expense, shall

further have the right, up to forty five (45) days after the Effective Date (the "Review Period"), to review the Seller Documents, Seller's title to the Real Property and to enter upon the Real Property upon reasonable advance notice to Seller for the purposes of preparing an ALTA survey, taking borings of the soil, and inspecting the Real Property and the physical condition of any improvements located on the Real Property, as well as to consider whether the site is suitable for Buyer's intended use; provided, however, Buyer shall and does hereby agree to indemnify and hold harmless Seller, the Board of Education of Jefferson County, Kentucky (the "Board") and their respective members, managers, affiliates, agents, employees, representatives, successors and assigns from any liability, loss, cost, expense (including reasonable attorney's fees), claim, injury or damage arising out of or in any manner connected with such activities on the Real Property. If, for any reason during the Review Period, Buyer elects to terminate this Agreement, then Buyer shall repair and restore the Real Property to the condition in which it existed on the Effective Date, reasonable wear and tear excepted. Notwithstanding anything in this Agreement to the contrary, the foregoing indemnification and repair and restore obligations of Buyer shall survive the Closing and the termination of this Agreement.

At the conclusion of such Review Period, Buyer will have the option of (a) waiving title defects, defects in physical conditions or any other factor affecting Buyer's intended use of the Real Property and proceeding to the Closing, or (b) by written notice to Seller, terminating this Agreement. Upon any such termination, the Earnest Money Deposit shall be immediately refunded to Buyer by certified check or a wire transfer of immediately available funds to a bank designated by Buyer. If Buyer does not provide such written notice to Seller terminating this Agreement by the last day of the Review Period, Buyer shall be deemed to have waived the right to terminate this Agreement because of title defects, defects in physical conditions or any other factor affecting Buyer's intended use of the Real Property.

5. Closing. Buyer and Seller agree that the purchase will be consummated as follows:
  - A. Title Transfer. Seller agrees to convey good, marketable fee simple title to the Real Property by Special Warranty Deed on or before the close of business on the Closing Date (as defined below) and, effective on the delivery of such deed by Seller to Buyer, beneficial ownership and the risk of loss of the Real Property will pass from Seller to Buyer. Seller shall pay and have released of record any monetary liens or mortgages against the Real Property at Closing.
  - B. Closing Date. This transaction will close on a date on or before fifteen (15) days after the expiration of the Review Period (the "Closing Date"). The Closing will take place at location mutually agreed to by Buyer and Seller or via a paper closing, with the exact time and date for the Closing to be mutually agreeable by Buyer and Seller. If the conditions precedent set forth in Section 5(F) below are not satisfied on or before the Closing Date, this Agreement shall terminate as of such date unless extended by mutual written agreement of Buyer and Seller. Upon any such termination, the Earnest Money Deposit shall be immediately refunded to Buyer by check or a wire transfer of immediately available funds to a bank designated by Buyer.

C. Seller's Instruments. At the Closing, Seller will deliver or cause to be delivered to Buyer the following items (all documents will be duly executed and acknowledged where required):

(1) Warranty Deed. A Special Warranty Deed executed by Seller conveying to Buyer marketable fee simple title to the Real Property by recordable Special Warranty Deed, free and clear of all liens and encumbrances except [i] easements, rights-of-way, restrictions, covenants, conditions and stipulations of record affecting the Real Property, [ii] applicable zoning laws and other land use laws, ordinances, rules, regulations and binding elements affecting the Real Property, [iii] real estate taxes assessed or otherwise payable with respect to the Real Property through the Closing Date and [iv] matters that a survey or inspection of the Real Property may disclose.

(2) Lien Affidavit. An affidavit in form reasonably acceptable to the Buyer's title insurer certifying Seller's title to and lawful possession of the Real Property and that the Real Property is free from claims for mechanic's, materialmen's, and laborer's liens.

(3) Additional Documents. Such additional documents as might be reasonably required by Buyer to consummate the sale of the Real Property to Buyer.

D. Costs. Seller will pay the following costs: Seller's attorney's fees associated with the sale, any transfer tax imposed upon Seller by applicable law as a prerequisite to recording the deed to the Real Property and the cost of preparing the deed conveying title to the Real Property to Buyer. Buyer will pay the following costs: Buyer's attorney's fees, closing fees, the cost of recording the deed conveying title to the Real Property to Buyer and all costs of Buyer's due diligence and inspections and of obtaining any survey or an owner's policy of title insurance.

E. Seller's Representations and Warranties. Seller represents, warrants and covenants to Buyer that:

(1) Seller possesses full right, power and authority to execute, deliver and perform this Agreement, and no legal or administrative proceeding is in effect which would prohibit Seller's execution of this Agreement. At the Closing, Seller shall deliver to Buyer evidence of such authority as may be reasonably requested by Buyer, Buyer's attorney or the title insurance company.

(2) No consent, approval or other action of, or filing or registering with, any governmental agency, commission or office is required on Seller's behalf with respect to the transaction contemplated herein.

(3) Except for rights pursuant to easements, right-of-ways and matters of record, to Seller's knowledge, no other party other than the Seller and the Board has any rights with respect to the Real Property, including contractual rights, licenses, option to purchase or lease.

(4) The Real Property is served by electric, water, and telecommunications facilities.

(5) Seller has and will have on the Closing Date fee simple title to the Real Property, subject only to the exceptions set forth in Section 5(C)(1), and Seller has full right and power to convey the Real Property to Buyer.

F. Conditions Precedent. The duties and obligations of Buyer under this Agreement are expressly made subject to the satisfaction, in Buyer's sole opinion, of the following conditions:

(1) Verification by Seller that each and every representation and warranty of Seller contained in this Agreement is true and complete with respect to the Real Property as of the Closing Date;\_

(2) Seller has complied with or performed all of its duties and obligations required by this Agreement on or before the Closing Date;\_

(3) No objectionable title or survey matter arises after the end of the Review Period that did not exist during the Review Period;\_

6. Adjustments and Prorations. The Purchase Price will be adjusted on the following basis:

A. Property Taxes. All real and personal property ad valorem taxes and installments of special assessments, if any, for the calendar year 2016 and prior years will be paid by Seller. All real and personal property ad valorem taxes and special assessments, if any, whether payable in installments or not, for the calendar year 2017 and will be prorated to the Closing Date, based on the latest available tax rate and assessed valuation.

B. Utility Charges. All utility charges, if any, will be prorated to the Closing Date and Seller will obtain a final billing therefore. All utility security deposits, if any, will be retained by Seller.

7. Seller's Covenant to Operate. Prior to the Closing Date, Seller agrees to maintain, repair, manage, and operate the Real Property in a businesslike manner in accordance with Seller's prior practices and agree that Seller will not transfer any all or any portion of the Real Property or create on the Real Property any easements, liens, mortgages, encumbrances or other interests which would materially and adversely affect the Real Property or Seller's ability to comply with the terms of this Agreement.

8. Authority of Buyer. Buyer hereby warrants and represents to Seller that Buyer is authorized to enter into this Agreement. Buyer warrants and represents to Seller that all actions of Buyer contemplated or required hereunder have been authorized by appropriate corporate action. Buyer further warrants and represents that it is a corporation duly organized and in good standing under laws of Kentucky.

9. Default.

A. Buyer's Default. In the event (i) Buyer fails to make the Earnest Money Deposit as required by the terms of this Agreement, and such failure continues for five (5) days after Buyer's receipt of written notice of such failure from Seller; or (ii) Buyer fails to close this transaction as and when required by the terms of this Agreement, Seller may terminate this Agreement and Seller shall receive the Earnest Money Deposit, together with all interest earned thereon, as Seller's sole and exclusive remedy and as agreed and liquidated damages, whereupon the Parties shall be relieved of all further obligations hereunder except only those that are expressly stated to survive. Buyer and Seller acknowledge and agree that actual damages are difficult or impossible to ascertain and the Earnest Money Deposit, together with all interest earned thereon, is a fair and reasonable estimation of the damages of Seller.

B. Seller's Default. In the event of a default by Seller under this Agreement and such default continues for ten (10) days after written notice from Buyer to Seller detailing such default, then Buyer shall have the right: (i) to terminate this Agreement by written notice to Seller and Buyer shall receive a return of the Earnest Money Deposit and any interest thereon, and, thereafter, Seller and Buyer shall not have further liability hereunder except for obligations which are expressly stated to survive termination hereunder; or (ii) exercise any remedy available to Buyer under this Agreement, at law or in equity, including without limitation to seek specific performance of this Agreement by Seller.

10. CONDITION OF REAL PROPERTY. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, IT IS UNDERSTOOD AND AGREED THAT SELLER IS NOT MAKING AND HAS NOT AT ANY TIME MADE ANY WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT TO THE REAL PROPERTY, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OR REPRESENTATIONS AS TO THE HABITABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ZONING, TAX CONSEQUENCES, PHYSICAL DEFECTS OR CONDITION, ENVIRONMENTAL CONDITION, UTILITIES, GOVERNMENTAL APPROVALS OR COMPLIANCE WITH APPLICABLE LAWS, RULES AND REGULATIONS, OR ANY OTHER MATTER REGARDING THE REAL PROPERTY. BUYER ACKNOWLEDGES AND AGREES THAT UPON CLOSING SELLER SHALL SELL AND CONVEY THE REAL PROPERTY TO BUYER AND BUYER SHALL ACCEPT THE REAL PROPERTY "AS IS, WHERE IS, AND WITH ALL FAULTS", EXCEPT TO THE EXTENT EXPRESSLY

PROVIDED OTHERWISE IN THIS AGREEMENT. BUYER HAS NOT RELIED AND WILL NOT RELY ON, AND SELLER IS NOT LIABLE FOR OR BOUND BY, ANY EXPRESS OR IMPLIED WARRANTIES, GUARANTIES, STATEMENTS, REPRESENTATIONS OR INFORMATION PERTAINING TO THE REAL PROPERTY OR RELATING THERETO MADE OR FURNISHED BY SELLER OR ANY AGENT REPRESENTING OR PURPORTING TO REPRESENT SELLER, UNLESS SPECIFICALLY SET FORTH IN THIS AGREEMENT. BUYER REPRESENTS TO SELLER THAT BUYER HAS CONDUCTED OR WILL CONDUCT PRIOR TO CLOSING SUCH INSPECTIONS AND INVESTIGATIONS OF THE REAL PROPERTY AS BUYER DEEMS NECESSARY AND APPROPRIATE TO SATISFY ITSELF AS TO THE CONDITION OF THE REAL PROPERTY, AND WILL RELY SOLELY UPON THE SAME AND NOT UPON ANY INFORMATION PROVIDED BY OR ON BEHALF OF SELLER OR ITS AGENTS, OTHER THAN THE WARRANTIES AND REPRESENTATIONS OF SELLER EXPRESSLY SET FORTH IN THIS AGREEMENT.

11. Miscellaneous. It is further agreed as follows:

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

B. Notice. Any and all notices required hereunder will be in writing and delivered by certified mail, return receipt requested, postage prepaid, or nationally recognized overnight courier at the addresses shown above, until notification of a change of such addresses.

C. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Kentucky. All of the Parties to this Agreement have participated fully in the negotiation and preparation hereof, and, accordingly, this Agreement shall not be more strictly construed against any one of the Parties hereto.

D. Survival. All representations and warranties of Seller and Buyer contained in this Agreement shall survive the Closing and delivery of the deed or any termination of this Agreement for a period of one (1) year.

E. Brokerage. At closing, Seller will pay a real estate commission equal to Four (4%) percent of the Purchase Price to Odell Realty and Auction. Odell Realty and Auction represents the Seller's interest only in these negotiations, and Buyer shall not be required to pay any commissions or broker's fees to said broker or any other broker or realtor representing the Seller in the course of this transaction.

F. Entire Agreement. This Agreement constitutes the entire agreement between Buyer and Seller and there are no agreements, understandings, warranties, or representations between Buyer and Seller except as set forth herein. This Agreement cannot be amended except in writing executed by Buyer and Seller. All

of the exhibits attached to this Agreement are incorporated in, and made a part of, this Agreement.

G. Binding Effect. This Agreement will inure to the benefit of and bind the respective successors and assigns of the Parties hereto.

H. Assignment. Buyer's interests hereunder cannot be assigned in whole or in part without (a) Seller's prior written consent, which shall not be unreasonably withheld, conditioned or delayed and (b) a determination by Seller that Buyer has not defaulted at the time of such assignment.

I. Litigation; Venue. In the event of any litigation between the parties under this Agreement, the prevailing Party shall be entitled to reasonable attorney's fees and court costs at all trial and appellate levels. The Parties stipulate and agree that venue in any such litigation shall be in Jefferson County, Kentucky.

J. Waiver. Failure of either Party to complain of any act or omission on the part of the other Party, no matter how long the same may continue, shall not be deemed to be a waiver by such Party of any of its rights hereunder. No waiver by any Party at any time, expressed or implied, of any breach of any provision of this Agreement shall be deemed a waiver or a breach of any other provision of this Agreement or a consent to any subsequent breach of the same or any other provision.

BUYER AND SELLER HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN DISPUTES ARISING FROM THIS AGREEMENT AND/OR ANY WRITTEN OR ORAL STATEMENTS MADE BY ANY PARTY IN CONNECTION THIS AGREEMENT OR ANY DOCUMENTS EXECUTED IN CONNECTION HERewith. BOTH PARTIES ACKNOWLEDGE THIS WAIVER IS A MATERIAL INDUCEMENT FOR ENTERING INTO THIS AGREEMENT. THE WAIVER SHALL SURVIVE CLOSING OR TERMINATION OF THIS AGREEMENT.

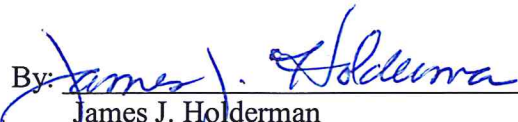
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IN WITNESS WHEREOF, this instrument has been executed by the Parties as of the Effective Date first above written.

**BUYER**

**SELLER**

**LOUISVILLE GAS AND ELECTRIC COMPANY**

By:   
James J. Holderman  
Manager, Real Estate and Right of Way

61664829.3

**JEFFERSON COUNTY SCHOOL DISTRICT  
FINANCE CORPORATION**

By: \_\_\_\_\_  
Dr. Martin A. Pollio, Ed.D.  
President