

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE (“Agreement”) is made and entered into this ____ day of _____ 2023, between Cross Stage, LLC, a Virginia limited liability company, whose address 2806 Rivermont Ave Lynchburg VA 24503 (hereinafter called “Purchaser”), and the Industrial Development Authority of Danville, Virginia whose address is City of Danville, Industrial Development Authority, C/O City Attorney’s Office, P. O. Box 3300, Danville, VA 24543 (hereinafter “Seller”).

WITNESSETH:

WHEREAS, Seller is the owner of that certain parcel of real property identified as 200-204 N. Union Street Danville, Virginia 24541 (Parcels # 20598, 21954, and 23112) along with all improvements, in the City of Danville, Virginia, more particularly described on Exhibit “A” attached hereto and incorporated herein; and

WHEREAS, Seller desires to sell this real property to Purchaser, (and shall hereinafter be referred to collectively as the “Property”) and Purchaser desires to purchase said Property from Seller, subject to the terms and conditions hereinafter set forth.

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

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

2. Purchase Price.

(a) The purchase price (“Purchase Price”) to be paid by Purchaser on behalf of Seller for the Property shall be One Hundred Twenty-nine Thousand 00/100 Dollars (\$129,000.00), such Purchase Price to be paid to the Industrial Development Authority City of Danville, Virginia, a political subdivision municipal corporation of the Commonwealth of Virginia. It is the understanding of both parties that the entirety of the Purchase Price shall be payable to the Industrial Development Authority City of Danville, Virginia,

(b) At Closing, the Purchaser shall pay to the Industrial Development Authority City of Danville, Virginia, in United States Currency by cash, cashier's check or wire transfer, an amount equal to the Purchase Price; One Hundred Twenty-nine Thousand Dollars and 00/100 (\$129,000.00)

3. Reserved.

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

(a) To the best of Seller's knowledge and belief, there is no action, suit or proceeding pending or, to the knowledge of Seller, threatened against or affecting the Property, other than those by Purchaser or the City of Danville, Virginia.

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

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

(d) To the best of Seller's knowledge and belief, the Property is not subject to any roll back tax or any similar tax related to the discontinuance of any use to which the Property has been put.

(e) To the best of Seller's knowledge and belief, no tax appeals are currently pending with respect to the Property.

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

with respect to, and no one has any right to use or occupy, the Property except for the lease to Purchaser.

5. Representations and Warranties of Seller. Purchaser makes the following representations and warranties to Seller, which representations and warranties are true and correct as of the Effective Date, and shall be true and correct at and as of the Closing Date in all respects as though such representations and warranties were made both at and as of the Effective Date, and at and as of the Closing Date:

(a) Purchaser is a political subdivision of the Commonwealth of Virginia, Active and in Good Standing and authorized to transact business in the Commonwealth of Virginia; Purchaser has full power and authority, and is duly authorized, to execute, enter into, deliver and perform this Agreement and its obligations hereunder.

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

(c) The person or persons executing on behalf of Purchaser has or shall have the authority to do so and upon execution by such party(s), the Agreement is valid, binding, and enforceable obligation of the Purchaser.

6. Inspections. (a) Seller and Purchaser hereby acknowledge that as of the Effective Date, Purchaser has not yet had an opportunity to fully review and evaluate this transaction. If on or before 5:00 p.m. (Eastern Standard Time) on a date which is sixty (60) days from the Date of this agreement ("Inspection Completion Date"), Purchaser determines, in its sole and absolute discretion, that Purchaser does not desire to purchase the Property, then Purchaser shall have the right to give written notice to Seller electing to terminate this Agreement, provided such notice is delivered to Seller prior to 5:00 p.m. (Eastern Standard Time) on the Inspection Completion Date. In the event such notice of termination is delivered on or before 5:00 p.m. (Eastern Standard Time) on the Inspection Completion Date, then the parties shall be released from all further obligations each to the other under this Agreement. In the event that the Purchaser does not terminate this Agreement as set forth in this Section 6, then Purchaser's right to terminate this Agreement shall be deemed waived by Purchaser.

(b) Upon reasonable prior notice to Seller, Purchaser, its agents, employees, and representatives shall have access to the Property at all reasonable times to inspect the Property and to conduct reasonable tests thereon including, but not limited to, soil and

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

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

7. Covenants by Seller. Between the Effective Date and the Closing, Seller agrees that:

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

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

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

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

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

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

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

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

8. Seller's Defaults; Purchaser's Remedies. In the event that Seller shall be in material default hereunder for any reason other than Purchaser's default, Purchaser may deliver a written notice to Seller stating with particularity the alleged default of Seller, the action required by Seller to cure such default, and Purchaser's intent to exercise its remedies provided below if the default is not cured. Seller shall have ten (10) business days after receipt of such notice to cure the alleged default to Purchaser's reasonable satisfaction (and the Closing Date shall be delayed, if necessary, until the end of such ten (10) business day period). In the event such default is not cured within such ten (10) business day period, then Purchaser may elect, as its sole and exclusive remedy, for such default, to terminate this Agreement by written notice to Purchaser and the Closing Agent. Purchaser hereby expressly waives its rights to seek damages in the event of Seller's default hereunder.

9. Purchaser's Default; Seller's Remedies. In the event that Purchaser shall be in default hereunder for any reason other than Seller's default, Seller may deliver a written notice to Purchaser stating with particularity the alleged default of Purchaser, the action required by Purchaser to cure such default and Seller's intent to terminate this Agreement if the default is not cured. Purchaser shall have ten (10) business days after receipt of such notice to cure the alleged default to Seller's reasonable satisfaction (and the Closing Date shall be delayed, if necessary, until the end of such ten (10) business day period). In the event such default is not cured within such ten (10) business day period, then Seller may, as Seller's sole and exclusive remedy for such default, terminate this Agreement by written notice to Purchaser and the Closing Agent. Seller hereby expressly waives its rights to seek damages in the event of Purchaser's default hereunder.

10. Reversion of Title. Purchaser shall forfeit any and all rights and ownership interests in the Property by way of reversion of title to Seller, placed in the deed, free and clear of all liens and encumbrances created after the conveyance of the Property to Purchaser if the Purchaser has not obtained a building permit for and initiated substantial construction on the renovation of the Property, in the sole discretion of the Seller, within fourteen (14) months from the date of Closing. Seller shall reacquire the property at the original price of One Hundred and Twenty-nine Thousand 00/100 Dollars (\$129,000.00).

11. Closing Costs. (a) Purchaser shall be responsible for the costs of preparing the Deed (as hereinafter defined). Purchaser is not required to pay Grantor's Tax pursuant to Virginia Code Section 58.1-811(C)(4).

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

12. Closing. The “Closing” shall be held no later than thirty (30) days from the Inspection Completion Date. Notwithstanding the foregoing provisions of this Section 12, Purchaser shall have the right to adjourn the Initial Scheduled Closing Date for any reason one (1) time (for not more than thirty (30) days) to a date specified by Purchaser (the “Purchaser Adjourned Closing Date”) by delivering notice to Seller and closing agent two (2) business days before the Initial Scheduled Closing Date. As used herein, the term “Closing Date” shall mean the Initial Scheduled Closing Date and the Purchaser Adjourned Closing Date, as applicable. It is expressly agreed by Seller and Purchaser that time is of the essence with respect to the parties’ obligations to close this transaction on the Closing Date. For the avoidance of doubt, Seller and Purchaser acknowledge that any adjournment of the Closing Date pursuant to any right of adjournment granted hereunder, then time shall be of the essence with respect to Seller’s and Purchaser’s obligation to close this transaction on such adjourned Closing Date.

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

- Exceptions;
- (i) A general warranty deed (“Deed”) subject only to the Acceptable
 - (ii) A non-foreign affidavit in a form reasonably acceptable to Purchaser;
 - (iii) Such other documents that the Closing Agent may reasonably require in connection with the purchase, including but not limited to, such affidavits required for deletion of the parties in possession and mechanics’ lien exceptions appearing on an owner’s title insurance policy; and

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

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

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

14. Assignability. Neither Purchaser nor Seller shall have the right to assign this Agreement and its rights hereunder to any entity or person without the other party's prior written consent, which consent shall not be unreasonably withheld.

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

If to Seller:

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

With a copy to:

City Attorney's Office
P.O. Box 3300
Danville, VA 24543

If to Purchaser

Cross Stage LLC (SCC entity ID # S7391230):
2806 Rivermont Ave
Lynchburg, VA 24503

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

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

17. Miscellaneous.

(a) Binding Agreement. This Agreement shall bind and inure to the benefit of the parties hereto and their respective heirs, administrators, personal representative, successors, and assigns.

(b) Applicable Law Forum Selection and Consent to Jurisdiction. This Agreement shall be construed and governed in accordance with the laws of the Commonwealth of Virginia and in the event of any litigation hereunder, the venue for any such litigation, shall be the City of Danville, Virginia. All of the parties to this Agreement have participated fully in the negotiation and preparation hereof and accordingly, this Agreement shall not be more strictly construed against any one of the parties hereto.

(c) Waiver of Jury Trial. The Parties to this Agreement hereby waive their right to a trial by jury with respect to disputes arising under this agreement and the related agreements and consent to a bench trial with the appropriate judge as the finder of fact.

(d) Interpretation. In the event any interpretation of this Agreement is determined by appropriate judicial authority to be illegal or otherwise invalid, such provision shall be given its nearest legal meaning or reconstrued as deleted as such authority determines, and the remainder of this Agreement shall be construed to be in full force and effect.

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

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

(g) Title and Headings; References. Titles and headings to Sections and Subsections herein are inserted for the convenience of reference only, and not intended to be part of or to affect the meaning or interpretation of this Agreement. All Section and Subsection references in this Agreement are to the Sections and Subsections of this Agreement unless expressly stated to the contrary.

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

(i) Entire Agreement; Modifications. This Agreement constitutes the entire agreement between the parties for sale and purchase of the Property and supersedes any other agreement or understanding of the parties with respect to the matters herein contained written or oral, between the parties hereto. This Agreement may not be changed, altered or modified except as set forth in a written instrument executed with the same formality as this Agreement.

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

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

(l) Severability. The invalidity, illegality, or unenforceability of any provision of this Lease as determined by a court of competent jurisdiction shall in no way affect the validity, legality or enforceability of any other provision hereof.

(m) Waiver of Breach. The waiver by a party of a breach or violation of any provision of the Agreement shall not constitute or be deemed a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

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

[Signatures on Following Page]

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

PURCHASER: Cross Stage LLC

By: _____
Name: _____
Title: _____

**SELLER: Industrial Development
Authority of Danville, Virginia.**

By: _____
Name: _____
Title: _____

DRAFT

EXHIBIT "A"

DRAFT