

Promise to Purchase Agreement

Identification of the Parties

Sellers (herein "Seller")

<u>Legal Entities:</u>	<u>Representatives:</u>
Real Latitude, LLC	Rodolphe Kraeher Yvonne Kraeher 771 Linton Hill Road, Newtown, PA 18940 267-243-1352 PhillyPropertiesGroup@gmail.com

Buyers (herein "Buyer")

<u>Legal Entities:</u>	<u>Representatives:</u>
BlueRise USA LLC or its assigns 30 N Gould St Ste R, Sheridan, WY 82801 USA 1.800.439.6169 contact@bluerise.ca	Anna Liachenko 148 Timberlea Trail, Kirkland, Quebec, Canada H9J 2N5 514-435-7860 anna.liachenko@bluerise.ca

The SELLER hereby agrees to sell, and the BUYER hereby promises to purchase, the immovables described hereinafter (herein in combination referred to as "Properties"), at the price and under the conditions stated below.

The immovables, with buildings erected, are designated as follows: 2651 Wilder Street, Philadelphia, PA 19146

Inclusions and Exclusions

The Properties shall include all fixtures, improvements, appurtenances, and all items provided to tenants under the current leases. This includes, but is not limited to, fixtures, window coverings, appliances, furniture, leftover construction and repair materials, owner keys, all tenant deposits (including but not limited to last month rent deposit, property damage rent deposit and any advance rent payments received prior to the closing date) and any other devices, appliances, fixtures, rights, or easements that the Seller currently possesses for the Properties.

The Seller will transfer to the Buyer all know-how, leasing strategies, intellectual property, the website of Philly Properties Group, the URL, and all associated website files and administrative controls. The Seller will introduce the Buyer to contractors, suppliers, university contacts, brokers, promoters, maintenance personnel, and any other parties or suppliers involved in maintaining and operating the above Properties. Additionally, the Seller will provide transitional assistance and be available for questions and advice as may be required by the Buyer, and will encourage the current repair and maintenance employee to stay onboard and work for the new owners.

Any personal property of the tenants that is not attached to the Properties and not included in this Agreement shall be excluded from the sale.

Purchase Price

The total purchase price for the Properties shall be one hundred eighty five thousand dollars (\$185,000), payable upon signing of the deed of sale.

Closing Date and Possession of the Properties

The closing of this transaction shall take place on or before December 12, 2024. The buyer shall be the owner and will receive possession of the Properties immediately after the closing.

Contingencies

This Promise to Purchase Agreement is contingent upon the following:

1. **License Contingency:** This Promise to Purchase is conditional upon the Buyer receiving the necessary licenses to purchase, hold, and conduct normal business activities with the property that is to be achieved by the assumption of Real Latitude, LLC.
2. **Funding Contingency:** The Buyer must present proof of fully confirmed funding by November 15th, 2024. If this is not done, the Seller has the right to either extend the timeline, accept alternative funding arrangements, or render the Promise to Purchase null and void. Any extensions or alternative arrangements must be mutually agreed upon in writing by both parties.
3. **Leasing Contingency:** The Seller must deliver the Properties at the closing date with leases generating a minimum gross revenue of fifteen thousand nine hundred dollars (\$15,900) for the period from August 2024 to July 2025.

All timelines start from the effective date of this Promise to Purchase Agreement.

Title Insurance

The Seller agrees to provide a current title insurance policy and legal description for the Property at the time of closing. The Seller shall also provide the Buyer with any other documentation requested by the notary of the Buyer or the title company, including proof of ownership and any documents necessary for the transfer of title.

Miscellaneous

Warranties and Representations

The Seller warrants and represents that they have good and marketable title to the Properties, on a fee simple basis, free from any liens or encumbrances other than those disclosed in writing to the Buyer before the execution of this Agreement. The Seller further warrants and represents that they are the legal owner of the Properties and are fully authorized to enter into this Agreement. The Seller further warrants that the Properties are not the subject of a brokerage contract with a broker or agency, or of an agreement to sell, exchange or lease it, or of a right of first refusal in favour of a third party; the Properties are not the subject of an agreement to sell, exchange or lease it, or of a pre-emptive right in favour of a third party.

The Seller also declares that that:

1. They are not aware of any factor relating to the Properties that is liable to significantly reduce the value, reduce the income generated or increase the expenses related thereto.
2. They have not received any notice from a competent authority indicating that the Properties do not conform to the laws and regulations in force, or any notice from an insurer, following which he has not fully remedied the defect declared therein.
3. The leases bring in rents of at least \$15,900 annually.
4. They have not received any notice from a lessee or from the spouse of a lessee to the effect that the Properties or part thereof are used as a family residence.
5. No notice liable to amend the existing leases has been sent by either of the parties.
6. No current lessee benefits from special advantages from the Seller that are not specifically indicated in writing in the leases.
7. There are no proceedings pending before any tribunal.
8. The Properties conform to the appropriate zoning.
9. The Properties are not classified or recognized cultural property and not situated in a historic or natural district, on a classified historic site or in a protected area provided for in the Cultural Heritage Act; do not conform to the laws and regulations relating to environment protection.
10. To the Seller's knowledge, an insurance company has not refused to insure the Properties in whole or in part.
11. The Properties shall be sold free of any real rights or other charges, except for the usual and apparent servitudes of public utility.
12. The Seller shall warrant to any potential buyer against any violation of public law restrictions that affect the Properties and that are exceptions to the ordinary law of ownership.

Delivery of the Properties

The Seller promises to sell the Properties to the Buyer and undertakes to deliver the Properties in the condition in which they were when the Buyer visited the Properties.

Ownership Documents

The Seller shall supply the Buyer with a valid title of ownership. The Properties shall be sold free of any real right or other charges, other than the usual and apparent servitudes of public utility and those reported herein. The Seller shall supply to the Buyer his deed of purchase as well as **certificates of location** describing the current state of the

Properties, reflecting any cadastral renovation if applicable; the cost of any new certificate of location shall be borne by the Seller where the previous certificate proves not to have been amended or is not current. The Seller shall also supply to the Buyer, upon request, any other documents in his possession concerning the Properties or that the Buyer or the Buyer's notary or investors may request.

Costs Relating to Repayment and Cancellation

The costs relating to the repayment and cancellation of any debt secured by hypothec, prior claim or any other real right affecting the Properties, or the closings or transfer of the companies that currently own the Properties, or any other expense related to the cancellation and/or repayment from the Seller's side shall be borne by the Seller. The costs relating to repayment include any penalty that may be applicable in case of early repayment.

Defect or Irregularity

Should the Buyer or the Seller be notified, before the signing of the deed of sale, of any defect or irregularity whatsoever affecting the declarations and obligations of the Seller contained herein, the Seller shall, within **twenty-one (21) days** following receipt of a written notice to that effect, notify the Buyer, in writing, that he has remedied that defect or irregularity at his expense or that he will not to remedy it. The Buyer may, within a period of five (5) days following receipt of a notice from the Seller that the later will not remedy the defect or irregularity, or following the expiry of the twenty-one (21) day period in the absence of any notice, notify the Seller, in writing: a) that he is purchasing with the alleged defects or irregularities, consequently, the Seller's declarations and obligations shall be reduced accordingly; OR b) that he renders this promise to purchase null and void. Consequently, the fees, expenses and costs reasonably incurred until that time by the Buyer and the Seller shall be borne only by the Seller. Where the Buyer has not availed himself of the provisions of paragraphs a) or b) above within the time period stipulated, this promise to purchase shall become null and void. Consequently, the Buyer and the Seller shall each bear the fees, expenses and costs incurred by them respectively.

Adjustments

Upon the signing of the deed of sale, all the adjustments in respect of general and special real estate taxes, fuel reserves, and income or expenses relating to the Properties shall be made as of the date of signing of the deed of sale. Further, any adjustments related to any other amounts whatsoever owed by the Seller to the Buyer, including but not limited to any expenses that should have been borne by the Seller but have been paid by the Buyer, shall be calculated into the adjustments at the closing date.

Liability

The Seller shall be held liable for any damages or injuries related to the property before closing. The Buyer is responsible for scheduling and performing an inspection of the property before closing and assumes all risks associated with the state of the property after closing. The Seller will not be liable for any damages, injuries, or losses suffered after closing.

Severability

If any part of this Agreement is declared unenforceable or invalid, all remaining clauses will remain in full force and effect. The Parties further agree that if any part of this Agreement is deemed unenforceable or invalid, they shall negotiate in good faith to replace the offending clause with an enforceable and valid clause.

Damages

In the event of breach or default of this Agreement, the non-breaching Party will be entitled to all damages, including consequential and incidental damages, arising from such a failure.

Dispute Resolution

Any dispute arising out of or related to this Agreement shall be resolved through binding arbitration conducted by a mutually agreed upon arbitrator. The Parties agree to participate in good faith negotiations, which shall attempt to resolve any dispute without arbitration. If the dispute cannot be resolved between the Parties, either Party may pursue legal action or request that an agreement to mediate be reached. Any decision or award rendered by the arbitrator shall be legally binding and enforceable.

Jurisdiction

This Agreement shall be governed by and construed in accordance with the laws of Pennsylvania. Each Party agrees that it shall not challenge or contest the validity or enforceability of this Agreement in any jurisdiction other than Pennsylvania.

Modifications

Any modifications to this Agreement must be in writing and signed by both Parties. The Parties agree that any verbal or email communication regarding modifications to this Agreement shall not be binding or enforceable.

<p>The SELLER acknowledges having read, understood and agreed to this promise to purchase.</p> <p>Seller Representative 1 Signature:</p> <p>Seller Representative 1: Rodolphe Kraeher I have the right to bind the seller corporations: initial _____</p> <p>Seller Representative 2 Signature:</p> <p>Seller Representative 2: Yvonne Kraeher I have the right to bind the seller corporations: initial _____</p> <p>Seller: Temple Area Student Housing, LLC; DRS Temple, LLC Philly Properties Group, LLC; IQ Properties, LLC; Housing Solutions 4 U, LLC; and Real Latitude, LLC</p>	<p>The BUYER acknowledges having read, understood and agreed to this promise to purchase and is irrevocably committed to this promise to purchase until 2024-10-05 at 11:59 pm.</p> <p>Buyer Representative Signature:</p> <p>Buyer Representative: Anna Liachenko</p> <p>I have the right to bind the corporation: initial _____</p> <p>Buyer: BlueRise USA LLC, or its assigns</p> <p>Date:</p>
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