City of Danville

INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE
P.O. Box 3300
Danville, Virginia 24543

May 6, 2010

NOTICE OF MEETING

TO: T. Neal Morris
C.G. Hairston
Richard L. Turner
Dr. Max Glass
Dr. Shirley Primiano
Landon R. Wyatt
Russell D. Reynolds

A meeting of the Industrial Development Authority of Danville, Virginia has been called by the Chairman for Tuesday, April 10, 2016 at ** **11:00 a.m.**** in the ***__**City Council Conference Room, 4th Floor, Municipal Building, Room 425**__,*** Danville, Virginia.

This is an important meeting and your attendance is respectfully urged. If you cannot attend, please call the City Attorney's Office at 434-799-5122, as soon as possible.

/s/Kimberly Gibson Ford
Kimberly Gibson Ford

Ken Larking, Deputy City Manager
W. Clarke Whitfield, Jr., City Attorney
Telly D. Tucker, Economic Development
Linwood Wright, Economic Development
Corrie Teague, Economic Development
Kim Custer, Economic Development
Earl Reynolds, Director of Community Development
Michael Adkins, Director of Finance

MEETING OF THE
INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA
TUESDAY, MAY 10, 2016

AGENDA

CALL TO ORDER

ROLL CALL

INDUSTRIAL DEVELOPMENT AUTHORITY:

1. APPROVAL OF MINUTES FROM REGULARLY CALLED MEETING ON April 12, 2016.

2. MONTHLY FINANCIAL REPORT BY MICHAEL ADKINS.

ITEMS FOR DISCUSSION

1. STAFF UPDATES FROM ECONOMIC DEVELOPMENT ON VARIOUS PROJECTS.

2. NORTH UNION STREET PROPERTIES WITH LEASE ACCOUNTS IN ARREARS.

RESOLUTIONS FOR CONSIDERATION

1. A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AUTHORIZING AND APPROVING LIGHTING IMPROVEMENTS AT 750 CRAGHEAD STREET.

2. A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE SALE OF 518 CRAGHEAD STREET TO RICK BARKER PROPERTIES, LLC.

3. A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA CONFIRMING AND RATIFYING THE EXECUTION OF AN OPTION AGREEMENT FOR THE SALE OF 410 MAIN STREET TO SKYFALL HOLDINGS, LLC.

4. CLOSED MEETING

5. A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING IMPROVEMENTS TO THE CHARLES HAWKINS RESEARCH BUILDING ON THE CAMPUS OF THE INSTITUTE FOR ADVANCED LEARNING AND RESEARCH, IN AN AMOUNT NOT TO EXCEED $40,000.

6. CONSIDER AND TAKE ACTION UPON ANY AND ALL BUSINESS THAT MAY BE LAWFULLY ENACTED AT A REGULAR MEETING OR DISCUSSED IN A CLOSED MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA.

ADJOURN

750 CRAGHEAD STREET
UPGRADE LIGHTING

The existing lighting at 750 Craghead Street (former Sasser Sign building) is dangerously dim (5-8 foot candles). Staff is recommending that the IDA provide the necessary material and fixtures to install LED lighting in this building to bring the space up to a reasonable level of brightness (48 foot candles) and ask the tenant to pay for the labor cost to install the new lighting. Womack Electric Supply has designed the lighting system and has offered to supply all material and fixtures at a cost of $2065.46 with a projected Utility Department rebate of $299.25 as a result of wattage reduction of 1710 watts. Assuming the rebate, the net cost to the IDA would be $1756.21. Staff requests approval of the resolution authorizing this improvement to be made to the building at a cost not to exceed $2000.00.

PRESENTED: May 10, 2016

ADOPTED: May 10, 2016

RESOLUTION NO. 2016-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE APPROVING AND AUTHORIZING A LIGHTING UPGRADE TO 750 CRAGHEAD STREET IN AN AMOUNT NOT TO EXCEED $2,000.00.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia that it does hereby approve and authorize a lighting upgrade to 750 Craghead Street in an amount not to exceed $2,000.00.

APPROVED:

_____
Chairman

ATTEST:

_____
Secretary

Approved as to
Form and Legal Sufficiency:

_____
City Attorney

518 CRAGHEAD STREET

Rick Barker Properties, LLC executed an Option Agreement in order to do due diligence on the 518 Craghead Street (Parcel 25136) to determine whether he wanted to purchase the property. Mr. Barker has exercised his option on 518 Craghead Street (Parcel 25136) and wishes to execute a sales contract and move towards purchase. Staff requests approval of the resolution approving and authorizing the sale of 518 Craghead Street to Rick Barker Properties, LLC in the amount of $55,000.

PRESENTED: May 10, 2016

ADOPTED: May 10, 2016

RESOLUTION NO. 2016-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE SALE OF 518 CRAGHEAD STREET TO RICK BARKER PROPERTIES, LLC.

WHEREAS, the Industrial Development Authority of Danville Virginia owns property located at 518 Craghead Street; and

WHEREAS, Rick Barker Properties, LLC has offered to purchase the property located at 518 Craghead Street from the Industrial Development Authority of Danville, Virginia in the amount of $55,000.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia that it hereby authorizes and approves the sale of 518 Craghead Street to Rick Barker Properties, LLC for the sales price of $55,000; and

BE IT FURTHER RESOLVED that the Industrial Development Authority of Danville, Virginia authorizes and approves the Chairman to execute the sales contract sustainably in the form attached hereto between the Industrial Development Authority and Rick Barker Properties, LLC, as well as any other document necessary to complete the above described transaction.

APPROVED:

_____
Chairman

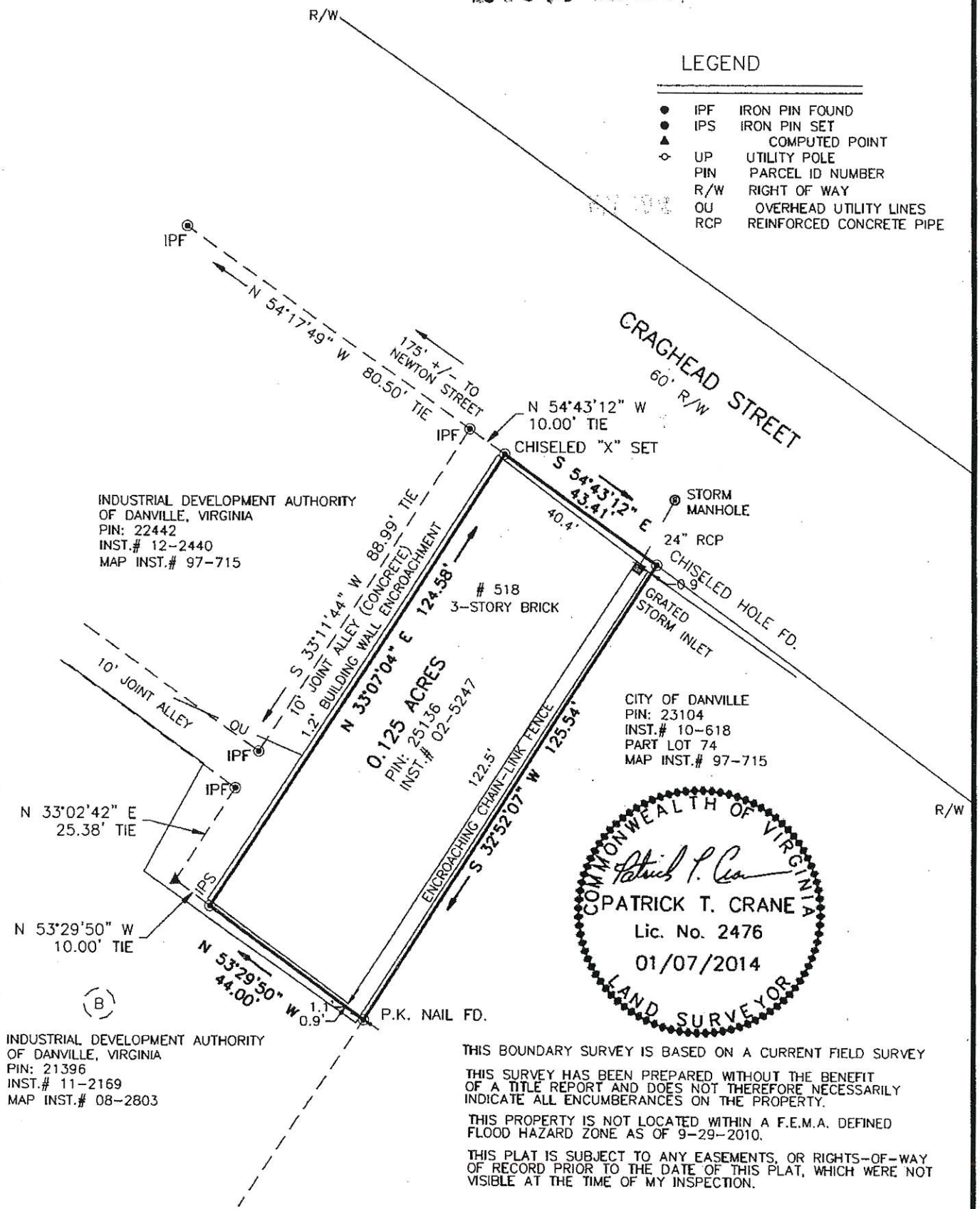
ATTEST:

_____
Secretary

Approved as to
Form and Legal Sufficiency:

_____
City Attorney

PG 0019 MAR 19



THIS BOUNDARY SURVEY IS BASED ON A CURRENT FIELD SURVEY

THIS SURVEY HAS BEEN PREPARED WITHOUT THE BENEFIT OF A TITLE REPORT AND DOES NOT THEREFORE NECESSARILY INDICATE ALL ENCUMBERANCES ON THE PROPERTY.

THIS PROPERTY IS NOT LOCATED WITHIN A F.E.M.A. DEFINED FLOOD HAZARD ZONE AS OF 9-29-2010.

THIS PLAT IS SUBJECT TO ANY EASEMENTS, OR RIGHTS-OF-WAY OF RECORD PRIOR TO THE DATE OF THIS PLAT, WHICH WERE NOT VISIBLE AT THE TIME OF MY INSPECTION.

DANVILLE, VIRGINIA

518 CRAGHEAD STREET

BEING PIN : 25136

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE ("Agreement") is made and entered into this _____ day of _____ 2016, between the Industrial Development Authority of Danville, Virginia whose address is City of Danville, Industrial Development Authority, C/O City Attorney's Office, P.O. Box 3300, Danville, VA 24243 (hereinafter called "Seller"), and Rick Barker Properties, LLC whose address is Supply Resources, 554 Craghead Street, Danville, VA 24541 (hereinafter called "Purchaser").

W I T N E S S E T H:

WHEREAS, Seller is the owner of that certain parcel of real property described as 44 FT CRAGHEAD ST , Parcel 25136, located at 518 Craghead Street, in the City of Danville, Virginia, more particularly described on Exhibit "A" attached hereto and incorporated herein (and shall hereinafter be referred to collectively as the "Property"); and

WHEREAS, Seller desires to sell the Property to Purchaser, and Purchaser desires to purchase the Property from Seller, subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, do hereby agree as follows:

1. Purchase and Sale. Subject to the terms and conditions hereinafter set forth, Seller agrees to sell to Purchaser and Purchaser agrees to purchase from Seller the Property, together with (a) all rights, easements and privileges, appurtenances belonging and appertaining thereto, including, without limitation, all easements, rights of way or other interests in, on or under any lands, highways, alleys, streets, or rights of way abutting or adjoining the Property (b) all buildings and other improvements thereon, and (c) any fixtures attached to the Property. Further, Purchaser agrees to purchase from Seller the Property in an "AS IS " condition.

2. Purchase Price. (a) The purchase price ("Purchase Price") to be paid by Purchaser to Seller for the Property shall be Fifty Five Thousand Dollars ($55,000).

(b) At "Closing", the Purchase Price payable by Purchaser to Seller shall be paid by cash, cashier's check or wire transfer. At Closing, the "Deposit" (hereinafter defined) shall be delivered by the Closing Agent to Seller and shall be credited against the Purchase Price.

3. Deposit. Purchaser shall deliver to Robert H. Whitt, Jr. (the "Closing Agent"), as escrow agent, a deposit in the sum of Two Thousand Seven Hundred Fifty Dollars ($2,750).

4. Representations and Warranties of Seller. Seller, to induce Purchaser to enter into this Agreement and to complete Closing, makes the following representations and warranties to Purchaser, which representations and warranties are true and correct as of the date of this Agreement, and shall be true and correct at and as of the Closing Date in all respects as though such representations and warranties were made both at and as of the date of this Agreement, and at and as of the Closing Date:

(a) There is no action, suit or proceeding pending or, to the knowledge of Seller, threatened against or affecting the Property or any portion thereof.

(b) Seller has not received any written notice of any condemnation proceeding or other proceedings in the nature of eminent domain ("Taking") which is currently pending in connection with the Property, and to Seller's knowledge no Taking has been threatened.

(c) Seller is and on the closing date shall have full power and authority to enter into and perform this Agreement and all documents, instruments and contracts entered into or to be entered into by it pursuant to this Agreement and to carry out the transactions contemplated hereby. This Agreement is, and all documents to be executed by Seller and delivered to Purchaser at the Closing will be on the Closing Date, duly authorized, executed and delivered by Seller and all consents and approvals of third parties have been obtained. This Agreement is, and all documents to be executed by Seller and delivered to Purchaser at the Closing will be the legal, valid and binding obligations of Seller, enforceable in accordance with their respective terms will not violate any provisions of any agreement, judicial order or any other thing to which Seller is a party or to or by which Seller or the Property is subject or bound.

(d) The Property is not subject to any roll back tax or any similar tax related to the discontinuance of any use to which the Property has been put.

(e) Seller has not received any notice or notices of violation (or claimed violations) of any law, ordinance, order, statute, rule or regulation or any complaints, order, citation or notice with regard to, affecting or relating to the Property.

(f) No tax appeals are currently pending with respect to the Property.

(g) Seller has not entered into any presently effective contract regarding the sale, conveyance, transfer or disposition of the Property (except for this Agreement). Seller has not granted to anyone and no one possesses any option to purchase or right of first refusal to purchase the Property. Seller has not entered into any occupancy agreement, lease or the like with respect to, and no one has any right to use or occupy, the Property.

5. Covenants by Seller. Between the date hereof and the Closing, Seller agrees that:

(a) Seller will maintain the Property in the same condition as it is on the date of this Agreement (reasonable wear and tear excepted);

(b) Seller will not, by reason of any action or omission of Seller, cause or permit any representation or warranty to become not true, incorrect or inaccurate;

(c) Seller shall perform any and all material obligations with respect to the Property under all easements, covenants, restrictions and contracts of record;

(d) Seller will promptly give notice to Purchaser of every threatened or actual litigation whether or not covered by insurance against or relating to the Property (including, without limitation, the sale thereof to Purchaser) or any portion thereof between the date of this Agreement and the Closing;

(e) Seller will not, without the prior written consent of Purchaser, apply for, consent to or process any applications for zoning, re-zoning, variances, site plan approvals, subdivision approvals or development with respect to the Property or any portion thereof;

(f) Seller will not, without the prior written consent of Purchaser, grant any rights or other privileges in or with respect to the Property or any portion thereof or grant, or consent to or waive the right to object to, any easements, covenants or restrictions affecting all or any portion of the Property;

(g) Seller will not enter into or modify any mortgages, operating agreements, ground leases, space leases or other agreements or encumbrances with respect to or affecting the Property or any portion thereof; and

(h) Seller will promptly notify Purchaser if it discovers, determines or is notified that any warranty or representation made by Seller hereunder is not (or is no longer) true.

6. Seller's Defaults; Purchaser's Remedies. In the event that Seller shall be in material default hereunder for any reason other than Purchaser's default, Purchaser may deliver a written notice to Seller stating with particularity the alleged default of Seller, the action required by Seller to cure such default, and Purchaser's intent to exercise its remedies provided below if the default is not cured. Seller shall have five (5) business days after receipt of such notice to cure the alleged default to Purchaser's reasonable satisfaction (and the Closing Date shall be delayed, if necessary, until the end of such five (5) business day period). In the event such default is not cured within such five (5) business day period, then Purchaser may elect, as its sole and exclusive remedy, for such default, to terminate this Agreement by written notice to Purchaser and the Closing Agent. Purchaser hereby expressly waives its rights to seek damages in the event of Seller's default hereunder.

7. Purchaser's Default; Seller's Remedies. In the event that Purchaser shall be in default hereunder for any reason other than Seller's default, Seller may deliver a written notice to Purchaser stating with particularity the alleged default of Purchaser, the action required by Purchaser to cure such default and Seller's intent to terminate this Agreement if the default is not cured. Purchaser shall have five (5) business days after receipt of such notice to cure the alleged

default to Seller's reasonable satisfaction (and the Closing Date shall be delayed, if necessary, until the end of such five (5) business day period). In the event such default is not cured within such five (5) business day period, then Seller may, as Seller's sole and exclusive remedy for such default, terminate this Agreement by written notice to Purchaser and the Closing Agent, whereupon Seller shall be entitled to retain the full Deposit. Seller hereby expressly waives its rights to seek damages in the event of Purchaser's default hereunder.

8. Prorations. At Closing, real estate taxes, assessments and all other items of income and expense shall be prorated as of the Closing Date. Any assessments for prior years due to change in land usage or ownership, including, without limitation, rollback taxes, shall be the sole responsibility of Seller. The terms and provisions of this Section shall survive Closing.

9. Closing Costs. (a) Seller shall be responsible for the (i) costs of preparing the Deed (as hereinafter defined) and (ii) the Grantor's Tax on the Deed, if any.

(b) Purchaser shall be responsible for (i) the cost to obtain the Commitment, (ii) all premiums, and other charges on the owner's title policy issued to Purchaser pursuant to the Commitment (the "Title Policy") and any endorsements to the Title Policy, (iii) all documentary stamps taxes and transfer taxes on the Deed, with the exception of the Grantor's Tax, (iv) documentary stamps and intangible costs on any deed of trust and notes, and (v) the recording costs on the Deed.

(c) Each party shall be responsible for payment of its own legal fees.

10. Closing. The "Closing" shall be held no later than sixty (60) days from the date of this agreement. Notwithstanding the foregoing provisions of this Section 10, Purchaser shall have the right to adjourn the Initial Scheduled Closing Date for any reason one (1) time (for not more than thirty (30) days) to a date specified by Purchaser (the "Purchaser Adjourned Closing Date") by (i) delivering notice to Seller and closing agent two (2) business days before the Initial Scheduled Closing Date and (ii) depositing the amount of Two Thousand Seven Hundred Fifty Dollars ($2,750) (the "Closing Extension Deposit"), by wire transfer of immediately available federal funds to the order of the Closing Agent, as escrow agent, which Closing Extension Deposit shall be nonrefundable to Purchaser but otherwise deemed part of the Deposit and held by the Closing Agent in escrow pursuant to the provisions of Section 3 of this Agreement and applied to the Purchase Price at Closing. As used herein, the term "Closing Date" shall mean the Initial Scheduled Closing Date and the Purchaser Adjourned Closing Date, as applicable. It is expressly agreed by Seller and Purchaser that time is of the essence with respect to the parties' obligations to close this transaction on the Closing Date. For the avoidance of doubt, Seller and Purchaser acknowledge that any adjournment of the Closing Date pursuant to any right of adjournment granted hereunder, then time shall be of the essence with respect to Seller's and Purchaser's obligation to close this transaction on such adjourned Closing Date.

(a) At Closing, Seller shall cause to be executed and delivered to Purchaser the following documents with respect to the Property being conveyed:

(i) A general warranty deed ("Deed") subject only to the Acceptable Exceptions;

(ii) A non-foreign affidavit in a form reasonably acceptable to Purchaser;

(iii) Such other documents that the Closing Agent may reasonably require in connection with the issuance of the owner's policy to Purchaser, including but not limited to, such affidavits required for deletion of the parties in possession and mechanics' lien exceptions appearing on an owner's title insurance policy; and

(b) At Closing, Purchaser shall deliver the Purchase Price (subject to prorations and adjustments, including, but not limited to, a credit for the Deposit).

(c) At Closing, Seller and Purchaser shall each execute counterpart closing statements in a customary form, and such other documents required by the Closing Agent that are reasonably necessary to consummate Closing.

(d) At Closing, both parties shall pay their respective costs by wire transfer, or by cashier's check drawn on a bank reasonably acceptable to Closing Agent.

11. Brokers. Each party warrants and represents to the other that no real estate broker or agent has been involved in negotiations leading to the execution of this Agreement and that no other commission is owed to any other broker or agent as a result of the action of such party. Each party agrees to hold the other harmless from any loss, cost or charge (including reasonable attorneys' fees), arising from the assertion by any other broker or agent that any fee or commission is owed because of the acts or agreement of such party. The provisions of this Section shall survive the Closing and any cancellation or earlier termination of this Agreement.

12. Assignability. Purchaser shall not have the right to assign this Agreement and its rights hereunder to any entity or person without Seller's prior written consent, which consent shall not be unreasonably withheld, Notwithstanding the foregoing, Purchaser shall have the right, without Seller's consent, to assign this Agreement and its rights hereunder to any entity which, directly or indirectly, shall control, be controlled by or be under common control with Purchaser or any director or officer of Purchaser.

13. Notices. Any notices required or permitted to be given under this Agreement shall be in writing and shall be deemed given if delivered by hand, sent by recognized overnight courier (such as Federal Express), transmitted via facsimile transmission or mailed by certified or registered mail return receipt requested, in a postage pre-paid envelope, and addressed as follows:

If to Seller:
Industrial Development Authority of Danville, VA
C/O City Attorney's Office
P.O. Box 3300

Danville, VA 24541

With a copy to:
City Attorney's Office
P.O. Box 3300
Danville, VA 24541

If to Purchaser:
Rick Barker Properties
C/O Supply Resources
554 Craghead Street
Danville, VA 24541

Notices personally delivered or sent by overnight courier shall be deemed given on the date of receipt, notices sent via electronic mail or facsimile transmission shall be deemed given upon transmission and notices sent via certified mail in accordance with the foregoing shall be deemed given when deposited in the U.S. Mails.

14. Eminent Domain. If, prior to Closing, the Property or any material portion thereof is taken by eminent domain, Seller shall promptly notify Purchaser and Purchaser shall have the option of either: (i) canceling this Agreement by delivery of written notice to Seller and both parties shall be relieved of all further obligations under this Agreement; or (ii) Purchaser may proceed with the Closing, whereupon Purchaser shall be entitled to and Seller shall assign to Purchaser all of Seller's interest in all condemnation payments, awards and settlements applicable to the Property.

15. Reversion of Title. Purchaser shall forfeit any and all rights and ownership interests in the Property by way of reversion of title to Seller, placed in the deed, free and clear of all liens and encumbrances created after the conveyance of the Property to Purchaser if the Purchaser has not obtained a building permit for and initiated substantial construction on the renovation of the Property, in the sole discretion of the Seller, within fourteen (14) months from the date of this Agreement. Seller shall reacquire the property at the original price of Fifty Five Thousand Dollars ($55,000).

16. Miscellaneous.

(a) This Agreement shall be construed and governed in accordance with the laws of the Commonwealth of Virginia and in the event of any litigation hereunder, the venue for any such litigation, shall be the City of Danville, Virginia. 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.

(b) In the event any interpretation of this Agreement is determined by appropriate judicial authority to be illegal or otherwise invalid, such provision shall be given its

nearest legal meaning or reconstrued as deleted as such authority determines, and the remainder of this Agreement shall be construed to be in full force and effect.

(c) In the event of any litigation between the parties under this Agreement, each party shall be responsible for its own attorneys' fees and court costs through all trial and appellate levels. The provisions of this subparagraph shall survive the Closing and any termination or cancellation of this Agreement.

(d) In construing this Agreement, the singular shall be deemed to include the plural, the plural shall be deemed to include the singular and the use of any gender shall include every other gender and all captions and paragraph headings shall be discarded.

(e) All of the Exhibits to this Agreement are incorporated in and made a part of this Agreement.

(f) This Agreement constitutes the entire agreement between the parties for sale and purchase of the Property, and supersedes any other agreement or understanding of the parties with respect to the matters herein contained. This Agreement may not be changed, altered or modified except in writing signed by the party against whom enforcement of such a change would be sought. This Agreement shall be binding upon the parties hereto and their respective successors and assigns.

(g) The term "Effective Date" or such other similar term, shall mean the date on which Seller and Purchaser have executed and delivered this Agreement.

(h) The parties hereby agree that time is of the essence with respect to performance of each of the parties' obligations under this Agreement. The parties agree that in the event that any date on which performance is to occur falls on a Saturday, Sunday or state or national holiday, then the time for such performance shall be extended until the next business day thereafter occurring.

(i) This Agreement may be executed in any number of counterparts, each of which, when executed, shall be deemed to be an original, all of which shall be deemed to be one and the same instrument. Facsimile transmission signatures shall be deemed original signatures.

(j) The Purchaser agrees that the terms set forth in this Agreement, all written materials obtained by Purchaser from Seller with respect to the Property, and all information obtained by Purchaser from sources other than Seller with respect to the Property, shall remain totally and completely confidential and shall not be revealed or disclosed to any person or party whatsoever, except: (i) with the prior written consent of Seller; (ii) as may be disclosed to Purchaser's attorneys, accountants and other representatives that are involved in connection with the consummation of this transaction, and then only to the extent necessary to accomplish the transactions set forth herein, after having directed each such recipient of such information to maintain the confidentiality of such information; (iii) as may be required by applicable law; (iv) as may be necessary in connection with assisting Purchaser in obtaining necessary governmental approvals; and (v) in connection with any litigation between the parties. If for any reason the Closing does not occur, Purchaser shall (x) return to Seller all materials and other information

regarding the Property, and (y) immediately deliver to Seller all written studies, analyses, reports and assessments relating to any of the Purchaser's investigations.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]
[SIGNATURES APPEAR ON NEXT PAGES.]

WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first set forth above.

SELLER:

By: _____
Name: _____
Title: Chairman

PURCHASER:

By: _____
Name: _____
Title: _____

Exhibit “A”

410 Main STREET

Skyfall Holdings LLC offered to purchase IDA owned property located at 410 Main Street (Parcels 23249 and 26824) to determine whether it wished to locate their offices there. Skyfall Holdings LLC and the IDA Chairman executed an option agreement on April 12, 2016. Staff requests approval of a resolution confirming and ratifying the action of the Chairman in executing an option agreement on April 12, 2016 with Skyfall Holdings LLC for the potential purchase of 410 Main Street.

PRESENTED: May 10, 2016

ADOPTED: May 10, 2016

RESOLUTION NO. 2016-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA CONFIRMING AND RATIFYING THE EXECUTION OF AN OPTION AGREEMENT FOR THE SALE OF 410 MAIN STREET TO Skyfall Holdings, LLC.

WHEREAS, the Authority desires to show full and complete compliance with any and all statutory requirements and full technical adherence to any and all legal, moral and ethical standards for the performance of its duties.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia that:

All actions of the Chairman of the Authority, for and on behalf of the Authority prior to the date hereof are in all respects ratified, approved and confirmed for the execution of an option agreement(attached hereto) for the sale of 410 Main Street to Skyfall Holdings, LLC.

AND BE IT FURTHER RESOLVED that any officer of the Industrial Development Authority of Danville, Virginia, is hereby authorized to sign any required documents and perform any other duties needed to complete the above-mentioned transaction.

APPROVED:

_____
CHAIRMAN

ATTEST:

_____
SECRETARY

Approved as to
Form and Legal Sufficiency:

_____
CITY ATTORNEY

OFFICE OF THE
CITY ATTORNEY

CITY OF
DANVILLE, VIRGINIA

CERTIFICATE

I, the undersigned Secretary of the Industrial Development Authority of the City of Danville, Virginia (the "Authority"), hereby certifies that the foregoing is a true, correct and complete copy of the Resolution duly adopted by a majority of the Directors of the Industrial Development Authority of Danville, Virginia present and voting at a meeting duly called and held on November 10, 2011, all in accordance with law, and that such Resolution has not been repealed, revoked or rescinded but is in full force and effect on the date hereof.

WITNESS my hand and the seal of the Authority this ____ day of November, 2011.

By_____
SECRETARY
INDUSTRIAL DEVELOPMENT AUTHORITY OF
THE CITY OF DANVILLE, VIRGINIA

Option Agreement

THIS OPTION AGREEMENT, made and entered into this 12th day of April 2016, by and between City of Danville, Industrial Development Authority, hereinafter referred to as "Owner," whose address is C/O City Attorney's Office, P.O. Box 3300, Danville, VA 24543 and Buyer, Skyfall Holdings LLC, hereinafter referred to as "Optionee," whose address is Skyfall Holdings LLC, 153 Hawthorne Drive Danville, VA 24541 (Virginia LLC ID: S611414).

WITNESSETH:

WHEREAS, the Owner is the owner in fee simple absolute of the real property located at 410 Main Street Danville, 24541 (Parcels 23249 and 26824) and with all improvements thereon and all rights and appurtenances thereunto pertaining, all of which is hereinafter referred to as the "Property"; and

WHEREAS, the Optionee desires to enter into an option agreement for the purchase of the Property.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties agree and covenant as follows:

1. In consideration of the sum of One Dollar ($1) the Owner grants to the Optionee the sole and exclusive option to purchase the Property for a purchase price of One Hundred and Ten Thousand Dollars ($110,000) after the Optionee's due diligence period.

2. The exercise of the option to purchase the Property shall be made by Optionee delivering written notice of the exercise of the option to Owner not later than 5:00 p.m. on the 30th day of June, 2016, at such place as Owner may designate herein for the delivery of notices. The written notice shall be deemed to have been delivered to Owner upon delivery of the written notice to Owner's last known address by either certified mail, return receipt requested, or by an overnight mail service. If Optionee does not exercise this Option Agreement by the aforesaid date, this option agreement shall be considered null, void and of no effect, unless the parties otherwise agree in a writing. Nothing contained herein shall require Owner to accept the exercise of the option if the Parties are unable to agree to a Purchase Contract after good faith negotiations.

3. In the event the Optionee exercises this option, the following provisions shall govern the settlement:

a. At closing Owner shall deliver to Optionee a deed of General Warranty conveying a good, marketable and insurable fee simple title to Optionee, free of all liens, encumbrances, and defects, and subject only to such restrictions, covenants and easements as shall now be of record which do not affect the use of the property for any purposes, or render the title unmarketable. If a defect in title is found which is of such character that it can be remedied by legal action within a reasonable time, Optionee shall have the option of terminating any agreement to purchase the Property.

b. At settlement the Owner shall give and the Optionee shall take possession of the Property.

c. The risk of loss by fire or other casualty is assumed by Owner until settlement.

d. Optionee accepts the property in its present condition, "AS IS."

e. Owner hereby makes the following warranties and representations which shall be effective as of the date of the settlement:

(1) To the Owner's knowledge, there are no existing boundary, water, or drainage disputes of which the Owner has any knowledge, except as noted herein.

(2) To the Owner's knowledge, there are no actions or proceedings threatened against Owner to condemn all or any part of the Property.

(3) Owner has paid for all work, labor and materials furnished to the Property prior to the recording of the deed, and there will be no mechanic's liens and/or the right of any person to file a mechanic's lien against the property for any reason whatsoever.

f. The Owner shall also deliver to the Optionee the originals of all leases, notes, mortgages, tenant files, surveys and plans and specifications for the Property.

g. Settlement shall take place within ninety (90) days of the exercise of this option by Optionee, in the Office of Optionee's Attorney.

h. Owner shall pay the expense of preparing the deed and the recordation tax applicable to grantors, if any. Except as otherwise agreed herein, all other expenses incurred by Optionee in connection with the settlement, including, but not limited to, title examination, insurance premiums, survey costs, engineering, environmental testing, and other

study costs, recording costs, loan document preparation fees, and the fees of Optionee's Attorney shall be borne by Optionee. All taxes and assessments shall be pro-rated between the parties as of the date of settlement.

h. Owner agrees to exercise ordinary and reasonable care in the maintenance and upkeep of the Property, ordinary wear and tear excepted from the date of this option agreement to the date of settlement.

i. The Parties agree that there is the no listing agent for the property.

j. The provisions contained in this agreement shall merge into a subsequent purchase and sell contract which both parties agree to negotiate and enter into in good faith.

4. During the option period, Optionee and or its agents shall have the right to access, examine, photograph, inspect, survey, conduct an engineering report, conduct environmental testing, or otherwise take whatever action is necessary to determine if the property is or can be made suitable for its intended purposes.

5. Notices and other correspondence regarding this option agreement shall be delivered to the following addresses, or to such other or additional addresses as the parties may designate in writing:

Owner: Industrial Development Authority of Danville, Virginia
P. O. Box 3300
Danville, Virginia 24543

With a Coy to: City Attorney
P. O. Box 3300
Danville, Virginia 24543

Optionee: Jeffrey Bond
C/O Skyfall Holdings LLC
153 Hawthorne Drive
Danville, VA 24541

6. This option agreement shall be binding upon and inure to the benefit of the Optionee and shall not be assignable to any third party.

7. Owner is, and on the Closing Date shall be, validly existing and in good standing under the laws of the Commonwealth of Virginia and is in good standing and qualified to do business in the Commonwealth of Virginia. Seller has full power and authority to enter into and perform this Agreement and all documents, instruments and contracts entered into or to be entered into by it pursuant to this Agreement and to carry out the transactions contemplated hereby. This Agreement is, and all documents to be executed by Owner and delivered to Optionee at the Closing will be on the Closing Date, duly authorized, executed and delivered by Owner and all consents and approvals of third parties have been obtained. This Agreement is, and all documents to be executed by Owner and delivered to Optionee at the Closing will be the legal, valid and binding obligations of Owner, enforceable in accordance with their respective terms will not violate any provisions of any agreement, judicial order or any other thing to which Owner is a party or to or by which Owner or the Property is subject or bound.

8. This agreement represents the entire understanding between the parties, and there are no collateral or oral agreements or understandings, and this agreement shall not be modified unless in writing of equal formality signed by both parties.

9. This Agreement and the performance thereof shall be governed by and enforced under the laws of the Commonwealth of Virginia, and if legal action by either party is necessary for or with respect to the enforcement of any or all of the terms and conditions hereof, then exclusive venue therefore shall lie in the City of Danville, Virginia.

10. This contract may be recorded in the Office of the Clerk of the Circuit Court of the City of Danville, Virginia in order to protect Optionee from the claims of subsequent purchasers or other persons obtaining an interest in this real estate, or from the claims of judgment creditors, if any, of the Owner.

Witness our signatures and seals:

INDUSTRIAL DEVELOPMENT AUTHORITY
OF DANVILLE, VIRGINIA

By: _____(SEAL)
Its: Chairman

SKYFALL HOLDINGS LLC

By: _____(SEAL)
Its: President

MEETING OF THE
INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA
TUESDAY, APRIL 12, 2016

AGENDA

CALL TO ORDER

ROLL CALL

INDUSTRIAL DEVELOPMENT AUTHORITY:

1. APPROVAL OF MINUTES FROM REGULARLY CALLED MEETING ON MARCH 8, 2015.

   Motioned Made by Mr. Hairston; 2nd by Dr. Primiano

Mr. Morris	Yea
Mr. Wyatt	Yea
Dr. Primiano	Yea
Mr. Hairston	Yea
Mr. Turner	Yea
Mr. Reynolds	Yea
Dr. Glass	Yea

2. MONTHLY FINANCIAL REPORT BY MICHAEL ADKINS.
   ITEMS FOR DISCUSSION

   Motioned Made by Dr. Turner; 2nd by Mr. Hairson

Mr. Morris	Yea
Mr. Wyatt	Yea
Dr. Primiano	Yea
Mr. Hairston	Yea
Mr. Turner	Yea
Mr. Reynolds	Yea
Dr. Glass	Yea

3. STAFF UPDATES FROM ECONOMIC DEVELOPMENT ON VARIOUS PROJECTS.

4. CLOSED MEETING

Motioned Made by Dr. Primiana; 2nd by Mr. Turner

Mr. Morris	Yea
Mr. Wyatt	Yea
Dr. Primiano	Yea
Mr. Hairston	Yea
Mr. Turner	Yea
Mr. Reynolds	Yea
Dr. Glass	Yea

5. CONSIDER AND TAKE ACTION UPON ANY AND ALL BUSINESS THAT MAY BE LAWFULLY ENACTED AT A REGULAR MEETING OR DISCUSSED IN A CLOSED MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA.

Motioned Made by Dr. Primiana; 2nd by Mr. Turner

Mr. Morris	Yea
Mr. Wyatt	Yea
Dr. Primiano	Yea
Mr. Hairston	Yea
Mr. Turner	Yea
Mr. Reynolds	Yea
Dr. Glass	Yea

DR. SHIRLEY PRIMIANO
SECRETARY

T. NEAL MORRIS
CHAIRMAN

ADJOURN