

OPTION AGREEMENT

On this _____ day of _____, 202____, the parties described below enter into this Option Agreement for the purposes described herein. In consideration of the Option Fee described below and other good and valuable consideration paid to T&K Property Management LLC, 425 Broadway No., Fargo, ND 58102, hereinafter referred to as "Optionor", receipt of which is hereby acknowledged, Optionor hereby gives and grants to

_____, whose address is _____, hereinafter referred to as "Optionee", the option to purchase (the "Option") Unit _____ of The Great Northern Block Condominium, (the "Condominium") a condominium to be built by Optionor on real property owned by Optionor, situated in the City of Fargo, County of Cass, State of North Dakota, and legally described as:

See attached Legal Description;

The Option is given on the following terms and conditions:

SECTION I.

PRICE AND TERMS OF PAYMENT

The base purchase price for the Condominium shall be _____ Thousand _____ Hundred Dollars (\$_____) (the "Purchase Price").

The Purchase Price will be higher if Optionee elects to exceed the Fit-up Allowance described later in this Option Agreement. The option fee is five percent of the Purchase Price or _____ Thousand _____ Hundred Dollars (\$_____) (the "Option Fee") to be paid in cash upon execution of this Option Agreement. The Option Fee will

be applied to payment of design fees incurred for changes in plans of the Condominium requested by Optionee.

SECTION II.

DESIGN STAGE

Included in the Option Fee is _____ hours of architectural and design team time for Optionee to use to create plans for interior completion of the Condominium. If Optionee chooses to use more than the included hours of architectural and design team time, the overage will be charged to the Optionee at the rates shown on the attached schedule and deducted from the Option Fee (the "Design Overage"). The Purchase Price reflects the Condominium being finished substantially as described in the attached Exhibit B. The cost of the finishes described in Exhibit B shall be referred to herein as the "Fit-up Allowance". Optionee may choose to upgrade the finishes or otherwise increase the cost of finishing the Condominium over the amount of the Fit-up Allowance. The costs of finishing the Condominium in excess of the Fit-up Allowance will be referred to as the "Fit-up Overage" which will result in the addition of a corresponding increase to the Purchase Price.

SECTION III.

OPTION PERIOD

The Option shall commence with the date of execution of this Option Agreement and terminate 60 days after such date of execution (the "Option Period"). During the Option Period, Optionee must extinguish all contingencies.

SECTION IV.

EXERCISE OF OPTION

Exercise of Option shall be documented by entering into a Purchase Agreement with Optionor within the Option Period. To exercise its Option to purchase the Condominium, Optionee must request a Purchase Agreement to be executed by Optionee and Optionor before expiration of the Option Period or any extension of the Option Period. The Option Fee less any Fit-up Overage will become the earnest money required by the Purchase Agreement. The only contingency that will be allowed under the Purchase Agreement is for Optionor to provide clear title. Subject to an extension to or termination of this agreement, Optionee and Optionor will enter into a Purchase Agreement for the subject property and Optionee will be required to pay Optionor an additional 20% of the Purchase Price plus 100% of any Fit-up Overage.

SECTION V.

ASSIGNMENT

This Option Agreement may not be assigned to anyone by either Optionor or Optionee without the written consent of the other party.

SECTION VI.

AMENDMENTS AND EXTENSIONS

Any extension, amendment or alteration of this Option Agreement shall be in writing executed by both Optionor and Optionee. Optionor and Optionee may agree to extend the Option Period in 30 day increments. No extension of the Option Period will be allowed to

extend past the day that is 90 days prior to the expected closing date for the sale of the Condominium to the Optionee.

SECTION VII.

TERMINATION

If not otherwise terminated or in the event the Option is not exercised during the Option Period, then and in that event the Option shall expire and this Option Agreement shall terminate and become null and void and be of no further force or effect. A sworn affidavit signed by Optionor, successors, heirs or assigns, executed at any time after the expiration of the Option Period, shall serve as conclusive proof that this Option Agreement has expired without exercise by Optionee and Optionor may, at Optionor's option, file such affidavit as conclusive proof of expiration of the Option without exercise, in the office of the Cass County Recorder, at any time after the expiration of the Option Period, and shall serve as notice of expiration of the Option. Optionor may refund to Optionee any remaining amount of the Option Fee not required to pay design fees incurred by Optionee.

SECTION VIII

MISCELLANEOUS

Brokerage Fees. Optionor and Optionee shall hold each other harmless from all claims, demands, actions, and/or judgments for fees, commissions, or other compensation of any real estate broker or agent who may claim any compensation in connection with the purchase or sale of the Condominium.

Remedies on Default. Notwithstanding any other indications to the contrary, it is specifically agreed that the remedy upon default shall be to terminate this Option Agreement and refund the Option Fee less any Design Overage described in Section II hereof.

Condemnation. If, prior to the termination of this Option Agreement, any portion of the real property described in the attached Legal Description is taken as a result of the power of eminent domain, condemnation proceedings or other like proceedings, this Option Agreement shall automatically terminate and the Option Fee less any Design Overage shall be refunded to Optionee.

Entire Agreement. This Option Agreement and its attachments constitute the entire agreement between the parties as to the agreed terms and subject matter.

Notices. All notices required or permitted to be given under this Option Agreement shall be in writing and shall be deemed to be given when personally delivered or when deposited in the United States mail, registered or certified mail, postage prepaid, addressed to the parties at the addresses shown above. Such addresses may be changed by either party upon notice to the other party give as hereinabove provided.

No Liens. Optionee shall have no right or authority to allow any liens or mortgages to be placed against the Condominium prior to complete payment of the Purchase Price and shall promptly remove any such liens on demand by Optionor.

Saving Clause. If any term or provision of this Option Agreement shall, to any extent, be held invalid or unenforceable, the remaining terms or provisions of this Option Agreement shall not be affected thereby, but such remaining terms and provisions shall be valid and enforceable to the fullest extent permitted by law.

Time of the Essence. Time is deemed to be of the very essence of this Option Agreement.

Headings. Headings of the paragraphs of this Option Agreement are for convenience only

and do not define, limit or construe the contents of such paragraphs.

Applicable Law. This Option Agreement shall be interpreted and construed under the laws of the State of North Dakota

IN WITNESS WHEREOF, the parties hereto have executed this Option Agreement as of the date first above-written.

OPTIONOR:

OPTIONEE:

T&K Property Management LLC _____

By: Thomas K. Smith _____

Its: Member _____

By: Kari D. Smith _____

Its: Member

Legal Description

THAT PART OF LOT 5 AND THE VACATED ALLEY IN BLOCK 21, KEENEY AND DEVITT'S SECOND ADDITION, AND THAT PART OF LOT B, BLOCK 1, GREAT NORTHERN DEPOT ADDITION, ALL IN THE CITY OF FARGO, CASS COUNTY, NORTH DAKOTA, ALL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID BLOCK 21; THENCE NORTH $02^{\circ}50'50''$ WEST (ASSUMED BEARING), ALONG THE WEST LINE OF SAID BLOCK 21, FOR A DISTANCE OF 199.96 FEET TO THE NORTHWEST CORNER OF LOT 10, SAID BLOCK 21; THENCE NORTH $87^{\circ}04'26''$ EAST, ALONG THE NORTH LINE AND THE NORTH LINE AS EXTENDED EAST OF SAID LOT 10, FOR A DISTANCE OF 182.51 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUE NORTH $87^{\circ}04'26''$ EAST, ALONG THE NORTH LINE AS EXTENDED EAST OF SAID LOT 10, FOR A DISTANCE OF 201.57 FEET TO THE POINT OF INTERSECTION OF THE SOUTH LINE OF GREAT NORTHERN DEPOT ADDITION AND THE EASTERLY LINE OF VACATED 5TH STREET NORTH AS DEPICTED ON DOCUMENT NO 1577224, ON FILE AND OFRECORD AT THE CASS COUNTY RECORDER'S OFFICE; THENCE SOUTH $12^{\circ}48'06''$ WEST, ALONG THE EASTERLY LINE OF SAID VACATED 5TH STREET NORTH, FOR A DISTANCE OF 43.81 FEET; THENCE SOUTH $87^{\circ}06'54''$ WEST FOR A DISTANCE OF 189.72 FEET; THENCE NORTH $02^{\circ}53'06''$ WEST FOR A DISTANCE OF 42.03 FEET TO THE TRUE POINT OF BEGINNING.

EXHIBIT A

Plan A

EXHIBIT B

Description of included interior finishes.