



**City of Danville, Virginia**  
**Industrial Development Authority of Danville**  
P.O. Box 3300  
Danville, Virginia 24543

December 6, 2017

**NOTICE OF MEETING**

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

A meeting of the Industrial Development Authority of Danville, Virginia has been called by the Chairman for Tuesday, December 12, 2017, at \*\* **10:30 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/ Brooke Barksdale  
Brooke Barksdale

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

**MEETING OF THE  
INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA  
TUESDAY, DECEMBER 12, 2017**

**AGENDA**

CALL TO ORDER

ROLL CALL

INDUSTRIAL DEVELOPMENT AUTHORITY:

1. APPROVAL OF MINUTES FROM REGULARLY CALLED MEETING ON NOVEMBER 14, 2017.
2. PRESENTATION OF FISCAL YEAR 2017 AUDIT REPORT BY BROWN, EDWARDS & COMPANY, LLP
3. MONTHLY FINANCIAL REPORT BY MICHAEL ADKINS.

ITEMS FOR DISCUSSION

4. STAFF UPDATES FROM ECONOMIC DEVELOPMENT ON VARIOUS TOPICS.
5. A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE GRANTING OF AN EASEMENT TO COMCAST FOR THE INSTALLATION OF SERVICE CONNECTION LINES ACROSS PARCELS 22078 AND 25816.
6. A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING A CONTRACT PROPOSAL FROM FIRE SPRINKLER, INC. TO COMPLETE INSPECTIONS AND REPAIRS TO THE COMMONWEALTH MACHINE BUILDING LOCATED AT 300 LYNN STREET AND 417 LOYAL STREET.
7. A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING PIER REPAIRS AND CODE VIOLATIONS CORRECTIONS AT THE WHITE MILL LOCATED AT 424 MEMORIAL DRIVE.

8. A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE SALE OF THE PROPERTY LOCATED AT 239 MAYFIELD ROAD.
9. A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE SALE OF THE FORMER DURHAM HOSIERY BUILDING LOCATED AT 523-525 LYNN STREET TO LYNN STREET LLC.
10. CLOSED MEETING
11. 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

**INDUSTRIAL DEVELOPMENT AUTHORITY OF VIRGINIA  
MINUTES OF MEETING  
NOVEMBER 14, 2017**

PURSUANT TO A WRITTEN NOTICE DATED OCTOBER 5, 2017, A COPY OF WHICH IS ATTACHED HERETO, A MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA, WAS HELD IN THE FOURTH FLOOR CONFERENCE ROOM OF THE MUNICIPAL BUILDING ON TUESDAY, NOVEMBER 14, 2017, AT 10:30 A.M.

THE FOLLOWING MEMBERS WERE PRESENT AND ABSENT:

PRESENT:           T. NEAL MORRIS, CHAIRMAN  
                      C.G. HAIRSTON, VICE CHAIRMAN  
                      RICHARD L. TURNER, TREASURER  
                      RUSSELL D. REYNOLDS, SECRETARY-ARRIVED 10:40AM  
                      MAX R. GLASS

ABSENT:            JOHN H. LARAMORE  
                      LONDON WYATT

ALSO PRESENT:    W. CLARKE WHITFIELD, JR., CITY ATTORNEY  
                      BROOKE BARKSDALE, LEGAL SECRETARY  
                      KEN LARKING, CITY MANAGER  
                      MR. WHITTLE, COUNCILMAN  
                      LINWOOD WRIGHT, ECONOMIC DEVELOPMENT  
                      KELVIN PERRY, ECONOMIC DEVELOPMENT

T. NEAL MORRIS, CHAIRMAN, CALLED THE MEETING TO ORDER AT 10:30 A.M.

**A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE ISSUANCE OF BOND FINANCING TO AVERETT UNIVERSITY.**

- A PUBLIC HEARING WAS HELD-NO ONE FROM THE PUBLIC ASKED TO SPEAK DURING THE PUBLIC HEARING.
- A MOTION WAS MADE BY MR. TURNER TO APPROVE THE RESOLUTION. THE MOTION WAS SECONDED BY DR. GLASS AND CARRIED WITH MEMBERS PRESENT VOTING AS FOLLOWS:

MR. MORRIS	- AYE
MR. HAIRSTON	- AYE
MR. TURNER	- AYE
DR. GLASS	- AYE

**MINUTES**

COPIES OF THE MINUTES OF THE OCTOBER 10, 2017, MEETING WERE DISTRIBUTED TO THE MEMBERS WITH THEIR AGENDA PACKET. A MOTION WAS

MADE BY MR. HAIRSTON TO APPROVE THE MINUTES. THE MOTION WAS SECONDED BY DR. GLASS AND CARRIED WITH MEMBERS PRESENT VOTING AS FOLLOWS:

MR. MORRIS	- AYE
MR. HAIRSTON	- AYE
MR. TURNER	- AYE
DR. GLASS	- AYE

### UPDATE ON FINANCES

COPIES OF THE CURRENT FINANCIAL STATEMENTS WERE DISTRIBUTED TO THE MEMBERS. A MOTION WAS MADE BY MR. TURNER TO APPROVE THE FINANCIAL REPORT. THE MOTION WAS SECONDED BY MR. HAIRSTON AND CARRIED WITH MEMBERS PRESENT VOTING AS FOLLOWS:

MR. MORRIS	- AYE
MR. HAIRSTON	- AYE
MR. TURNER	- AYE
DR. GLASS	- AYE

### RESOLUTIONS

#### A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING STAFF TO PROCEED WITH THE DESIGN PHASE OF UPGRADING THE SIGNAGE AT AIRSIDE INDUSTRIAL PARK AT A COST NOT TO EXCEED \$25,000.

MOTION MADE BY MR. TURNER; 2<sup>ND</sup> BY MR. HAIRSTON

VOTE CARRIED AS:

MR. MORRIS	- AYE
MR. HAIRSTON	- AYE
MR. TURNER	- AYE
MR. REYNOLDS	- AYE
DR. GLASS	- AYE

#### A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING JOHN SELBACH OF THE LAW FIRM LECLAIR RYAN TO REPRESENT THE AUTHORITY ON MATTERS DEALING WITH PROSPECTS FROM THE UK.

MOTION MADE BY MR. HAIRSTON; 2<sup>ND</sup> BY MR. REYNOLDS

VOTE CARRIED AS:

MR. MORRIS	- AYE
MR. HAIRSTON	- AYE
MR. TURNER	- AYE
MR. REYNOLDS	- AYE
DR. GLASS	- AYE

#### A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA RATIFYING PRIOR ACTION TO ALLOW AXNANO, LLC TO SUBLEASE PART OF 527 BRIDGE STREET, SUITE 301.

MOTION MADE BY MR. HAIRSTON; 2<sup>ND</sup> BY MR. REYNOLDS

VOTE CARRIED AS: MR. MORRIS - AYE  
MR. HAIRSTON - AYE  
MR. TURNER - AYE  
MR. REYNOLDS - AYE  
DR. GLASS - AYE

**MR. TURNER MOVED THE MEETING BE RECESSED AND THE BOARD IMMEDIATELY RECONVENE IN EXECUTIVE CLOSED MEETING FOR THE PURPOSE OF DISCUSSION CONCERNING A PROSPECTIVE BUSINESS OR INDUSTRY OR THE EXPANSION OF AN EXISTING BUSINESS OR INDUSTRY WHERE NO PREVIOUS ANNOUNCEMENT HAS BEEN MADE AS PERMITTED BY SUBSECTION (A)(5) OF SECTION 2.2-3711 OF THE CODE OF VIRGINIA, 1950, AS AMENDED; AND DISCUSSION OR CONSIDERATION OF THE ACQUISITION/DISPOSITION OF REAL PROPERTY FOR A PUBLIC PURPOSE WHERE DISCUSSION IN AN OPEN MEETING WOULD ADVERSELY IMPACT THE BARGAINING POSITION OF THE AUTHORITY AS PERMITTED BY SUBSECTION (A)(3) OF SECTION 2.2-3711 OF THE CODE OF VIRGINIA, 1950, AS AMENDED.**

MOTION MADE BY MR. TURNER; 2<sup>ND</sup> BY MR. HAIRSTON

VOTE CARRIED AS: MR. MORRIS - AYE  
MR. HAIRSTON - AYE  
MR. TURNER - AYE  
MR. REYNOLDS - AYE  
DR. GLASS - AYE

**MR. TURNER MOVED THE MEETING IMMEDIATELY RECONVENE INTO AN OPEN MEETING. THE MOTION WAS SECONDED BY MR. HAIRSTON AND CARRIED WITH THE MEMBERS PRESENT VOTING AS FOLLOWS:**

MR. MORRIS - AYE  
MR. WYATT - AYE  
MR. LARAMORE - AYE  
MR. HAIRSTON - AYE  
MR. TURNER - AYE  
MR. REYNOLDS - AYE  
DR. GLASS - AYE

**UPON RECONVENING, MR. TURNER MOVED THAT THE BOARD ADOPT A RESOLUTION CERTIFYING THAT TO THE BEST OF EACH MEMBER'S KNOWLEDGE THAT (1) ONLY PUBLIC BUSINESS MATTERS LAWFULLY EXEMPTED FROM OPEN MEETING REQUIREMENTS UNDER SECTION 2.2-3711 AND (2) ONLY SUCH PUBLIC BUSINESS MATTERS AS WERE IDENTIFIED IN THE MOTION BY WHICH THE CLOSED MEETING WAS CONVENED WERE HEARD, DISCUSSED OR CONSIDERED IN THE CLOSED MEETING.**

MOTION MADE BY MR. TURNER; 2<sup>ND</sup> BY MR. HAIRSTON

VOTE CARRIED AS: MR. MORRIS - AYE  
MR. HAIRSTON - AYE

MR. TURNER	- AYE
MR. REYNOLDS	- AYE
DR. GLASS	- AYE

**STAFF UPDATE**

LINWOOD INFORMED THE BOARD THAT THE SIDE WALK ALONG FITZGERALD APARTMENTS HAS BEEN REMOVED BY PUBLIC WORKS

MEETING ADJOURNED 11:25 AM

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MR. RUSSELL REYNOLDS  
SECRETARY

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T. NEAL MORRIS  
CHAIRMAN

PRESENTED: December 12, 2017

ADOPTED: December 12, 2017

RESOLUTION NO. 2017-\_\_\_\_.\_\_\_\_

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE GRANTING OF AN EASEMENT TO COMCAST FOR THE INSTALLATION OF SERVICE CONNECTION LINES ACROSS PARCELS 22078 AND 25816.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia that pursuant to the authority granted by Virginia Code Section 15.2-4905 the Industrial Development Authority of Danville, Virginia hereby grants to Comcast an easement for the installation of service connection lines across Parcels 22078 and 25816 located between Lynn and Craghead Streets to allow a service connection to properties on Craghead Street; and

BE IT FURTHER RESOLVED by the Industrial Development Authority of Danville, Virginia, that the Chairman, or in his absence any Officer, be, and 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:

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City Attorney

## **Executive Summary**

### **REQUEST FOR EASEMENT BY COMCAST**

Comcast would like to establish an easement between Lynn and Craghead Streets through Parcels 22078 & 25816 to allow a service connection to properties on Craghead Street.

A Comcast representative plans to be present at the IDA meeting to answer questions. Documentation is attached.



## Commercial Services Proposed Build

### Site and Vicinity Map

### **Site/Google Shot**



Surveyor:	RANDY
Date:	11/15/2017
Name:	Mucho - L-8881813
Address 1:	530 CRAGHEAD ST
Address 2:	
City:	DANVILLE, VA 24541
Node:	VADANV211
Lead/WB ID:	18197357
Passings:	6

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**Property**

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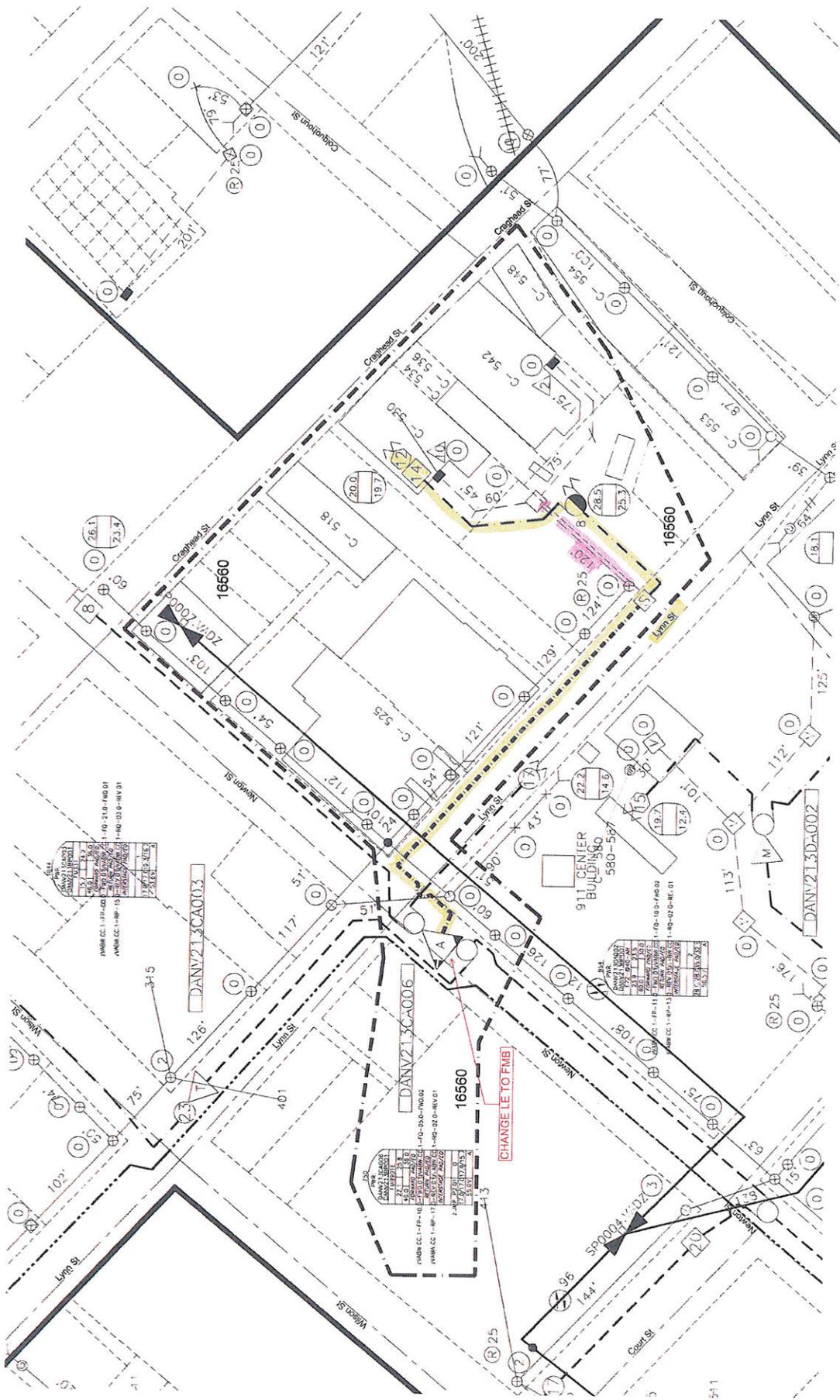
**Plant Extension-OSP Description**

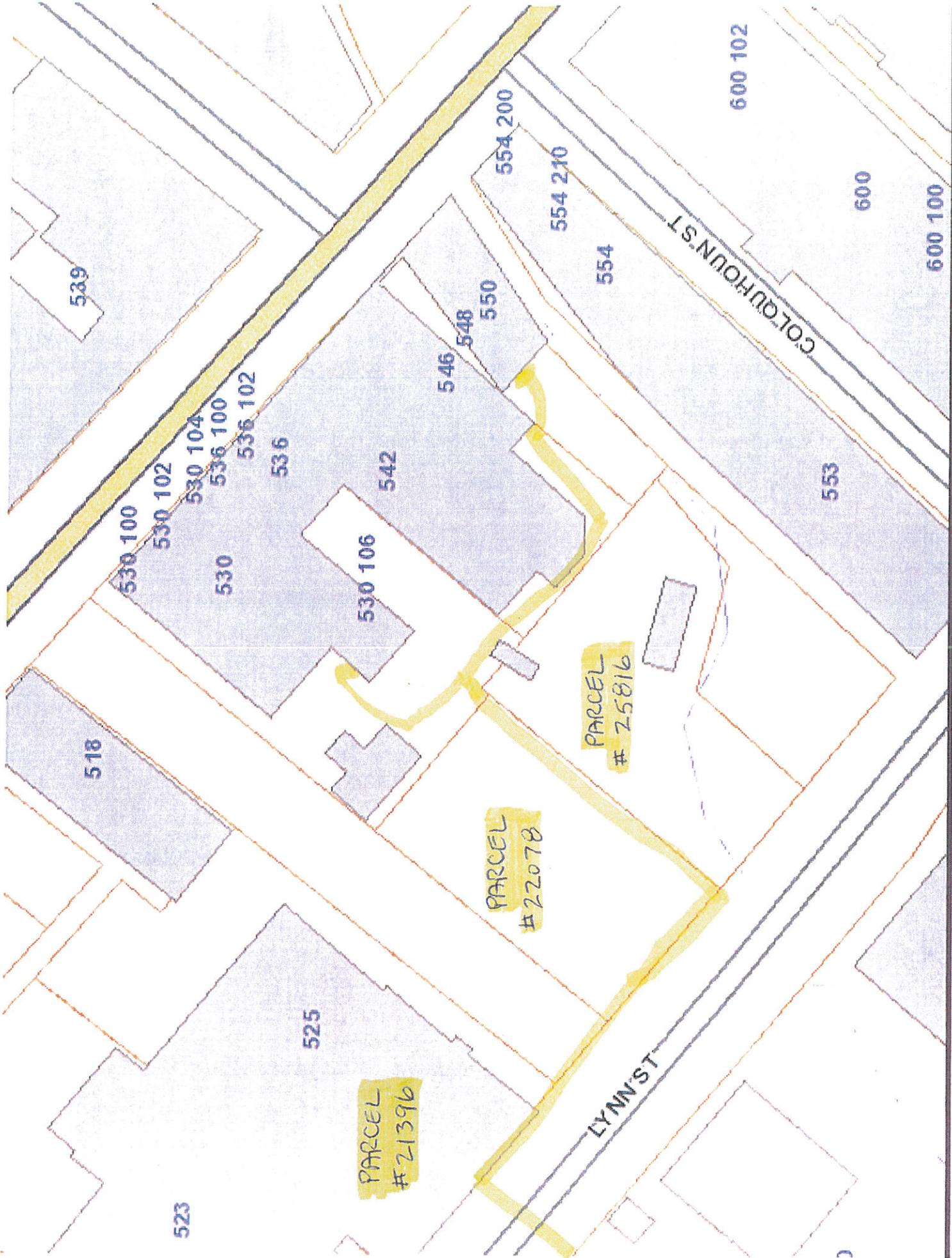
REQUIRES 20' RISER, 430' LAND BORE, 270' DIRECTIONAL BORE, 40' RD BORE, 2 LOCK BOXES, 2 TAPS, 6 PASSINGS

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**ISP Description**

COMCAST CABLE ROUTING  
 SERVICE REQUEST 530 CRAGHEAD ST. STE 100  
 - EASEMENT NEEDED





PARCEL  
#21396

PARCEL  
#22078

PARCEL  
#25816

518

523

525

530 100

530 102

530 104

536 100

536 102

539

530

530 106

542

546

548

550

554 200

554 210

554

553

600

600 100

600 102

COLQUHOUN ST

LYNN ST

TIE IN POINT

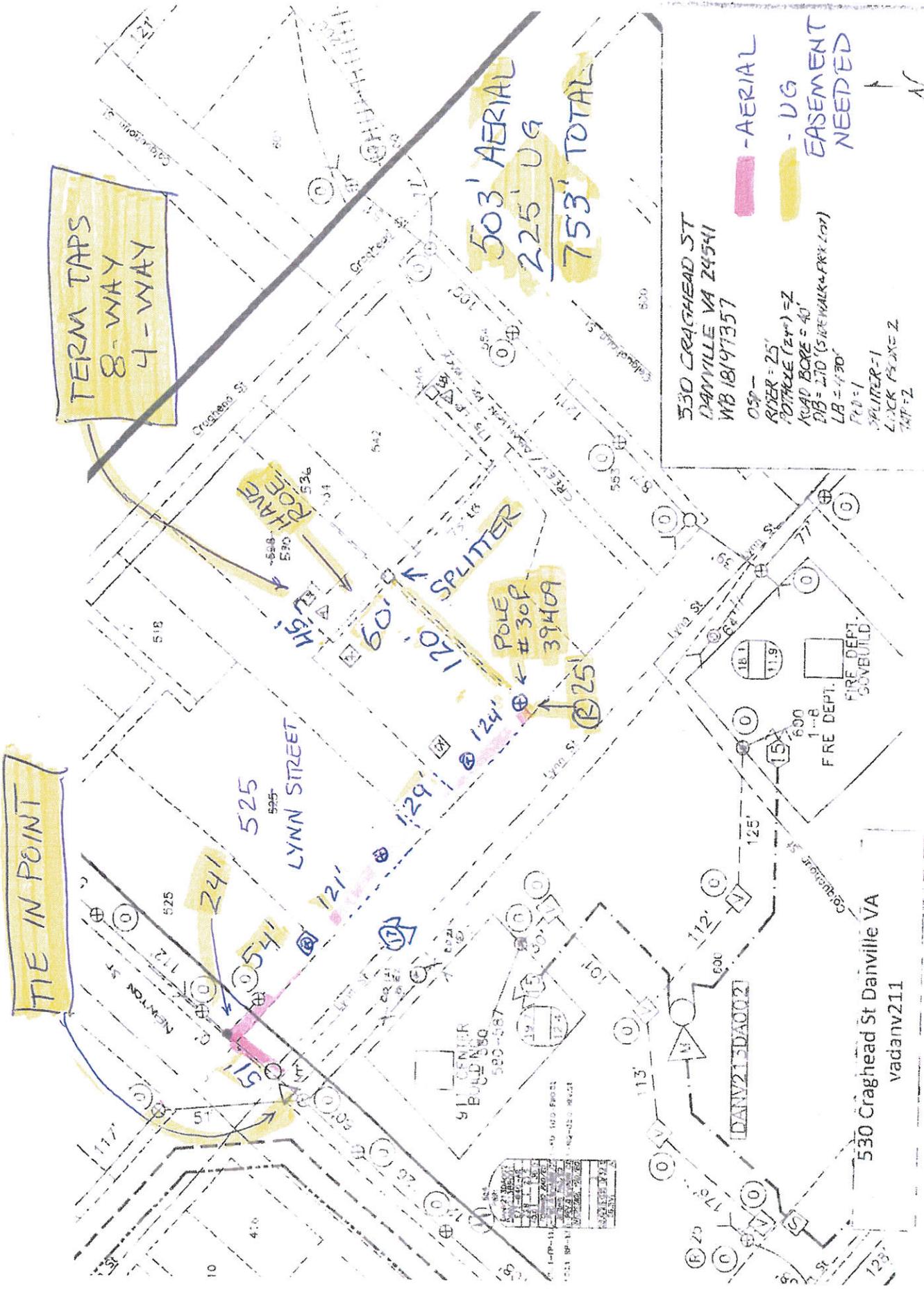
TERM TAPS  
8-WAY  
4-WAY

503' AERIAL  
225' UG  
753' TOTAL

- AERIAL  
- UG  
EASEMENT NEEDED

530 CRAIGHEAD ST  
DANVILLE VA 24541  
WB 181911357

OSP -  
RISER = 25'  
POTHOLE (24") = Z  
ROAD BORE = 40"  
DB = 270' (5' SIDE WALK + PARK LOT)  
LB = 470'  
PAD = 1  
SPLITTER = 1  
LOCK FRAX = 2  
TAP = 2



911 CENTER BUILDING  
580-587

530 Craghead St Danville VA  
vadanv211

DANV211DA002

49 1020 EXP-21  
104-252-10421

DATE	10/20/2021
TIME	10:00 AM
BY	...
...	...

Market: \_\_\_\_\_ Site State: \_\_\_\_\_ Site Address: \_\_\_\_\_

**GRANT OF EASEMENT**

This Grant of Easement (the "Easement"), dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between [Local Comcast franchise operating entity], its successors and assigns, hereinafter referred to as Grantee ("Grantee") and \_\_\_\_\_, hereinafter referred to as Grantor(s) ("Grantor(s)").

In consideration of One Dollar (\$1.00), Grantor(s), owner(s) of the property described below, hereby grant(s) to Grantees, its successors, assigns and their respective affiliates, an easement in gross and right-of-way to construct, use, maintain, operate, alter, add to, repair, replace, reconstruct, inspect and remove at any time and from time to time a communications system (hereinafter referred to as the "System") consisting of wires, underground conduits, cables, pedestals, vaults, and including but not limited to above ground enclosures, markers and concrete pads or other appurtenant fixtures and equipment necessary or useful for distributing communication services in, on, over, under, across and along that certain real property (the "Property"), including, without limitation, in vertical and horizontal shafts \_\_\_\_\_ within \_\_\_\_\_ the \_\_\_\_\_ building(s), \_\_\_\_\_ located \_\_\_\_\_ at County of \_\_\_\_\_, State of \_\_\_\_\_, and described as follows:

[INSERT LEGAL DESCRIPTION OF THE PROPERTY]

Grantor(s) agree for themselves and their heirs and assigns that the System on the Property shall be and remain the personal property of Grantee and may not be altered, obstructed or removed without express written consent of Grantee. Grantee, and its contractors, agents and employees, shall have free access to said System and every part thereof at all times for the purpose of exercising the rights herein granted; provided, however, that in making any excavation on said Property of Grantor, Grantee shall make the same in such manner as will cause the least injury of the surface of the ground around such excavation, and shall replace the earth so removed by it and restore the area to as near the same conditions as it was prior to such excavation as is practical. This Easement shall run with the land and shall be binding upon Grantor, its successors and assigns.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

Witness:

\_\_\_\_\_ By: \_\_\_\_\_  
Grantor

Witness:

\_\_\_\_\_ By: \_\_\_\_\_  
Grantee

GRANTOR

ACKNOWLEDGEMENT

STATE OF \_\_\_\_\_ )  
 )ss.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_ personally  
Name and Title of Officer (e.g. "Jane Doe, Notary Public")  
appeared \_\_\_\_\_  
Name(s) of Signer(s)

- \_\_\_\_\_ personally known to me
- \_\_\_\_\_ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public

My Commission Expires: \_\_\_\_\_

PRESENTED: December 12, 2017

ADOPTED: December 12, 2017

RESOLUTION NO. 2017-\_\_\_\_.\_\_\_\_

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING A CONTRACT PROPOSAL FROM FIRE SPRINKLER, INC. TO COMPLETE INSPECTIONS AND REPAIRS TO THE COMMONWEALTH MACHINE BUILDING LOCATED AT 300 LYNN STREET AND 417 LOYAL STREET.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia that it does hereby approve and authorize a contract proposal, sustainably in the form attached hereto, from Fire Sprinkler, INC. to complete inspections and repairs to the Commonwealth Machine Building located at 300 Lynn Street and 417 Loyal Street; and

BE IT FURTHER RESOLVED that said inspections and repairs shall include:

- (1) Inspection of the system piping for the dry pipe sprinkler system including adding flushing connections to the ends of the systems mains (to allow for internal inspection and future flushing of the system piping, if required) not to exceed \$8,100.00 based on no obstructions being discovered;
- (2) To perform an obstruction investigation per National Fire Protection Association (NFPA), section 14.3, if evidence of obstructive material is discovered during the internal piping inspection not to exceed \$7,840.00;
- (3) If required, to provide and install (6) pressure switches, (3) tamper switches and (1) electric bell required to allow for monitoring for the (3) dry systems by others not to exceed \$2,490.00;

(4) If required, to provide and install a dry valve accelerator for any of the dry systems where water does not reach the inspector's test within 60 seconds as required by NFPA 13 not to exceed \$2,260.00 (per system);

(5) If required, to replace any of the (3) dry systems O.S.Y. control valves that do not hold, to not exceed \$1,320.00 (per valve); and

BE IT FINALLY RESOLVED that the Chairman, or in his absence any member, is authorized to execute any and all documents in regards to the above referenced repairs.

APPROVED:

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

Approved as to  
Form and Legal Sufficiency:

\_\_\_\_\_  
City Attorney

## Executive Summary

### COMMONWEALTH MACHINE BUILDING (300 LYNN ST. & 417 LOYAL ST.)

1. Staff requests approval for contract proposal from Fire Sprinkler, Inc. to perform an inspection of the system piping for the dry pipe sprinkler system including adding flushing connections to the ends of the systems mains (to allow for internal inspection and future flushing of the system piping, if required) not to exceed \$8,100.00 based on no obstructions being discovered.
  - a. Approval is also requested to perform an obstruction investigation per National Fire Protection Association (NFPA), section 14.3, if evidence of obstructive material is discovered during the internal piping inspection not to exceed \$7,840.00.
  
2. Further, subject to the final inspection report, approval to replace the (3) existing dry pipe valve sprinkler system not to exceed \$14,170.00, if necessary.
  - a. Approval is also requested , if required, to provide and install (6) pressure switches, (3) tamper switches and (1) electric bell required to allow for monitoring for the (3) dry systems by others not to exceed \$2,490.00.
  
  - b. Approval is also requested , if required, to provide and install a dry valve accelerator for any of the dry systems where water does not reach the inspector's test within 60 seconds as required by NFPA 13 not to exceed \$2,260.00 (per system).
  
  - c. Approval is also requested, if required, to replace any of the (3) dry systems O.S.Y. control valves that do not hold, to not exceed \$1,320.00 (per valve).



# Fire Sprinkler, Ltd

8142 Wards Road  
Rustburg, VA 24588  
PH: (434) 821-4222  
FAX: (434) 821-4321

**CHATHAM OFFICE**  
860 Tightsqueeze Industrial Road  
Chatham, VA 24531  
PH: (434) 432-0938 FAX: (434) 432-2634

## REVISED PROPOSAL

To: **Blair Construction, Inc.**  
**P.O. Box 612**  
**Gretna, VA 24557**

Date: **October 25, 2017**  
Project: **Perform NFPA 25 Internal Inspection  
Of The System Piping**

Attn: **Mr. Brian Nichols**

Location: **300 Lynn St. & 417 Loyal St.  
Danville, Virginia**

Gentlemen:

We propose to furnish labor and materials to design, fabricate and install a system of automatic sprinklers at the above project for the sum of **PERFORMED ON ON A TIME AND MATERIAL BASIS, NOT TO EXCEED (\$8,110.00) BASED ON NO OBSTRUCTIONS BEING DISCOVERED**

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### DESCRIPTION OF WORK

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Conduct a 5-year internal inspection of the system piping for the (3) dry pipe sprinkler systems, including adding flushing connections to the ends of the system mains (to allow for the internal inspection and future flushing of the system piping, if required) in accordance with Section 14.2.1 of the 2011 Edition of NFPA 25.

The work will be performed at rates of \$70 per man-hour and \$0.75 per mile for truck mileage, plus the materials used.

----- *continued on page 2 of 2* -----

Price subject to revision if not accepted within 30 days.  
We appreciate the opportunity of submitting this proposal.

Very truly yours,  
*Fire Sprinkler, Ltd.*

\_\_\_\_\_  
Ruben B. Harris

Written execution of this Proposal shall constitute acceptance thereof and shall be deemed to form a written contract between the parties that specifically includes all terms and conditions set forth on the reverse side thereof.

Accepted: **BLAIR CONSTRUCTION, INC.**  
By: \_\_\_\_\_  
Date: \_\_\_\_\_

**This proposal does not include:**

- 1) Replacement of any clogged or deteriorated piping found by this inspection.
- 2) Additional cost for a NFPA 25 obstruction investigation, if evidence of obstructive material is discovered during the internal piping inspection.
- 3) Flushing of the existing system piping, if evidence of obstructive material is discovered.

Please ADD \$7,840.00 (**BUDGET PRICE**) to perform an obstruction investigation per NFPA 25, Section 14.3, if evidence of obstructive material is discovered during the internal piping inspection. This work will also be performed on the time and material rates stipulated on page 1. *Please note that this budget price does not include repair and/or replacement of any clogged or deteriorated piping found by this investigation or the complete flushing program for the system required by NFPA 25, if the investigation indicates the presence of sufficient material to obstruct the piping or sprinklers.*



# Fire Sprinkler, Ltd

8142 Wards Road  
Rustburg, VA 24588  
PH: (434) 821-4222  
FAX: (434) 821-4321

**CHATHAM OFFICE**  
860 Tightsqueeze Industrial Road  
Chatham, VA 24531  
PH: (434) 432-0938 FAX: (434) 432-2634

## PROPOSAL

To: **Blair Construction, Inc.**  
**P.O. Box 612**  
**Gretna, VA 24557**

Date: **October 25, 2017**  
Project: **Replace (3) Existing Dry Pipe Valves**

Attn: **Mr. Brian Nichols**

Location: **300 Lynn St. & 417 Loyal St.**  
**Danville, Virginia**

Gentlemen:

We propose to furnish labor and materials to design, fabricate and install a system of automatic sprinklers at the above project for the sum of **FOURTEEN THOUSAND ONE HUNDRED AND SEVENTY DOLLARS ( \$14,170.00 )**

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### DESCRIPTION OF WORK

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**Replace the (3) existing dry pipe valves (which appear to be manufactured in 1915), if necessary.**

**This proposal does not include:**

- 1) **Providing or installing the (6) pressure switches, (3) tamper switches, and (1) electric bell required to allow for electric supervision for the (3) dry systems by others. *Please note that current state code requires new sprinkler systems to be electrically supervised, however.***
- 2) **Replacement of the (3) existing O.S.&Y. system control valves for the dry systems.**
- 3) **Hydrostatic testing or NFPA 25 inspections of the existing systems.**

----- *continued on page 2 of 2* -----

Price subject to revision if not accepted within 30 days.  
We appreciate the opportunity of submitting this proposal.

Very truly yours,  
*Fire Sprinkler, Ltd.*

\_\_\_\_\_  
Ruben B. Harris

Written execution of this Proposal shall constitute acceptance thereof and shall be deemed to form a written contract between the parties that specifically includes all terms and conditions set forth on the reverse side thereof.

Accepted: BLAIR CONSTRUCTION, INC.  
By: \_\_\_\_\_  
Date: \_\_\_\_\_

PROPOSAL 10/25/2017  
Mr. Brian Nichols / Blair Construction, Inc.  
Replace (3) Dry Valves / Danville, VA  
Page 2 of 2

Please ADD \$2,490.00 to provide and install the (6) pressure switches, (3) tamper switches, and (1) electric bell required to allow for electric supervision for the (3) dry systems by others. *Please note that this price does not include any of the electrical wiring required.*

Please ADD \$2,260.00 (PER SYSTEM) to provide and install a dry valve accelerator for any of the dry systems where water does not reach the inspector's test within 60 seconds, as required by NFPA 13.

Please ADD \$1,320.00 (PER VALVE) to replace any of the (3) dry system O.S.&Y. control valves (which appear to be original) that do not hold.

PRESENTED: December 12, 2017

ADOPTED: December 12, 2017

RESOLUTION NO. 2017-\_\_\_\_.\_\_\_\_

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING PIER REPAIRS AND CODE VIOLATIONS CORRECTIONS AT THE WHITE MILL LOCATED AT 424 MEMORIAL DRIVE.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia that it does hereby approve and authorize repairs to the piers of the White Mill building, in an amount not to exceed \$41,900; and

BE IT FURTHER RESOLVED by the Industrial Development Authority of Danville, Virginia that it does hereby approve and authorize code violations corrections to the White Mill building in an amount not to exceed \$115,000; and

BE IT FURTHER RESOLVED that the Chairman, or in his absence any member, is authorized to execute any and all documents in regards to the above referenced repairs.

APPROVED:

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

Approved as to  
Form and Legal Sufficiency:

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City Attorney

## **Executive Summary**

### **REPAIRS TO THE WHITE MILL**

Staff requests approval of a bid proposal from M.R. Dishman & Sons, Inc. to make necessary repairs to the piers located at the White Mill not to exceed \$41,900.00. Request for approval of a bid proposal from M.R. Dishman & Sons, Inc. to make repairs and correct code violations to the White Mill not to exceed \$115,000.00.

PRESENTED: December 12, 2017

ADOPTED: December 12, 2017

RESOLUTION NO. 2017-\_\_\_\_.\_\_\_\_

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE SALE OF THE PROPERTY LOCATED AT 239 MAYFIELD ROAD.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia that it does hereby approve and authorize the sale of the property located at 239 Mayfield Road for \$140,000; and

BE IT FURTHER RESOLVED that the Chairman, or in his absence any member, is authorized to execute a contract, approved by the City Attorney and the Chairman, and any and all other documents necessary to complete the above referenced purchase.

APPROVED:

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

Approved as to  
Form and Legal Sufficiency:

\_\_\_\_\_  
City Attorney

## Executive Summary

### SALE OF THE PROPERTY LOCATED 239 MAYFIELD ROAD

Staff recommends approval of the sale of the property located at 239 Mayfield Road for \$140,000. There will be a 5% realtor commission owed to Michael Scarce for this sale. The property is being sold "as is, where is" with no warranties of any kind other than clear title. Staff recommends board approval of this transaction.

## REAL ESTATE CONTRACT

This CONTRACT OF PURCHASE ("Contract") made as of November 16, 2017 between, (the "Purchaser") and RHC OF VIRGINIA, LLC, and / or assigns, and INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE VIRGINIA, (the "Seller").

NOW THEREFORE, in consideration of the terms and conditions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. PURCHASE AND SALE: Purchaser agrees to buy and Seller agrees to sell the land, together with all improvements thereon and fixtures attached thereto, and all easements, rights and appurtenances thereunto belonging, including any right, title interest of Seller in and to the adjacent streets, alleys or rights-of-way more specifically described as: 4.83 Acres along with all buildings and improvements thereon, being Tax ID # 55910 located at 239 Mayfield Rd, Danville, VA 25451("Property"). Seller will provide and pay all cost for a current survey and corner stakes be located & clearly marked to aid in locating said stakes. The Purchaser request to have a representative present while these actions are being accomplished
2. PERSONAL PROPERTY: All fixtures, equipment and furniture in the buildings.
3. PURCHASE PRICE: The purchase price of the property is One Hundred Forty Thousand Dollars (\$140,000) ("Purchase Price"). The Purchaser shall pay to the Seller at settlement the Purchase Price in cash or by cashier or certified check, less the Deposit and pro-rations as more particularly to the pro-rations herein.
4. DEPOSIT: Within two days of the execution of this Contract by both parties, Purchaser shall deposit with Hauser Manasco Realty Group (the Escrow Agent") Ten Thousand Dollars (\$10,000.00) (the "Deposit") by check, which shall be held pending Settlement and applied to the purchase price, (defined herein). If the transaction does not settle, the Deposit shall be returned to the Purchaser, if Purchaser has not defaulted.
5. FINANCING: Cash Sale. This Contract is not contingent upon financing for the purchase.
6. SETTLEMENT AND POSSESSION: Settlement of the sale and purchase of the Property shall be made at the Purchaser's attorney office or such other place as the parties may agree on or before December 29, 2017 ("Settlement Date"). Possession of the property shall be delivered to the Purchaser at settlement ("Settlement"). At Settlement, Seller shall deliver the following to Purchaser in form and substance reasonably satisfactory to Purchaser: (a) the Deed; (b) an affidavit for the benefit of Purchaser's title insurer (the Affidavit), stating that no right to a mechanic's or material man's lien has accrued with respect to the Property, and there are no outstanding leases or agreements with regard to the Property; (c) a Certificate of Non-Foreign Status as required by Section 1445 of the Internal Revenue Code and any other certificates required by any other governmental authority or agency; and (d) any other documentation reasonably required by Purchaser's title company to enable

- Purchaser to obtain an owner's title insurance policy. Seller will present Purchaser all keys to all locks and copies of all Documents as to the construction/upgrades to the property.
7. **BROKERAGE FEE:** All parties acknowledge that Michael Scearce of Hauser Manasco Realty Group has represented the Buyer in regards to this transaction. Seller agrees to pay to the Broker a brokerage fee of 5% of the sale price and hereto authorizes and directs the settlement agent to disburse to Broker from the settlement proceeds the brokerage fee. Broker shall receive a copy of the closing statement at Settlement.
  8. **EXPENSE PRORATIONS:** Seller shall pay the expense of preparing the Deed and the recordation tax applicable to grantors. Except as otherwise agreed herein, all other expenses incurred by Purchaser in connection with this Purchase, including without limitation, title examination, insurance premiums, recording cost and the fees of Purchaser's attorney, shall be borne by the Purchaser. All taxes, assessments, interest, and other ownership fees, if any, shall be prorated as of the date of settlement.
  9. **TITLE:** At Settlement Seller shall deliver to Purchaser a general warranty deed ("the Deed") conveying to Purchaser fee simple title to the Property, free from all encumbrances, tenancies, and liens (for taxes and otherwise), but subject to such restrictive covenants and utility easements of record which do not materially and adversely affect the Purchaser's intended use of the Property or render the title unmarketable. If the Property does not abut a public road, title to the Property must include a recorded easement providing adequate access thereto. If the defect is not cured within Thirty (30) days after Seller receives notice of the defect, then Purchaser shall have the right to (1) terminate this Contract, in which event the Deposit shall be returned to Purchaser, and Purchaser and Seller shall have no further obligations hereunder, or (2) waive the defect and proceed to Settlement. If the Seller has agreed to cure such title defect, the parties that the Settlement Date prescribed in Paragraph 6 shall be extended if necessary to enable Seller to cure any title defect, but not for more than 60 days.
  10. **RISK OF LOSS:** All risk of loss or damage to the Property by fire, windstorm, casualty or other cause shall be on Seller until Settlement. In the event of substantial loss or damage to the Property before Settlement, Purchaser shall have the option of either (1) terminating this Contract and recovering the Deposit, or (2) affirming this Contract, in which event Seller shall assign to Purchaser all of Seller's right' under any policy or policies of insurance applicable to the property.
  11. **NOTICE:** Any notice given pursuant to this Contract shall be in writing and shall be deemed to have been sufficiently given if delivered by hand at the address of the intended recipient, sent prepaid by express mail, or deposited in the United States first class mail, registered or certified, addressed to the intended recipient. Any such notice shall be deemed given as of the date of its postmark.
  12. **PRIOR ACCESS:** Purchaser and its agents shall have the right to enter on to the Property at any time prior to Settlement for purposes of engineering, and such other work, so long as such studies do not result in a change in character or topography of the Property. Purchaser shall hold Seller harmless against any loss or liability to person or property resulting from such entry on the Property.

13. **DEFAULT:** If the Seller or Purchaser default under this Contract, the defaulting party, in addition to all other remedies available at law or in equity, shall be liable for any damages and all expenses incurred by the non-defaulting party, in connection with transaction and the enforcement of this Contract, including, without limitation, attorney's fees and cost, if any. In any action brought by Seller, Purchaser, or Selling Broker under this Contract or growing out of the transactions contemplated herein, the prevailing party in such action shall be entitled to receive from the non-prevailing parties, jointly and severally, in addition to any other damages or awards, reasonable attorney's fees and cost expended or incurred with respect to such action.
14. **REPRESENTATIONS AND WARRANTIES OF SELLER:** Seller represents and warrants to Purchaser as of the effective date of this Contract, as follows:
- (a) No Litigation or Adverse Events: Seller has received no written notice of any pending or threatened investigations, actions, suits, proceedings or claims directly related to the Property, at law or in equity.
  - (b) Eminent Domain: There is no existing or threatened eminent domain or similar proceedings, or private purchase in lieu of such a proceeding, which would affect the Property in any material way.
  - (c) Environmental Matters: To the best of Seller's knowledge, no Hazardous Materials exist on or under the property. To the Seller's actual knowledge there is no civil, criminal or administrative action, suit, demand, notice or demand letter, claim or hearing, and Seller has not received nor has knowledge of any notice of any violation, investigation or proceeding, pending or, threatened against Seller, pursuant to the "Environmental Laws" or any regulation, code or plan promulgated or against hereunder or any order, decree, judgment, injunction, notice or demand letter issued or entered hereunder in matters to which Seller is or was a party. As used in this Contract, "Environmental Laws" mean applicable statutes, codes, enactments, ordinances, rules, regulations, permits, consents, approvals, licenses, orders, writs, common law rules, decrees, injunctions, or other requirements having the force and effect of law any time relating to: (1) emissions, discharges, spills, releases or threatened releases of Hazardous Materials into ambient air; surface water, groundwater, watercourses, publicly or privately owned treatment works, sewer systems, drains, septic systems or onto land; (2) the use, treatment, storage, disposal, handling, manufacturing, transportation and shipment of Hazard Materials, (3) the regulation of storage tanks, or (4) otherwise relating to pollution or the protection of human health or the environment. As used in this Contract, "Hazardous Materials" means: (1) all substances, wastes, pollutants, contaminants, and materials regulated, defined or designated as hazardous, extremely or imminently hazardous, dangerous or toxic, under any Environmental Law; (2) petroleum and petroleum products including crude oil and any fraction thereof; (3) asbestos; and (4) natural gas, synthetic gas, and any mixture thereof.

15. WARRANTY: Seller makes no warranty with respect of the suitability of the property for any particular use. Both parties agree that the property is sold "as is" with no warranty, expressed or implied.

16. MISCELLANEOUS: This Contract may be signed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same document. Documents delivered by facsimile machine shall be considered as originals. Unless otherwise specified herein, "days" mean business days. For the purpose of computing time periods, the first day shall be the day following the date this Contract is fully ratified. This Contract represents the entire agreement between Seller and Purchaser and may not be modified or changed except by written instrument executed by all parties. This Contract shall be governed by the laws of the Commonwealth of Virginia and shall be binding upon and shall insure to the benefit of the heirs, personal representatives, successors, and assigns of the parties. To the extent any handwritten terms herein conflict with or are inconsistent with the printed terms hereof, the handwritten or typewritten terms shall control.

IN WITNESS WHEREOF, each of the parties hereto has caused this Contract to be executed in their respective name pursuant to due authority as the dates set forth below.

PURCHASER: RHC OF VIRGINIA, LLC

By: *William E. Olyson* Date: 11-17-2017  
*Senior Partner*

SELLER: INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE VIRGINIA

By: \_\_\_\_\_ Date: \_\_\_\_\_

PRESENTED: December 12, 2017

ADOPTED: December 12, 2017

RESOLUTION NO. 2017-\_\_\_\_.\_\_\_\_

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE SALE OF THE FORMER DURHAM HOSIERY BUILDING LOCATED AT 523-525 LYNN STREET TO LYNN STREET LLC.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia that it does hereby approve and authorize the sale of the former Durham Hosiery Building located at 523-525 Lynn Street (Parcels 26811 and 21396) to Lynn Street LLC in the amount of \$300,000; and

BE IT FURTHER RESOLVED that the Chairman, or in his absence any member, is authorized to execute the contract, substantially in the form attached hereto, and any and all other documents necessary to complete the above referenced sale.

APPROVED:

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

Approved as to  
Form and Legal Sufficiency:

\_\_\_\_\_  
City Attorney

## **Executive Summary**

### **SALE OF THE FORMER DURHAM HOSIERY BUILDING**

Staff is recommending the approval of the sale of the former Durham Hosiery Building located at 523-525 Lynn Street (Parcels 26811 and 21396) to Lynn Street LLC in the amount of \$300,000. Details were discussed in a previous work session.

## AGREEMENT OF PURCHASE AND SALE

**THIS AGREEMENT OF PURCHASE AND SALE** ("Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_ 2017, 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 Lynn LLC whose address is 3210 Chamberlayne Avenue, Richmond, VA 23227 (hereinafter called "Purchaser").

### WITNESSETH:

**WHEREAS**, Seller is the owner of that certain parcel of real property described as 107.35 FT NO A (.569 AC) LYNN ST & NEWTON ST, Parcel 26811, located at 523 Lynn Street and 117 FT NO B (.577 AC) LYNN ST, Parcel 21396, located at 525 Lynn Street, both 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) and any fixtures attached to the Property.

2. Purchase Price. (a) The purchase price ("Purchase Price") to be paid by Purchaser to Seller for the Property shall be Three Hundred Thousand Dollars (\$300,000).

(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 Ten Thousand Dollars (\$10,000).

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. Inspections. (a) Seller and Purchaser hereby acknowledge that as of the date of the execution of this Agreement, Purchaser has not yet had an opportunity to fully review and evaluate this transaction. If on or before 5:00 p.m. (Eastern Standard Time) on a date which is Sixty (60) days from the Date of this agreement ("Inspection Completion Date"), Purchaser

determines, in its sole and absolute discretion, that Purchaser does not desire to purchase the Property, then Purchaser shall have the right to give written notice to Seller electing to terminate this Agreement, provided such notice is delivered to Seller prior to 5:00 p.m. (Eastern Standard Time) on the Inspection Completion Date. In the event such notice of termination is delivered on or before 5:00 p.m. (Eastern Standard Time) on the Inspection Completion Date, then the Closing Agent will deliver to Purchaser the Deposit, and the parties shall be released from all further obligations each to the other under this Agreement. In the event that the Purchaser does not terminate this Agreement, as set forth in this Section 5, then Purchaser's right to terminate this Agreement shall be deemed waived by Purchaser.

(b) Upon reasonable prior notice to Seller, Purchaser, its agents, employees and representatives shall have access to the Property at all reasonable times to inspect the Property and to conduct reasonable tests thereon including, but not limited to, soil and groundwater borings and hazardous waste studies, and to make such other examinations with respect thereto as Purchaser, its counsel, licensed engineers, surveyors or other representative(s) may deem reasonably necessary. Seller reserves the right to be present, or have its agent or representative present during Purchaser's investigations of the Property. Any tests, examinations or inspections of the Property by Purchaser and all costs and expenses in connection with Purchaser's inspection of the Property shall be at the sole cost of Purchaser and shall be performed in a manner not to unreasonably interfere with the Seller's ownership of the Property. Further, Purchaser shall be responsible for any and all damage caused by such inspections, examinations, testing and disposal of all waste produced at the Property as a result of such investigations, and shall sign, as generator, all forms necessary for such disposal. Purchaser shall immediately remove any lien of any type which attaches to the Property by virtue of any of such inspections, examinations or tests. Upon completion of any such inspection, examination or test, Purchaser shall restore any damage to the Property caused by such inspection, examination or test.

(c) The provisions of this Section shall survive any termination of this Agreement.

6. 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.

7. 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.

8. 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.

9. 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.

10. 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.

11. Closing. The "Closing" shall be held no later than thirty (30) days from the Inspection Completion Date. Notwithstanding the foregoing provisions of this Section 11, 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 delivering notice to Seller and closing agent two (2) business days before the Initial Scheduled Closing Date. 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.

12. 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.

13. 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.

14. 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:

523 Lynn LLC  
C/O Ross Fickenscher  
3210 Chamberlayne Avenue  
Richmond, VA 23227

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.

15. 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.

16. 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 Three Hundred Thousand Dollars (\$300,000).

17. 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.

(k) The Seller shall repair any damage to the Property caused by the removal of Seller's Personal Property, ordinary wear and tear excepted.

[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"