

THIS REAL ESTATE PURCHASE CONTRACT is dated for identification on September 30, 2020 and is by and between **County of Washington, Virginia**, a a political subdivision of the Commonwealth of Virginia, whose address is One Government Center Place, Suite A, Abingdon, Virginia 24210, herein the Seller, as Grantor; and **Old Hemlock Properties, LLC**, a Virginia limited liability company, whose address is 180 E Main Street, Abingdon, Virginia 24210, herein the Buyer, as Grantee.

W I T N E S S E T H

WHEREAS, the Seller is the owner in fee simple of all that certain lot or parcel of real estate located at 174 East Main Street in the Town of Abingdon, Washington County, Virginia, as designated on Tax Map No. 013-1-109, which real estate, together with all improvements thereon and appurtenances thereunto belonging, is hereafter referred to as the "Property"; and,

WHEREAS, the Seller desires to sell the Property, and the Buyer desires to purchase the Property ; and,

NOW THEREFORE, for and in consideration of the terms and conditions of this Contract and in consideration of the premises herein, the receipt of which is hereby acknowledged, the parties hereby obligate and bind themselves, their successors and assigns as follows:

1. Purchase Price. The Seller agrees to sell and the Buyer agrees to buy the Property for the sum of Four Hundred and No/100 Dollars (\$400,000.00) ("Purchase Price") of which amount the sum of \$5,000.00 (herein "Deposit") is hereby tendered by the Buyer to the Seller to be applied toward the Purchase Price, such that the balance of the Purchase Price, being \$395,000.00, will be due in full at Closing as hereafter defined.
2. Title Transferred. The Seller will at Closing as hereafter defined convey fee simple, marketable and insurable title to the Buyer by Special Warranty Deed without any encumbrances other than standard utility easements of record in the Office of the Clerk, Circuit Court of Washington, Virginia. In the event that an examination of the title reveals a title defect or lack of the required access, the Seller may unilaterally extend the Closing for up to a maximum of sixty (60) days to provide the Seller with time to rectify and remedy the defect at the Seller's sole cost and expense. In the event the Seller is unable to satisfy this Contingency, either party may terminate this Contract by providing the other with written notice of such election, the Seller shall refund the Deposit to the Buyer, and all parties shall be relieved of further liability hereunder.
3. Feasibility Period.
 - (A) For a period of thirty (30) days following the approval of this Contract by the Washington County Board of Supervisors after a Public Hearing (see Section 7), or such shorter period as the Buyer may elect by written notice to the Seller (the "Feasibility Period"), Buyer, its agents and contractors, shall have the right to: (i) enter the Property for the purpose of inspecting the Property and performing tests as are desirable to Buyer in its sole and absolute discretion; (ii) seek zoning

information from the local governing authority concerning Buyer's intended use of the Property; and/or (iii) apply for lender financing to acquire the Property.

- (B) Within ten (10) days after Seller's receipt of a fully executed copy of this Agreement, if not previously delivered, Seller shall deliver to Buyer copies of the following materials related to the Property if in Seller's possession: (i) any Phase I or other environmental studies; (ii) any available survey plat; (iii) any available owner's title insurance policy; and (iv) leases and rent rolls for any tenant, and (iv) a copy of all contracts affecting the Property that are not terminable at will. (Items (i) through (iv) are collectively referred to as the "Materials".)
 - (C) If Buyer is not satisfied in its sole and absolute discretion with all aspects of the Property or the Materials, or has not obtained financing upon terms and conditions satisfactory to Buyer, then Buyer shall have the right, upon written notice to Seller prior to the expiration of the Feasibility Period, to terminate this Agreement and the parties shall have no further obligation or liability to one another, except (i) the Seller shall retain the Deposit, and (ii) for any liability pursuant to the indemnity provisions of Paragraphs 4, 9 and 10. Buyer acknowledges that the Feasibility Period will not be extended for any reason, regardless of whether Buyer has completed its inspections or zoning inquiry, or has obtained financing.
 - (D) If Buyer fails to acquire the Property, Buyer agrees: (i) to repair any damage arising as a result of its exercise of the right of access granted in this Paragraph 3; (ii) to indemnify and hold Seller harmless from any and all liability of any kind or nature whatsoever as a result of the exercise of such right of access, other than as a result of Seller's negligence or misconduct or the negligence or misconduct of Seller's agents, employees or contractors; and (iii) upon demand to return the Materials to Seller.
4. Right of Entry. The Seller hereby grants the Buyer, its agents and independent contractors ("Authorized Parties"), the right to enter upon the Property to conduct and perform some or all of the following activities ("Permitted Activities"): surveys, geotechnical soil borings and analysis, environmental audits, boundary surveys, and such other tests and inspections of the Property which the Buyer may deem necessary or advisable. The Permitted Activities will be conducted at the Buyer's sole cost and expense. In performing its Permitted Activities, the Buyer will not permit any damage, nuisance or waste on the Property except as may be approved by the Seller. The Buyer agrees that if it fails to purchase the Property for any reason it will: (i) remove any equipment installed on the Property as a part of the Permitted Activities, and (ii) repair any damage to the Property that might have been caused in connection with any of the Permitted Activities. The Buyer agrees to indemnify, hold harmless, and defend the Seller from and against any and all claims, actions, damages, liability and expense in connection with personal injury and/or property damage arising from or out of any occurrence in, upon or at the Property caused by any negligent act or omission of the Authorized Parties in conducting the Permitted Activities.

5. Closing & Settlement Agent. Settlement (herein referred to as "Closing") shall be made at the law office of Bolling & Hearl (herein "Settlement Agent") in Abingdon, Virginia within ten (10) days after the completion of the Feasibility Period, subject to any extensions as may arise by the terms of this Contract or by subsequent written agreement between the parties.
6. Seller Expenses. The Buyer shall pay at or before Closing all costs incurred to finalize this transaction, including all financing costs, except that the Seller shall pay or allow the Settlement Agent to deduct from the Seller's gross proceeds at Closing the following expenses:
 - (A) The cost of preparing the Deed conveying the Property to the Buyer; and,
 - (B) Any sums necessary to allow title to the Property to pass to the Buyer without the lien of any mortgage, judgment, statutory lien, or other monetary encumbrance.
7. Seller Contingency. Notwithstanding anything to the contrary herein, this Agreement is contingent on the Seller (i) conducting a public hearing in accordance with Virginia Code §15.2-1800 and 1813, and (ii) thereafter obtaining Board of Supervisor approval of a sale to the Purchaser on the terms described herein. Should this contingency fail, the Seller will refund the Deposit to the Buyer within a reasonable time after a termination based on the failure of this contingency.
8. Seller Closing Obligations. At or before Closing, the Seller agrees to provide Buyer the following:
 - (A) An executed Deed from the Seller to the Buyer, or its assigns, conveying fee simple marketable and insurable title to the Buyer or its assign by Special Warranty Deed without any encumbrances other than standard utility easements of record in the Office of the Clerk, Circuit Court of Washington County, Virginia.
 - (B) Any affidavits of title, boundary and terms as title insurance companies customarily require of a Virginia real estate seller as allowed of political subdivisions under Virginia law.
 - (C) Satisfactory evidence in the form of Resolutions of the Washington County Board of Supervisors authorizing the transfer of title to the Buyer.
9. Seller Representations.
 - (A) The Seller will provide the Buyer within a reasonable time after the date hereof with a copy of all inspection and engineering reports, if any, related to the Property.
 - (B) The Seller hereby represents to the Buyer that to the best of the Seller's knowledge and belief as of this date and through the Closing that:
 - (1) The Seller has good and marketable title to the Property; and,

- (2) The Property is not subject to any lease, option, right of first refusal, or other agreement not terminable at the Seller's will that would prevent the Buyer from obtaining unencumbered title to the Property; and,
 - (3) There is no pending or threatened litigation or condemnation concerning the Property nor is the Seller named as a debtor in a bankruptcy proceeding; and,
 - (4) There are no hazardous substances, as defined by applicable law, located on or under the Property; and,
 - (5) The Property is not in violation of any applicable laws, ordinances, statutes, rules or regulations.
 - (C) Subject only to the above representations, the Buyer will be deemed at Closing to accept the Property in its current condition and state of repair, AS IS" without warranty as to the condition of any improvements on the Property, and agrees that the Seller has made no warranties of any nature whatsoever as to the value or condition of the Property, including its improvements thereon.
10. Risk of Loss. The Seller assumes all risk of loss to the Property prior to Closing. In the event of material damage or loss to the Property prior to Closing, the Buyer may, in the Buyer's sole discretion, terminate this Contract, and the Seller shall return the Deposit to the Buyer within ten (10) days after such termination.
11. Default.
 - (A) In the event the Buyer should default in its obligations owing hereunder, the Seller's sole remedy shall be to retain the Deposit as liquidated damages.
 - (B) In the event the Seller should default in its obligations owing hereunder, the Buyer's sole remedies shall be to recover from the Seller:
 - (1) The Deposit; and,
 - (2) All out-of-pocket expenses incurred by the Buyer in performing its obligations hereunder, including survey costs, expenses for environmental assessments, and legal fees for Contract and title services, which sum the Seller shall pay to the Buyer within ten (10) days after the Buyer provides the Seller with reasonable proof of such expenses.
12. Governing Law. This Contract shall be governed by the laws of the Commonwealth of Virginia, and venue for any dispute hereunder shall lie with the Virginia state courts in Washington County.
13. Notices. Any notice required to be given herein shall be made by either (i) certified, postage pre-paid mail, return receipt requested, or (ii) reliable overnight courier to the address of the respective parties set forth in the heading of this Contract. Notice shall be deemed given on the fifth (5th) business day after delivery by the sender to the U. S.

Postal Service if sent by certified mail or on the next business day after delivery by the sender to a reliable overnight courier.

14. Non-Waiver and Survival. It is expressly agreed that should either party not exercise, either in full or in part, any right granted to it by the terms of this Contract, such failure shall not constitute a waiver of such party's right to exercise any and all such rights in the future.
15. Entire Agreement. This Contract represents the entire agreement between the parties hereto. The parties agree that there have been no prior representations of any nature whatsoever concerning this transaction that are not incorporated in full herein. This Contract may only be amended, modified or terminated by subsequent written agreement between the parties hereto.
16. Offer & Counterparts. This Contract shall be deemed an offer only until all parties execute it and shall remain open and irrevocable by the Buyer until October 20, 2020 at 5:00 pm. If the Seller has not accepted and executed it by such time, this offer shall be deemed to be automatically withdrawn and of no further effect. This Contract may be executed in any one or more counterparts and facsimiled signatures shall be valid and binding in all respects.
17. Headings. The Paragraph headings in this Contract are for convenience only and shall not be considered in interpreting any provision herein.

WITNESS the following signatures and seals:

SELLER:

COUNTY OF WASHINGTON, VIRGINIA

Date Signed

By: _____
Title: _____

BUYER:

OLD HEMLOCK PROPERTIES, LLC

10-1-2020
Date Signed

By: Eric S. Smith
Title: Co-Owner