

EXCLUSIVE RIGHT OF SALE CONTRACT

THIS AGREEMENT is made and entered into this day of , 20 , by and between , hereinafter referred to as the "Owner", and , hereinafter referred to as the "Agent".

WITNESSETH:

WHEREAS, the Agent holds all licenses required to perform the services herein agreed to be performed and maintains an office, properly equipped and staffed by employees suitable to render the services contracted for herein; and

WHEREAS, the Owner desires to employ the Agent to sell the property of the Owner, hereinafter referred to as the "Property", as described in Exhibit "A" which is attached hereto and made a part hereof by reference; and

WHEREAS, the Agent desires to accept such employment and to use his best efforts to find purchasers for the Owner's property;

NOW, THEREFORE, in consideration of the covenants and agreements contained herein, the Owner and Agent agree as follows:

1. All "WHEREAS" clauses set out hereinabove are hereinafter incorporated by reference.
2. The Owner represents and warrants that he is the exclusive owner of the Property and that he has good right and lawful authority to sell and convey said Property, and that said Property is free of encumbrances and not subject to limitation of any kind.
3. In consideration of the Agreement of the Agent to list and use its best efforts to find purchasers for the Property of the Owner, and the further Agreement of the Agent to advertise the Property, the Owner hereby gives the Agent the exclusive right to sell the property at the price and upon the terms as are set out in Exhibit "B", attached hereto and made a part hereof by reference, or at any lower price and upon such different terms as may be hereinafter accepted by the Owner, without regard to the race, creed, color or place of national origin of any purchaser.
4. The term of this Agreement shall be years, beginning on the date and execution hereof by both parties, and ending on the day of , 19 , unless extended by the parties.
5. The Owner agrees that interest on encumbrances, taxes, insurance, and rents, if applicable, shall be prorated at the time of closing and all existing liens shall be paid by the Owner, prior to or at the time of closing.
6. The Owner hereby represents and warrants that the Property description, attached hereto as Exhibit "A", is correct and the Owner agrees to indemnify and hold the Agent and any and all others relying thereon, harmless as to any errors therein.
7. In the event that the Agent finds a purchaser for the Property, the usual and customary procedures for the examination of and providing of merchantable title, and for the closing of transactions of this nature,

shall apply, and the Owner agrees to deliver to the purchaser a good and sufficient Franchise Agreement and any and all other documents normally associated therewith, free and clear of all encumbrances.

8. The Agent agrees to use its best efforts in securing purchasers for the property; to advertise the Property in local newspapers or other publications, as it deems necessary; to supply complete information to and assist cooperating agents in any closing of a transaction on the Property, when requested; and to take all reasonable precautions to protect the Property of the Owner during the term of this Agreement.

9. The Owner agrees that it will not, during the term of this Agreement, or any extension thereof, lease the Property or any portion thereof, or otherwise encumber the Property.

10. The Owner agrees to pay to the Agent, at the time of closing, a commission of (%) percent of the sales price for the Property, in the event of a sale or exchange of the Property during the term of this Agreement, irrespective of whether said sale is effected by the Agent, any cooperating agent, any third party, or the Owner, or in the event that within sixty (60) days after the termination of this Agreement, the Owner agrees to sell the Property to a purchaser to whom the Property was submitted during the term of this Agreement. The Owner hereby grants Agent permission to represent and receive commissions from both parties in any exchange of the Property.

11. Within twenty-four (24) hours of initial contact with any prospective purchaser, the Owner agreed to provide the Agent with the name, address and telephone number of any such prospective purchaser, and Agent will handle all future contacts with the prospective purchaser.

12. The Agent, any cooperating agent, or any authorized escrow agent, is hereby authorized to accept and hold, on behalf of the Owner, any and all money paid as a deposit or binder in regard to the Property, in accordance with the laws of the State of , and it is expressly understood and agreed that, in the event of a forfeiture by a prospective purchaser, the Agent may retain fifty (50%) percent of any such deposit, or a sum equal to the commission which would have been paid to the Agent pursuant to the sale, whichever is less, as compensation.

13. It is expressly understood that this Agreement in no way guarantees a sale of the Property; however, the Agent does guarantee that it will use its continued best efforts to sell same during the term of this Agreement.

14. The Agent may use the name of the Owner in connection with marketing or advertising the Property.

15. The Owner hereby authorizes the Agent to solicit and obtain any and all information concerning the Property and all encumbrances thereon, and the Owner agrees to execute any and all documents required for this purpose.

16. In the event that any one or more of the provisions of this Agreement shall for any reason be held to be invalid, such invalidity shall not affect any other provision of this Agreement.

17. This Agreement contains the entire agreement of the parties and no

oral statements or prior agreements shall have any force and effect. This Agreement shall not be modified except by a writing executed by both parties hereto.

18. This agreement, and all transactions contemplated hereby, shall be governed by, construed and enforced in accordance with the laws of the State of . The Parties herein waive trial by jury and agree to submit to the personal jurisdiction and venue of a court of subject matter jurisdiction located in County, State of . In the event that litigation results from or arises out of this Agreement or the performance thereof, the Parties agree to reimburse the prevailing party's reasonable attorney's fees, court costs, and all other expenses, whether or not taxable by the court as costs, in addition to any other relief to which the prevailing party may be entitled. In such event, no action shall be entertained by said court or any court of competent jurisdiction if filed more than one year subsequent to the date the cause(s) of action actually accrued regardless of whether damages were otherwise as of said time calculable.

19. The covenants and agreements contained herein are binding upon the parties hereto and their respective heirs, successors, legal representatives and assigns, as the case may be.

20. It is expressly agreed that this Agreement will not be recorded in any form in the public records of any county.

21. Neither party may assign this Agreement without the express written consent of the other.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written/Signed, sealed and delivered in the presence of:

"OWNER"

Witness

Witness

"AGENT"

Witness

Witness

EXHIBIT "A"
(Description of Property)

The prototype unit of (business name), located at , any and all other units of the business completed prior to or during the term of this Agreement, and all franchises for the operation of a (business name) store.