

Danville-Pittsylvania Regional Industrial Facility Authority

**City of Danville, Virginia
County of Pittsylvania, Virginia**

AGENDA

JUNE 9, 2014

12:00 P.M.

**Danville Regional Airport
Eastern Conference Room
424 Airport Drive, Danville, Virginia**

County of Pittsylvania Members

**Coy E. Harville, Chair
James H. Snead
Jerry A. Hagerman, Alternate**

City of Danville Members

**Sherman M. Saunders, Vice Chair
Fred O. Shanks, III
J. Lee Vogler, Jr., Alternate**

Staff

**Joseph C. King, City Manager, Danville
Otis S. Hawker, Interim Pittsylvania County Administrator
Clement & Wheatley, Legal Counsel to Authority
Susan M. DeMasi, Authority Secretary
Barbara A. Dameron, Authority Treasurer**

Danville-Pittsylvania Regional Industrial Facility Authority

1. MEETING CALLED TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT PERIOD

Members of the public who desire to comment on a specific agenda item will be heard during this period. The Chair/Vice Chair of the Authority may restrict the number of speakers. Each speaker shall be limited to a total of three minutes for comments. (Please note that the public comment period is not a question-and-answer session between the public and the Authority.)

4. APPROVAL OF MINUTES FOR THE MAY 12, 2014 MEETING

5. NEW BUSINESS

- A. Update on Existing Industries within the Authority's Projects – E. Linwood Wright, Public and Governmental Affairs Consultant, City of Danville Office of Economic Development; and Corrie M. Teague, Project Manager, Danville Office of Economic Development
- B. Consideration of Resolution No. 2014-06-09-5B, ratifying that certain Residential Contract of Purchase and Addendum dated May 27, 2014, for the purchase by the Authority of Lots 26, 27, 28 and 29, fronting on Tom Fork Road, located in Pittsylvania County, Virginia (GPINs 2347-23-6507), at a purchase price of \$14,000.00, from Laura Dean Johnson as seller; such contract and addendum include without limitation an earnest money deposit of \$700.00, and a minimum study period of 90 days; and the property would be added to, and made part of, the Authority's Cane Creek Centre project – Coy E. Harville, Authority Chairman; and Michael C. Guanzon, Esq., Clement Wheatley, Legal Counsel to the Authority
- C. Financial Status Report as of May 31, 2014 – Barbara A. Dameron, CPA, Authority Treasurer

6. COMMUNICATIONS:

Jerry A. Hagerman
Coy E. Harville
Sherman M. Saunders
Fred O. Shanks, III
James H. Snead
J. Lee Vogler, Jr.
Staff

7. ADJOURN

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	4
Meeting Date:	6/09/14
Subject:	Meeting Minutes
From:	Susan M. DeMasi, Authority Secretary

SUMMARY

Attached for the Board's approval are the Meeting Minutes from the Monday, May 12, 2014 meeting.

ATTACHMENTS

Meeting Minutes – 5/12/14

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

May 12, 2014

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:16 p.m. on the above date in the Danville Regional Airport Conference Room, 424 Airport Drive, Danville, Virginia. Present were City of Danville Members Vice Chairman Sherman M. Saunders, Fred O. Shanks, III and Alternate J. Lee Vogler. Pittsylvania County Members present were Chairman Coy E. Harville, James Snead and Alternate Jerry A. Hagerman.

City/County staff members attending were: City Manager Joe King, Deputy City Manager Ken Larking, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Finance Director/Authority Treasurer Barbara Dameron, Project Manager Corrie Teague, Clement & Wheatley Attorney Michael Guanzon and Secretary to the Authority Susan DeMasi.

Also present was Dewberry and Davis Project Manager Shawn Harden.

Chairman Harville introduced Mr. Jerry Hagerman who is now representing Pittsylvania County as the Alternate member.

PUBLIC COMMENT PERIOD

No one present desired to be heard.

ADD AGENDA ITEM 5E

Mr. Harville noted he would like to add item 5E to the May 12, 2014 Agenda. Mr. Saunders **moved** to add Item 5E to the May 12, 2014 Agenda. The Motion was **seconded** by Mr. Snead and carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Saunders, Shanks (4)
NAY: None (0)

APPROVAL OF MINUTES FOR THE APRIL 14, 2014 MEETING

Upon **Motion** by Mr. Saunders and **second** by Mr. Snead, Minutes of the April 14, 2014 meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. – UPDATE ON EXISTING INDUSTRIES WITHIN THE AUTHORITY’S PROJECTS

Project Manager Corrie Teague noted Linwood Wright was not able to make today’s meeting but had provided a few updates. U.S. Green Energy is currently making progress on their financial situation and staff will give the Board more details in the upcoming meeting. GOK’s lease in Cane Creek will transfer to Zeyuan no later than June 1. Mr. Wright recently met with Elkay and things are looking very positive.

Mr. Shanks asked for more details on U.S. Green Energy; Ms. Teague noted they would provide that to the Board.

5B. CONSIDERATION – RESOLUTION NO. 2014-05-12-5B – APPROVING ONE YEAR RENEWAL OF LEASE TO OSBORNE COMPANY OF NORTH CAROLINA

Authority Attorney Michael Guanzon explained this is a renewal for the lease, with the same terms as last year; the only difference is the forty-five day early termination right by RIFA.

Mr. Snead **moved** adoption of Resolution No. 2014-05-12-5B, *approving a one-year renewal of the lease to the Osborne Company of North Carolina, Inc., a North Carolina corporation, of approximately 100 acres of pastureland in the Authority's Mega Park site (a portion of GPINs 1366-78-4718 and 1367-70-4519), commonly known as 4380 Berry Hill Road; the lease term shall be subject to a 45-day early termination right by the Authority; and the lease shall be for the use of harvesting grass hay and incidental uses acceptable to the Authority, at a total rental fee of \$1,000.*

The Motion was **seconded** by Mr. Saunders. Mr. Snead questioned the 45 day early termination and Mr. Guanzon noted this was discussed with staff, Mr. Harville and the lessees and they were agreeable with 45 days or sooner. Mr. Guanzon noted since they pay their lease up front, the Authority would pro rate and refund any unused portion.

The **Motion** was carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Saunders, Shanks (4)
NAY: None (0)

5C. CONSIDERATION – FISCAL YEAR 2015 PROPOSED GENERAL EXPENDITURES BUDGET

Authority Treasurer Barbara Dameron noted that the proposed budget is based on continued funding from the City and the County in the amount of \$75,000 each, annually. There is a reduction of approximately \$67,000, primarily in the contingencies; the insurance is budgeted at \$3,000, which is \$3,000 less than last year, which is related to some of the buildings that have been removed and the Institute now covering their insurance. There is a small increase in accounting, a small decrease in meals and also a decrease in the annual bank fees.

Mr. Shanks questioned the Utility charges and Ms. Dameron noted the Authority has a small charge for one of the properties at Cane Creek of approximately \$26 per month.

Mr. Shanks **moved** to approve the Fiscal Year 2015 Proposed General Expenditures Budget. The Motion was **seconded** by Mr. Snead and carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Saunders, Shanks (4)
NAY: None (0)

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

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5D. FINANCIAL STATUS REPORT AS OF APRIL 30, 2014

Authority Treasurer Barbara Dameron gave the Financial Status report noting under Cane Creek Bonds, the Authority expended \$32,650 for the purchase of the Dabbs property. Under General Expenses, the Board expended \$31,463 last month: \$31,204 for legal fees from October to January; of that, approximately \$17,000 was general, a little over \$10,000 was for Cane Creek, \$2,800 was for AVRC and \$1,400 was for Berry Hill. Expenditures for meals of \$233.00 and \$26.00 in Utilities. Berry Hill Mega Park has expenditures of \$8,000 for the Wetland Studies project and the budget column was updated to recognize the Dewberry expenses that were approved last month. Receipts show the Institute as well as Securitas and the Authority also paid \$9,383 to the Institute for their property management fees. In the Financial Statements, the primary activity would be the payment of the debt service on the Berry Hill Bonds.

Mr. Snead **moved** to approve the Financial Report as of April 30, 2014 as presented. The Motion was **seconded** by Mr. Shanks and carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Saunders, Shanks (4)
NAY: None (0)

5E. CONSIDERATION – RESOLUTION 2014-05-12-5E – APPROVE ONE YEAR RENEWAL OF HUNTING LEASE WITH GUILFORD WHITETAIL MANAGEMENT

Mr. Saunders **moved** adoption of Resolution 2014-05-12-5E *to approve a one year renewal of the Hunting Lease with Guilford Whitetail Management, a North Carolina Corporation, as Tenant, with a 30-Day Early Termination Right of Landlord, of approximately 1,573.94 acres at the Authority's Mega Park Site (GPINs 1366-54-5996, 1367-42-8434, 1377-01-1754 and a portion of 1356-98-0985), commonly known as the Kluttz Farm, for the uses of Hunting, Fishing and Related Outdoor Recreational Activities, at a total rental fee of \$5,000.*

The Motion was **seconded** by Mr. Snead and carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Saunders, Shanks (4)
NAY: None (0)

6. CLOSED SESSION

Chairman Harville noted that during the Closed Session, all matters discussed shall involve receiving advice from legal counsel, and as such all communications during the closed session shall be considered attorney-client privileged.

A. At 12:29, Mr. Shanks **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting as permitted by Section 2.2-3711(A)(3) of the Code of Virginia, 1950, as amended, for discussion or consideration of the disposition of real property for a public purpose to develop the Authority's Cane Creek Centre project, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority; and

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

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B. As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended, for discussion concerning a prospective business or industry where no previous announcement has been made of the business' or industry's interest in locating its facilities in the Authority's Cane Creek Centre project or Mega Park project.

The Motion was **seconded** by Mr. Snead and carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Saunders, Shanks (4)
NAY: None (0)

On **Motion** by Mr. Snead and **second** by Mr. Shanks and by unanimous vote at 1:05 p.m., the Authority returned to open meeting.

Mr. Shanks **moved** adoption of the following Resolution:

WHEREAS, the Authority convened in Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia, 1950, as amended, requires a Certification by the Authority that such Closed Meeting was conducted in conformity with Virginia Law;

NOW, THEREFORE, BE IT RESOLVED that the Authority hereby certifies that, to the best of each Member's knowledge, (i) only public business matters lawfully exempted by the open meeting requirements of Virginia Law were discussed in the Closed Meeting to which this Certification Resolution applies, and (ii) only such public business matters as were identified in the Motion convening the Closed Meeting were heard, discussed, or considered by the Authority.

The Motion was **seconded** by Mr. Snead and carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Saunders, Shanks (4)
NAY: None (0)

COMMUNICATIONS

Mr. Harville asked Authority members for any comments on the letter and map from Williams Transco regarding the Atlantic Sunrise Pipeline Project. Members had no comments.

Mr. Snead noted that Ms. Bowman called him before the meeting and stated that the Governor will be here the 27th of May. She is on the Legislative Committee with the Chamber. If RIFA members have any questions they can relay them to Ms. Bowman or Laurie Moran at the Chamber.

Mr. Guanzon noted they did close on the Dabbs Property which is to be added to Cane Creek; staff will be discussing some post-closing items and will give a more detailed report on this matter.

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Mr. Harville asked Ms. Teague to give an update at the next meeting on properties the Authority now has.

MEETING ADJOURNED AT 1:09 P.M.

Chairman

Secretary to the Authority

DRAFT

A RESOLUTION RATIFYING THAT CERTAIN RESIDENTIAL CONTRACT OF PURCHASE AND ADDENDUM DATED MAY 27, 2014, FOR THE PURCHASE BY THE AUTHORITY OF LOTS 26, 27, 28 AND 29, FRONTING ON TOM FORK ROAD, LOCATED IN PITTSYLVANIA COUNTY, VIRGINIA (GPINs 2347-23-6507), AT A PURCHASE PRICE OF \$14,000.00, FROM LAURA DEAN JOHNSON AS SELLER; SUCH CONTRACT AND ADDENDUM INCLUDE WITHOUT LIMITATION AN EARNEST MONEY DEPOSIT OF \$700.00, AND A MINIMUM STUDY PERIOD OF 90 DAYS; AND THE PROPERTY WOULD BE ADDED TO, AND MADE PART OF, THE AUTHORITY'S CANE CREEK CENTRE PROJECT.

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the "**Authority**") is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, in support of the development of the Authority's Cane Creek Centre Industrial Park (the "**Cane Creek Project**"), the Authority, pursuant to the authority granted to it in that certain Agreement for Cost Sharing and Revenue Sharing, dated October 2, 2001, as amended, entered into by and between the County of Pittsylvania, Virginia, and the City of Danville, Virginia, has entered into that certain Residential Contract of Purchase and Addendum dated May 27, 2014, with Laura Dean Johnson as seller (the "**Real Estate Contract**"), a copy of which is attached hereto as **Exhibit A** and incorporated herein by this reference, for the purchase by the Authority of Lots 26, 27, 28 and 29, fronting on Tom Forks Road, located in Pittsylvania County, Virginia (GPINs 2347-23-6507), as more specifically described therein, at a purchase price of \$14,000.00 and an earnest money deposit of \$700.00, such lots to be incorporated into the Cane Creek Project; and

WHEREAS, the Real Estate Contract provides a 90-day study period commencing as of the date of the Real Estate Contract (the "**Study Period**"), to provide the Authority the opportunity to examine the property and determine its feasibility for the Authority's plan of development of the property, and allows the Authority to terminate the Real Estate Contract at any time during the Study Period if the Authority, in its sole judgment, determines that development of the property in accordance with the Authority's plan of development for such property is not practical; and

WHEREAS, the Board of Directors has determined that the Real Estate Contract serves the purpose of the Authority to enhance the economic base of the City of Danville (the "**City**") and Pittsylvania County (the "**County**") by developing, owning, and operating the Cane Creek Project on a cooperative basis involving the City and the County, and that it is in the best interests of the Authority and the citizens of the City and the County for the Authority to ratify, confirm, approve, and adopt in all respects the Real Estate Contract.

NOW, THEREFORE, BE IT RESOLVED BY THE DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, THAT:

Resolution No. 2014-06-09-5B

1. The Authority hereby ratifies, confirms, approves, and adopts in all respects the Real Estate Contract and any and all actions previously taken by the Authority and by the members of its Board of Directors in connection therewith.

2. All actions of the Chairman, the Vice Chairman and any other officers or agents of the Authority for and on behalf of the Authority prior to the date hereof in connection with the Real Estate Contract are in all respects ratified, confirmed, approved and adopted. All other actions of officers of the Authority in conformity with the purposes and intent of this Resolution, regardless of whether such actions occurred before or occur after the enactment of this Resolution, are hereby ratified, approved and confirmed.

3. Without limiting the provisions of paragraph 2 of this Resolution, the Authority hereby authorizes the Chairman and the Vice Chairman, either of whom may act independently of the other, to amend, modify and/or terminate the Real Estate Contract on such terms and conditions as either of the Chairman and the Vice Chairman determines to be necessary and appropriate based on the Authority's examination of the property and determination of the property's feasibility for the Authority's plan of development of the property, consistent with this Resolution.

4. This Resolution shall take effect immediately upon its adoption.

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a meeting duly called and held on June 9, 2014, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority as of the 9th day of June 2014.

SUSAN M. DeMASI, Secretary
Danville-Pittsylvania Regional Industrial Facility
Authority

(SEAL)

Exhibit A

[Residential Contract of Purchase and Addendum with Laura Dean Johnson]

MG



VIRGINIA ASSOCIATION OF REALTORS®
RESIDENTIAL CONTRACT OF PURCHASE



(This is a legally binding contract. If you do not understand any part of it, please seek competent advice before signing.)

This CONTRACT OF PURCHASE made as of May 27, 2014, between Laura Dean Johnson (the "Seller", whether one or more), whose address is Danville-Pittsylvania Regional, Industrial Facility Authority (the "Purchaser", whether one or more), whose address is 427 Patton St., Danville, Va 24541, provides: The Listing Company (who represents Seller) is Prudential Manasco Realty (BB) and the Selling Company (who [X] does OR [] does not represent Purchaser) is Prudential Manasco Realty (BB).

1. REAL PROPERTY: Purchaser agrees to buy and Seller agrees to sell the land and all improvements thereon located in the County or City of Pittsylvania, Virginia and described as (legal description): DANV-MILTON RD LOTS 26-29 MAP #2347-23-6507 as shown on the attached map marked Exhibit "A" along with a copy of a Deed, for reference, and to be fully described in a survey to be performed by Purchaser.

and more commonly known as: 2998 Tom Fork Road, together with all fixtures located thereon (if present as of the date of this Contract), including, without limitation, blinds, ceiling fans, curtain rods and brackets, built-in dishwasher, door knockers, garage door openers and controls, gas fireplace logs and inserts, installed floor and wall coverings, installed mirrors, light fixtures, mailbox and post, built-in range, shades, shrubs, exterior plants and trees, shutters, smoke and heat detectors, storm windows and storm doors, switch and receptacle covers, television antenna(e), window screens and screen doors (together with the items of personal property described in paragraph 2, the "Property").

2. PERSONAL PROPERTY: The following items of personal property are included in this sale: One Manufactured Home. A copy of the Certificate Of Title For A Vehicle is attached.

3. PURCHASE PRICE: The Purchase Price of the Property is: Fourteen Thousand Dollars (\$ 14,000.00), which shall be paid to Seller at settlement in cash or by cashier's or certified check or wired funds subject to the prorations described herein and from the following sources:

[] (a) THIRD PARTY FIRST TRUST: This sale is contingent on Purchaser's [] obtaining OR [] assuming: [] a conventional; [] FHA; [] VA; [] VHDA or [] other (describe) () loan secured by a first deed of trust lien on the Property in the principal amount of \$, or % of the Purchase Price bearing interest at a fixed rate not exceeding % per year, or at an adjustable rate with an initial rate not exceeding % per year and a maximum rate during the term of the loan not exceeding % per year, or at the market rate of interest at the time of settlement, amortized over a term of years, and requiring not more than a total of loan discount points, excluding a loan origination fee, or an assumption fee not exceeding \$. (If this contract provides for the assumption of a loan: (i) the parties acknowledge that the balance set forth above is approximate and that the principal amount to be assumed will be the outstanding principal balance on the date of settlement, and (ii) Purchaser shall assume all obligations of Seller under such loan.)

(b) **THIRD PARTY SECOND TRUST:** This sale is also contingent on Purchaser's obtaining a loan secured by a second deed of trust lien on the Property in the principal amount of \$ _____, or _____ % of the Purchase Price bearing interest at a rate not exceeding _____ % per year, amortized as follows _____, and requiring not more than a total of _____ loan discount points, excluding the origination fee.

(c) **SELLER FINANCING:** Seller agrees that \$ _____ or _____ % of the Purchase Price shall be evidenced by a note made by Purchaser payable to Seller bearing interest at a rate of _____ % per year amortized as follows _____

The note shall be secured by a deferred purchase money first, second OR (specify priority) _____ deed of trust lien on the Property. The deed of trust and note shall provide, among other things, that: (i) the note shall be due and payable in full if the Property, or any interest therein, is transferred, sold or conveyed; (ii) Purchaser shall have the right to prepay the note at any time in whole or in part with a premium penalty of _____ % of the amount prepaid, or without premium or penalty; (iii) a lot release schedule shall be provided, if applicable, (iv) a late payment charge not exceeding five percent of the payment may be assessed by Seller for any payment more than seven (7) calendar days late; (v) the note and deed of trust shall otherwise be in form satisfactory to Seller, (vi) other terms: _____

Such financing shall be contingent upon review and approval of Seller of a current credit report on each Purchaser and a current personal financial state of each Purchaser, which documents must be provided to Seller within _____ business days following execution of this Contract by both parties. The deed of trust shall be recorded at Purchaser's expense at settlement. Purchaser may not assign this Contract in whole or in part, without the prior written consent of Seller, which Seller shall be under no obligation whatsoever to give.

(d) **BALANCE OF PURCHASE PRICE:** Purchaser will provide the balance of the purchase price from Purchaser's funds in cash or by cashier's or certified check or wired funds at settlement.

(e) **OTHER FINANCING TERMS:** Purchaser shall pay cash at closing.

4. **DEPOSIT:** Purchaser shall make a deposit of \$ 700.00 to be held by Clement & Wheatley (the "Escrow Agent") in the form of: check cash OR other _____ (the "Deposit"). Purchaser [select one]: has paid the Deposit to the Escrow Agent OR will pay the Deposit to the Escrow Agent within 10 days after this Contract is fully executed by the parties. If Purchaser fails to pay the Deposit as set forth herein, then Seller may terminate this Contract by written notice to Purchaser and neither party shall have any further obligation hereunder. The Deposit may be held in an interest bearing escrow account. The Purchaser and Seller waive any claim to any interest accrued or earned by such account and acknowledge that any interest shall be disbursed to the Escrow Agent.

The escrow account shall conform to the Virginia Real Estate Board Regulations, and the Deposit shall not be released by the Escrow Agent until one of the following occurs: (i) It is credited toward the Sales Price at Settlement; (ii) Seller and Purchaser have agreed in writing as to its disposition, (iii) a court of competent jurisdiction orders a disbursement of the funds; OR (iv) it is disposed of in any other manner authorized by the Virginia Real Estate Board.

If the Property is foreclosed upon while this Contract is pending the terms of Section 54.1-2108.1 of the Code of Virginia shall apply to the disbursement of the Deposit. Foreclosure shall be considered a termination of this Contract by Seller and, absent any default by Purchaser, the Deposit shall be disbursed to Purchaser.

5. **FINANCING:**
(a) This Contract and Purchaser's obligation hereunder are contingent upon Purchaser obtaining and delivering to Seller a written commitment or commitments, as the case may be (the "Commitment") for the third-party financing or loan assumption required in paragraph 3. Purchaser agrees to make written application for such financing or assumption (including the payment of any required application, credit, or appraisal fees) within five (5) business days of the date of acceptance of this Contract and to diligently pursue obtaining the Commitment. Purchaser hereby grants permission for Purchaser's lender and Selling Company to furnish Seller and Listing Company information about the status of Purchaser's loan approval process, including specific items required by Purchaser's lender or actions Purchaser must perform to obtain loan approval. Purchaser agrees, upon written request by Seller, to provide written consent satisfactory to Purchaser's lender to permit Purchaser's lender to provide such information to Seller and Listing Company.

(b) If Purchaser does not obtain the Commitment and so notifies Seller or Listing Company in writing before 5:00 p.m. local time on _____, _____ (if no date is filled in, the date shall be the same date set forth in paragraph 8), then this Contract shall terminate upon giving such notice and the Deposit shall be refunded to Purchaser. If Purchaser does not obtain the Commitment and notice thereof is not received by the deadline, or such later deadline as the parties may agree upon in writing, then Purchaser's financing contingency set out in subparagraph 5(a) above shall nonetheless continue unless Seller gives Purchaser written notice of intent to terminate this Contract. If Seller gives Purchaser such notice, this Contract shall terminate as of 5:00 p.m. local time on the third day following Seller's delivery of such notice to Purchaser unless before that time Purchaser has delivered to Seller a Commitment in compliance with the provisions of subparagraph 5(a) above, or a removal of Purchaser's financing contingency and evidence of the availability of funds necessary to settle without such financing. As used in this paragraph 5, the term Commitment shall mean a written acknowledgement from the Purchaser's lender or lenders that (i) selling, settling on or leasing another property is not required for underwriting approval, unless Purchaser's obligations under this Contract are contingent on such sale, settlement or lease, (ii) Purchaser has made application for the financing and paid all fees associated therewith, and (iii) as of the date of the Commitment, Purchaser's credit, income and assets, and debt have been verified by lender's underwriter as adequate or as meeting underwriting requirements without further action by Purchaser as of that date. If Purchaser provides Seller evidence that it has obtained the Commitment and the lender issuing such Commitment notifies Purchaser, after the date set forth in this paragraph 5(b), that it will not provide the financing, Purchaser shall notify Seller in writing of such fact within three (3) days of Purchaser's receipt of such notice from the lender.

(c) If the balance of the Purchase Price in excess of the Deposit is to be paid in cash without third party or Seller financing, Purchaser shall give the Seller written verification from Purchaser's bank or other sources within fifteen (15) days after the date this Contract is fully ratified that Purchaser has or can have the balance of the Purchase Price in cash not later than the settlement date. If Purchaser fails to give such verification within such time, Seller may terminate this Contract by giving Purchaser written notice thereof within ten (10) days after the date by which verification was to be given.

(d) Purchaser represents to Seller that neither Purchaser's obligations under this Contract nor Purchaser's financing is dependent or contingent on the sale or settlement or lease of other real property, unless specified in a written contingency. Purchaser acknowledges that Seller is relying on this representation.

(e) The occurrence of any of the following shall constitute a default by Purchaser under this Contract, which Purchaser may cure only by providing evidence reasonably satisfactory to Seller, within three (3) days of written notice by Seller of such default, of Purchaser's ability to settle timely:

- (i) Purchaser fails to make timely application for any financing provided for hereunder, or to diligently pursue obtaining such financing;
- (ii) Purchaser fails to lock in the interest rate(s) provided for hereunder and the rate(s) increase so that Purchaser no longer qualifies for the financing;
- (iii) Purchaser fails to comply with the lender's reasonable requirements in a timely manner;
- (iv) Purchaser fails to notify the lender, Seller or Listing Company promptly of any material adverse change in Purchaser's financial situation that affects Purchaser's ability to obtain the financing;
- (v) Purchaser does not have the down payment, closing costs or fees, or other funds required to settle as provided in this Contract;
- (vi) Purchaser does or fails to do any act following ratification of this Contract that prevents Purchaser from obtaining the financing; or
- (vii) Purchaser makes any deliberate misrepresentation, material omission, or other inaccurate submission or statement that results in Purchaser's inability to secure the financing.

(f) Purchaser does OR does not intend to occupy the Property as a primary residence;

(g) Nothing in this Contract shall prohibit Purchaser from pursuing alternative financing from the financing specified in paragraph 3. Purchaser's failure to obtain the alternative financing shall be at Purchaser's risk, and shall not relieve Purchaser of the consequences set forth in this paragraph 5 should Purchaser fail to pursue, as required in this paragraph 5, the financing set forth in paragraph 3.

6. VA/FHA LOAN:

(a) It is expressly agreed that notwithstanding any other provision of this Contract, the Purchaser shall not be obligated to complete the purchase of the Property or to incur any penalty by forfeiture of earnest money Deposits or otherwise unless the Purchaser has been given in accordance with HUD/FHA or VA requirements a written statement by the Federal Housing Commissioner, Department of Veterans Affairs, or a Direct Endorsement lender setting forth the appraised value of the Property (excluding closing costs) as not less than the Purchase Price. The Purchaser shall have the privilege and option of proceeding with consummation of this Contract without regard to the amount of the appraised valuation by giving Seller written notice thereof within three (3) days after receipt of notification of the appraised value. THE APPRAISED VALUATION IS ARRIVED

AT TO DETERMINE THE MAXIMUM MORTGAGE THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT/DEPARTMENT OF VETERANS AFFAIRS WILL INSURE. HUD/DEPARTMENT OF VETERAN AFFAIRS DOES NOT WARRANT THE VALUE OR THE CONDITION OF THE PROPERTY. THE PURCHASER SHOULD SATISFY HIMSELF/HERSELF THAT THE PRICE AND CONDITION OF THE PROPERTY ARE ACCEPTABLE.

(b) If Purchaser is obtaining VA financing and elects to complete the purchase at a purchase price in excess of the appraised value as established by the Department of Veterans Affairs (the "Department"), Purchaser will disclose the source of such funds to the Department and pay the excess amount from such source. Such funds will not be borrowed funds unless approved by the Department.

(c) If Purchaser is obtaining FHA financing, the parties acknowledge that the loan amount may be approximate because financed acquisition costs cannot be determined until settlement.

7. **LOAN FEES:** Except as otherwise agreed upon in this Contract, Purchaser shall pay all points, loan origination fees, charges and other costs imposed by a lender or otherwise incurred in connection with obtaining the loan or loans. The amount of any contributions Seller agrees to make under this Contract toward Purchaser's loan fees shall include miscellaneous and tax service fees charged by a lender for financing described in this Contract and which by regulation or law Purchaser is not permitted to pay.
8. **SETTLEMENT; POSSESSION:** Settlement shall be made at Clement & Wheatley on or about September 10, 2014. Possession of the Property shall be given at settlement, unless otherwise agreed in writing by the parties. At settlement, Seller will deliver the deed described in paragraph 13, an affidavit acceptable to Purchaser and Purchaser's title insurance company as to parties in possession and mechanic's liens, applicable non-foreign status and state residency certificates and applicable IRS 1099 certificates.
9. **EXPENSES; PRORATIONS; ROLLBACK TAXES:** (a) Each party shall bear its own expenses in connection with this Contract, except as specifically provided otherwise herein. Seller agrees to pay the expense of preparing the deed and the recordation tax applicable to grantors; all expenses incurred by Purchaser in connection with the purchase, including without limitation title examination, insurance premiums, survey costs, recording costs and the fees of Purchaser's attorney, shall be borne by Purchaser. All taxes, assessments, interest, rent escrow deposits, and other ownership fees, if any, shall be prorated as of the date of settlement. In addition to the Purchase Price, Purchaser agrees to pay Seller for all fuel, oil and/or propane remaining in the tank(s) (if applicable) at the prevailing market price as of the date of settlement.
(b) Rollback taxes shall be paid as follows: By Seller, if applicable.
10. **BROKERAGE FEE; SETTLEMENT STATEMENTS:** Seller and Purchaser authorize and direct the settlement agent to disburse to Listing Company and/or Selling Company from the settlement proceeds their respective portions of the brokerage fee payable as a result of this sale and closing under the Contract. Each of Listing Company and/or Selling Company shall deliver to the settlement agent, prior to settlement, a signed written statement setting forth the fee to which such company is entitled and stating how such fee and any additional sales incentives are to be disbursed. Seller and Purchaser authorize and direct the settlement agent to provide to each of Seller, Purchaser, Listing Company and Selling Company a copy of the unified settlement statement for the transaction.
11. **RISK OF LOSS:** All risk of loss or damage to the Property by fire, windstorm, casualty, or other cause is assumed by Seller until settlement. In the event of substantial loss or damage to the Property before settlement, Purchaser shall have the option of either (i) terminating this Contract and recovering the Deposit, or (ii) affirming this Contract, in which event Seller shall assign to Purchaser all of Seller's rights under any policy or policies of insurance applicable to the Property.
12. **WOOD INFESTATION INSPECTION AND REPORT:** Prior to settlement, Seller shall provide Purchaser a report, dated not more than 30 days prior to date of settlement, from a wood infestation control company certified and licensed by the Commonwealth of Virginia and properly insured, concerning the presence of or damage from termites or other wood-destroying insects or organisms in the primary dwelling, in any other dwelling(s) on the Property as to which a certificate of occupancy has been issued and is in effect, and in the following additional structures _____ (the "Applicable Structures"). If the inspection reveals active infestation in any of the Applicable Structures, Seller shall have such infestation treated by a company licensed by the Commonwealth of Virginia and properly insured. If the inspection reveals damage to any Applicable Structure, Seller shall have the damage repaired by a contractor licensed in the Commonwealth of Virginia; provided, however, that if the estimated aggregate cost of such treatment or repairs or both exceeds \$1,000, and Purchaser and Seller cannot agree on how the amount exceeding \$1,000 will be paid, Purchaser shall have the right either (i) to accept repairs or treatment not exceeding \$1,000, in which event Seller shall have such repairs or treatment performed at Seller's expense, (ii) to receive a credit at settlement in the amount of \$1,000, or (iii) to terminate this Contract and receive a refund of the Deposit. Although the report required in this paragraph 12 deals with wood-destroying organisms, nothing in this paragraph 12 shall be interpreted to require Seller to provide general testing for mold or other fungus beyond that routinely performed by companies licensed to perform control and protection of structures from wood infestation by termites or other wood-destroying insects.

13. **TITLE:** At settlement Seller shall convey the Property to Purchaser by general warranty deed containing English covenants of title (except that conveyance from a personal representative of an estate or from a trustee or institutional lender shall be by special warranty deed), free of all encumbrances, tenancies, and liens (for taxes and otherwise), but subject to such restrictive covenants and utility easements of record which do not materially and adversely affect the use of the Property for residential purposes or render the title unmarketable. If the Property does not abut a public road, title to the Property must include a recorded easement providing adequate access thereto. In the event this sale is subject to a financing contingency under paragraph 3(a) or 3(b), the access to a public road must be acceptable to each lender. If the examination reveals a title defect of a character that can be remedied by legal action or otherwise within a reasonable time, then Seller, at Seller's expense and subject to the Remediation Limit set forth in paragraph 16, shall promptly take such action as is necessary to cure such defect. If the defect is not cured within 60 days after Seller receives notice of the defect, then Purchaser shall have the right to (i) terminate this Contract, in which event the Deposit shall be returned to Purchaser, and Purchaser and Seller shall have no further obligations hereunder, or (ii) waive the defect and proceed to settlement with no adjustment to the Purchase Price. If Seller has agreed to cure such defect, the parties agree that the settlement date prescribed in paragraph 8 shall be extended as necessary to enable Seller to cure such title defect, but not for more than 60 days unless agreed by the parties.
14. **EQUIPMENT CONDITION AND INSPECTION:**
- (a) Purchaser agrees to accept the Property at settlement, and Seller agrees to deliver the Property to Purchaser at settlement, in its present physical condition, ordinary wear and tear excepted, but with such repairs and improvements as the parties otherwise agree.
- (b) If Purchaser's obligations under this Contract are contingent on a professional home inspection of the Property, then Purchaser shall be entitled to receive the Property at settlement in such condition as determined by such inspection and any negotiation and agreements relating to it. Purchaser and Purchaser's agents, inspectors, and engineers shall have the right to conduct a preoccupancy or presettlement inspection to verify that the condition of the Property conforms to this Contract and that no material damage or changes necessitating repairs have occurred to the Property after the date of this Contract or after any prior inspection of the Property provided for herein. Purchaser shall not be entitled to require Seller to correct defects discovered at a preoccupancy or presettlement inspection but existing as of the time of a prior inspection of the Property if those defects were not reported to Seller in connection with such prior inspection and Seller has not agreed to remedy such defects.
- (c) If Purchaser's obligations under this Contract are not contingent on a professional home inspection of the Property, then Seller warrants that all appliances, heating and cooling equipment, plumbing and electric systems will be in working condition at the time of settlement or of Purchaser's occupancy, whichever occurs first. Purchaser and Purchaser's agents, inspectors, and engineers shall have the right to conduct a preoccupancy or presettlement inspection to verify that the condition of the Property conforms to this Contract and that no material damage or changes necessitating repairs have occurred to the Property after the date of this Contract. Seller's obligations in this regard are limited by the Remediation Limit set forth in paragraph 16 of this Contract.
- (d) Seller will provide Purchaser, Purchaser's professional inspectors and engineers, Selling Company, and representatives of Purchaser's lenders reasonable access to the Property to conduct inspections as appropriate and in compliance with this Contract. Seller will have all utilities in service at the time of all inspections to be conducted pursuant to this Contract, including those provided for in any separate provision or addendum dealing with inspections of the Property.
- (e) Seller agrees to deliver the Property in broom-clean condition and to exercise reasonable and ordinary care in the maintenance and upkeep of the Property between the date this Contract is executed by Seller and the time of settlement or Purchaser's occupancy, whichever occurs first. If Seller fails to deliver the Property in the condition required by this paragraph 14, or if the presettlement or preoccupancy inspection reveals material damage or changes necessitating repairs occurring after any prior inspection of the Property, and Seller refuses to make the appropriate repairs, Purchaser shall have the right to terminate this Contract and receive a refund of the Deposit, or to waive the defects and proceed to settlement with no adjustment to the Purchase Price.
15. **WELL AND SEPTIC:**
- (a) If the Property is served by an on-site well or other natural water source, Seller agrees to provide Purchaser with a certificate dated not more than 30 days prior to settlement from the appropriate governmental authority, or from an acceptable private company, indicating that the water is free from contamination by coliform bacteria. If this Contract is contingent on Purchaser's obtaining FHA or VA financing, the certificate shall also state that the water is free from levels of lead unacceptable to FHA or VA.
- (b) If the Property is served by a sewage disposal system, Seller agrees to provide Purchaser with a certificate dated not more than 30 days prior to settlement from the appropriate governmental authority, or from an acceptable private company, indicating that there is no evidence of malfunction of or needed maintenance to the sewage disposal system.

(c) If contamination of the water or septic system malfunction or needed maintenance is found, then Seller, at Seller's expense and subject to the Remediation Limit set forth in paragraph 16, shall effect the appropriate remedies or repairs. If Seller fails to do so as soon as practicable, Purchaser shall have the right to (i) terminate this Contract, in which event the Deposit shall be returned to Purchaser, and Purchaser and Seller shall have no further obligations hereunder, or (ii) waive the defect and proceed to settlement with no adjustments to the Purchase Price.

16. **SELLER'S AND PURCHASER'S OPTION:** In the event that the total cost of fulfilling Seller's obligations set forth in paragraphs 13, 14(c), and 15 above exceed \$ _____ in the aggregate (the "Remediation Limit"), Seller shall have the option (i) to fulfill Seller's obligations fully at Seller's expense, or (ii) to pay or credit the Remediation Limit to Purchaser and refuse to pay any excess over that amount. If Seller elects option (ii), Purchaser shall have the right to either accept the Property in its present condition (in which case the Seller shall pay or credit the Remediation Limit to Purchaser at settlement), or to terminate this Contract and receive a refund of the Deposit. If no amount is entered in the space in this paragraph, the parties agree that the amount shall be \$1,000. The Remediation Limit is independent of any obligations agreed to by Seller in connection with an inspection of the Property pursuant to a separate addendum to this Contract, or provision other than contained in paragraphs 13, 14(c) and 15, dealing with the right of Purchaser to conduct an inspection of the Property.
17. **HOME PURCHASER'S INSPECTION:** Purchaser may have a professional home inspection performed at Purchaser's expense by one or more qualified inspectors. Purchaser (Please check and initial): **WAIVES (purchaser's initial):** CSX OR **DESIRES (purchaser's initial):** _____ a professional home inspection. If Purchaser desires an inspection contingency, see attached home inspection addendum or separate provision of this Contract.
18. **NOTICE TO PURCHASER REGARDING SETTLEMENT AGENT AND SETTLEMENT SERVICES:** Choice of Settlement Agent: Chapter 27.3 (§ 55-525.16 et seq.) of Title 55 of the Code of Virginia provides that the purchaser or borrower has the right to select the settlement agent to handle the closing of this transaction. The settlement agent's role in closing this transaction involves the coordination of numerous administrative and clerical functions relating to the collection of documents and the collection and disbursement of funds required to carry out the terms of the contract between the parties. If part of the purchase price is financed, the lender for the purchaser will instruct the settlement agent as to the signing and recording of loan documents and the disbursement of loan proceeds. No settlement agent can provide legal advice to any party to the transaction except a settlement agent who is engaged in the private practice of law in Virginia and who has been retained or engaged by a party to the transaction for the purpose of providing legal services to that party. Variation by agreement: The provisions of Chapter 27.3 (§ 55-525.16 et seq.) of Title 55 of the Code of Virginia may not be varied by agreement, and rights conferred by this chapter may not be waived. The seller may not require the use of a particular settlement agent as a condition of the sale of the property. Escrow, closing, and settlement service guidelines: The Virginia State Bar issues guidelines to help settlement agents avoid and prevent the unauthorized practice of law in connection with furnishing escrow, settlement or closing services. As a party to a real estate transaction, the purchaser or borrower is entitled to receive a copy of these guidelines from his settlement agent, upon request, in accordance with the provisions of Chapter 27.3 (§ 55-525.16 et seq.) of Title 55 of the Code of Virginia.
19. **MECHANICS LIEN NOTICE:**
(a) Virginia law (Section 43-1 et seq.) permits persons who have performed labor or furnished material for the construction, removal, repair or improvement of any building or structure to file a lien against the Property. This lien may be filed at any time after the work is commenced or the material is furnished, but not later than the earlier of (i) 90 days from the last day of the month in which the lienor last performed work or furnished materials or (ii) 90 days from the time the construction, removal or improvement is terminated. AN EFFECTIVE LIEN FOR WORK PERFORMED PRIOR TO THE DATE OF SETTLEMENT MAY BE FILED AFTER SETTLEMENT. LEGAL COUNSEL SHOULD BE CONSULTED.
(b) Seller shall deliver to Purchaser at settlement an affidavit, on a form acceptable to Purchaser's lender, if applicable, signed by Seller that no labor or materials have been furnished to the Property within the statutory period for the filing of mechanics' or materialmen's liens against the Property. If labor or materials have been furnished during the statutory period, Seller shall deliver to Purchaser an affidavit signed by Seller and the person(s) furnishing the labor or materials that the costs thereof have been paid.
20. **VIRGINIA CONDOMINIUM ACT:** Seller represents that the Property is OR is not a condominium unit subject to Virginia Condominium Act, Section 55-79.39 et seq. of the Code of Virginia (the "Condominium Act"). If the Property is subject to the Condominium Act, the Condominium Act requires Seller to obtain from the unit owner's association (the "Association") a resale certificate and provide it to Purchaser. The information contained in the resale certificate shall be current as of a date specified on the resale certificate. Purchaser may cancel this Contract (i) within three (3) days after the date of this Contract, if Purchaser received the resale certificate on or before the date Purchaser executed this Contract, (ii) within three (3) days after receiving the resale certificate if the resale certificate is hand delivered, or (iii) within six (6) days after the postmark date if the resale certificate is sent to Purchaser by United States mail. Written notice of cancellation shall be hand delivered or sent by United States mail, return receipt requested, to Seller. Purchaser's right to receive the resale certificate and to cancel this Contract are waived conclusively if not exercised before settlement. Purchaser shall have the right to request from the Association an update of the resale certificate specifying any material changes to the statements previously furnished. Purchaser may be required to pay a fee for such update.

21. **PROPERTY OWNERS' ASSOCIATION DISCLOSURE:**

(a) Seller represents that the Property is OR is not located within a development that is subject to the Virginia Property Owners' Association Act, Section 55-508 et seq. of the Code of Virginia (the "Act"). If the Property is within such a development, the Act requires Seller to obtain from the property owners' association (the "Association") an association disclosure packet and provide it to Purchaser. The information in the disclosure packet shall be current as of a date specified on the disclosure packet. Purchaser may cancel this Contract (i) within three (3) days after the date of the Contract, if Purchaser received the disclosure packet (or notice that the packet will not be available) on or before the date Purchaser executed this Contract; (ii) three days after receiving the association disclosure packet or being notified that the association disclosure packet will not be available, if the packet or such notice is hand delivered; or (iii) within six (6) days after postmark date if the packet or notice that the packet will not be available is sent to Purchaser by United States mail. Purchaser may cancel this Contract at any time prior to settlement if Purchaser has not received the association disclosure packet or notice that the packet will not be available. Written notice of cancellation shall be hand delivered or sent by United States mail, return receipt requested, to Seller. Purchaser's right to receive the association disclosure packet and the right to cancel this Contract are waived conclusively if not exercised before settlement. Purchaser shall have the right to request from the Association an update of the disclosure packet specifying any material changes to the statements previously furnished. Purchaser may be required to pay a fee for such update.

(b) If the date of the disclosure packet delivered to Purchaser is earlier than the date this Contract is fully ratified by all parties, Seller represents and warrants to Purchaser that there have been no material changes to the information contained in the disclosure packet from and after the date on the disclosure packet.

22. **LEAD-BASED PAINT INSPECTION:** This paragraph applies only if the Property was built prior to 1978 and is not exempt from the provisions of the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4852d) and regulations promulgated pursuant thereto. (Check as applicable):

(a) Attached to this Contract is a fully executed "Disclosure of Information and Acknowledgement Lead-Based Paint and/or Lead-Based Paint Hazards," which is made a part of this Contract by the provisions of the Lead Paint Act.

(b) The Lead Paint Act grants Purchaser the right, for a period of ten (10) days after the date this Contract is fully ratified, to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards. Unless Purchaser and Seller have otherwise agreed, Purchaser's obligations under this Contract are not contingent on the results of such assessment or inspection. **(Check as applicable):**

(i) Purchaser reserves the right to conduct a risk assessment or inspection for lead-based paint and/or lead-based paint hazards; OR

(ii) Purchaser waives the right to conduct a risk assessment or inspection for lead-based paint and/or lead-based paint hazards.

23. **NOTICE TO PURCHASER(S):** Purchaser should exercise whatever due diligence Purchaser deems necessary with respect to information on sexual offenders registered under Chapter 23 (sec19.2-387 et seq.) of Title 19.2. Such information may be obtained by contacting your local police department or the Department of State Police, Central Records Exchange at (804) 674-2000 or www.vsp.state.va.us/.

24. **NOTICE OF DISCLOSURE PURSUANT TO VIRGINIA RESIDENTIAL PROPERTY DISCLOSURE ACT:** Disclosure is OR is not attached. (Attachment does not become part of this Contract.)

25. **DEFAULT:** If Seller or Purchaser defaults under this Contract, the defaulting party, in addition to all other remedies available at law or in equity, shall be liable for the brokerage fee referenced in paragraph 10 hereof as if this Contract had been performed and for any damages and all expenses incurred by non-defaulting party, Listing Company and Selling Company in connection with this transaction and the enforcement of this Contract, including, without limitation attorneys' fees and costs, if any. Payment of a real estate broker's fee as the result of a transaction relating to the property which occurs subsequent to a default under this Contract shall not relieve the defaulting party of liability for the fee of Listing Company in this transaction and for any damages and expenses incurred by the non-defaulting party, Listing Company and Selling Company in connection with this transaction. In any action brought by Seller, Purchaser, Listing Company or Selling Company under this Contract or growing out of the transactions contemplated herein, including, without limitation, a suit to secure the release of any earnest money deposit that the other principal to the transaction has refused to authorize, the prevailing party in such action shall be entitled to receive from the non-prevailing party or parties, jointly and severally, in addition to any other damages or awards, reasonable attorneys' fees and costs expended or incurred in prosecuting or defending such action. Seller and Purchaser acknowledge and agree that Listing Company and Selling Company are intended third-party beneficiaries of this Contract as to any commissions due them as a result of the transactions contemplated by this Contract.

26. **MISCELLANEOUS:** This Contract may be signed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same document. Documents delivered by facsimile machine shall be considered as originals. Unless otherwise specified herein, "days" mean calendar days. For the purpose of computing time periods, the first day shall be the day following the date this Contract is fully ratified. This Contract represents the entire

agreement between Seller and Purchaser and may not be modified or changed except by written instrument executed by the parties. This Contract shall be construed, interpreted and applied according to the laws of the state in which the Property is located and shall be binding upon and shall inure to the benefit of the heirs, personal representatives, successors, and assigns of the parties. To the extent any handwritten or typewritten terms herein conflict with or are inconsistent with the printed term hereof, the handwritten and typewritten terms shall control. Whenever the context shall so require, the masculine shall include the feminine and singular shall include the plural. Unless otherwise provided herein, the provisions of this Contract affecting title shall be deemed merged into the deed delivered at settlement and shall not survive settlement.

27. **NON-BINDING MEDIATION:** In an effort to avoid the expense and delay of litigation, the parties agree to submit any disputes or claims arising out of this Contract, including those involving the Listing Company or the Selling Company, to mediation prior to instituting litigation. Such mediation will be *non-binding*, that is, no party will be obligated to enter into any settlement arising out of mediation unless that settlement is satisfactory to that party. Any settlement the parties enter into will be binding, but if the parties are not able to reach agreement on a settlement, they may resort to arbitration or litigation as if the mediation had never taken place. The mediation will be performed by a mutually agreeable mediator or mediation service in the area. This agreement to mediate does not apply to foreclosure, unlawful detainer (eviction), mechanics lien, probate, or license law actions. Judicial actions to provide provisional remedies (such as injunctions and filings to enable public notice of pending disputes) are not violations of the obligation to mediate and do not waive the right to mediate.

28. **BROKERS: LICENSEE STATUS:**

(a) Listing Company and Selling Company may from time to time engage in general insurance, title insurance, mortgage loan, real estate settlement, home warranty and other real estate-related businesses and services, from which they may receive compensation during the course of this transaction, in addition to real estate brokerage fees. The parties acknowledge that Listing Company and Selling Company are retained for their real estate brokerage expertise, and neither has been retained as an attorney, tax advisor, appraiser, title advisor, home inspector, engineer, surveyor or other professional service provider.

(b) Disclosure of Real Estate Board/Commission licensee status, if any is required in this transaction: _____

29. **OTHER TERMS:** (Use this space for additional terms not covered elsewhere in this Contract.) Purchaser shall have 90 days from the date this agreement is signed by all parties to perform studies, tests and investigations relative to environmental and any other issues, at Purchaser's discretion. If the results of any of the studies, tests and investigations are not satisfactory to Purchaser, Purchaser may terminate this agreement by giving notice to Seller, after which the earnest money (Deposit) shall be returned to Purchaser with neither party having any further obligations to the other. Consent for access to the property is hereby granted to Purchaser by Seller. See Exhibit "B".

30. **ACCEPTANCE:** This Contract, when signed by Purchaser, shall constitute an offer to enter into a bilateral contract, and the offer shall remain in effect unless earlier withdrawn, until _____ (local time in Virginia), on _____, _____ (date). If not accepted by such time, this offer shall be null and void.

31. **ELECTRONIC SIGNATURES.** _____ / _____ If this paragraph is initialed by both parties, then in accordance with the Uniform Electronic Transactions Act (UETA) and the Electronic Signatures in Global and National Commerce Act, or E-Sign, regarding electronic signatures and transactions, the parties do hereby expressly authorize and agree to the use of electronic signatures as an additional method of signing and/or initialing this Agreement. The parties hereby agree that either party may sign electronically by utilizing an electronic signature service.

WITNESS the following duly authorized signatures and seals: (SEPARATE ALL COPIES BEFORE SIGNING BELOW)

DATE _____ / _____ (SEAL)

SELLER

Laura Dean Johnson

5-27-14, Laura Johnson (SEAL)
DATE SELLER

5-28-14 [Signature] (SEAL)
DATE PURCHASER

Danville-Pittsylvania Regional

DATE PURCHASER (SEAL)

Industrial Facility Authority

Receipt of deposit per paragraph 4 above is hereby acknowledged.
_____/_____

For information purposes only:

Listing Company's Name and Address

Selling Company's Name and Address

Prudential Manasco Realty (BB)

Office Phone: _____ Fax: _____
MLS Broker Code: _____ Office ID No. _____
Agent Name: _____
Agent ID No.: _____
Agent E-mail address: _____

Office Phone: _____ Fax: _____
MLS Broker Code: _____ Office ID No. _____
Agent Name: Bonnie Butler
Agent ID No.: _____
Agent E-mail address: _____

This Contract has been executed by Purchaser and Seller as of 5-28, 2014.
Listing Firm _____; Selling Firm Prudential Manasco Realty

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THIS ADDENDUM (this "Addendum") to Residential Contract of Purchase dated as of December 27, 2013 (the "Main Agreement"), by and between *Laura Dean Johnson* (whether one or more, "Seller"), and DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, a political subdivision of the Commonwealth of Virginia ("Purchaser"), provides as follows:

The parties further agree as part of the Main Agreement, and effective as of the date of the Main Agreement, as follows:

Section 1. - Financing - Page 3. Paragraphs 5(c) and 5(e) are hereby deleted.

Section 2. - Default - Page 7. Paragraph 25 shall be replaced in its entirety with the new paragraph 25 as follows:

"25. DEFAULT: In any action brought by Seller or Purchaser under this Contract or growing out of the transactions contemplated herein, including, without limitation, a suit to secure the release of any earnest money deposit that the other principal to the transaction has refused to authorize, the prevailing party in such action shall be entitled to receive from the non-prevailing party or parties, jointly and severally, in addition to any other damages or awards, reasonable attorneys' fees and costs expended or incurred in prosecuting or defending such action. Notwithstanding any other provision of this Contract to the contrary, in the event of default by Purchaser, Seller shall not be entitled to specific performance, and Seller's sole and exclusive remedy shall be to retain the Deposit as liquidated damages."

Section 3. - Non-Binding Mediation - Page 8. Paragraph 27 is hereby deleted.

Section 4. - Environmental Warranty. Add the following new paragraph after paragraph 31:

"32. ENVIRONMENTAL WARRANTY: Seller represents and warrants to Purchaser that to the best of Seller's knowledge: (i) none of the Property has been excavated (except for standard grading related to site development); (ii) no hazardous materials, toxic chemicals, or similar substances, as defined by 42 U.S.C. §§ 1251 *et seq.*, or 42 U.S.C. §§ 6901 *et seq.* or 42 U.S.C. §§ 9601 *et seq.*, or 33 U.S.C. § 1317(1), or 15 U.S.C. § 2606(f), or 49 U.S.C. §§ 1801 *et seq.*, or regulations adopted pursuant thereto, or any similar provision of any applicable state, Federal, or local law (collectively, "Hazardous Materials"), are or were stored or used on or under or otherwise were or are in existence or were in any way dealt with on or under the Property in violation of applicable law; and (iii) no owner or occupant of the Property has received any notice from any governmental agency with regard to such Hazardous Materials."

Section 5. - Counterparts. This Addendum 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 Addendum.

Section 6. - Effect on Main Agreement. Except as amended in this Addendum, all other terms, provisions, and conditions of the Main Agreement shall remain in full force and effect, and the parties ratify and confirm that the Main Agreement, as amended by this Addendum, is and remains in full force and effect.

IN TESTIMONY WHEREOF, witness our signatures to this ADDENDUM as of the date first above written:

Seller:

Laura Johnson

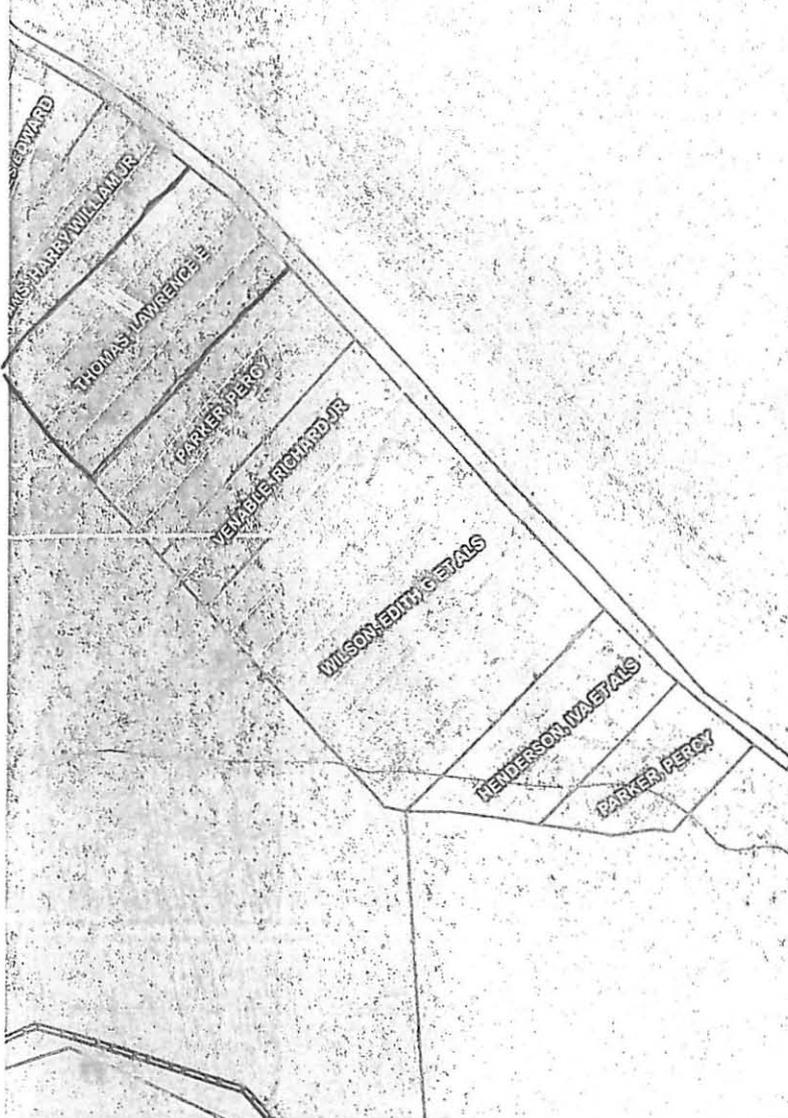
5-27-14

Purchaser:

DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY
AUTHORITY, a political subdivision of the
Commonwealth of Virginia

By: Coy E. Harville
Coy E. Harville, Chairman

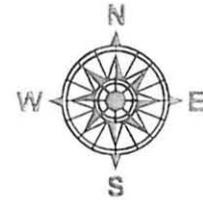
EXHIBIT "A"



Danville

Toms Fork Road

Preliminary Concept Plan
40,000 SF Building



2012 Orthophotography/
2009 Orthophotography



Location Map



PG0009 JAN 13 2

14-00200

RETURN TO and PREPARED BY:
Robert H. Whitt, Jr.
217 Lynn Street
Danville, VA 24541

TAX PIN: 2347-23-6507
CONSIDERATION: \$10,000
ASSESSED VALUE: \$4,500
MAIL TAX BILL TO: ~~2998 Tom Fork Road~~
Ringgold, VA 24586

*296 Witcher Rd.
Ringgold VA 24586*

Title insurance provided through

THIS DEED made this 9th day of January, 2014, by and between **LAWRENCE E. THOMAS and GARY W. CARTER**, Grantors, and **LAURA JOHNSON**, Grantee,

WITNESSETH

THAT for and in consideration of the sum of TEN DOLLARS (\$10), cash in hand paid by the Grantee unto the Grantors, and other good and valuable consideration, the receipt of which is hereby acknowledged, the said Grantors do hereby grant, bargain, sell and convey, with general warranty and English covenants of title, unto the Grantee, all that certain lot or parcel of land, together with improvements thereon and appurtenances thereunto belonging, situate in Pittsylvania County, Virginia, and more particularly described as follows:

LOTS NOS. 26, 27, 28 AND 29 AS SHOWN ON A Map of W. L. Sellers Subdivision, recorded in the Clerk's Office of the Circuit Court of Pittsylvania County, Virginia, in Deed Book 276, at page 472, said map being made by e. B. Fitzgerald, and dated September 19, 1946, and BEING IN FACT, the same property conveyed to Lawrence E. Thomas and Gary W. Carter by Deed dated October 24, 1986, from Doris M. Farmer and Benjamin Farmer, her husband, recorded in the aforesaid Clerk's Office in Deed Book 792, at page 398, to which map and deed reference is here made for a more particular description of the property herein conveyed.

This conveyance is made subject to all easements, rights of way and restrictive covenants now of record or affecting said property.

ROBERT H WHITT, JR.
ATTORNEY AT LAW
DANVILLE, VIRGINIA

WITNESS the following signatures and seals:

Lawrence E. Thomas (SEAL)
LAWRENCE E. THOMAS

STATE OF VIRGINIA

CITY OF DANVILLE, to-wit

The foregoing deed was acknowledged before me this 10th day of

January, 2014, by LAWRENCE E. THOMAS.

Sharon H. Whitt
Notary Public

SHARON H. WHITT
NOTARY PUBLIC
Commonwealth of Virginia
Reg. #360352
My Commission Expires 12/31/17

ROBERT H WHITT, JR.
ATTORNEY AT LAW
DANVILLE, VIRGINIA

Gary W Carter (SEAL)
GARY W. CARTER

STATE OF VIRGINIA

CITY OF DANVILLE, to-wit

The foregoing deed was acknowledged before me this 10TH day of

January, 2014, by GARY W. CARTER.

Sharon H Whitt
Notary Public

SHARON H. WHITT
NOTARY PUBLIC
Commonwealth of Virginia
Reg. #360352
My Commission Expires 12/31/17

ROBERT H WHITT, JR.
ATTORNEY AT LAW
DANVILLE, VIRGINIA

INSTRUMENT #140000200
RECORDED IN THE CLERK'S OFFICE OF
FAYETTEVILLE COUNTY IN
JANUARY 13, 2014 AT 10:42AM
ADDITIONAL TAX WAS PAID AS
REQUIRED BY SEC 58.1-802 OF THE VA. CODE
STATE: \$5.00 LOCAL: \$5.00

R. F. HAYMORE, CLERK
RECORDED Page 26 of 39



OFFICIAL RECEIPT
PITTSYLVANIA COUNTY CIRCUIT
DEED RECEIPT

DATE: 01/13/14 TIME: 10:42:58 ACCOUNT: 143CLR140000200 RECEIPT: 14000000656
CASHIER: TBC REG: VJ35 TYPE: DBS PAYMENT: FULL PAYMENT
INSTRUMENT : 140000200 BOOK: PAGE: RECORDED: 01/13/14 AT 10:42
GRANTOR: THOMAS, LAWRENCE E & OTHER EX: N LOC: CO
GRANTEE: JOHNSON, LAURA EX: N PCT: 100%
AND ADDRESS : 296 WITCHER ROAD RINGGOLD, VA. 24586
RECEIVED OF : WHITT, ROBERT DATE OF DEED: 01/09/14
CHECK: \$86.33 16814
DESCRIPTION 1: LOTS 26 THRU 29 W L SELLERS SUB PAGES: 3 OP 0
2: NAMES: 0
CONSIDERATION: 10,000.00 A/VAL: 4,500.00 MAP: PIN: 2347-23-6507

301	DEEDS	14.50	145	VSLF	1.50
039	DEEDS AND CONTRACTS	25.00	038	DEEDS OF CONVEYANCE	5.00
213	COUNTY GRANTEE TAX	8.33	212	TRANSFER FEES	1.00
220	GRANTOR TAX	5.00	106	TECHNOLOGY TRST FND	5.00
036	DEED PROCESSING FEE	20.00		TENDERED :	86.33
035	VOF FEE	1.00		AMOUNT PAID:	86.33
				CHANGE AMT :	.00

CLERK OF COURT: H. F. HAYMORE

PAYOR'S COPY
RECEIPT COPY 1 OF 3

COMMONWEALTH OF VIRGINIA

DEPARTMENT OF MOTOR VEHICLES

CERTIFICATE OF TITLE FOR A VEHICLE

KEEP IN SAFE PLACE - ANY ALTERATION OR ERASURE VOIDS THIS TITLE.

THE DEPARTMENT OF MOTOR VEHICLES, COMMONWEALTH OF VIRGINIA, HEREBY CERTIFIES THAT AN APPLICATION FOR A CERTIFICATE OF TITLE HAS BEEN MADE FOR THE VEHICLE DESCRIBED HEREON PURSUANT TO THE PROVISIONS OF THE MOTOR VEHICLE LAWS OF THIS COMMONWEALTH, THAT THE APPLICANT NAMED ON THE FACE HEREON HAS BEEN DULY RECORDED AS THE LAWFUL OWNER OF SAID VEHICLE, AND THAT, FROM THE STATEMENTS OF THE OWNER AND THE RECORDS ON FILE WITH THIS DEPARTMENT, THE HEREON DESCRIBED VEHICLE IS SUBJECT TO THE SECURITY INTEREST RECORDS ON FILE WITH THIS DEPARTMENT, AND AS DESCRIBED HEREON, IF ANY. THE MOTOR VEHICLE LAWS OF THIS COMMONWEALTH ALSO PROVIDE THAT ALL TITLE AND REGISTRATION INFORMATION IN THE OFFICE OF THE DEPARTMENT OF MOTOR VEHICLES IS PRIVILEGED AND ONLY SUBJECT TO DISSEMINATION TO AUTHORIZED AGENCIES, BUSINESS ORGANIZATIONS OR AGENTS, GOVERNMENTAL ENTITIES AND INDIVIDUALS UNDER THE CONDITIONS SPECIFIED BY MOTOR VEHICLE CODE SECTIONS 46.2-208, 46.2-209 AND 46.2-210.

ESTABLISHED 05/22/14 338 338CDQ ORIGINAL

VEHICLE IDENTIFICATION NO. 601410932MS30698		YEAR 1984	MAKE CONNER	VEHICLE BODY MANUF HOME	TITLE NO. 80042120			
EMPTY WGT. 12000	GROSS WGT.	GVWR	GCWR	AXLES 2	FUEL NONP	SALES TAX PAID 300.00	ODOMETER *NOT APPLY	DATE ISSUED 05/22/14
OTHER PERTINENT DATA IND							ODOMETER BRAND	PRIOR TITLE NO. 44835508

Name(s) and address(es) of vehicle owners:
JOHNSON, LAURA DEAN
 296 WITCHER RD
 RINGGOLD VA 24586-3718

THIS IS NOT A TITLE NUMBER
 21547555A

NO LIENS



A Federal and State law requires that you state the mileage in connection with the transfer of ownership. Failure to complete or providing a false statement may result in fines and/or imprisonment. The undersigned hereby certifies that the vehicle described in this title has been transferred to the following (printed name and address of Buyer(s)).

Buyer(s) Name _____
 Street _____ City, State, Zip _____

ODOMETER READING (No Tenths) _____ I certify to the best of my knowledge that the odometer reading is ACTUAL Mileage NOT ACTUAL Mileage (odometer discrepancy) IN EXCESS of Mechanical Limits Model year is 10 years or older and was exempt from odometer disclosure in prior state of title (applicant must present out-of-state title showing exemption) DATE OF SALE _____
 SALE PRICE _____

Signature of Seller(s) _____ Printed Name of Seller(s) _____

Signature of Buyer(s) _____ Printed Name of Buyer(s) _____
 I am aware of the above odometer certification made by the Seller(s)

VSA3S _____ I am aware of the above odometer certification made by the Seller(s)
 Dealer's No. _____ Licensing Jurisdiction _____

VOID IF ALTERED

EXHIBIT "B"

Purchaser shall keep the property free and clear from all liens resulting from its work, studies, investigations or other activities performed pursuant to this Contract and, to the extent permitted by law, shall indemnify and hold Seller harmless against any loss or liability to person or property resulting from Purchaser's presence or activities on the Property.

If Purchaser determines that any of the studies performed produce results which Purchaser determines need additional study, the Study Period shall be extended by up to an additional 60 days. If the study period is extended, the Settlement; Possession shall be within 10 days of the completion of the additional study period if such additional studies are satisfactory to Purchaser.

Purchaser's obligations to close are expressly conditioned upon approval/ratification of this Contract by the Board of Directors of Danville Pittsylvania Regional Industrial Facility Authority prior to the expiration of the Study Period.

At Settlement; Possession, Purchaser shall pay Prudential Manasco Realty a Broker's Fee equal to 5% of the purchase price.

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	5-C
Meeting Date:	06/09/2014
Subject:	Financial Status Reports –May 31, 2014
From:	Barbara A. Dameron, Authority Treasurer

SUMMARY

A review of the financial status reports through May 31, 2014 will be provided at the meeting. The financial status reports as of May 31, 2014 are attached for the DPRIFA Board's review.

RECOMMENDATION

Staff recommends approving the financial status reports as of May 31, 2014 as presented.

ATTACHMENTS

Financial Status Reports

**Danville - Pittsylvania Regional Industrial Facility
Authority**

Financial Status

Table of Contents

- A. \$7.3 Million Bonds - Cane Creek Centre
- B. General Expenditures for FY 2014
- C. Mega Park – Funding Other than Bond Funds
- D. Berry Hill Mega Park – Lot 4 Site Development
- E. Rent, Interest, and Other Income Realized
- F. Unaudited Financial Statements

Danville-Pittsylvania Regional Industrial Facility Authority

\$7,300,000 Bonds for Cane Creek Centre - Issued in August 2005 ⁷

As of May 31, 2014

<u>Funding</u>	<u>Funding</u>	<u>Budget / Contract</u> <u>Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended /</u> <u>Unencumbered</u>
Funds from bond issuance	\$ 7,300,000.00				
Issuance cost	(155,401.33)				
Refunding cost ⁷	(52,500.00)				
Bank fees	(98.25)				
Interest earned to date	486,581.70				
Cane Creek Parkway ³		\$ 3,804,576.00	\$ 3,724,241.16	\$ -	
Swedwood Drive ²		69,414.00	69,414.00	-	
Cane Creek Centre entrance ³		72,335.00	53,878.70	-	
Financial Advisory Services		9,900.00	9,900.00	-	
Dewberry contracts ¹		69,582.50	69,582.50	-	
Dewberry contracts not paid by 1.7 grant ^{4,5}		71,881.00	21,529.12	50,351.88	
Land		-	2,777,512.90	-	
Demolition services		71,261.62	71,261.62	-	
Legal fees		-	55,344.30	-	
CCC - Lots 3 & 9 project - RIFA Local Share ⁶		142,190.00	112,464.98	-	
Other expenditures		-	326,619.70	-	
Total	\$ 7,578,582.12	\$ 4,311,140.12	\$ 7,291,748.98	\$ 50,351.88	\$ <u><u>236,481.26</u></u>

notes:

¹ Dewberry Contracts consist of wetland, engineering, surveying and site preparation

² Funds being used to cover City and County matching contributions for a VDOT grant for Swedwood Drive

³ Project completed under budget

⁴ In September 2008 the outstanding principal balance of \$6,965,000 on the Series 2005 Cane Creek Project Revenue Bonds was tendered and not remarketed. These bonds were converted to bank bonds and are now subject to the Credit and Reimbursement agreement the Authority has with Wachovia Bank. The remarketing agent will continue its attempt to remarket these bonds in order to convert them back to Variable Rate Revenue Bonds. As a result, it is likely that the City and County will have to contribute additional funds in order to make future interest payments on the letter of credit attached to these bonds.

⁴ These contracts were originally to be paid by the \$1.7M Special Projects Grant, this grant has expired and the TIC did not issue an extension. The remaining amounts of the contract will be paid using bond funds.

⁵ The budget amount decreased \$71,279.61 from the September 30, 2010 reports. This amount represented the remaining budget amount carried from the \$1.7 SP grant upon its expiration for the following contracts: Wetland Delineation, Wetland Bank Plan Rev., Stream Concept Plan, & Stream Attribute Plan. Per Shawn Harden of Dewberry, these contracts are complete and finished under budget. The only contract that remains open is for Wetland Monitoring and the budget, expended, and encumbered amounts included here are only for this contract.

⁶ This line item represents the amount of expenditures on the "CCC - Lots 3 & 9" budget sheet that is covered by bond funds. RIFA's local share of 5% of these project costs is being covered by these bond funds. Project finished under original budget.

⁷ The \$7.3 million bonds were refunded on August 1, 2013 with the issuance of refunding bonds in the amount of \$5,595,000.

Road Summary-Cane Creek Parkway:	
English Contract-Construction	\$ 5,363,927.00
Change Orders	165,484.50
Expenditures over contract amount	3,579.50
(Less) County's Portion of Contract	(935,207.00)
(Less) Mobilization Allocated to County	(9,718.00)
Portion of English Contract Allocated to RIFA	4,588,066.00
Dewberry Contract-Engineering	683,850.00
Total Road Contract Allocated to RIFA	\$ <u>5,271,916.00</u>

Funding Summary - Cane Creek Parkway	
VDOT	\$ 1,467,340.00
Bonds	3,804,576.00
	\$ <u>5,271,916.00</u>

Danville-Pittsylvania Regional Industrial Facility Authority
 General Expenditures for Fiscal Year 2014
 As of May 31, 2014

	<u>Funding</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
City Contribution	\$ 75,000.00				
County Contribution	75,000.00				
Carryforward from FY2013	66,686.06				
Contingency					
Miscellaneous contingency items		\$ 81,786.06	\$ 382.78	\$ -	\$ 81,403.28
Total Contingency Budget		81,786.06	382.78	-	81,403.28
Legal		100,000.00	55,919.36	-	44,080.64
Accounting		18,900.00	18,500.00	-	400.00
Annual Bank Fees		4,600.00	500.00	-	4,100.00
Postage & Shipping		100.00	-	-	100.00
Meals		4,800.00	3,769.43	-	1,030.57
Utilities		500.00	257.84	-	242.16
Insurance		6,000.00	-	-	6,000.00
Total	\$ 216,686.06	\$ 216,686.06	\$ 79,329.41	\$ -	<u><u>\$ 137,356.65</u></u>

Danville-Pittsylvania Regional Industrial Facility Authority
Mega Park - Funding Other than Bond Funds
As of May 31 2014

Funding	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
City contribution	\$ 134,482.50				
County contribution	134,482.50				
City advance for Klutz, Canter, & Shoffner property ¹⁻⁴	10,340,983.83				
Tobacco Commission FY09 SSED Allocation	3,370,726.00				
Tobacco Commission FY10 SSED Allocation - Engineering Portion	407,725.00				
Tobacco Commission FY10 SSED Allocation - Eng. Portion Deobligated	(244,797.00)				
Local Match for TIC FY10 SSED Allocation - Engineering Portion ⁵	76,067.61				
Additional funds allocated by RIFA Board on 1/14/2013 ⁶	11,854.39				
Land					
Klutz property		\$ 8,394,553.50	\$ 8,394,553.50	\$ -	
Canter property ²		1,200,000.00	1,200,000.00	-	
Adams property		37,308.00	37,308.00	-	
Carter property		5,843.00	5,843.00	-	
Jane Hairston property		1,384,961.08	1,384,961.08	-	
Bill Hairston property		201,148.00	201,148.00	-	
Shoffner Property		1,872,896.25	1,872,896.25	-	
Other					
Dewberry & Davis		29,465.00	28,965.00	500.00	
Dewberry & Davis ³		990,850.00	972,754.29	18,095.71	
Consulting Services - McCallum Sweeney ⁷		115,000.00	103,796.85	-	
Total	\$ 14,231,524.83	\$ 14,232,024.83	\$ 14,202,225.97	\$ 18,595.71	\$ 10,703.15

¹ This figure does not include the interest the City lost from the uninvested funds, which was paid to the City 1/3/2012 and totaled \$144,150.41.

² Settlement fees were drawn from bonds issued for the Berry Hill project 12/1/2011.

³ This contract was originally for \$814,500, but has been amended to include a traffic impact analysis, and a cemetery survey. \$740,000 was covered by the FY09 Tobacco Allocation. \$162,928 was covered by the FY10 Tobacco Allocation. \$87,922 will be covered with RIFA Funds.

⁴ RIFA paid the City back for all advances on 1/3/2012.

⁵ The RIFA Board approved to utilize the remaining funds from the Mega Park bond funds and approximately \$65,000 of the 'Funds Available for Appropriation' towards the local match for the engineering portion of Tobacco Commission grant #1916 for the Berry Hill Mega Park.

⁶ Due to the expiration of the Tobacco Commission FY10 SSED Allocation, the RIFA Board approved on 1/14/2013 to utilize \$11,854.39 of the 'Funds Available for Appropriation' to cover the funding shortfall for the budgeted Dewberry & Davis contract.

⁷ Unencumbered the remaining \$11,203.15 due to termination of contract.

Danville-Pittsylvania Regional Industrial Facility Authority
Berry Hill Mega Park - Lot 4 Site Development
As of May 31, 2014

Funding	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Tobacco Commission FY12 Megasite Allocation	\$ 6,208,153.00				
Local Match for TIC FY12 Megasite Allocation - County Portion ¹	750,000.00				
Local Match for TIC FY12 Megasite Allocation - City Portion ¹	750,000.00				
Local Match for TIC FY12 Megasite Allocation - RIFA Portion ²	181,000.00				
Expenditures					
Dewberry Engineers Inc.		16,770.00	16,770.00	-	
Dewberry Engineers Inc.		1,268,487.00	49,230.00	1,219,257.00	
Jones Lang LaSalle		95,000.00	95,000.00	-	
VA Water Protection Permit Fee		57,840.00	57,840.00	-	
Wetlands Studies and Solutions, Inc.		150,000.00	46,841.79	103,158.21	
Total	\$ 7,889,153.00	\$ 1,588,097.00	\$ 265,681.79	\$ 1,322,415.21	\$ 6,301,056.00

¹ As of May 27, 2014 these funds have not been requested. \$300,000 is expected to be requested by the end of June.

² The RIFA Board approved on 2/11/2013 to transfer the remaining funds of \$175,316.17 from the "Funds Available for Appropriation" budget sheet and funds of \$5,683.83 from the "Rent, Interest, and Other Income Realized" budget sheet to use for the RIFA local match to Tobacco Commission grant #2491 for Berry Hill Mega Park Lot 4 Site Development.

Danville-Pittsylvania Regional Industrial Facility Authority
 Rent, Interest, and Other Income Realized
 As of May 31, 2014

Source of Funds	Funding		Expenditures FY2014	Unexpended / Unencumbered
	Carryforward from FY2013	Current Month		
<u>Carryforward</u>	\$ 419,258.30			
<u>Current Lessees</u>				
	<u>Park</u>	<u>Property</u>		
Institute for Advanced Learning and Research (IALR) ¹	Cyberpark	Hawkins Research Bldg. at 230 Slayton Ave.	\$ 6,673.24	\$ 89,300.26
Institute for Advanced Learning and Research (IALR)	Cyberpark	IALR Building at 150 Slayton Ave.	-	-
Securitas	Cyberpark	Gilbert Building at 1260 South Boston Rd.	-	3,300.00
Guilford Whitetail Management	Berry Hill	Klutz Farm off State Rd. 863/U.S. 311	5,000.00	5,000.00
Mountain View Farms of Virginia, L.C.	Berry Hill	30 acre tract on Stateline Bridge Rd.	-	1,200.00
Osborne Company of North Carolina, Inc.	Berry Hill	4380 Berry Hill Road Pastureland	1,000.00	1,000.00
Clodfelter Hunting Lease	Berry Hill	371.13 acres off State Road 863	-	2,000.00
<u>Total Rent</u>			\$ 12,673.24	\$ 101,800.26
<u>Interest Received</u> ²			\$ 103.20	\$ 1,284.59
<u>Expenditures</u>				\$ 86,531.53
Hawkins Research Bldg. Property Mgmt. Fee				
Totals	\$ 419,258.30	\$ 12,776.44	\$ 103,084.85	\$ 86,531.53
				\$ 435,811.62

Restricted ¹ \$ 364,064.30
Unrestricted \$ 71,747.32

¹ Please note that rent proceeds must be used in accordance with the U.S. Economic Development Administration's (EDA) Standard Terms and Conditions

² Please note that this is only interest received on RIFA's general money market account.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Net Position ^{1, 2}
May 31, 2014*

	Unaudited FY 2014
Assets	
<i>Current assets</i>	
Cash - checking	\$ 101,738
Cash - money market	1,141,526
Prepays	208
<i>Total current assets</i>	1,243,472
<i>Noncurrent assets</i>	
Restricted cash - project fund CCC bonds	286,833
Restricted cash - debt service fund CCC bonds	1,111,148
Restricted cash - debt service fund Berry Hill bonds	-
Restricted cash - debt service reserve fund Berry Hill bonds	2,000,083
Capital assets not being depreciated	24,839,271
Capital assets being depreciated, net	26,838,571
Construction in progress	2,650,156
Unamortized bond issuance costs	348,683
<i>Total noncurrent assets</i>	58,074,745
Total assets	59,318,217
Liabilities	
<i>Current liabilities</i>	
Unearned income	5,850
Bonds payable - current portion	1,080,000
<i>Total current liabilities</i>	1,085,850
<i>Noncurrent liabilities</i>	
Bonds payable - less current portion	9,195,000
<i>Total noncurrent liabilities</i>	9,195,000
Total liabilities	10,280,850
Net Position	
Invested in capital assets - net of related debt	47,799,745
Unrestricted	1,237,622
Total net position	\$ 49,037,367

¹ Please note this balance sheet does not include the Due to/Due from between the County and the City since it nets out and only changes at fiscal year-end.

² Please note this balance sheet does not include all general accounts receivable or accounts payable at the month-end date. This is because information regarding accrued receivables/payables is not available at the time of statement preparation.

*Please note these statements are for the period ended May 31, 2014 as of May 27, 2014, the date of preparation. Due to statement preparation occurring in close proximity to month-end, these statements may not include some pending adjustments for the period.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Revenues and Expenses and Changes in Fund Net Position
*May 31, 2014**

	Unaudited FY 2014
Operating revenues	
Virginia Tobacco Commission Grants	-
Rental income	101,499
Total operating revenues	101,499
Operating expenses ⁴	
Mega Park expenses ³	222,128
Cane Creek Centre expenses ³	607,327
Cyber Park expenses ³	89,184
Professional fees	46,788
Insurance	2,241
Other operating expenses	4,039
Total operating expenses	971,707
Operating loss	(870,208)
Non-operating revenues (expenses)	
Interest income	1,439
Interest expense	(218,765)
Total non-operating expenses, net	(217,326)
Net loss before capital contributions	(1,087,534)
Capital contributions	
Contribution - City of Danville	815,282
Contribution - Pittsylvania County	815,282
Total capital contributions	1,630,564
Change in net position	543,030
Net position at July 1,	48,494,337
Net position at May 31,	\$ 49,037,367

³ A portion or all of these expenses may be capitalized at fiscal year-end.

⁴ Please note that most non-cash items, such as depreciation and amortization, are not included here until year-end entries are made.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Cash Flows
*May 31, 2014**

	Unaudited FY 2014
Operating activities	
Receipts from grant reimbursement requests	\$ -
Receipts from leases	101,501
Payments to suppliers for goods and services	(991,997)
Net cash used by operating activities	(890,496)
Capital and related financing activities	
Capital contributions	1,630,564
Interest paid on bonds	(296,168)
Proceeds from bond issuance	5,595,000
Principal repayments on bonds	(6,640,000)
Net cash provided by capital and related financing activities	289,396
Investing activities	
Interest received	1,439
Net cash provided by investing activities	1,439
Net decrease in cash and cash equivalents	(599,661)
Cash and cash equivalents - beginning of year (including restricted cash)	5,240,989
Cash and cash equivalents - through May 31, 2014 (including restricted cash)	\$ 4,641,328
Reconciliation of operating loss before capital contributions to net cash used by operating activities:	
Operating loss	\$ (870,208)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Non-cash operating in-kind expenses	-
Changes in assets and liabilities:	
Change in prepaids	6,056
Change in due from other governments	-
Change in other receivables	3,002
Change in accounts payable	(29,346)
Change in unearned income	-
Change in security deposit	-
Net cash used by operating activities	\$ (890,496)

Components of cash and cash equivalents at May 31, 2014:	
American National - Checking	\$ 101,738
American National - General money market	1,141,526
Wachovia - \$7.3M Bonds CCC Debt service fund	1,111,148
Wachovia - \$7.3M Bonds CCC Project fund	286,833
US Bank - \$11.25M Bonds Berry Hill Debt service fund	-
US Bank - \$11.25M Bonds Berry Hill Debt service reserve fund	2,000,083
	\$ 4,641,328