INDUSTRIAL DEVELOPMENT AUTHORITY REGULAR MEETING AGENDA

CITY COUNCIL CONFERENCE ROOM

April 14, 2026

10:30 AM

A. CALL TO ORDER

B. ROLL CALL

C. MEETING MINUTES

1. Industrial Development Authority March 10, 2026 Meeting Minutes

D. FINANCIAL REPORT

1. IDA Statement of Accounts as of March 31, 2026

E. STAFF UPDATES

F. ACTION ITEMS

1. A resolution to approve and authorize an agreement of purchase and sale for the purchase of 633 Monument Street (Parcel #22637) from Ola Cheek Elder, Edward J. Elder, and Jessica Irene Saunders.
2. A resolution to approve and authorize a lease agreement at 530 Patton Street, Danville, Virginia with Carter Craig, Bass, Blair & Kushner, P.C. d/b/a Carter Craig, Attorneys at Law and Stephen G. Bass (in his personal and individual capacity).
3. A resolution to approve and authorize a parking lease agreement at 530 Patton Street, Danville, Virginia with Carter Craig, Bass, Blair & Kushner, P.C. d/b/a

Carter Craig, Attorneys at Law and Stephen G. Bass (in his personal and individual capacity).

4. A resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing an agreement of purchase and sale between 300 Lynn Street LLC, whose principal member is the Industrial Development Authority of Danville, Virginia (IDA) and Lynn Partners, LLC (SC ID#11938268) for property located at 300 Loyal Street, commonly known as Parcel ID# 25198, Parcel ID# 22861, and Parcel #22862.

5. A resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing an assignment and assumption of parking lease between 18F Danville, LLC and Morotock Building Master Tenant LLC.

6. A resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing a ground lease agreement between the Industrial Development Authority and Commonwealth of Virginia, Danville Community College.

G. CLOSED MEETING

As Permitted by Subsection (A)(3) of Section 2.2-3711 of the Code of Virginia, 1950, as amended for discussion or consideration of the acquisition of real property or of the disposition of publicly held real property; and

As Permitted by Subsection (A)(5) of Section 2.2-3711 of the Code of Virginia, 1950, as amended for discussion concerning a prospective business or industry related to economic development.

As Permitted by Subsection (A)(7) of Section 2.2-3711 of the Code of Virginia, 1950, as amended for consultation with legal counsel concerning actual litigation and briefings by staff regarding specific legal matters requiring legal advice.

A. Motion to Convene in Closed Meeting
B. Motion to Reconvene in Open Meeting
C. Motion to Certify Closed Meeting

H. NEW BUSINESS

I. ADJOURN

Industrial Development Authority of Danville, Virginia
Minutes of Meeting
March 10, 2026

Pursuant to a written notice, a copy of which is attached hereto, a regular meeting of the Board of Directors of the Industrial Development Authority of Danville, Virginia was held in the Fourth Floor City Council Conference Room of the Municipal Building on Tuesday, March 10, 2026, at 10:30 a.m.

The following members were present:

Present: T. Neal Morris, Chairman
Russell Reynolds, Vice Chairman
John Laramore, Secretary – came in during closed meeting session
Phillip Hall

Absent: Kristen Barker
James Bebeau
Robert Woodall III

Also present: W. Clarke Whitfield, Jr., City Attorney
Ken Larking, City Manager (via telephone)
Michael Adkins, Chief Financial Officer/Assistant City Manager
Corrie Bobe, Director of Economic Development
Samantha Bagbey, Economic Development
Amy Chandler, Director of Finance
Jaime Pritchett, Accounting Supervisor
Zachary Lovelace, Finance Accountant
Terri McDaniel, City Attorney's Office

T. Neal Morris, Chairman, called the meeting to order at 10:30 a.m.

Roll call

Minutes

Minutes for the February 10, 2026, regular called meeting of the IDA were distributed to the members with their agenda packets. A motion was made by Mr. Laramore to approve the minutes as presented. Mr. Hall seconded the motion with the members present voting as follows:

Mr. Morris	-Aye
Mr. Reynolds	-Aye
Mr. Laramore	-Aye
Mr. Hall	-Aye

Finances

Assistant City Manager and Chief Financial Officer Michael Adkins provided the members of the IDA Board with a packet of the current financial statements of the IDA. Mr. Adkins introduced Amy Chandler to the Board as the incoming Director of Finance. Chairman Morris congratulated Ms. Chandler. Mr. Adkins reported that Uncle Al's equipment had not sold, and that Parks and Recreation and Economic Development rent payments for their offices in Dan River Falls would begin next month with back rent being assessed. Adkins further reviewed other accounts of the IDA.

A motion was made by Mr. Hall to approve the financial report. The motion was seconded by Mr. Reynolds and carried with members present voting as follows:

Mr. Morris	-Aye
Mr. Reynolds	-Aye
Mr. Laramore	-Aye
Mr. Hall	Aye

Staff reports

Economic Director Corrie Bobe shared that the potential buyer for Uncle Al's equipment back out and that Uncle Al's would be making rent payments until another buyer could be found. Corrie also reported that RBW's construction on Barker Road is nearing completion with a projected date of mid-May. Ms. Bobe showed an artist's rendering of the monument sign designed for the entrance of Dan River Falls which included extra space for tenant names as spaces are leased. Approval of the sign will go before City Council in their April 6 meeting with the IDA to consider this matter after that.

Resolutions

A Resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing a commitment letter for the financing of the redevelopment of 624-626 North Main Street with the total of $1,698,565 through First National Bank

Samantha Bagbey of Economic Development shared that this financing is for improvements to these buildings.

Motion was made by Mr. Hall; seconded by Mr. Laramore

Mr. Morris	- Aye
Mr. Reynolds	- Aye
Mr. Laramore	- Aye
Mr. Hall	- Aye

A Resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing the commitment letter for the financing of the maintenance and repairs of 310-312 Main Street and the refinancing of 206-208 North Union Street with the total of $$953,250 through First National Bank

Samantha Bagbey explained that the loan is actually two loans combined and pointed out that the North Union Street portion was refinancing. Mr. Hall asked about the details of the repairs to which Ms. Bagbey answered that floors were rotting, bricks were missing, and windows were in bad shape as well as other building hazards.

Motion was made by Mr. Hall; seconded by Mr. Laramore

Mr. Morris	- Aye
Mr. Reynolds	- Aye
Mr. Laramore	- Aye
Mr. Hall	- Aye

A Resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing the lease renewal agreement at 527 Bridge Street – Suite 200 with Southside Business Technology Center d/b/a The Launch Place

Corrie stated that this is a twelve (12) month renewal on their lease agreement.

Motion was made by Mr. Reynolds; seconded by Mr. Hall

Mr. Morris	- Aye
Mr. Reynolds	- Aye
Mr. Laramore	- Aye
Mr. Hall	-Aye

A Resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing a lease agreement with 18F Danville LLC for parking spaces within the property identified as the North Union Street Parking Garage and bearing tax parcel ID #20432

Corrie shared that this is also known as the Morotock property. The City will lease between 35 to 50 spaces for $50 per space with renewal options. Mr. Hall asked about other parking options in this area to which Corrie answered that there were no other parking options.

Motion was made by Ms. Hall; seconded by Mr. Reynolds

Mr. Morris	-Aye
Mr. Reynolds	-Aye
Mr. Laramore	-Aye
Mr. Hall	-Aye

A resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing an agreement of purchase and sale of 645 Monument Street (Parcel #21584) from Garfield Clark and Latoya Shane Clark

Ms. Bobe reiterated that this purchase of property on Monument Street as well as a second parcel purchase slated for the future are necessary in order to construct a parking structure for this commercial area.

Motion was made by Mr. Reynolds; seconded by Mr. Hall

Mr. Morris	-Aye
Mr. Reynolds	-Aye
Mr. Laramore	-Aye
Mr. Hall	-Aye

A resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing an agreement with Blair Construction in an amount not to exceed $51,731 to install a trailer at 985 Lockett Drive

Corrie shared that this trailer will be used by Danville Community College for CDL instruction classes. Mr. Hall asked who would be responsible for the inspection details of the trailer setup. Corrie stated that it would be the contractor's responsibility with Danville City Public Works verifying that all requirements had been met. Mr. Reynolds asked where the tractor trailer trucks were coming from to which Corrie answered that she was unsure about that, but that grant monies were being used to fund other parts of the CDL program.

Motion was made by Mr. Laramore; seconded by Mr. Reynolds

Mr. Morris	-Aye
Mr. Reynolds	-Aye
Mr. Laramore	-Aye
Mr. Hall	-Aye

A resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing the replacement of a curtain wall at 120 Cane Creek Boulevard, Danville, Virginia with Blair Construction not to exceed $231,700

Corrie explained that, in addition to other improvements authorized by the IDA, further work to replace the curtain wall at this facility was necessary.

Motion was made by Mr. Hall; seconded by Mr. Laramore

Mr. Morris	-Aye

Mr. Reynolds	-Aye
Mr. Laramore	-Aye
Mr. Hall	-Aye

Closed Meeting

Mr. Reynolds moved the meeting be recessed and the board immediately reconvened in executive closed meeting for the purposes:

1. *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*.

2. *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 was made by Mr. Reynolds; seconded by Mr. Laramore

Mr. Morris	- Aye
Mr. Reynolds	- Aye
Mr. Laramore	- Aye
Mr. Hall	- Aye

Mr. Reynolds moved the meeting immediately reconvened into an open meeting. The motion was seconded by Mr. Hall and carried with the members present voting as follows:

Mr. Morris	- Aye
Mr. Reynolds	- Aye
Mr. Laramore	- Aye
Mr. Hall	- Aye

Upon reconvening, Mr. Reynolds 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 was made by Mr. Reynolds; seconded by Mr. Hall

Mr. Morris	- Aye
Mr. Reynolds	- Aye
Mr. Laramore	- Aye
Mr. Hall	- Aye

After closed session, the following resolutions were brought forth and voted:

A resolution of the Industrial Development Authority of Danville, Virginia, approving and authorizing the termination of a joint-use alley on Craghead Street

Motion was made by Mr. Reynolds; seconded by Mr. Hall

Mr. Morris	- Aye
Mr. Reynolds	- Aye
Mr. Laramore	- Aye
Mr. Hall	- Aye

Adjourned at 11:04 am with Mr. Reynolds moving to do so, Mr. Laramore seconding, and with all in favor.

John Laramore
Secretary

T. Neal Morris
Chairman

Industrial Development Authority
Statement of Accounts
As of March 31, 2026

Regular Checking		$ 211,007.62
USDA Loan Account		$ 84,590.66
City Funded Loan Account		$ 2,680,213.63
North Union Properties/Master Tenant		$ 21,600.67
US Bank - 2025A Bond Account		$ 13,749.26
US Bank - 2025B/C Bond Account		$ 16,595,272.42
US Bank - 2025D Bond Account		$ 3,947,542.45
First National Bank - Money Market		$ 30,522.68
Reserve Account		$ 8,046,987.11
Reserve Account Details		
Hold for IDA Debt Svc - Bonds	*309,331.45*	
Hold for Enterprise Zone	*609,613.98*	
Hold for Int'l. Recruitment	*54,062.83*	
Hold for Parking Debt Svc	*463,827.38*	
Hold for Coleman Site	*217,739.72*	
Hold for Dan River Falls	*342,384.19*	
Hold for Dewberry Upfit DRF	*655,286.72*	
Hold for Barker Road	*651,841.86*	
Hold for Incentives	*2,068,930.00*	
Hold for 231 Main Street	*400,000.00*	
Hold for Schoolfield Acquisition	*41,614.70*	
Hold for VBAF Grant	*500,000.00*	
Hold for 217 N Union	*37,000.00*	
Hold for 121/123 N Union	*425,368.75*	
Hold for Infinity Global	*472,000.00*	
Available (CDE Funds)	*797,985.53*	
	8,046,987.11	

City Funded Loans:

Beginning Balance March 1, 2026	$ 2,669,543.79
Uncle Al's Diner	-
LMG, LLC	10,556.25
Interest /Bank Fees	113.59
Ending Balance March 31, 2026	$ 2,680,213.63

Industrial Development Authority
Statement of Account - Regular Checking
For the month ended March 31, 2026

Beginning Balance at March 1, 2026		$366,677.55
RECEIPTS:		
Rent:		193,412.45
Utility/Insurance Reimbursement:		
DR Foundation	4,277.64	
Averett	12,832.90	17,110.54
City of Danville Support		15,345.14
COV IRF Grant - Five Forks		-
COV VBRSP - Coleman Site		272,219.72
Transfer in from Reserve		461,467.21
Transfer In from Bond Accounts		455,907.83
Transfer to First National Money Market		-
CDE Program Revenues		26,875.00
Pittsylvania County IDA - Shell Bldg		6,169.88
Interest Income/Wire Fees/Checks		(107.86)
DISBURSEMENTS:		
AUB Loan - Lockett Drive	(11,566.62)	
AUB - 500 Stinson Drive #1	(4,887.77)	
AUB - 500 Stinson Drive #2	(5,717.03)	
AUB - 512 Bridge Street	(16,467.81)	
VSBFA Bank - 500 Cane Creek	(9,251.38)	
VSBFA - MEP	(1,065.63)	
VSBFA - Barker Rd Loan	(13,881.29)	
Locus Bank - Shell Building	(12,315.20)	
Locus Bank - Ecomnets Bldg	(21,870.52)	
First National - Gaither Rd Prop	(3,136.84)	
Movement Bank - Monument	(2,651.24)	
US Bank - Bond Prin/Interest	(316,760.09)	
Blair Construction - Barker Road	(76,177.64)	
River City Systems-1350 Barker Rd	(25,150.00)	
Cherry Bekaert - CDE	(21,875.00)	
VA State Corporation Commission - CDE	(250.00)	
Novogradac - CDE	(4,750.00)	
Kent Shelton - Parking Deck	(2,064.00)	
Utility Bills/Elevator Maint	(37,350.10)	
Dewberry-DR Falls Parking Deck Study	(12,562.50)	
Dewberry-Overfinch building Subdivide parcel	(2,200.00)	
Diversified Services - 406 Jefferson Ave	(25,000.00)	
Brown Edwards	(7,250.00)	
Hurt & Proffitt-Coleman Site	(15,461.25)	
MLA-Appraisal 317 Craghead St	(4,125.00)	
MLA-Appraisal 312 Bridge St	(4,875.00)	
Solex Architect - 624-626 N. Main Rehabilitation	(869.98)	
Insurance	(10,264.05)	
RES-Coleman Site Mitigation	(350,000.00)	
Roundtable Ventures	(307,365.11)	
Commonwealth of VA-VEDP Brownfields Grant	(50,000.00)	
White Mill MT 1 (DR Falls Lease)	(200,908.79)	
Infinity Global - Reimburse Ryland Bagbey Const.	(26,000.00)	
		(1,604,069.84)
		-
Ending Balance at March 31, 2026		**$211,007.62**

125 N Union	250.00	
Abdul Rasheed	280.00	
Alexander Group - Pkg	4,500.00	
Averett	-	2/24/2026
Barry Smith	260.00	
Belk	-	2/27/2026
City - Gang Prev.	1,841.00	
City - IT Dept.	14,514.00	
DR Foundation	5,610.00	
Honey Bee - Parking	2,650.00	
Infinity Global	119,000.00	
Launch Place	3,292.00	
Link's Café	3,000.00	
MEP	1,165.63	
Michael Cheek	2,400.00	
Mind Body Wellness	960.00	
Morrisette Paper	6,762.61	
Overfinch	-	2/27/2026
Revive Nutrition	600.00	
River District Assoc	3,328.50	
Riverside Running	2,812.48	
Robert Stephens	250.00	
Stephen Bass	2,175.00	
Sth VA Legal	1,575.00	
Vintages	1,347.00	
Walraven	14,839.23	
	193,412.45	

Industrial Development Authority
Statement of Account
USDA Loan Funds

For the month ended March 31, 2026

Beginning Balance at March 1, 2026			$ 84,321.00
RECEIPTS:			
	Dry Fork Fruit Dist.	266.07	
	River City Escapes	-	
	Interest	3.59	
			269.66
DISBURSEMENTS:		-	
			-
Ending Balance at March 31, 2026			**$ 84,590.66**

Reconciliation to original USDA grant of $99,000

ORIGINAL USDA FUNDS			$ 99,000.00
LESS OUTSTANDING LOANS:			
	River City Escapes	12,043.59	
	Dry Fork Fruit Dist.	5,139.43	(17,183.02)
INTEREST EARNED			22,182.73
DEFAULTED LOANS			(19,459.05)
PENALTIES EARNED			50.00
BALANCE IN ACCOUNT			**$ 84,590.66**

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A/R Aging Summary Report

Industrial Development Authority of Danville

As of Mar 31, 2026

	CURRENT	1 - 30	31 - 60	61 - 90	91 AND OVER	TOTAL
Abdul Rasheed	-280.00					-280.00
Christine B Eanes, LLC	-600.00					-600.00
Ecomnets1					0.00	0.00
J&W Associated LLC dba Links Cafe	-3,000.00					-3,000.00
Kevin Carter		-119,000.00				-119,000.00
Making Everything Possible, LLC	1,165.63					1,165.63
Michael W Cheek		-2,400.00				-2,400.00
Mind Body Wellness Pilates LLC	-960.00					-960.00
Morrisette Paper	-6,762.61					-6,762.61
Noblis					0.00	0.00
River District Association (Alyssa Turner)	-1,664.25					-1,664.25
Robert Stephens		177.00				177.00
Southern Virginia Legal PLLC	-1,575.00					-1,575.00
Stephen G. Bass		-2,175.00				-2,175.00
The Launch Place	-3,292.00					-3,292.00
Walraven		-14,839.23	-14,839.23			-29,678.46
White Mill MT 2 c/o Alexander Company	-4,500.00					-4,500.00
TOTAL	**-21,468.23**	**-138,237.23**	**-14,839.23**		**0.00**	**-$174,544.69**

Balance Sheet

Industrial Development Authority of Danville

As of Mar 31, 2026

	TOTAL
Assets	
Current Assets	
Bank Accounts	
First National Bank - Money Market	30,522.68
Loans (City Funded)	2,680,213.63
North Union Master Tenant LLC	7,166.18
North Union Properties, LLC	14,434.49
Regular Checking	211,007.62
Reserve Account	8,046,987.11
US Bank - 2025A Project Fund	13,749.26
US Bank - 2025B&C Project Fund	16,595,272.42
US Bank - 2025D Project Funds	3,947,542.45
USDA Checking	84,590.66
Total for Bank Accounts	**$31,631,486.50**
Accounts Receivable	**-$174,544.69**
Other Current Assets	
Due from City/County	15,138,099.20
Lease Interest Rec. - GASB 87	28,721.94
ST Lease Rec. - GASB 87	833,210.90
Total for Other Current Assets	**$16,000,032.04**
Total for Current Assets	**$47,456,973.85**
Fixed Assets	**$91,843,652.71**
Other Assets	
Allowance for Doubtful Accounts	-26,237.10
LT Lease Rec. - GASB 87	3,422,542.54
Notes Receivable	
Dry Fork Distillery N/R	5,139.42
Eng Biopharmaceut Inc.	150,000.00
LMG, LLC Hyatt Loan	750,000.00
Masonic Temple Note Receivable	1,650,000.00
Note Rec - Uncle Al's Diner LLC	21,290.06
River City Escapes Note Receiva	12,043.59
Southside Ice	14,193.51
Total for Notes Receivable	**$2,602,666.58**
Total for Other Assets	**$5,998,972.02**
Total for Assets	**$145,299,598.58**

Balance Sheet

Industrial Development Authority of Danville

As of Mar 31, 2026

	TOTAL
Liabilities and Equity	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Accrued Interest	97,463.17
Retainage Payable	99,704.58
Security Deposits	101,255.78
Total for Other Current Liabilities	**$298,423.53**
Total for Current Liabilities	**$298,423.53**
Long-term Liabilities	
Bonds Payable	**$45,628,802.00**
Deferred Lease Rev - GASB 87	4,013,410.49
Deferred Revenue	96,421.81
Lease Revenue Note - 2021A	10,000,000.00
Notes Payable	
AUB - 500 Stinson Drive	654,585.82
AUB - 512 Bridge Loan	1,177,455.34
AUB - Dan River Falls	20,863,680.15
AUB Loan - 500 Stinson #2	17,037.43
AUB Loan - Locket Drive	802,140.84
FNB - 206/208 N Union Loan	580,000.00
FNB - 527 Bridge Street Loan	1,182,326.16
FNB - Gaither Rd Parcels	449,262.03
Locus Bank - 1 Ecomnets Way	1,297,752.49
Locus - Cyber Prk Shell Bldg	918,171.03
Movement Bank - 816 Monument	437,172.49
VSBFA - 500 Cane Creek	1,247,976.02
VSBFA - Barker Road Loan	2,971,653.86
VSBFA - MEP Loan	79,795.04
Total for Notes Payable	**$32,679,008.70**
Revolving Loan Fund - USDA	99,000.00
Total for Long-term Liabilities	**$92,516,643.00**
Total for Liabilities	**$92,815,066.53**
Equity	
Contributed Capital	150,000.00
Opening Bal Equity	4,856,400.56
Retained Earnings	42,218,318.82
Net Income	5,259,812.67
Total for Equity	**$52,484,532.05**
Total for Liabilities and Equity	**$145,299,598.58**

Profit and Loss

Industrial Development Authority of Danville

July 1, 2025-March 31, 2026

	TOTAL
Income	
Grants	
Grants - City of Danville	5,141,368.98
Grants - Commonwealth of VA	372,219.72
Total for Grants	**$5,513,588.70**
Parking Space Rental Income	33,209.00
Program Fees	153,940.00
Rental Income	3,237,656.99
Sales	0.00
Total for Income	**$8,938,394.69**
Gross Profit	**$8,938,394.69**
Expenses	
Bank Service Charges	646.00
Bond Issue Costs	281,496.50
Dues and Subscriptions	7,665.00
Incentive Payments	1,017,541.95
Insurance	170,604.93
Interest Expense	2,074,072.74
Licenses and Permits	4,963.82
Loan Fees	16,872.53
Office Supplies	219.98
Professional Fees	$614,379.33
Accounting	87,061.60
Consulting	358,074.03
Legal Fees	76.00
Total for Professional Fees	**$1,059,590.96**
Rental Expense	384,557.00
Repairs	-$560.00
Building Repairs	85,467.74
Equipment Repairs	25,150.00
Total for Repairs	**$110,057.74**
Supplies	
Marketing	76.59
Total for Supplies	**$76.59**
Taxes	15,537.49
Telephone	3,082.35
Utilities	144,443.73
Total for Expenses	**$5,291,429.31**
Net Operating Income	**$3,646,965.38**
Other Income	
Gain on Disposal	885,500.00

Profit and Loss

Industrial Development Authority of Danville

July 1, 2025-March 31, 2026

	TOTAL
Interest Income	727,347.29
Total for Other Income	**$1,612,847.29**
Net Other Income	**$1,612,847.29**
Net Income	**$5,259,812.67**

Industrial Development Authority

STAFF REPORT

DATE: April 14, 2026

TO: Industrial Development Authority

FROM: Ken Larking, City Manager

RE: A resolution to approve and authorize an agreement of purchase and sale for the purchase of 633 Monument Street (Parcel #22637) from Ola Cheek Elder, Edward J. Elder, and Jessica Irene Saunders.

Staff requests approval of the purchase of 633 Monument Street (Parcel 22637) as it is ideally situated for addressing public parking needs in this area of the City. This parcel is adjacent to other properties owned by the Industrial Development Authority that will be used for off-street public parking. The opportunity to acquire 633 Monument Street and combine it with existing IDA parcels will enhance and maximize the current efforts to provide public parking. The Agreement of Purchase and Sale sets the purchase price at $180,000. Closing costs are to be paid by the IDA with closing to be scheduled no later than May 30, 2026

ATTACHMENTS

1. Res - 2657 Purchase and Sale of 633 Monument
2. Elder Property

PRESENTED: April 14, 2026

ADOPTED: April 14, 2026

RESOLUTION NO. 2026-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING AN AGREEMENT OF PURCHASE AND SALE FOR THE PURCHASE OF 633 MONUMENT STREET, DANVILLE, VIRGINIA (PARCEL #22637) FROM OLA CHEEK ELDER, EDWARD J. ELDER, AND JESSICA IRENE SAUNDERS FOR $180,000.00 PLUS CLOSING COSTS.

NOW THEREFORE BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia that it does hereby approve and authorize the execution of a purchase and sale agreement for the purchase of 633 Monument Street, Danville, Virginia (Parcel #22637) in the amount of One Hundred Eighty Thousand and 00/100 dollars ($180,000.00), plus closing costs, substantially in the form attached hereto; and

BE IT FURTHER RESOLVED, by the Industrial Development Authority of Danville, Virginia, that it does hereby approve and authorize the actual purchase of 633 Monument Street, Danville, Virginia (Parcel #22637) from Ola Cheek Elder, Edward J. Elder, and Jessica Irene Saunders; and

BE IT FINALLY RESOLVED by the Industrial Development Authority of Danville, Virginia that it hereby directs the Chairman, or in his absence any officer, of the Industrial Development Authority of Danville, Virginia, to execute any and all documents necessary to finalize the above-referenced transaction.

Approved:

____
Chairman

Attest:

____
Secretary

Approved as to
Form and Legal Sufficiency:

____

City Attorney

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE ("Agreement") is made and entered into this _______ day of January, 2026 between **OLA CHEEK ELDER**, **EDWARD J. ELDER**, and **JESSICA IRENE SAUNDERS** whose address is 633 Monument Street, Danville, Virginia (hereinafter called "Seller"), and the **INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA**, a political subdivision of the Commonwealth of Virginia, whose address is P.O. Box 3300, Danville, VA 24543 (hereinafter called "Purchaser").

WITNESSETH:

WHEREAS, Seller is the owner of that certain parcel of real property, identified as 633 Monument Street Danville, Virginia (Parcel #22637) along with all improvements, 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 One Hundred Eighty Thousand Dollars and no/100s ($180,000.00) to be paid by check or wire transfer in United States Currency.

(b) At "Closing," the Purchase Price payable by Purchaser to Seller shall be paid by cash, cashier's check or wire to the "Closing Agent".

3. Closing Agent and Deposit. The Closing agent shall be named by the Seller ten (10) business days prior to the Closing Date. A deposit of Five Thousand Dollars and no/100s ($5,000) is required as part of this sale.

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, as such term is defined in Section 10 below and used throughout this Agreement, 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) Sellers represents to the best of its knowledge that the Property is free and clear of any hazardous materials, waste or other contamination and that there are no underground storage tanks located on the Property.

(d) 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; and 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.

(e) 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.

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

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

(h) 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. Seller shall not enter into any other lease prior to Closing unless such lease is consented to by Purchaser prior to its execution.

5. Inspections. (a) Sellers 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 one hundred twenty (120) 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 Sellers electing to terminate this Agreement, provided such notice is delivered to Sellers 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) Within ninety (90) days of the Date of this Agreement, Purchaser may obtain, at its sole option and at its sole cost and expense, a title insurance commitment ("Commitment") issued by the Closing Agent covering the Property, a survey (the "Survey") of the Property, dated subsequent to the date hereof, prepared by a licensed surveyor or Registered Professional authorized to do business in the Commonwealth of Virginia, and an Environmental Site Assessment ("Environmental Assessment") dated subsequent to the date hereof.

(d) Purchaser shall review the Commitment, the Survey and the Environmental Assessment and shall, within one hundred twenty (120) days of the Date of this Agreement, notify Sellers in writing ("Objection Notice") of any matters ("Defects") evidenced by the Commitment, the Survey, or the Environmental Assessment that adversely affect the marketability of the Property. Any such matters not specified as Defects in the Objection Notice or any Defects waived (or deemed waived) by Purchaser pursuant to the terms hereof shall be deemed Acceptable Exceptions. Upon receipt of the Objection Notice, Sellers may, but shall not be obligated to, cure such Defects. In the event that Sellers are unwilling or unable to cure any Defect(s) on or before the Inspection Completion Date ("Cure Period"), Seller shall notify Purchaser in writing then Purchaser, at Purchaser's option, may within ten (10) days thereof: (i) elect to accept title to the

Property subject to the Defects without any adjustment to the Purchase Price (in which event the remaining Defects shall be deemed Acceptable Exceptions); or (ii) terminate this Agreement by written notice thereof to Sellers, whereupon this Agreement shall be terminated, the Deposit shall be returned to Purchaser and both parties shall thereafter be released from all further obligations hereunder. In the event Purchaser fails to elect to terminate the Agreement as provided above within such 10-day period, Purchaser shall be deemed to have elected clause (i) above.

If Sellers notifies Purchaser that it intends to take action to effectuate the removal of the objected to exceptions, then Sellers shall be obligated to take all action of which it advised Purchaser in the Response Notice that it would take.

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

6. Environmental Studies and Soil Tests.

Purchaser acknowledges that prior to the Closing Date, Purchaser may conduct any environmental and soils tests with respect to the Property which Purchaser may deem necessary or advisable, and Purchaser shall rely upon such tests as well as Sellers's Representations and Warranties contained in section three (3) above, in electing whether or not to purchase the Property.

7. 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;

(h) Seller shall compile all non-privileged documents in its possession related to the history, nature, condition, description, or maintenance of the Property, including, but not limited to, any and all structures that exist on the Property, so that such documents may be transferred to Purchaser on or before Closing; and

(i) 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.

8. 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 at which time the deposit shall be returned to the Purchaser. Purchaser hereby expressly waives its rights to seek damages in the event of Seller's default hereunder.

9. 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. Seller hereby expressly waives its rights to seek damages in the event of Purchaser's default hereunder.

10. 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.

11. Closing Costs. Purchaser shall be responsible for all closing costs.

12. Closing. The "Closing" shall be held no later than April 30, 2026, unless otherwise agreed upon by the parties to this Agreement (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 identified in Purchaser's title insurance policy;

(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 as may be agreed upon by the parties to this Agreement).

(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, Seller shall pay all closing costs by wire transfer or by cashier's check drawn on a bank reasonably acceptable to Closing Agent.

13. 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.

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:
Ola Cheek Elder, Edward J. Elder, And Jessica Irene Saunders
Attn: Edward J. Elder
633 Monument Street
Danville, VA 24541

If to Purchaser:
Industrial Development Authority of Danville, Virginia
Attn: 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

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. Mail.

16. 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.

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 any 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, 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 Sellar shall be allowed to use the house for up to six (6) months from the date of closing.

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

(h) The Seller shall be allowed to continued use of the property for up to six months from the date of closing.

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

SELLER:

By: Ola C Elder
Name: Ola Cheek Elder

By: Edward J Elder
Name: Edward J. Elder

By: Jessica I. Saunders
Name: Jessica Irene Saunders

PURCHASER:
Industrial Development Authority of Danville, Virginia

By: ______________________________
Name: ______________________________
Title: ______________________________

Exhibit "A"

TAX PIN #22637 – 633 MONUMENT STREET, DANVILLE, VIRGINIA

FRONTING 50 feet on the eastern margin of Monument Street at its intersection with Shelton Street and running back therefrom between parallel lines 150 feet to a rear line of 50 feet; being the rear part of Lots Nos. 38, 39, and 40, as shown on a Map of Part of Property of W. H. Tunstall, deceased, dated April 1885, made by C. A. Ballou, C. E., or record in the Clerk's Office of the Circuit Court of the City of Danville, Virginia, in Deed Book "V", at Pages 78 and 79.

BEING IN FACT, the same property conveyed to Ola Cheek Elder, Edward J. Elder, and Jessica Irene Saunders, from Ola Cheek Elder, Edward J. Elder, and Jessica Irene Saunders, by deed dated September 12, 2024, and recorded in the aforesaid Clerk's Office as part of Instrument #24-3457.

Industrial Development Authority

STAFF REPORT

DATE: April 14, 2026

TO: Industrial Development Authority

FROM: Samantha Bagbey, Project Manager

RE: A resolution to approve and authorize a lease agreement at 530 Patton Street, Danville, Virginia with Carter Craig, Bass, Blair & Kushner, P.C. d/b/a Carter Craig, Attorneys at Law and Stephen G. Bass (in his personal and individual capacity).

Carter Craig Law Office is currently a tenant at 126 S Union Street within a building the IDA purchased in 2024. The Law Office plans to relocate to the adjacent building, 530 Patton Street, as the current lease expires in May 2026. This move will allow the office to continue operations smoothly without disruption of future plans to the S Union building. Staff recommends approval of the agreement.

ATTACHMENTS

1. Res - 2658 Carter Craig Lease 2026
2. Attachment A - Maintenance Check Sheet - 530 Patton
3. Office Lease - 530 Patton - S. Bass - Carter Craig Law Office (AutoRecovered)

PRESENTED: April 14, 2026

ADOPTED: April 14, 2026

RESOLUTION NO. 2026-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING A LEASE AGREEMENT BETWEEN THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AND CARTER CRAIG, BASS, BLAIR & KUSHNER, P.C. DBA CARTER CRAIG, ATTORNEYS AT LAW AND STEPHEN G. BASS (IN HIS PERSONAL AND INDIVIDUAL CAPACITY), FOR THE PROPERTY IDENTIFIED AT 530 PATTON STREET AND BEARING TAX PARCEL ID # 20218.

NOW THEREFORE, BE IT RESOLVED, by the Industrial Development Authority of Danville, Virginia (IDA), that it hereby approves and authorizes a lease agreement between the Industrial Development Authority of Danville, Virginia and Carter Craig, Bass, Blair & Kushner, P.C. d/b/a Carter Craig, Attorneys At Law and Stephen G. Bass (in his personal and individual capacity), substantially in the form attached hereto and made a part hereof, as if fully setout herein; and

BE IT FINALLY RESOLVED, by the Industrial Development Authority of Danville, Virginia, that it hereby directs the Chairman, or in his absence any Officer, to execute the new Lease Agreement and any other documents necessary to complete the transaction described in this resolution.

Approved:

____
Chairman

Attest:

____
Secretary

Approved as to
Form and Legal Sufficiency:

____
City Attorney

MAINTENANCE CHECKLIST

PROPERTY ADDRESS: 530 Patton St, Damville, VA

Building Upkeep	Tenant	Landlord
HVAC	☑	☐
Roof	☐	☑
Elevator	☐	☐
Plumbing *(Routine upkeep, i.e. clogs, loose handles/fixtures)*	☑	☐
Facade* *(if in the River District, must be approved prior by RDDC)*		
-Improvement/Changes	☑	☐
-Repairs	☐	☑
Fire Spinkler	☐	☐
Building Services		
-Gas	☑	☐
-Electricity	☑	☐
-Water/Sewer	☑	☐
-Grease Trap	☐	☐
-Hood System	☐	☐
-Internet	☑	☐
-Pest Control	☑	☐
-Snow Removal	☑	☐
-Lawn Care	☑	☐
-Trash Removal/Dumpster	☑	☐
Taxes		
-Personal Property	☑	☐
-Real Estate	☑	☐

If tenant cannot provide documentation for routine maintenance services, Tenant will be responsible for replacement costs. **Initial:** ______

"I have read and understand the tenant and landlord responsibilities as listed above."

Tenant Signature:______________________________ **Date:**____________

IDA Chairman Signature:______________________________ **Date:**____________

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is entered into and effective as of this **14th day of APRIL, 2026**, between the **INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA**, a political subdivision of the Commonwealth of Virginia ("Landlord"), **and STEPHEN G. BASS (in his personal and individual capacity) AND CARTER CRAIG, BASS, BLAIR & KUSHNER, P.C. DBA CARTER CRAIG, ATTORNEYS AT LAW ("Tenant").**

WITNESSETH

FOR and in consideration of the mutual promises and covenants of the parties to this Lease, the parties do covenant and agree as follows:

1. Definitions: The following words or phrases shall have the following meanings when used in this Lease, unless otherwise specifically provided:

   "Agreement" shall mean this lease agreement including all terms, conditions, rights, and responsibilities between the above-named Landlord and Tenants.

   "Building" shall mean all of the building or other structure located on, or hereafter placed upon, **530 PATTON STREET and bearing tax Parcel ID number** # 20218

"Commencement date" shall mean **MAY 1, 2026,** provided, however, that Tenant shall be granted access to the Premises commencing twenty-one (21) days prior to the expiration of Tenant's existing lease for the limited purpose of moving, staging, and transitioning operations.

Tenant shall not be obligated to pay rent for the month of May 2026, and the first monthly rent payment under this Lease shall be due and payable on June 1, 2026.

Landlord further acknowledges and agrees that Tenant's existing lease, which is otherwise scheduled to expire on May 22, 2026, shall be extended through May 31, 2026, at no additional cost to Tenant, in order to allow for a smooth transition between leased premises.

   "Premises" shall mean the 530 Patton Street location t (approximately 2,400sqft) known as 530 PATTON STREET bearing tax Parcel ID number # 20218**.**

   "Real Estate Taxes" shall mean all real estate taxes, assessments, or charges upon all or any portion of the Entire Property or any Buildings or improvements thereon or the Premises or improvements thereon.

2. Recitals: The parties to this Lease recite the following facts:

A. Landlord is the Industrial Development Authority of Danville, Virginia (IDA), a political subdivision of the Commonwealth of Virginia.

B. Tenants are **STEPHEN G. BASS AND CARTER CRAIG, BASS, BLAIR & KUSHNER, P.C. DBA CARTER CRAIG, ATTORNEYS AT LAW**

C. The Landlord desires to lease the Premises to the Tenants and the Tenants desires to lease the Premises from the Landlord for the primary purpose of operating **AN ATTORNEY'S OFFICE** in the **CBC Central Business District**.

3. Lease of Premises:

Landlord hereby leases to Tenants, and Tenants hereby leases from the Landlord the Premises, described above in Paragraph 1.

4. Term:

A. Initial Term:
The initial term of this Lease ("Term") shall begin upon the Commencement date and shall extend for **THIRTY-SIX (36) MONTHS** after the Commencement Date to the Termination Date.

B. Renewal Lease Term:
If the Lease is still in full force and effect, Tenant, with written approval by Landlord, may renew the lease. Renewal may be for as many as two (2) new twelve (12) month renewals, provided written notice of the election to renew shall be delivered to Landlord not less than sixty (60) days prior to the expiration of the previous lease term. If said extension is duly exercised by Tenant and approved by Landlord, the Term of this Lease shall be automatically extended for an additional twenty-four-month period upon all of the same terms, provisions and conditions set forth in this Lease **except** the new amount of rent for each renewed term.

5. Rent:

A. Tenant shall pay as rent to Landlord during the term **ONE THOUSAND FIVE HUNDRED DOLLARS** (**$1,500)** per month for **THIRTY-SIX (36) MONTHS** of the lease beginning on **JUNE 1, 2026**.Rent is payable and due in advance on the first day of each calendar month during the Lease term to

Landlord by one of the payment options listed below. The rental payment amount for any partial calendar months included in the Lease term shall be prorated on a daily basis.

Payment Options:

1. Auto-Draft
2. Dropped off: Danville Office of Economic Development and Tourism
   420 Memorial Drive – Suite 200
   Danville, VA 24541
3. Mailed to: Danville Office of Economic Development and Tourism
   P.O. Box 3300
   Danville, VA 24543-3300.

B. If Rent is not paid by the fifth (5th) day of each calendar month (or if such day is a Non-Business Day, the immediately preceding day that is not a Non-Business Day), Tenant shall pay to Landlord, as Additional Rent, a late payment fee equal to five percent (5%) of the amount due plus interest accruing on the delinquent amount owed until paid, equal to the then applicable judgment rate of interest set forth in Virginia Code § 6.2-302 as amended, currently at six percent (6%) per annum.

C. The rental rate for any Renewal Lease term, if exercised by the Tenants as permitted under this Lease, shall be as follows. Tenant's rent will increase to **ONE THOUSAND FIVE HUNDRED SEVENTY FIVE DOLLARS** (5% increase from initial lease term) per month for first twelve (12) month renewal of the lease term. Tenant’s rent will increase to **ONE THOUSAND SIX HUNDRED FIFTY FOUR DOLLARS** (5% increase from previous renewal) for the additional and final twelve (12) month renewal.

D. A security deposit is not required by the tenant due to being a current tenant.

6. Maintenance, Improvement and Repairs:

A. Tenants shall make, at Tenant's expense, all necessary improvements to the Premises including floors, walls, ceilings, plumbing, and lighting

B. Routine on-going repairs of interior areas not defined as the Premises and the exterior of the building including the roof, walls, foundation, gutters, downspouts, drainage systems, (signage excepted) shall be responsibility of the Landlord. See attachment A.

C. If Repairs relate to an insurable claim, the Party entitled to insurance recovery must pay for the repairs.

D. Tenants are responsible for their own trash disposal, janitorial, any needed security services, and any routine maintenance and inspections of necessary items listed in attachment A.

7. Alterations and Improvements:

A. Landlord's written consent is required to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Premises as Tenants may deem desirable at Tenant's expense. Provided the same shall not adversely affect the structural integrity of the Building and are made in compliance with all applicable codes and are otherwise performed in a workmanlike manner and utilizing good quality materials.

B. Tenants shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Premises and fasten the same to the premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenants at the commencement of the Lease term or placed or installed on the Leased Premises by Tenants, thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenants shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by Tenants at Tenants' expense.

8. Use.

A. Tenants shall not use nor cause to be used all or a portion of the Premises for any of the following: 1) sexually oriented adult entertainment, 2) bookstore or magazine shop selling pornographic materials, 3) billiard parlor or pool hall, 4) any use which is not permitted by right under zoning classification applicable to the Premises, and 5) any other use which is illegal under any laws applicable to the Premises.

B. Tenants shall use Premises for the operation of **AN ATTORNEY'S OFFICE** In the event that Tenants no longer uses Premises as described, this Lease shall end upon thirty (30) days' notice by Landlord.

9. Taxes.

A. Personal Property Taxes: Tenants shall be responsible for paying all personal property taxes with respect to Tenants' personal property at the Premises.

B. Real Estate Taxes: Tenants shall be responsible for paying all real estate taxes for the Premises (approximately **2,400SQFT**) known as **530 PATTON STREET bearing tax Parcel ID number # 20218**

C. Tenant will receive separate invoice(s) for respective property tax from The City of Danville Finance Department.

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10. Insurance.

A. Landlord shall maintain fire and extended coverage insurance on the Building and the Entire Property in such amounts as Landlord shall deem appropriate.

(i) Tenant shall be responsible, at their expense, for fire and extended coverage insurance on all personal property, including removable trade fixtures, located in the Premises.

B. Tenants and Landlord shall, each at their own expense, maintain a policy or policies of comprehensive general liability insurance with respect to the respective activities of each in the building with the premiums thereon fully paid on or before due date, issued by and binding upon some insurance company approved by Landlord, such insurance to afford minimum protection of not less than $1,000,000 combined single limit coverage of bodily injury, property damage or combination thereof. Landlord shall be listed as an additional interest on Tenants' policy or policies of comprehensive general liability insurance, and Tenants' compliance with this Paragraph. Tenants shall obtain the agreement of Tenants' insurers to notify Landlord that a policy is due to expire at least (10) days prior to such expiration. Landlord shall not be required to maintain insurance against thefts within the Leased Premises or the Building.

11. Utilities.

Tenants shall pay all charges for water, sewer, gas, electricity, telephone, internet and all other services of and for leased premises.

12. Signs.

Tenants shall have the right to place on the Premises any sign which is permitted by applicable zoning ordinances and private restrictions. Tenants shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenants.

13. Entry.

Landlord shall have the right to enter upon the Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with business of the Tenants on the Premises. Landlord will attempt to contact Tenants twenty- four (24) hours prior to entry except in the case of an emergency in which case no notice would be required.

14. Damage and Destruction.

If the Premises or any part thereof or any appurtenance thereto is so damaged, not caused by Tenants, by fire, casualty, or structural defects that the same cannot be used for Tenants' purposes, then Tenants shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage, not caused by Tenants, to any part of the Premises, and if such damage does not render the Premises unusable for Tenants' purposes, Landlord shall promptly repair such damage at the cost of the Landlord. In making the repairs called for in this paragraph, Landlord shall not be liable for any delays resulting from strikes, governmental restrictions, epidemics, swarms of boll weevils, plagues of locusts, inability to obtain necessary permits, materials, or labor or other matters, which are beyond the reasonable control of Landlord. Tenants shall be relieved from paying rent and other charges during any portion of the Lease term that the Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenants' purposes. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenants. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence, which is beyond Tenants' reasonable control, and which renders the Premises, or any appurtenance thereto, inoperable, or unfit for occupancy or use, in whole or in part, for Tenants' purposes.

15. Default.

If default shall at any time be made by Tenants in the payment of rent when due to Landlord as herein provided, and if said default shall continue for five (5) days after written notice thereof shall have been given to Tenants by Landlord, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed by Tenants, and such default shall continue for ten (10) days after notice thereof in writing to Tenants by Landlord without correction thereof then having been commenced and thereafter diligently prosecuted, Landlord may declare the term of this Lease ended and terminated by giving Tenants written notice of such intention, and if possession of the Leased Premises is not surrendered, Landlord may reenter said premises. Landlord shall have, in addition to the remedy above provided, any other right or remedy available to Landlord on account of any Tenants default, either in law or equity.

16. Quiet Possession.

Landlord covenants and warrants that upon performance by Tenants of its obligations hereunder, Landlord will keep and maintain Tenants in exclusive, quiet, peaceful, undisturbed, and uninterrupted possession of the Leased Premises during the term of this Lease.

17. Condemnation.

If any legally, constituted authority condemns the building or such part thereof which shall make the Premises unsuitable for leasing, this Lease shall cease when the public authority issues the condemnation order, and Landlord and Tenants shall account for rent as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

18. Subordination.

Tenants accept this Lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter arising upon the Premises, or upon the Building and to any renewals, refinancing and extensions thereof, but Tenants agree that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this Lease on such terms and subject to such conditions as such mortgagee may deem appropriate in its discretion. Landlord is hereby irrevocably vested with full power and authority to subordinate this Lease to any mortgage, deed of trust, or other lien now existing or hereafter placed upon the Leased Premises of the Building and Tenants agree upon demand to execute such further instruments subordinating this Lease or attorning to the holder of any such liens as Landlord may request Tenants agree that it will from time to time upon request by Landlord execute and deliver to such persons as Landlord shall request a statement in recordable form certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as so modified), stating the dates to which rent and other charges payable under this Lease have been paid, stating that Landlord is not in default hereunder (or if Tenants alleges a default stating the nature of such alleged default) and further stating such other matters as Landlord shall reasonably require.

19. Notice.

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord:
Industrial Development Authority of Danville, Virginia
C/O City Attorney's Office
P.O. Box 3300
Danville, VA 24543

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

If to Tenant:
Stephen G. Bass
530 Patton Street
Danville, VA 24541

With a copy to:
CARTER CRAIG, BASS, BLAIR & KUSHNER, P.C. DBA CARTER CRAIG, ATTORNEYS AT LAW
P. O. Box 19370,
Danville, VA 24543

20. Brokers.

Tenants represent that Tenants were not shown the Premises by any real estate broker or agent and that Tenants have not otherwise engaged in any activity, which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease.

21. Waiver.

No waiver of any default of Landlord or Tenants hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenants shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

22. Headings.

The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

23. Successors.

The provisions of this Lease shall extend to and be binding upon Landlord and Tenants and their respective legal representatives, successors and assigns.

24. Consent.

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

25. Performance.

If there is a default with respect to any of Landlord's covenants, warranties or representations under this Lease, and if the default continues more than fifteen (15) days after notice in writing from Tenants to Landlord specifying the default, Tenants may, at its option and without affecting any other remedy hereunder, cure such default and deduct the cost thereof from the next accruing installment or installments of rent payable hereunder until Tenants shall have been fully reimbursed for such expenditures, together with interest thereon at a rate equal to the Landlord of five percent (5%) per annum. If this Lease terminates prior to Tenants' receiving full reimbursement, Landlord shall pay the unreimbursed balance plus accrued interest to Tenants on demand.

26. Compliance with Law.

Tenants shall comply with all laws, orders, ordinances, and other public requirements now or hereafter pertaining to Tenants' use of the Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

27. Applicable Law and Entire Agreement.

A. This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

B. 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.

(SIGNATURES ON NEXT PAGE)

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

Landlord:

Industrial Development Authority
of Danville, Virginia

By: ______________________________

Name: T. Neal Morris
Its: Chairman

Tenant:

Name: **STEPHEN G. BASS (in his personal and individual capacity)**

By: ________________________________

Name: **STEPHEN G. BASS**

Industrial Development Authority

STAFF REPORT

DATE: April 14, 2026

TO: Industrial Development Authority

FROM: Samantha Bagbey, Project Manager

RE: A resolution to approve and authorize a parking lease agreement at 530 Patton Street, Danville, Virginia with Carter Craig, Bass, Blair & Kushner, P.C. d/b/a Carter Craig, Attorneys at Law and Stephen G. Bass (in his personal and individual capacity).

Carter Craig Law Office will be moving from 126 S Union to 530 Patton Street. With this transition, the tenant requested parking spaces closer to the new location for accessibility and safety. This parking lease will accommodate the move of the spaces as well as the market-rate pricing. Staff recommends approval of the lease.

ATTACHMENTS

1. Res - 2659 Carter Craig parking Lease 2026
2. Parking Lease - Patton Street - S. Bass - Carter Craig Law Office (002)
3. Carter Craig Law Parking - Patton Street Location

PRESENTED: April 14, 2026

ADOPTED: April 14, 2026

RESOLUTION NO. 2026-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING A PARKING LEASE AGREEMENT BETWEEN THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AND CARTER CRAIG, BASS, BLAIR & KUSHNER, P.C. DBA CARTER CRAIG, ATTORNEYS AT LAW AND STEPHEN G. BASS (IN HIS PERSONAL AND INDIVIDUAL CAPACITY), FOR THE PROPERTY IDENTIFIED AT 530 PATTON STREET AND BEARING TAX PARCEL ID # 20218.

NOW THEREFORE, BE IT RESOLVED, by the Industrial Development Authority of Danville, Virginia (IDA), that it hereby approves and authorizes a parking lease agreement between the Industrial Development Authority of Danville, Virginia and Carter, Craig, Bass, Blair & Kushner, P.C. d/b/a Carter Craig, Attorneys At Law and Stephen G. Bass (in his personal and individual capacity), substantially in the form attached hereto and made a part hereof, as if fully setout herein; and

BE IT FINALLY RESOLVED, by the Industrial Development Authority of Danville, Virginia, that it hereby directs the Chairman, or in his absence any Officer, to execute the new Lease Agreement and any other documents necessary to complete the transaction described in this resolution.

Approved:

____
Chairman

Attest:

____
Secretary

Approved as to
Form and Legal Sufficiency:

____
City Attorney

<u>**Steven G Bass, Individual and Personal Capacity**</u>
PARKING LEASE – Patton St Lot – Parcel # 20204

This **PARKING LEASE** made this **_14th day of ___APRIL__________, 2026,** by and between the **Industrial Development Authority of the City of Danville, Virginia** a political subdivision of the Commonwealth of Virginia hereinafter referred to as Landlord and **Steven G. Bass, in his individual and personal capacity, and <u>CARTER CRAIG, BASS, BLAIR & KUSHNER, P.C. DBA CARTER CRAIG, ATTORNEYS AT LAW (Virginia lD # 02502268)</u>, a Virginia limited liability company hereinafter referred to as the Lessee.**

NOW, THEREFORE, in consideration of the rent and mutual covenants and agreements hereinafter recited, the sufficiency of which are hereby acknowledged, Landlord does hereby lease and demise unto Tenant, and Tenant does hereby lease and take as tenant from Landlord, the Demised Premises (as herein defined), for Tenant to have and hold the same upon the following terms and conditions:

Premises: This Parking Lease is limited to **<u>5</u>** parking spaces designated by Landlord and located in the **City Parking Lot bearing parcel #20204 located on Patton Street, Danville, VA** in the location indicated on Exhibit A (the "Premises").

Landlord's Rights: Landlord reserves the right to amend the rules and regulations of this lease by providing a 30-day notice of such amendment is submitted in writing to the Lessee and provided such amendment does not affect the Lessee's costs or ability to exclusively utilize the designated parking spaces for the storage of passenger vehicles and/or motorcycles 24 hours a day and 7 days a week. Upon any Lessee's s failure to observe the following rules and regulations, Landlord reserves the right at any time to demand the Lessee to terminate any sub-lessee's parking agreement within thirty (30) days written notice to the Lessee. Landlord may have vehicles ticketed, immobilized, and/or towed at the vehicle owner's expense without notice if sub-lessee violates any of the parking regulations.

Rent in the amount of **<u>$212.50 per month</u>** (inclusive of all impositions) is due **<u>on the first of each month beginning with the Commencement date of the</u>** lease between Landlord and Lessee for occupancy of office space at 126 South Union Street, Danville, Virginia.. A late fee equal to 10% of the monthly rent will be assessed after the third of the month. Payments may be made with one of the following payment options:

1. Auto-Draft
2. Dropped off: Danville Office of Economic Development and Tourism
   420 Memorial Drive – Suite 200
   Danville, VA 24541
3. Mailed to: Danville Office of Economic Development and Tourism
   P.O. Box 3300
   Danville, VA 24543-3300.

It is the Lessee's responsibility for payments to arrive on time. Checks, ACH or wire transfers that are returned for any reason will incur a $50 penalty. If any rent has become delinquent for more than 15 days, Landlord shall provide a written default notice to the Lessee. Landlord reserves the right to terminate the Lease immediately should Lessee fail to cure the written default within 15 days.

Term: This lease shall be coterminous with lease between Landlord and Lessee for occupancy of office at 126 South Union Street, Danville, Virginia**.**.

Parking Rules and Regulations: Lessee shall require that all employees use the Premises solely to park passenger vehicles and/or motorcycles, not utilize the parking spaces for any other purpose, and must park in the assigned parking spaces. Employees that park in marked parking spaces designated or reserved for other uses will have their vehicle removed at the owner's expense. Lessee shall prohibit parking for any period of time within the premises or any outdoor parking spaces except those specifically under the control of Lessee. Storage or disposal of any animals, explosives, gasoline, or other flammable material, hazardous waste, contaminant, oil, or radioactive material is expressly prohibited. Smoking is prohibited. Lessee or its sub-lessees shall not make any alterations or post any signage to the Premises without written consent of Landlord. The use of electrical vehicles, freezers, refrigerators or any other electrical device that requires continuous power, or power use in excess of four (4) hours on the Premises is not permitted. Vehicles must have current license plates and emissions stickers, be in working order and are able to be moved within 24 hours of Landlord's request. Landlord may require vehicle to be removed if vehicle is found to be non-operable or in other violation at the vehicle owner's expense. Commercial or repair activities are not allowed unless deemed necessary to permit a vehicle to be moved. Landlord will also provide access to the Operating Rules and Regulations which will clarify garage operations, equipment, and other rules that must be followed by all Lessee's sublessees, their guests and visitors. Lessee is required to park within the designated area (Exhibit (A) at all times or be in violation of the Rules and Regulations and subject to the remedies noted within.

Access Control: Lessee will be responsible for signage that indicates which spots are designated by Landlord for **LESSEE'S use** with approval from The Industrial Development Board. Lessee will be responsible for providing employees with proper documentation for identifying lessee vehicles during the workday to indicate that are allowed to park in the designated spaces. Lessee will be responsible for monitoring and regulating who is parked in the designated parking spots for the office.

Subleases under this lease to any individual that is not an employee of **LESSEE**, or any commercial business is prohibited unless Lessee receives written consent of the Landlord.

Landlord is not responsible for theft or damage to vehicle or its contents and may request sub-lessees to park in alternative locations to allow for repairs and maintenance activities from time to time.

Visitors or guests are required to park in designated common areas and abide by all rules and regulations that are in place.

Accessible (handicap) Spaces may be used only by vehicles displaying a current appropriate license plate or hangtag. Vehicles parked in signed Accessible spaces that do not properly display a current thang tag or license plate shall be subject to immediate removal and be responsible for any and all costs for their impoundment or removal.

Termination: Upon Termination of this lease, the Lessee shall promptly remove and/or cause sub-lessees to promptly remove all belongings and vehicle from Premises. If Lessee or any sublessees fail to promptly remove any personal property, Landlord shall retain any rights permitted by law or ordinance to presume that Tenant has abandoned the personal property and may dispose of the personal property in any matter that Landlord, in Landlord's sole discretion, determines is appropriate. Landlord will not be required under this lease to store any items of personal property that Tenant leaves behind unless required by law or ordinance.

Governing Law: This Lease 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. Each Party shall be responsible for its own attorney's fees and costs.

Amendment, Modification and/or Supplement: The parties may amend, modify, and/or supplement this Lease in such manner as may be agreed upon by the parties, provided such amendments, modifications, and/or supplement are reduced to writing and signed by the parties or their successors in interest to be bound thereby.

Severability: The invalidity or unenforceability of any particular provision of this Lease shall not affect the other provisions hereof, and this Lease shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

Survival: Any termination, cancellation or expiration of this Lease notwithstanding, provisions which are by their terms intended to survive and continue shall so survive and continue.

Entire Agreement: This Lease (together with the Grant Agreement as finally amended and the Option Agreement) contains the entire agreement and understanding of the parties to this Lease with respect to the transactions contemplated hereby; and this Lease and the schedules hereto supersede all prior understandings and agreements of the parties with respect to the subject matter hereof with the exception of the Grant Agreement as finally amended and those matters specifically addressed in the Option Agreement.

Headings: The descriptive headings in this Lease are inserted for convenience only and do not constitute a part of this Lease.

Notice: Any notice required or contemplated to be given to a party by the other party shall be in writing and shall be given by hand delivery, certified or registered United States mail, or a private courier service which provides evidence of receipt as part of its service, as follows:

If to Landlord: Industrial Development Authority of Danville, Virginia
Attention: City Attorney
427 Patton Street
P. O. Box 3300
Danville, VA 24543

With copy to: City Attorney
City of Danville, Virginia
427 Patton Street
P. O. Box 3300
Danville, VA 24543

If to Tenants:
Stephen G. Bass
530 Patton St
Danville, VA 24541

With a copy to:
CARTER CRAIG, BASS, BLAIR & KUSHNER, P.C. DBA CARTER CRAIG, ATTORNEYS AT LAW
P. O. Box 19370,
Danville, VA 24543

Any party may change the address to which notices hereunder are to be sent to it by giving written notice of such change in the manner provided herein. A notice given hereunder shall be deemed given on the date of hand delivery, five (5) days following deposit with the United States Postal Service properly addressed and postage prepaid, or the next business day following delivery to a courier service properly addressed with all charges prepaid, as appropriate.

IN TESTIMONY WHEREOF, witness our signatures and seals to this **LEASE AGREEMENT** as of the date first above written:

LANDLORD:

INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA, a political subdivision of the Commonwealth of Virginia

By:_______________________________________(SEAL)
Name: T. Neal Morris
Title: Chairman

TENANT:

Stephen G. Bass
By: _______________________________________
Name: Steven G. Bass
Title:

TENANT:

CARTER CRAIG, BASS, BLAIR & KUSHNER, P.C. DBA CARTER CRAIG, ATTORNEYS AT LAW (Virginia lD # 02502268),
By: _______________________________________
Name: Steven G. Bass
Title: _______________________________________


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Industrial Development Authority

STAFF REPORT

DATE: April 14, 2026

TO: Industrial Development Authority

FROM: Kelvin Perry, Assistant Director of Economic Development and Tourism

RE: A resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing an agreement of purchase and sale between 300 Lynn Street LLC, whose principal member is the Industrial Development Authority of Danville, Virginia (IDA) and Lynn Partners, LLC (SC ID#11938268) for property located at 300 Loyal Street, commonly known as Parcel ID# 25198, Parcel ID# 22861, and Parcel #22862.

Staff recommends approval of a Purchase and Sale Agreement for three parcels of real property on the corner of Lynn and Loyal Streets in Danville, Virginia (Tax IDs 25198, 22862, and 22861). The property is owned by 300 Lynn Street, LLC, whose principal member is the Industrial Development Authority of Danville, Virginia (IDA). Lynn Partners, LLC is the Purchaser.

The purchase price is $450,000, with a good-faith deposit of $22,500 due within ten (10) business days after the effective date. The Purchaser will be granted a 180-day inspection period, with one (1) optional 90-day extension by mutual agreement for an additional fee of $10,000. The property will be conveyed “as is” and will be subject to a repurchase provision if the Purchaser fails to meet the redevelopment deadline.

The intended end use is to convert the existing structure into a mixed-use commercial/retail space with market-rate housing.

ATTACHMENTS

1. Res - 2668 Commonwealth Machinery purchase and sale agreement
2. IDA- Purchase Agreement Lynn Partners LLC- 353053054-v6-c (002)final (1)

PRESENTED: __April 14, 2026

ADOPTED: _April 14, 2026

RESOLUTION NO. 2026-____ . ____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING AN AGREEMENT OF PURCHASE AND SALE BETWEEN 300 LYNN STREET LLC, WHOSE PRINCIPAL MEMBER IS THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA (IDA) AND LYNN PARTNERS, LLC (SCC ID#11938268) FOR PROPERTY LOCATED AT 300 LOYAL STREET, COMMONLY KNOWN AS PARCEL ID# 25198; PARCEL ID# 22861; AND PARCEL #22862.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of the City of Danville, Virginia,(IDA) that it hereby approves and authorizes the IDA to execute an Agreement of Purchase and Sale, substantially in the form attached hereto and made a part hereof, for property located 300 Lynn Street commonly known as Parcel ID# 25198; Parcel ID# 22861; and Parcel #22862 between 300 Lynn Street LLC and Lynn Partners LLC (SCC ID # 11938268); and

BE IT FURTHER RESOLVED by the Industrial Development Authority of the City of Danville, Virginia, that it hereby directs the Chairman or Vice-Chairman, in his absence, to execute the option agreement and any other documents necessary to complete or aid in the transaction described in this resolution; and

BE IT FINALLY RESOLVED that this agreement of purchase and sale shall take effect no later than Ten (10) days from the approval date of April 14, 2026, as evidenced by the fully executed Agreement of Purchase and Sale and the consideration sum of Four Hundred Fifty Thousand and 00/100 dollars ($450,000.00) being returned to the Office of Economic Development and Tourism by the above referenced date.

Approved:

____

Chairman

Attest:

____
Secretary

Approved as to
Form and Legal Sufficiency:

____
City Attorney

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE (this "Agreement") is made and entered into this ____ day of _______________, 202__, between **300 Lynn Street LLC**, whose principal member is Industrial Development Authority of Danville, Virginia (IDA), hereinafter referred to as "Seller", whose address is C/O City Attorney's Office PO Box 3300 Danville, Virginia 24543 and, **Lynn Partners, LLC**, a Virginia limited liability company, and its successors and assigns, hereinafter referred to as "Purchaser" whose address is 2334 Mount Vernon Road S.W., Roanoke, Virginia 24015.

W I T N E S S E T H:

WHEREAS, the Owner is the owner in fee simple absolute of the following real property, together with all improvements thereon and all rights and appurtenances thereunto pertaining, all of which is hereinafter referred to as the "Property":

Parcel No. 1

TAX PIN #25198 – 300 LYNN STREET, DANVILLE, VIRGINIA

FRONTING 79.3 feet on the southwestern margin of Lynn Street and 90.21 feet on the southeastern margin of Loyal Street, being Lot No. 1 as shown on a Plan Showing Subdivision for Hattie L. Noell, dated May 18, 1937, made by H. S. Peirce, Surveyor recorded in the Clerk's Office of the Circuit Court of the City of Danville, Virginia, in Deed Book 170, at page 306.

BEING IN FACT the same property conveyed to 300 Lynn Street, LLC from the Industrial Development Authority of Danville, Virginia, by deed dated December 28, 2017, and recorded in the aforesaid Clerk's office as Instrument #17-4786.

Parcel No. 2

TAX PIN #22862 – 411 LOYAL STREET, DANVILLE, VIRGINIA

FRONTING 38.67 feet on the southeastern margin of Loyal Street, being all of Lot No. 2 as shown on a Plan Showing Subdivision for Hattie L. Noell, dated May 18, 1937, made by H. S. Peirce, Surveyor recorded in the aforesaid Clerk's Office in Deed Book 170, at page 306; being also that portion of Lot No. 5 on the aforesaid Plan that was conveyed to Jennie Carwich from Hattie L. Noell *et. al* by deed dated April 11, 1941, and recorded in the aforesaid Clerk's Office in Deed Book 185, at Page 253.

BEING IN FACT Parcel 1 conveyed to 300 Lynn Street, LLC from the Industrial Development Authority of Danville, Virginia, by deed dated December 28, 2017, and recorded in the aforesaid Clerk's office as Instrument #17-4787.

Parcel No. 3

TAX PIN #22861 – 417 LOYAL STREET, DANVILLE, VIRGINIA

FRONTING 63.27 feet on the southeastern margin of Loyal Street and running back therefrom 89.54 feet on the south and 88.6 feet on the north to a rear line of 64.14 feet, being all of Lot Nos. 3 and 4 as shown on a Plan Showing Subdivision for Hattie L. Noell, dated May 18, 1937, made by H. S. Peirce, Surveyor recorded in the aforesaid Clerk's Office in Deed Book 170, at page 306; being also that portion of Lot No. 5 on the aforesaid Plan that was conveyed to W. N. Terry from Hattie L. Noell *et. al* by deed dated April 11, 1941, and recorded in the aforesaid Clerk's Office in Deed Book 185, at Page 252.

BEING IN FACT Parcel 2 conveyed to 300 Lynn Street, LLC from the Industrial Development Authority of Danville, Virginia, by deed dated December 28, 2017, and recorded in the aforesaid Clerk's office as Instrument #17-4787.

PARCELS NOS. 1 – 3 being subject to all agreements, easements, rights of way, and restrictive covenants now of record or affecting said property, including but not limited to those of record in the aforesaid Clerk's Office in Deed Book 170, at Page 303; Deed Book 170, at Page 307; Deed Book 171, at Page 220; and Deed Book 206, at Page 391; as well as any agreement with Civil War Trails, Inc.

WHEREAS, Seller desires to sell the Property to Purchaser, and Purchaser desires to purchase the Property from Seller, for the purpose of constructing the Development (as defined below), subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants contained herein, to include, without limitation, the obligation to develop the Property, 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***][1] 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) all personal property located on the Property and any fixtures attached thereto.

2) Purchase Price.

   a) The purchase price ("Purchase Price") to be paid by Purchaser to Seller for the

[1] Parties to confirm that there is an existing utility easement on the Property that will remain in place after Closing. If this easement is not in place, the parties will discuss appropriate documentation.

Property shall be Four Hundred Fifty Thousand Dollars ($450,000).

b) At "Closing", the Purchase Price payable by Purchaser to Seller shall be paid by cash, or wire transfer. The "Deposit" (hereinafter defined) shall be nonrefundable to Purchaser, except as expressly provided herein, and shall delivered by the Closing Agent to Seller and shall be credited against the Purchase Price at Closing.

3) Deposit. Purchaser shall deliver to Impact Title & Escrow (the "Closing Agent"), as escrow agent, a deposit in the sum of Twenty Two Thousand Five Hundred Dollars ($22,500) within ten (10) business days of the Effective Date (hereinafter defined).

4) Representations and Warranties.

a) Representations and Warranties of Seller. Seller makes the following representations and warranties to Purchaser, which representations and warranties are true and correct as of the Effective 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 Effective Date of this Agreement, and at and as of the Closing Date:

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

ii) 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.

iii) 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.

iv) 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.

v) Seller has not received any notice of violation (or claimed violation) 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.

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

vii) 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, other than to Purchaser hereunder. 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.

b) Representations and Warranties of Purchaser. Purchaser makes the following representations and warranties to Seller, which representations and warranties are true and correct as of the Effective 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 Effective Date of this Agreement, and at and as of the Closing Date:

i) Purchaser 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 Purchaser and delivered to Seller at the Closing will be on the Closing Date, duly authorized, executed and delivered by Purchaser, and all consents and approvals of third parties have been obtained.

ii) Purchaser is a Virginia limited liability company and validly existing under the laws of the Commonwealth of Virginia, is qualified to conduct business in the Commonwealth of Virginia, and has the requisite power and authority to enter into and to perform the terms of this Agreement. All requisite corporate action has been taken by Purchaser in connection with entering into this Agreement, and will be taken prior to Closing in connection with the execution and delivery of the instruments referenced herein and the consummation of the transactions contemplated hereby.

iii) Neither the entering into of this Agreement, nor the consummation of the transactions contemplated hereby, will constitute or result in a violation or breach by Purchaser of (1) any agreement or other document or instrument to which Purchaser is a party or by which Purchaser is bound or (2) any judgment, order, writ, injunction or decree issued against or imposed upon Purchaser.

iv) Purchaser is not an entity that is restricted from doing business under regulations of the Office of Foreign Asset Control ("OFAC") of the U.S. Department of Treasury (including those named on OFAC's specially designed and blocked persons list) or under any statute, executive order or other governmental action prohibiting transactions with persons who commit, threaten to commit, or support terrorism, and Purchaser's actions do not violated the International Money Laundering and Abatement and Financial Anti-Terrorism Act of 2001 or any regulations or orders promulgated thereunder.

c) The representations and warranties of Seller and Purchaser in this Section 4 shall survive Closing and any cancellation or termination of this Agreement until the Development Deadline (defined herein).

5) Inspections.

a) Purchaser shall have 180 days from the Effective Date of this agreement to inspect the property ("Purchaser Inspection Period"). If on or before 5:00 p.m. (Eastern Standard Time) on a date which is 180 days from the Effective 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, the parties shall be released from all further obligations each to the other under this Agreement, except for those obligations that expressly survive Closing and/or earlier termination of this Agreement. In the event that 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 and the Deposit shall be retained by Seller.

b) Upon at least twenty four (24) hours' prior written notice to Seller, Purchaser, its agents, employees and representatives (the "Purchaser Parties") shall have access to the Property at all reasonable times during the Purchaser Inspection Period or earlier termination of this Agreement to inspect the Property and to conduct reasonable tests thereon, and to make such other examinations with respect thereto as Purchaser, its counsel, licensed engineers, surveyors or other representative may deem reasonably necessary. Notwithstanding the foregoing: (i) Purchaser and/or the Purchaser Parties may not conduct any invasive tests or examinations, including, but not limited to, Phase II investigations, soil and groundwater borings, without the prior written consent of Seller, to be exercised in Seller's sole discretion, and (ii) Seller reserves the right to be present, and/or have its agent or representative present during Purchaser's investigations of the Property. If Purchaser desires to perform any invasive tests or examinations, it shall provide Seller with a prior written request outlining the tests or examinations it is requesting, the location and purpose for such tests or examinations, and the vendor(s) involved. In addition, the parties hereto shall agree in advance upon all communication protocols and confidentiality requirements with respect to any invasive tests or examinations. 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 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 the contracting party, 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, at its sole expense, restore any damage to the Property caused by such inspection, examination or test.

c) Purchaser's access to, and inspection of, the Property shall be at Purchaser's sole risk and expense and Seller shall have no responsibility therefor. Purchaser hereby waives any and all claims against Seller for any damage or injury incurred by Purchaser or its representatives, agents, contractors or invitees while on the Property. All inspections, tests or examinations of the Property shall be conducted in such a manner as not to interfere with Seller's use and occupancy of the Property; provided, however, Purchaser hereby agrees to indemnify, defend and hold Seller harmless from and against any loss, liability, damage, cost or expense (including reasonable attorneys' and litigation fees) for any third-party claims (including such claims of representatives, agents, contractors or invitees of Purchaser) related to or arising from such parties access to, and inspection of, the Property under this Agreement.

d) If Purchaser does not purchase the Property pursuant to this Agreement, upon the request of Seller, Purchaser shall promptly deliver copies of any and all studies or tests, including, soil tests, topographical information, structural tests and engineering studies obtained by Purchaser in connection with its inspection of the Property to Seller.

e) Purchaser may obtain, at its sole option and at its sole cost and expense, a title insurance commitment ("Commitment") issued by the Closing Agent covering the Property, a survey (the "Survey") of the Property, dated subsequent to the Effective Date hereof, prepared by a licensed surveyor or Registered Professional authorized to do business in the Commonwealth of Virginia, and an Environmental Site Assessment ("Environmental Assessment") dated subsequent to the Effective Date hereof.

f) Purchaser shall review the Commitment, the Survey and the Environmental Assessment, and such other inspection results, and shall, before the end of the Purchaser Inspection Period, notify Seller in writing ("Objection Notice") of any matters ("Defects") evidenced by the Commitment, the Survey, the Environmental Assessment or other test results that adversely affect the marketability of the Property. Any such matters not specified as Defects in the Objection Notice or any Defects waived (or deemed waived) by Purchaser pursuant to the terms hereof shall be deemed Acceptable Exceptions. Upon receipt of the Objection Notice, Seller may, but shall not be obligated to, cure such Defects. In the event that Seller is unwilling or unable to cure any Defect(s) on or before the Inspection Completion Date ("Cure Period"), Purchaser, at Purchaser's sole remedy and option therefore, may within ten (10) days thereof: (i) elect to accept title to the Property subject to the Defects without any adjustment to the Purchase Price (in which event the remaining Defects shall be deemed Acceptable Exceptions); or (ii) terminate this Agreement by written notice thereof to Seller, whereupon this

Agreement shall be terminated, the Deposit shall be returned to Purchaser and both parties shall thereafter be released from all further obligations hereunder, expect for those obligations that expressly survive Closing and/or earlier termination of this Agreement. In the event Purchaser fails to elect to terminate this Agreement as provided above within such 10-day period, Purchaser shall be deemed to have elected clause (i) above.

g) The provisions of Section 5(b), Section 5(c), Section 5(d) and Section 5(f) shall survive Closing and any termination or cancellation of this Agreement.

h) Purchaser may extend the Purchaser Inspection Period for 90 days after completion of the first 180 days, if Purchaser and Seller mutually agree to the extension, which in such event shall become the Inspection Completion Date.[2]

6) As-Is Sale. **PURCHASER ACKNOWLEDGES AND AGREES THAT PURCHASER IS PURCHASING THE PROPERTY "AS IS" "WHERE IS" AND "WITH ALL FAULTS" WITH ANY EXISTING DEFECTS (EITHER LATENT OR PATENT) AND IN ITS CURRENT CONDITION. EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES OF SELLER IN THIS AGREEMENT, NEITHER SELLER, AND ANY AGENT OR OTHER REPRESENTATIVE OF SELLER, HAS MADE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE PROPERTY OR ANY PART THEREOF (INCLUDING, WITHOUT LIMITATION, FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, OR USE OF THE PROPERTY, OR ANY PART THEREOF). ANY OTHER INFORMATION PROVIDED BY SELLER TO PURCHASER RELATED IN ANY MANNER TO THE TRANSACTION CONTEMPLATED BY THIS AGREEMENT IS DELIVERED TO PURCHASER WITHOUT REPRESENTATION OR WARRANTY AS TO ITS ACCURACY OR COMPLETENESS. PURCHASER IS RELYING ONLY UPON THE EXPRESS PROVISIONS OF THIS AGREEMENT AND ITS OWN INDEPENDENT ASSESSMENT OF THE PROPERTY AND THE RESULTS OF ANY TESTS AND INSPECTIONS IN DETERMINING WHETHER TO ACQUIRE THE PROPERTY, AND PURCHASER HEREBY ASSUMES THE RISK THAT ADVERSE MATTERS AND CONDITIONS MAY NOT HAVE BEEN REVEALED DURING SUCH TESTS AND INSPECTIONS. THE PROVISIONS OF THIS SECTION 6 SHALL SURVIVE CLOSING AND ANY TERMINATION OR CANCELLATION OF THIS AGREEMENT.**

7) Covenants.

a) Covenants By Seller. Between the Effective Date hereof and the Closing or earlier termination of this Agreement by its terms, Seller agrees that:

[2] Client to confirm the duration of Purchaser Inspection Period and Extension is acceptable.

i) it will promptly give notice to Purchaser if it receives written notice of any 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 Effective Date of this Agreement and the Closing;

ii) it 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;

iii) it 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;

iv) it 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

v) it 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.

b) Covenants By Purchaser. Between the Effective Date hereof and the Closing or earlier termination of this Agreement by its terms, Purchaser agrees that:

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

ii) it shall have performed and complied in all material respects with all covenants, agreements, and conditions required by this Agreement, including without limitation the terms of Section 17, to be performed or complied with by Purchaser prior to or at Closing.

8) Seller's Defaults; Purchaser's Remedies. In the event that Seller shall be in material default hereunder for any reason other than the acts or omissions of Purchaser, 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 twenty-five (25) business days after receipt of such notice to cure the alleged default (and the Closing Date shall be delayed, if necessary, until the end of such twenty-five (25) business day period). In the event such default is not cured within such twenty-five (25) business day period, then Purchaser may elect, as its sole and exclusive remedy, to seek to enforce specific performance only for failure to cause the Property to be conveyed with marketable title in accordance with the terms and provisions hereof or to terminate this Agreement by written notice to Seller and the

Closing Agent, whereupon Purchaser shall be entitled to a full refund of the Deposit. It is expressly understood and agreed that the remedy of specific performance shall not be available to enforce any other obligation of Seller hereunder other than a failure to cause the Property to be conveyed in accordance with the terms and provisions hereof. Purchaser hereby expressly waives its rights to seek damages in the event of Seller's default hereunder. Purchaser shall be deemed to have elected to terminate this Agreement if Purchaser fails to file suit for specific performance against Seller in a court having jurisdiction in the City on or before sixty (60) days following the date upon which the Closing was to have occurred.

9) Purchaser's Default; Seller's Remedies. In the event that Purchaser shall be in default hereunder for any reason other than the acts or omissions of Seller, 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 twenty-five (25) business days after receipt of such notice to cure the alleged default (and the Closing Date shall be delayed, if necessary, until the end of such twenty-five (25) business day period). In the event such default is not cured within such twenty-five (25) business day period, then Seller may terminate this Agreement by written notice to Purchaser and the Closing Agent, and Seller shall be entitled to retain the Deposit, which amount shall be in addition to, and not in lieu of, Purchaser's express indemnity and repair obligations expressly set forth herein, and to pursue all other remedies available at law and/or in equity, to include, without limitation, the exercise of any right of reversion set forth under this Agreement. Notwithstanding anything else herein to the contrary, in the event that this Agreement is terminated subsequent to a Purchaser default, Purchaser agrees to: (i) deliver to Seller copies of all contracts, subcontracts, and related documentation for the Development of the Property, (ii) deliver to Seller all warranties related to the Development of the Property, (iii) deliver to Seller any other documentation reasonably requested by Seller related to the Development of the Property, and (iv) assign to Seller or Seller's designee all contracts, subcontracts, and related documentation for the Development of the Property that Seller or its designee elects to assume, in Seller's sole discretion; provided that Seller shall have no obligation to assume any such contracts. The obligations in the foregoing sentence shall survive the Closing and any termination or cancellation of this Agreement.

10) 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 (if applicable), shall be the sole responsibility of Seller. The terms and provisions of this Section shall survive Closing.

11) Closing Costs.

a) Seller shall be responsible for the (i) costs of preparing the Deed (ii) the Grantor's Tax on the Deed (if applicable), one half (1/2) of the escrow fees, and (iii) the cost of removing any monetary liens placed on the Property by Seller.

b) Purchaser shall be responsible for one half (1/2) of the escrow fees and all other closing costs, including, but not limited to (i) all diligence costs, including but not limited to, the cost to obtain the Commitment and the Survey, (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.

12) Closing. The "Closing" shall be held no later than thirty (30) days from the Inspection Completion Date (the "Initial Scheduled Closing Date"). Notwithstanding the foregoing provisions of this Section 12, 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 on or before the Initial Scheduled Closing Date and (ii) depositing the amount of ten thousand Dollars ($10,000) (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, non-refundable and payable to Seller if this Agreement fails to close, but be 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.

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 special warranty deed ("Deed"), in fee simple, subject to matters of record;

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

(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.

(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. Seller may pay by deduction from its sale proceeds.

13) 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 be responsible for any loss, cost or charge 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 termination of this Agreement.

14) Assignability. Purchaser shall not have the right to transfer or assign this Agreement and/or its rights hereunder to any entity or person, by operation of law or otherwise, without Seller's prior written consent, to be exercised in Seller's sole discretion, and any attempted transfer or assignment in violation of the foregoing shall be null and void. Notwithstanding the foregoing, Purchaser shall have the right, upon prior written notice to Seller, but without the need for Seller's consent, to assign this Agreement and its rights hereunder to any entity which controls, is controlled by, or is under common control with Purchaser (an "Affiliate Transfer"); provided, however, that Purchaser shall remain primary liable under this Agreement and Purchaser shall not be released from any liabilities, duties, or obligations under this Agreement subsequent to any such Affiliate Transfer.

15) 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 electronic mail, or mailed by certified or registered mail return receipt requested, in a postage pre-paid envelope, and addressed as follows:

If to Seller: 300 Lynn Street LLC,
P. O. Box 3300
Danville, Virginia 24543

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

If to Purchaser: Lynn Partners, LLC
2334 Mount Vernon Road S.W.
Roanoke, Virginia 24015

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 with written evidence of transmission, and notices sent via certified mail in accordance with the foregoing shall be deemed given when deposited in the U.S. Mail.

16) 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, whereupon Closing Agent shall return to Purchaser the Deposit, together with interest thereon, and both parties shall be relieved of all further obligations under this Agreement, expect for those obligations that expressly survive Closing and/or earlier termination of 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.

17) Pre and Post-Closing Development Conditions; Clawback and Reversion of Title:[3]

a) The "Development" shall be defined as: a mixed-use complex with approximately 60 apartments and ground-floor commercial/retail, constructed in accordance with the approved plans, budget, schedule and the other terms described and developed as outlined below. As a material consideration and inducement for Seller to enter into this Agreement, Purchaser agrees to construct the Development on the Property in accordance with the Minimum Development Requirements and the terms of this Agreement. As used herein, "Minimum Development Requirements" shall mean [•].[4]

b) Purchaser hereby agrees to complete the following conditions prior to Closing (collectively, the "Pre-Closing Conditions")[5] and to provide such additional evidence of the same as Seller may reasonably request:

(i) Within 180 days of the Effective Date (but in any event prior to Closing), Purchaser shall provide Seller with evidence that it has sufficient funds to acquire the Property, construct the Development, and comply with all of its other obligations under this Agreement (the "Funding Requirement").

(ii) Within 180 days of the Effective Date (but in any event prior to Closing), Purchaser shall apply for and diligently pursue, at Purchaser's sole cost and expense, all necessary permits, licenses, zoning confirmation/applications, site plan and other approvals from the appropriate governmental authorities to allow for the Development of the Property and the issuance of the Certificate of Occupancy for the Property (the "Approval Requirement").

(iii) Within 180 days of the Effective Date (but in any event prior to Closing), Purchaser shall provide Seller with architectural and engineering plans and

[3] Are any applicable grants or incentives to be set forth in this agreement?
[4] Client to advise on minimum standards. Recommended language could include the following: "*The 'Minimum Development Requirements' shall mean a minimum of [•] apartments, together with a minimum of [•] s.f. of ground-floor commercial and/or retail space intended for pedestrian-oriented, revenue-producing uses including, but not limited to, retail, restaurants, personal services and offices uses (but excluding, industrial, warehouse, public storage and similar uses) with an anticipated capital expenditure of [•] dollars within [•] months of Closing.*"
[5] Client to confirm proposed deadlines are acceptable.

specifications as evidenced by initial drafts of construction documents or substantially complete design/build documents for the Development (the "Design Requirement"). All such plans and specifications, construction documents, and design/build documents shall be consistent with the Development definition and other Agreement terms. Such plans and specifications, construction documents, and design/build documents set forth in the Design Requirement shall become part of the definition of the Development.

(iv) Within 180 days of the Effective Date (but in any event prior to Closing), Purchaser shall provide Seller with a reasonably detailed budget for the Development, to include line items for labor and material costs, subcontractor information, material sources, anticipated milestones, lending terms and conditions (as applicable), and any other details reasonably requested by Seller (the "Budget Requirement"). The budget shall be consistent with the Agreement terms. The budget set forth in the Budget Requirement shall become part of the definition of the Development.

(v) Within 180 days of the Effective Date (but in any event prior to Closing), Purchaser shall provide Seller with a reasonably detailed construction schedule for the Development. Such schedule shall be consistent with the terms of this Agreement (the "Schedule Requirement"). The schedule set forth in the Schedule Requirement shall become a part of the definition of the Development.

(vi) Seller shall have the opportunity to review the Design Requirement, Budget Requirement, and Schedule Requirement materials, which shall be subject to the prior written approval of Seller, not to be unreasonably withheld, condition, or delayed. In addition, Seller shall be permitted to (i) request additional information from Purchaser and/or (ii) provide comments to such materials, and Purchaser shall deliver such additional information and/or revise such materials to the extent required to comply with the Minimum Design Requirements. In the event Seller cannot provide such comments, or Purchaser cannot make such revisions, prior to the Inspection Completion Date, Purchaser and Seller agree to reasonably cooperate with respect to the same, including, without limitation, by extending the Inspection Completion Date in accordance with Section 5(i). Once the Design Requirement, Budget Requirement, and Schedule Requirement are approved by Seller, such materials shall be deemed final and shall not be altered in any material respect, unless such changes are approved by Seller subject to the foregoing approval process.

c) Purchaser hereby agrees to complete the following conditions after Closing (collectively, the "Post-Closing Conditions") and to provide such additional evidence of the same as Seller may reasonably request:

i) Purchaser shall diligently pursue all necessary permits, licenses, zoning confirmation/applications, site plan and other approvals from the appropriate governmental authorities to allow for the Development of the Property, and within [•] days of Purchaser's receipt of the same, Purchaser shall commence construction of the Development.

ii) In accordance with the approved Design Requirement, Budget Requirement, and Schedule Requirement, Purchaser shall complete the Development in a good and workmanlike manner, consistent with industry standards, and in accordance with the approved plans and specifications, and all applicable federal, state, and local laws, rules, and regulations, by the later to occur of: (i) within [•] months of the Closing or (ii) [January 1, 20__] (the "Development Deadline").[6]

iii) Purchaser shall maintain accurate and up-to-date written records in the normal course of performing its Development obligations under this Agreement. Upon Seller's request, Purchaser shall: (i) provide Seller and its agents with reasonable evidence regarding Purchaser's performance of the Development obligations hereunder, to include, without limitation, the Development budget, schedule, financing, permitting, construction, and overall progress; and (ii) permit Seller and its agents to inspect the Property at reasonable times for the purpose of confirming compliance with Purchaser's obligations hereunder. In addition, Purchaser shall provide Seller with a reasonably detailed written update regarding the progress of the Development on a monthly basis.

d) Seller and Purchaser desire that the Development obligations and requirements hereunder, and any other material terms of this Agreement related thereto, shall be [***incorporated into the deed***][7] transferring the Property to Purchaser, and such deed shall contain a right of reversion to Seller or its designee for the Property and any improvements thereon in the event that Purchaser is in default under this Agreement beyond any applicable notice and cure periods. The purchase price paid from Seller to Purchaser under such right of reversion shall be the same as the Purchase Price under this Agreement. If the Development is not completed by the Development Deadline, Purchaser shall be obligated to reconvey the Property and all improvements thereon to Seller or its designee free and clear or all monetary liens, and all liens or encumbrances created by or through Purchaser. [***Notwithstanding the preceding sentence, the parties may agree to extend the Development Deadline for a period of time as may be reasonably necessary, but in no event longer than [•] years, in order for Purchaser to complete the Development if, by the Development Deadline, Purchaser has not completed the Development but has made capital investment in the Development of at least [•] Dollars ($[•],000).***][8] Seller shall be entitled to specific performance of Purchaser's conveyance obligations if Purchaser fails to perform hereunder, and Purchaser shall be liable to Seller for

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[6] Client to provide information on recommended timeline for post-closing conditions.
[7] Does the client want the reversion to be incorporated into the Deed? Or should we executed a memorandum of record for an exclusive right to repurchase?
[8] Client to provide information.

all reasonable costs and expenses incurred by Seller in enforcing specific performance hereunder.

e) Once Purchaser has completed the Development, Purchaser will send copies of invoices or other materials to Seller to sufficiently document the completion of the Development. Upon receipt of a written notice and confirmation from Seller that Development is complete, any and all rights that Seller may have to repurchase the Property shall terminate without the need for any further action on the part of Purchaser or Seller; provided, however, that Seller agrees to execute such additional documents (including, without limitation, [***an amended deed***]), and take such further actions as may be reasonably required to clarify and document the termination of such repurchase right.

f) All of the provisions of this Section 17 shall survive the Closing and any termination or cancellation of this Agreement.

18) Miscellaneous.

a) This Agreement shall be construed and governed in accordance with 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 (the "City"). 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) Notwithstanding anything in this Agreement to the contrary, Seller's undertaking to pay the cost of performing its commitments under this Agreement shall be subject to and dependent upon appropriations being made from time to time by the City in sufficient amounts for such purposes. The undertaking of Seller to make payments under this Agreement constitutes neither a debt of the Seller nor the City within the meaning of any constitutional or statutory limitation nor a liability of or a lien or charge upon funds or property of Seller or the City beyond any fiscal year for which the City has appropriated moneys to make such payments.

c) Nothing in this Agreement shall be construed to waive, limit or otherwise modify, in whole or in part, any governmental or sovereign immunity that may be available to Seller or the City, its employees or agents.

d) 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.

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

f) 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.

g) 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 both parties. This Agreement shall be binding upon the parties hereto and their respective successors and assigns.

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

i) The parties agree that in the event that any date on which performance is to occur falls on a Saturday, Sunday or City of Danville, state or national holiday, then the time for such performance shall be extended until the next business day thereafter occurring.

j) 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.

k) 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) upon Seller's request, promptly deliver to Seller all written studies, analyses, reports and assessments relating to any of the Purchaser's investigations, in accordance with Section 5(d). This Section 18(k) shall survive Closing and any termination or cancellation of this Agreement.

{Signatures appear on the following pages}

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

PURCHASER:
Lynn Partners, LLC

By: ______________________
Name: Brent G Cochran
Title: Manager

SELLER:
300 Lynn Street, LLC

By: ______________________
T. Neal Morris
Title: ______________________

[*Signature Page to Agreement of Purchase and Sale*]

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Industrial Development Authority

STAFF REPORT

DATE: April 14, 2026

TO: Industrial Development Authority

FROM: Kelvin Perry, Assistant Director of Economic Development and Tourism

RE: A resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing an assignment and assumption of parking lease between 18F Danville, LLC and Morotock Building Master Tenant LLC.

The Industrial Development Authority of Danville, Virginia entered into a Parking Lease agreement with 18F Danville LLC on March 10, 2026 to provide exclusive rights for up to (50) parking spaces located in the proposed N. Union Parking Garage. This agreement assigns the N. Union Parking Deck Parking Lease executed on March 10, 2026 from 18F Danville, LLC (Assignor) to Morotock Building Master Tenant, LLC (Assignee), in connection with the master lease of 18 North Floyd Street, Danville, VA.

ATTACHMENTS

1. Res - 2687 18F Danville LLC and Morotock Building Master Tenant LLC Parking Lease
2. Final Copy Assignment and Assumption of Parking Lease - 18F Danville LLC to Morotock Building Master Tenant LLC
3. FINAL COPY - 2026-3-10 N Union Street Parking Garage Lease

PRESENTED: __April 14, 2026__

ADOPTED: __April 14, 2026

RESOLUTION NO. 2026- _____ . _____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING AN ASSIGNMENT AND ASSUMPTION PARKING LEASE AGREEMENT BETWEEN 18F DANVILLE, LLC AND MOROTOCK BUILDING MASTER TENANT LLC.

NOW THEREFORE, BE IT RESOLVED, by the Industrial Development Authority of Danville, Virginia (IDA), that it hereby approves and authorizes an assignment and assumption of a parking lease between 18F Danville, LLC and Morotock Building Master Tenant LLC; and

BE IT FINALLY RESOLVED, by the Industrial Development Authority of Danville, Virginia, that it hereby directs the Chairman, or in his absence any Officer, to execute the Agreement and any other documents necessary to complete the transaction described in this resolution.

Approved:

____
Chairman

Attest:

____
Secretary

Approved as to
Form and Legal Sufficiency:

____
City Attorney

ASSIGNMENT AND ASSUMPTION OF PARKING LEASE

THIS ASSIGNMENT AND ASSUMPTION OF PARKING LEASE (this “Assignment”) is made this ___ day of _________, 2026 (the “Effective Date”), by and between **18F DANVILLE, LLC**, a Virginia limited liability company (the “Assignor”), and **MOROTOCK BUILDING MASTER TENANT, LLC**, a Virginia limited liability company (“Assignee”). The Assignor and Assignee are referred to collectively herein as the “Parties” or individually as a “Party”.

RECITALS

A. Assignor has entered into a purchase agreement to purchase that certain parcel of real property and the building and improvements thereon known as 18 North Floyd Street, Danville, Virginia 24541 (the “Premises”).

B. In connection with the acquisition of the Premises the Assignor has entered into that certain N. Union Parking Deck Parking Lease by and between Assignor, as lessee, and The Industrial Development Authority (IDA) of the City of Danville, Virginia, a public body and instrumentality of the Commonwealth of Virginia, as lessor (the “Lease”). A true and complete copy of the Lease (including all addendums) is attached hereto as Exhibit A.

C. Pursuant to that certain Master Lease Agreement with respect to the Premises to be executed between Assignor and Assignee contemporaneously with the execution of this Assignment (the “Master Lease Agreement”), Assignor intends to master lease the Premises to Assignee and Assignee desires to accept the lease of the Premises pursuant to such Master Lease Agreement.

D. In connection with such Master Lease Agreement, Assignor desires to assign the Lease to Assignee, and Assignee desires to accept such assignment of the Lease.

E. The Parties are entering into this Assignment to evidence the terms and conditions of the assignment and assumption of the Lease by Assignor to Assignee.

ASSIGNMENT

NOW, THEREFORE, for and in consideration of the covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Recitals. The recitals set forth above are true and correct and are hereby incorporated into this Assignment, as if set forth herein in full, and made an integral part hereof.

2. Assignment. As of the Effective Date, Assignor hereby transfers, assigns and conveys unto Assignee all of Assignor’s right, title, duties, obligations, and interest as “Lessee” under the Lease. Assignee hereby fully accepts this Assignment, and acknowledges receipt of the Lease and accepts and assumes full responsibility of the Lease as Lessee, including without limitation the direct performance of all of Lessee’s duties and obligations under the Lease from

and after the Effective Date with respect thereto. Assignee covenants and agrees to defend, indemnify and hold Assignor harmless for any claim, action, obligation, liability, recovery, deficiency, loss, damage, cost or expense (including, but not limited to, reasonable attorneys' fees and other costs, interest and expenses incident to any suit, action or proceeding) that Assignor shall incur or suffer, arising, resulting or relating out of any failure of Assignee to perform any of its obligations with respect to the Lease, on and after the Effective Date. Assignor covenants and agrees to defend, indemnify and hold Assignee harmless for any claim, action, obligation, liability, recovery, deficiency, loss, damage, cost or expense (including, but not limited to, reasonable attorneys' fees and other costs, interest and expenses incident to any suit, action or proceeding) that Assignee shall incur or suffer, arising, resulting or relating out of any failure of Assignor to perform any of its obligations with respect to the Lease, before the Effective Date.

3. <u>Waiver of New Lease Requirement</u>. Assignee further acknowledges and agrees that any amendment or novation to the Lease shall be the sole responsibility of the Assignee.

4. <u>Miscellaneous</u>. This Assignment shall be governed by and construed in accordance with 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. The invalidity or unenforceability of any particular provision of this Assignment shall not affect the other provisions hereof, and this Assignment shall be construed in all respects as if such valid or unenforceable provisions were omitted. The parties may amend, modify and/or supplement this Assignment in such manner as may be agreed upon by the parties, provided such amendments, modifications, and/or supplements are reduced to writing and signed by the parties or their successors in interest. This Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, and legal representatives. This Assignment may be executed in counterparts each of which shall be deemed an original but all of which together shall constitute one and the same Assignment. A facsimile or scanned copy (*.pdf) signature to this Assignment shall have the same effect as an original for all purposes.

5. <u>Conflict</u>. In the event that any of the terms and conditions in the Lease conflict in any way with the terms and provisions hereof, the terms and provisions of this Assignment shall prevail.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed as of the Effective Date.

<u>ASSIGNOR</u>:
18F Danville, LLC,
a Virginia limited liability company

By: **18F Danville Manager, LLC**,
a Virginia limited liability company, its Manager

____
Peter Flotz, Manager

<u>ASSIGNEE</u>:
Morotock Building Master Tenant, LLC,
a Virginia limited liability company

By: **Morotock Building Managing Member, LLC**
a Virginia limited liability company, its Manager and sole Member

By: **18F Danville Manager, LLC**,
a Virginia limited liability company, its Manager

____
Peter Flotz, Manager

EXHIBIT A

COPY OF PARKING LEASE

[LEASE DOCUMENTS ON NEXT PAGE]

N. UNION STREET PARKING DECK
PARKING LEASE

This PARKING LEASE AGREEMENT (this "Agreement") is made and entered into as of the 10th day of March, 2025, by and between **THE INDUSTRIAL DEVELOPMENT AUTHORITY (IDA) OF THE CITY OF DANVILLE, VIRGINIA** (the "Landlord"), and **18F DANVILLE LLC**, a Virginia limited liability company (the "Lessee").

Section 1. Premises: This Agreement provides Lessee with exclusive rights for up to fifty (50) parking spaces located in the proposed N. Union Street Parking Garage located at N. Union Street Parcel #20432 in Danville, Virginia in the location indicated on Exhibit A[1] (the "Premises").

Section 2. Project: Lessee will own and operate a residential apartment building known as Morotock Lofts, located at 18 N Floyd Street in Danville, Virginia (the "Project").

Section 3. Landlord's Rights: Landlord reserves the right to amend Section 10 of this Agreement by providing a 30-day prior notice of such amendment, submitted in writing to the Lessee and the Lender (as defined below), and provided such amendment does not affect the Lessee's costs or ability to exclusively utilize the provided parking spaces for the parking of passenger vehicles and/or motorcycles 24 hours a day and 365 days a year. Landlord shall incorporate technology in the Premises that guarantees the availability of leased spaces for the tenants of the Lessee. Upon any sub-lessee's failure to observe Section 10 of this Agreement, Landlord reserves the right at any time to demand the Lessee to terminate any sub-lessee's parking agreement with thirty (30) days prior written notice to the Lessee. Landlord may have vehicles ticketed, immobilized, and/or towed at the vehicle owner's expense without notice if sub-lessee violates Section 10 of this Agreement.

Section 4. Lease Option: Lessee shall have the continuing option to lease from Landlord up to fifty (50) spaces for vehicular parking by residents of the Project and their permitted guests. Lessee shall have the exclusive right to use the elected spaces 24 hours a day, 365 days a year. Upon receipt of a certificate of occupancy for the Project (the "Lease Commencement Date"), Lessee shall lease a minimum of 35 spaces. The number of spaces leased may be reset quarterly in a range within a minimum of thirty-five (35) and maximum of fifty (50) spaces.

Section 5. Rent in the amount of **$50.00** (inclusive of all impositions) per leased space is due on the 1st of each month without demand or notice. Beginning on the fifth anniversary of the Lease Commencement Date, and on each fifth anniversary thereafter, the monthly rent amount per space shall reset to the rate adopted by the Landlord (or successor) in its fee schedule for parking facilities. A late fee equal to 10% of the monthly rent will be assessed for payments received after the 5th of the month. Payments made by check are payable to: The Industrial Development Authority of Danville or the agent/management company authorized to receive payments on behalf of the IDA. CASH IS NOT ACCEPTED. Payments may be dropped off or mailed to: The Industrial Development Authority of Danville, c/o Danville Office of Economic Development and Tourism; 427 Patton Street; P.O. Box 3300, Danville, VA 24543-3300. It is Lessee's responsibility for payments to arrive on time. Checks, ACH or wire transfers that are returned for any reason will incur a $50 penalty. If any rent has become delinquent for more than 15 days, Landlord shall provide a written default notice to the Lessee. Subject to Section 17(b), Landlord reserves the right to terminate the Lease immediately should Lessee fail to cure the written default within 30 days after receipt of such notice.

Section 6. Term: This Agreement shall begin on the Lease Commencement Date and shall continue for a term of fifteen (15) years, with three ten (10) year options for renewal, with rates adjusted every five years, as described in Section 5. Lessee must provide a 60-day advanced written notice to the Landlord of its intention to terminate or modify this Agreement.

Section 7. Interim Parking: From and after the Lease Commencement Date and until the Premises are completed and operational, the Landlord shall work with the Lessee to identify up to fifty (50) spaces within one-quarter (1/4) mile of the Project on City of Danville or Landlord -owned property for up to $30 per month, per space.

Section 8. Taxes; Utilities; Common Costs: There shall be no additional taxes, utility charges, or common area maintenance fees due from Lessee beyond the rent unless otherwise agreed in writing.

Section 9. Compliance; Operations

The Landlord shall operate and maintain the Premises and any substitute facilities in a commercially reasonable manner consistent with other public parking assets. Lessee shall cooperate with reasonable access or permit procedures established by the Landlord.

The Landlord shall provide and maintain illumination for the Premises and all means of pedestrian and vehicular access and egress thereto and therefrom, which are owned by the Landlord, including any elevators and stairwells in the Premises, from dusk to daylight, on such light standards and locations and at such levels of illumination as are agreeable to the Lessee.

If the Landlord fails to perform its duties and obligations under this Agreement, the Lessee may at any time give written notice to the Landlord setting forth the specific items of nonperformance and requesting that the Landlord remedy the nonperformance. If such nonperformance is not corrected within thirty (30) days after receipt of such notice, or if such nonperformance is such that it cannot be corrected within such time, and if the Landlord fails to commence the performance of such duties within such period and diligently prosecute the same to completion thereafter, then, in either such event, the Lessee shall have the right, upon prior written notice to the Landlord, to perform such duties at the expense of the Landlord, including the right and temporary license to enter upon the Premises to perform the same. [2] Landlord shall reimburse Lessee for Lessee's expenditures incurred pursuant to this paragraph within thirty (30) days of receipt of an invoice from the Lessee.

Section 10. Parking Rules and Regulations: Lessee shall require that all sub-lessees (1) use the Premises solely to park passenger vehicles and/or motorcycles and not utilize the parking spaces for any other purpose, (2) provide current license plate information for their vehicle and (3) park within the designated area of the Premises. Storage or disposal of any animals, explosives, gasoline, or other flammable material, hazardous waste, contaminant, oil, or radioactive material is expressly prohibited. Smoking is also prohibited. Lessee or its sub-lessees shall not make any alterations or post any signage to the Premises without the written consent of Landlord. The use of freezers, refrigerators or any other electrical device that requires electrical power from the Premises is not permitted. Vehicles must have current license plates and if, required by law, emissions stickers, be in working order [and be able to be moved within 24 hours of Landlord's request.][3] Landlord may require a vehicle to be removed if a vehicle is found to be non-operable, excessively leaking fluids, or in other violation of this Section 10 at the vehicle owner's expense. Commercial or repair activities are not allowed unless deemed necessary to permit a vehicle to be moved. Landlord will also provide access to this Section 10 to the Lessee which may be immaterially modified to clarify garage operations, equipment, and other rules that must be followed by all Lessee's sublessees, their guests and visitors.

Section 11. Access Control: Landlord will provide Lessee with parking access cards ("Access Cards") at a quantity equal to the number of leased parking spaces which shall be used to permit one vehicle at a time in the Premises and in sequence (entrance must be followed by exit). The initial cost to Lessee shall be $20.00 per Access Card and shall be non-refundable. Lessee will be responsible for distributing Access Cards to its end users and, subject to Section 17(c) of this Agreement, will have a period of 30 days after the termination of this Agreement to collect and return the Access Cards to Landlord. The fee for any new, lost, stolen, or damaged Access Card during any term of this Agreement shall be $20.00 per Access Card ("Card Fee") and shall be non-refundable.

Section 12. Subleases under this lease to any individual that is not a resident of the Project is prohibited unless Lessee receives the written consent of the Landlord.

Section 13. Assignment of this Agreement by the Lessee may not occur without the Landlord's prior written consent, not to be unreasonably withheld, conditioned, or delayed and the Lender's prior written consent in its sole discretion. Notwithstanding the foregoing, assignment to a successor owner of the Project shall be deemed approved with prior written notice to the Landlord and the Lender.

Section 14. Landlord is not responsible for theft or damage to vehicles or their contents and may request sub-lessees to park in alternative locations in accordance with Section 7 of this Agreement to allow for repairs and maintenance activities from time to time.[4]

Section 15. Accessible (handicap) Spaces may be subleased only to residents or caretakers transporting residents with documented physical disabilities. Use of these spaces is included in the 50 parking spaces contemplated by this Agreement.

Section 16. Electrical Vehicles: No EV charging stations are available on the Premises.

Section 17. Lender Protections; Non-Disturbance; Estoppel

(a) **Collateral Assignment:** The Landlord consents to Lessee's collateral assignment of this Agreement to Lessee's senior mortgagee or deed of trust beneficiary from time to time (each, a "Lender"). No further consent shall be required to affect any such collateral assignment, provided the Landlord receives written notice of the Lender's name and notice address.

(b) **Notice and Cure:** The Landlord shall provide any Lender of whom it has been notified with a copy of any notice of default to Lessee. A Lender shall have the right, but not the obligation, to cure any default within thirty (30) days after the later of Lessee's cure period or Lender's receipt of written notice of default for monetary defaults, and within sixty (60) days for non-monetary defaults, provided that if a non-monetary default cannot with diligence be cured within sixty (60) days, the cure period shall be extended for so long as the Lender is diligently prosecuting the cure. Notwithstanding the foregoing, no default shall be deemed to exist so long as Lender in good faith (1) shall have promptly commenced to cure, or caused to be commenced the cure of, the default identified in the default notice on which it is copied, and shall have prosecuted, or caused to be prosecuted, such cure to completion with reasonable diligence and continuity, subject to unavoidable delays which for purposes of this Section shall include causes beyond the control of such Lender instead of causes beyond the control of Lessee.

(c) **New Lease Right:** If this Agreement is terminated or rejected by reason of any default by Lessee or in any foreclosure, deed in lieu, insolvency, or similar proceeding, then upon written request by any Lender made within sixty (60) days after such event, the Landlord shall enter into a new parking lease with the Lender or its designee on the same terms and conditions as this Agreement for the unexpired balance of the term then remaining.

Estoppel: Upon not less than twenty (20) days' prior written request by a party or any Lender, the Landlord or Lessee, as applicable, shall execute and deliver an estoppel certificate confirming the Lease Commencement Date, the term then remaining, the amount of rent, and whether any known defaults exist, and such other customary matters reasonably requested.

(d) SNDA. Lessee shall not be required to subordinate its interest in this Agreement to any existing or future deed of trust or mortgage without Landlord first obtaining and recording, for the benefit of Lessee, an agreement of non-disturbance with such lender on commercially reasonable terms acceptable to Lessee and lender, which shall provide that, so long as Lessee is not in default under this Agreement (beyond applicable notice and cure periods) this Agreement and Lessee's rights hereunder shall not be disturbed by reason of default or failure of Landlord to observe or perform any covenant or obligation secured by such deed of trust or mortgage and that foreclosure or other enforcement of such deed of trust or mortgage shall be subject to this Agreement. Landlord represents and warrants to Lessee that it has full right and ability to enter into this Agreement and that it has good and marketable fee simple title to the Premises.

(e) Lender Liability: No Lender shall become liable under the provisions of this Agreement unless and until such time as it becomes, and then only for so long as it remains, the legal owner of record of any interest in the lease or real property described herein.

Section 18. Termination: Lessee may terminate this Agreement, in whole or in part, on sixty (60) days written notice to the Landlord provided that, no such termination shall be effective unless it is accompanied by the prior written consent of the Lender. The Landlord may terminate only for an event of default that remains uncured after notice and the cure periods described under Section 17(b), and any Landlord termination is subject to Section 17(c). Subject to Section 17(b), an Event of Default means: (i) nonpayment of rent continuing thirty (30) days after written notice to the Lessee and the Lender; or (ii) a material breach not cured within sixty (60) days after written notice to the Lessee and the Lender, or, if not curable within sixty (60) days, then within a reasonable time while diligently curing. Upon termination of this Agreement but subject to Section 17(c), the Lessee shall promptly remove and/or cause sub-lessees to promptly remove all belongings and vehicles from Premises. If Lessee or any sublessees fail to promptly remove any personal property, Landlord shall retain any rights permitted by law or ordinance to presume that Lessee or sublessee has abandoned the personal property and may dispose of the personal property in any matter that Landlord, in Landlord's reasonable discretion, determines is appropriate. Landlord will not be required under this Agreement to store any items of personal property that Lessee or sublessee leaves behind unless required by law or ordinance.

Section 19. Insurance; Indemnity, Condemnation

(a) Liability Insurance: Each party (other than the City) shall maintain customary liability insurance covering its activities under this Agreement in a minimum amount of $1,000,000.00 per occurrence. Each party (other than the City) shall be included as an additional insured under the other party's liability policy. The Landlord shall also maintain commercial property insurance covering the Premises in an amount not less than the full replacement value. The Landlord releases Lessee from responsibility and liability (by way of subrogation or otherwise) for loss or damage to the property (real or personal) of the releasing party arising out of fire or other insurable peril covered by commercial property insurance required to be maintained under this Agreement. Landlord agrees to include a waiver of subrogation in its casualty insurance policy. Except to the extent of the forgoing release and waiver of subrogation, and to the extent permitted by law, each party shall indemnify the other for claims arising from its own negligence or willful misconduct. The Landlord does not assume responsibility for damage to vehicles or contents except where caused by its negligence.

(b) Major Damage: In the event of any damage or destruction to all or any portion of the Premises which reduces the number of spaces available to the Lessee to less than 50, the Landlord shall undertake to repair or rebuild such facility as promptly as reasonably possible after the date of such damage or destruction. The Landlord shall exercise due diligence in discovering any damage or destruction. During the period in which repairs are being made after the discovery of such damage, the Landlord shall provide temporary parking to the Lessee at the then current rate within one-quarter (1/4) mile of the Project.

(c) **Condemnation:** If, at any time during the term of this Agreement, there shall be a taking by eminent domain or the exercise of the power of condemnation (including voluntary sale in lieu of condemnation) of all or substantially all of the Premises such that the spaces are no longer available for use by the Lessee, then the Landlord shall make up to 50 parking spaces available to Lessee within one quarter (1/4) of a mile from the Project in a single parking facility at no charge for the remaining term of this Agreement but otherwise subject to the terms and conditions of this Agreement. In the event of delay between the date the Lessee is unable to use the spaces in the Premises as a result of such condemnation, and the provision of replacement parking, the Landlord shall provide temporary parking. Nothing contained herein shall be construed to prevent the Lessee from asserting against the condemning authority any claim for damages or seeking from the condemnor its share of condemnation proceeds to which it may be entitled on account of the leasehold interest, or from collecting relocation costs and expenses.

If, at any time during the term of this Agreement there shall be a taking by eminent domain or the exercise the power of condemnation (including voluntary sale in lieu of condemnation), and as a result of such action only a part of the Premises is taken, but the spaces in the Premises remain available for use by Lessee in substantially the same manner as prior to such condemnation (as determined by the Lessee in its sole discretion), then the Lessee shall be entitled to continue its use of the spaces in such manner and this Agreement shall remain in full force and effect.

Section 20. Jurisdiction and Venue: 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 any 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.

Section 21. Notices:
All notices shall be in writing and delivered personally, via overnight courier, or certified mail to:

If to the Landlord:
City of Danville, Virginia
P.O. Box 3300
Danville, VA 24543

If to Lessee:
16F Danville LLC
1007 W Trinity Ave.
Durham, NC 27701

If to the Lender:
Virginia Housing Development Authority
601 S. Belvidere Street
Richmond, VA 23220
Attention: Managing Director of Rental Housing Development

With a copy to:
Virginia Housing Development Authority
601 S. Belvidere Street
Richmond, VA 23220

Attention: Chief Counsel

Section 22. Miscellaneous:

(a) So long as Lessee pays all rent reserved under this Agreement and fully performs the obligations on its part to be performed hereunder and no event of default occurs hereunder, then Lessee shall peaceably hold and quietly enjoy the Premises subject to the terms of this Agreement.
(b) This Agreement may be executed in counterparts and transmitted electronically.
(c) Headings are for convenience and do not affect interpretation.
(d) If any provision is found invalid, the remainder shall remain enforceable.
(e) This Agreement is the entire agreement between the parties regarding the subject matter and supersedes all prior discussions or understandings.
(f) Except as provided in Section 3, this Agreement may be amended only by a written instrument signed by the parties and the Lender.
(g) If the Landlord has received written notice of a Lender's name and address, the Landlord will send that Lender a copy of any notice given under this Agreement.
(h) This Agreement shall be evidenced by a recorded memorandum of lease in form and substance satisfactory to the parties hereto and the Lender.

The below signed hereby agree to the above rules and payments which govern parking.

LANDLORD:

INDUSTRIAL DEVLEOPMENT AUTHORITY OF DANVILLE, VIRGINIA, a political subdivision of the Commonwealth of Virginia

By: Industrial Development Authority of Danville, Virginia

By: ______________________________
T. Neal Morris, Chairman

LESSEE:

18F Danville, LLC, a Virginia limited liability company

By: 18F DANVILLE MANAGER LLC, a Virginia limited liability company,
Its: Manager

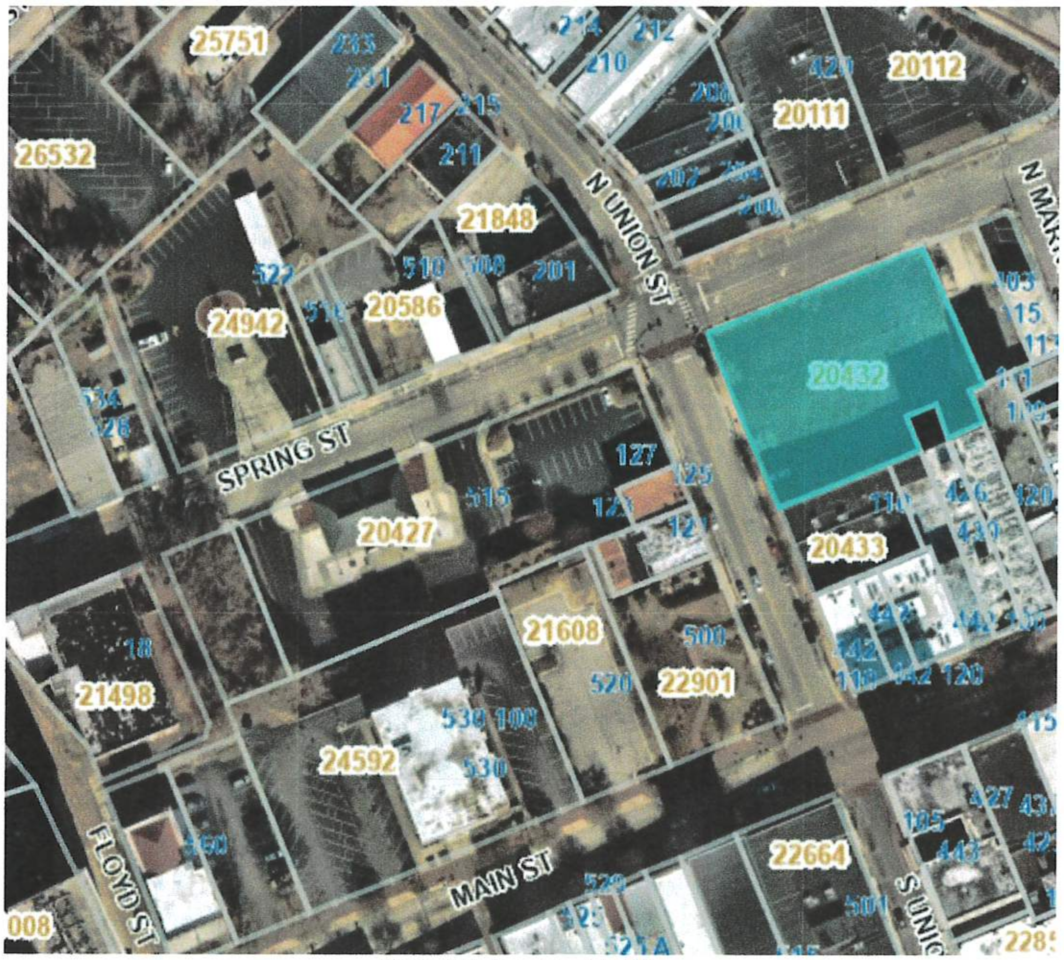
By: ______________________________
Peter Flotz, Manager

EXHIBIT **A**

Premises

The Premises referenced in Section 1 of this Parking Lease Agreement consist of parking spaces located within the proposed N. Union Street Parking Garage on Parcel No. 20432, City of Danville, Virginia.

The parcel map below is provided for reference purposes only and is not a survey, does not depict exact boundaries, and shall not be relied upon for legal description, dimensions, or title matters.



Parcel Referenced in Blue.

Industrial Development Authority

STAFF REPORT

DATE: April 14, 2026

TO: Industrial Development Authority

FROM: Kelvin Perry, Assistant Director of Economic Development and Tourism

RE: A resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing a ground lease agreement between the Industrial Development Authority and Commonwealth of Virginia, Danville Community College.

Danville Community College (DCC) is actively working toward the creation of a Commercial Driver's License (CDL) program as a component of its academic offerings.

This resolution authorizes the approval of a ground lease between Danville's Industrial Development Authority and Danville Community College. Danville Community College will lease property owned by the Industrial Development Authority located at 985 Lockett Drive, Danville, Virginia. The initial term of the lease will be five (5) years with a rent of $2,317.69, which includes tenant improvement costs. At the end of the initial term, the Lease shall automatically renew year to year, unless notice is given by either party at least sixty (60) days prior to the end of the term.

ATTACHMENTS

1. Res - 2693 Lease Agreement between IDA and DCC 985 Lockett Dr
2. DCC IDA - CDL Ground Lease - 03.31.2026 Final

PRESENTED: _April 14, 2026

ADOPTED: _April 14, 2026

RESOLUTION NO. 2026-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING A GROUND LEASE BETWEEN THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AND THE COMMONWEALTH OF VIRGINIA, DANVILLE COMMUNITY COLLEGE, ON BEHALF OF THE STATE BOARD FOR COMMUNITY COLLEGES, FOR THE PROPERTY IDENTIFIED AS 985 LOCKETT DRIVE, DANVILLE, VIRGINIA.

NOW THEREFORE, BE IT RESOLVED, by the Industrial Development Authority of Danville, Virginia (IDA), that it hereby approves and authorizes a ground lease between the Industrial Development Authority of Danville, Virginia and the Commonwealth of Virginia, Danville Community College, on behalf of the State Board for Community Colleges, for the property identified a 985 Lockett Drive, Danville, Virginia, substantially in a form attached hereto; and

BE IT FURTHER RESOLVED, by the IDA that it hereby approves and authorizes the lease of Sixty Months (60) at a lease rate of Two-Thousand Three Hundred Seventeen and 69/100 dollars ($2,317.69) per month with an option to renew; and

BE IT FINALLY RESOLVED, by the Industrial Development Authority of Danville, Virginia, that it hereby directs the Chairman, or in his absence any Officer, to execute the ground lease agreement and any other documents necessary to complete the transaction described in this resolution.

Approved:

____
Chairman

Attest:

____
Secretary

Approved as to
Form and Legal Sufficiency:

____
City Attorney

DEED OF LEASE

This **GROUND LEASE** (this "**Lease**") is made and entered into as of the _____ day of ____________________ 2026 (the "**Commencement Date**"), by and between the **INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the "**IDA**") and COMMONWEALTH OF VIRGINIA, **DANVILLE COMMUNITY COLLEGE**, ON BEHALF OF THE STATE BOARD FOR COMMUNITY COLLEGES (the "**DCC**").

R E C I T A L S :

WHEREAS, in order to stimulate economic growth and development of the City of Danville ("City"), the IDA as lessor, wishes to enter into this Lease under which DCC, as lessee, intends to establish a workforce training program (the "**Program**"), at 985 Lockett Drive (PARCEL 78545) ("**Property**"), containing approximately 8.056 acres; and

WHEREAS, the IDA and DCC find that the provisions of this Lease will promote the expansion of industry by creating a workforce training program to support manufacturing and industrial development and that such development will promote the safety, health, welfare, convenience, and prosperity of the citizens of the City.

A G R E E M E N T :

In consideration of the promises and the mutual covenants hereafter contained, the parties hereto covenant and agree as follows:

Section 1. - Lease of 985 Lockett Drive. The IDA hereby demises and leases to DCC, and DCC hereby leases from the IDA, Property, "**AS IS**", "**WHERE AS**" and "**WITH ALL FAULTS**", upon the terms and conditions hereafter set forth. Upon request of DCC, the IDA shall execute and deliver to DCC temporary, non-exclusive construction easements over Property as delineated on the construction plans that will be provided by DCC in their request for such easements, for (i) the sole and limited use and benefit of DCC and their contractors, subcontractors, employees, agents, representatives, and invitees, for construction purposes. Any such temporary construction easements shall be for the Term (as defined herein).

Section 2. - Term. The Lease shall be for an initial term (the "**Term**") of sixty (60) months, beginning on the Commencement Date, unless sooner terminated as provided for herein. At the end of the Initial Term, this Lease shall automatically renew year to year, unless notice is given by either party at least sixty (60) days prior to the end of the term.

Section 3. - Annual Base Rent; Monthly Base Rent; Additional Rent.

During the Term and except as otherwise provided in Sections 5 and 6 below, Tenant shall pay to Landlord or to its designee annual base rent in the amount of Twenty-Four Thousand dollars and 00/100 ($24,000.00) **("Annual Base Rent"),** payable in equal consecutive monthly installments of Two Thousand and00/100 ($2,000.00) each **("Monthly Base Rent").** In addition to Annual Base Rent, Tenant shall pay to Landlord or to its designee all sums of money, if any, payable by Tenant under this Lease other than Annual Rent **("Additional Rent").** Landlord shall have the same remedies available for Tenant's failure to pay Additional Rent as Landlord has for Tenant's failure to pay Annual Base Rent or installments thereof.

Section 5. Upfit Monthly Additional Rent.

Tenant shall pay to Landlord as Additional Rent, **"Upfit Monthly Additional Rent",** that shall be equal to Upfitting Costs (as defined in Section 6 below). The Upfit Monthly Additional Rent will be Three Hundred Seventeen and 69/100 Do11ars ($317.69). Upfit Monthly Additional Rent shall be payable and due on the same date that Monthly Base Rent is due. In the event that Upfitting Costs adjust as a result of changes to required mortgage payments, escrow deposits or other payments under the Upfitting Loan (as defined in Section 6 below), Upfit Monthly Additional Rent shall be adjusted accordingly. Landlord shall give at least thirty (30) days advance written notice of any change in Upfit Monthly Additional Rent, including an itemized calculation of such change. In the event that Upfitting Costs have been paid in full during the Term and Tenant is not then in default of this Lease, Landlord shall give written notice within thirty (30) days after the occurrence of that event, and Tenant's obligation to make further payments of Upfit Monthly Additional Rent shall cease.

Section 6. Upfitting Costs. **"Upfitting Costs"** shall mean the costs of improvements, replacements, additions or alterations to the Demised Premises to be completed by Landlord prior to the Commencement Date in accordance with the Upfitting Scope of Work, in an amount not to exceed Fifty-One Thousand Seven Hundred Thirty-four and 00/100 Dollars ($51,734.00) without the prior written authorization of the Tenant. In the event that Landlord finances all or a portion of the Upfitting Costs with a loan from a third-party lender **("Upfitting Loan"),** Upfitting Costs shall also include without limitation the finance charges of such lender, under the Upfitting Loan. Upon request of Landlord, Tenant agrees to provide financial information to Landlord's lender and to execute any and all documents as may be reasonably required for Landlord to obtain any Upfitting Loan.

Section 7. - Use of 985 Lockett Drive.

a. IDAs' Use. Property shall be used and occupied by DCC or their authorized sublessee or assignee solely for a workforce development training program permitted under the applicable zoning ordinances of the City. DCC shall obtain, at their sole cost and expense, all necessary permits or approvals of any governmental authorities necessary to use the Property. The IDA, as owner of the Property, shall reasonably cooperate with DCC in obtaining all such necessary permits or approvals of any governmental authorities necessary to use the Property and to make improvements to the Property according to the Program needs, but in no event shall the IDA be required to bear any costs or expenses associated with obtaining such permits. DCC shall obtain prior written approval from the IDA, which approval shall not be unreasonably withheld, delayed or conditioned, of the Property.

b. Utilities. DCC agrees to pay or to cause to be paid by the Subtenants (as hereafter defined), on a timely basis, directly to the provider thereof, all costs and charges for electricity, gas, sewer, heat, water, and all other utilities to the extent used by DCC or the Subtenants (as hereafter defined), and all taxes or charges imposed by the City or any other governmental or quasi-governmental units on such utility services which are used on or attributable to the Property during the Term. In no event shall the IDA be liable for any interruption or failure in the supply of any utilities to the Property.

Section 8. - Alterations and Improvements:

(a) Lessee may make such alterations, modifications, additions and/or improvements upon or to the demised premises and may install or remove such fixtures as Lessee may deem proper. All materials used in such alterations, modifications, improvements, and all fixtures made and/or installed by Lessee shall remain the property of Lessee and, upon termination of this Lease, may, at Lessee's option, be removed.

(b) If applicable, Lessor shall join Lessee in obtaining any zoning changes necessary to Lessee's use of the Demised Premises as set forth herein.

Section 9. - No Mechanics', Materialmen's, Laborers' Liens.

a. DCC shall timely pay for all construction and shall keep the Property free from mechanics', materialmen's, and/or other laborers' liens as a result of any construction, or any other services or materials, performed or provided by or on behalf of DCC on any portion of the Property during the Term. In the event that any such lien is filed against any portion of the Property, DCC agrees within sixty (60) days after receipt by DCC of notice of such lien, to either (a) pay to such lien claimant such sums as are necessary to release such lien in full, or (b) if DCC desires to contest all or any portion of such lien, to post bond before a court of competent jurisdiction sufficient to release such lien of record. All work under this Section performed in the construction on any portion of the Property shall be performed in a good and workmanlike manner, in conformity with all applicable requirements of law.

Section 10. - Allocation of Risk; Insurance.

a. Allocation of Risk. DCC and their subtenants on the Property (the “**Subtenants**”) shall store their assets and shall occupy the Property at their own risk. Nothing in this Lease shall be deemed to diminish or extinguish the parties’ respective sovereign immunity, whatever it may be.

b. Required Insurance. DCC jointly shall cause the Subtenants to keep in full force during the Term the following minimum insurance policy or policies:

(1) Public liability insurance covering the Subtenants, naming the IDA as an additional insured, in a form satisfactory to the IDA, with coverage of not less than One Million and 00/100 Dollars ($1,000,000.00) for one person and Three Million and 00/100 Dollars ($3,000,000.00) for one accident and property damage in the amount of One Million and 00/100 Dollars ($1,000,000.00) for each accident, and to deposit evidence thereof with the IDA; and

(2) Policy or policies of insurance covering the Subtenants, naming the IDA as an additional insured, in a form satisfactory to the IDA, against loss or damage to improvements on the Property in the amount of the full replacement cost thereof, against any perils included within the classifications of fire, vandalism, explosion, malicious mischief, special extended perils ("**all risk**") and any risk covered by the so called Extended Coverage Endorsement (including leasehold improvements). Such insurance shall be paid no later than the due date thereof. In the event of any claim, the proceeds of such claim shall be used to restore the improvements on the Property.

c. Insurance Rating. Insurance required hereunder shall be underwritten by companies duly licensed to transact business in the Commonwealth of Virginia. Those insurance companies shall maintain during the policy term a "**General Policyholders Rating**" of at least "**A-**" (Excellent), as set forth in the most current issues of "**Best's Insurance Guide**". The Subtenants shall authorize or shall cause to be authorized any and all insurance companies to speak directly with the IDA at any time. No such policy shall be cancelable or subject to modification except after at least thirty (30) days prior written notice to the IDA.

d. Insurance of the Subtenants’ Property. Any insurance maintained by the Subtenants to cover any casualty for such property of the Subtenants shall include a provision or endorsement that such insurer shall waive its right of subrogation against the IDA with respect to any damage to any property of the Subtenants.

Section 11. - Maintenance of Driveway. The IDA shall be responsible for the construction and maintenance of the related driveway for access to the Property.

Section 12. - Assignment. DCC shall have the right to sublease to a third party upon giving written notice to the IDA. In all other events, DCC shall have the right to full assignment of this Lease with the prior written consent of the IDA, which consent shall not be unreasonably withheld, delayed or conditioned.

Section 13. - Miscellaneous.

a. Non-Waiver. No waiver of any term or condition of this Lease by any party shall be deemed a continuing or further waiver of the same term or condition or a waiver of any other term or condition of this Lease.

b. Notice. Any notice required or contemplated to be given to a party by any one or more of the other parties shall be in writing and shall be given by hand delivery, certified or registered United States mail, or a private courier service which provides evidence of receipt as part of its service, as follows:

If to the City IDA:
Industrial Development Authority of
Danville, Virginia
Attn.: Susan M. DeMasi
Authority Secretary
427 Patton Street
Danville, VA 24541

With a courtesy copy to:
W. Clarke Whitfield, Jr., Esq.
City Attorney
427 Patton Street, Room 421
Danville, VA 24541

If to Danville Community College:
Danville Community College
Attn.:
Dr. Cornelius Johnson
President
1008 South Main Street
Danville, VA 24541

With a courtesy copy to:
Virginia Community College System
ATTN: Associate System Counsel &
Senior Assistant Attorney General
300 Arboretum Place, Suite 200
Richmond, VA 23236

Any party may change the address to which notices hereunder are to be sent to it by giving written notice of such change in the manner provided herein. A notice given hereunder shall be deemed given on the date of hand delivery, deposit with the United States Postal Service properly addressed and postage prepaid, or delivery to a courier service properly addressed with all charges prepaid, as appropriate. Copies hereunder are provided as a matter of courtesy and shall not constitute notice themselves.

c. Entire Agreement. This Lease contains the entire agreement and understanding of the parties to this Lease with respect to this Lease and the other transactions contemplated herein; and this Lease supersedes all prior understandings and agreements of the parties with respect to the subject matter hereof. The parties to this Lease may amend, modify, and/or supplement this Lease in such manner as may be agreed upon by the parties, provided such amendments, modifications and/or supplement are reduced to writing and signed by the IDA and DCC or their successors in interest.

d. Partial Invalidity. If any term or condition of this Lease or the application thereof to any person or event shall to any extent be invalid and unenforceable, the remainder of this Lease and the application of such term, covenant or condition to persons or events other than those to which it is held invalid or unenforceable shall not be affected and each term, covenant and condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

e. Successors. The provisions, covenants and conditions of this Lease shall bind and inure to the benefit of the legal representatives, successors and permitted assigns of each of the parties.

f. Headings. The descriptive headings in this Lease are inserted for convenience only and do not constitute a part of this Lease.

g. Gender. Within this Lease, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, and vice versa, unless the context otherwise requires.

h. Counterparts. This Lease may be executed in one (1) or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Lease. A facsimile or scanned copy (*.pdf) signature to this Lease shall have the same effect as an original for all purposes.

i. No Partnership. Nothing in this Lease shall be construed as making any party a partner or joint venturer with any other party.

j. Interpretation. If any ambiguity or question of intent or interpretation arises, this Lease shall be construed as if drafted jointly by the parties and no presumptions or burden of proof shall arise favoring or disfavoring any party by virtue of authorship of any of the provisions of this Lease.

k. Time Periods. In the event that any period or term of time as described in this Lease, including but not limited to any cure period or notice period, ends on a holiday recognized by the Commonwealth of Virginia where nonessential state offices are closed or on a Saturday or Sunday, then such period or term shall be extended to the next regular business day following such holiday or weekend day.

l. No Third-Party Beneficiaries. Nothing in this Lease is intended, nor will be deemed, to confer any rights or remedies upon any person or legal entity not a party to this Lease.

j Governing Law and Venue. 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.

[**SIGNATURES ARE ON FOLLOWING PAGES.**]

WITNESS our signatures to this **GROUND LEASE** to be duly executed, sealed and delivered as of the day and year first above written.

THE CITY IDA:

INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA, a political subdivision of the Commonwealth of Virginia

By:______________________________________
T. Neal Morris, Chairman

(SEAL)

COMMONWEALTH OF VIRGINIA AT LARGE

CITY OF DANVILLE, to-wit:

The foregoing instrument was acknowledged before me in my jurisdiction aforesaid on this _____ day of ______________________________ 2026, by **T. NEAL MORRIS**, in his capacity as chairman of **INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA**, a political subdivision of the Commonwealth of Virginia.

My commission expires: ___________________________.

____
Notary Public
Registration No.: _________________

WITNESS our signatures to this **GROUND LEASE** to be duly executed, sealed and delivered as of the day and year first written above.

DCC:

COMMONWEALTH OF VIRGINIA
DANVILLE COMMUNITY COLLEGE,
ON BEHALF OF THE STATE BOARD FOR COMMUNITY COLLEGES

By:_______________________________________
Dr. Cornelius Johnson, President

(SEAL)

COMMONWEALTH OF VIRGINIA AT LARGE

CITY OF DANVILLE, to-wit:

The foregoing instrument was acknowledged before me in my jurisdiction aforesaid on this _____ day of ______________________________ 2026, by **Cornelius Johnson**, in his capacity as President of **DANVILLE COMMUNITY COLLEGE**, an institution of higher education under the Virginia Community College System.

My commission expires: ___________________________.

____
Notary Public
Registration No.: ________________

OFFICE OF THE ATTORNEY GENERAL
Approved as to form:

By: ____
System Counsel and Senior Assistant Attorney General