

RESOLUTION NO. 30485

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO AND EXECUTE A REAL ESTATE PURCHASE AND OPTION AGREEMENT RELATIVE TO THE PURCHASE OF LOTS 1, 2-B, AND OPTION TO PURCHASE LOT 2-A, LOCATED AT THE ENTERPRISE SOUTH INDUSTRIAL PARK (ESIP) AND AUTHORIZING THE MAYOR TO EXECUTE A DEED AND OTHER NECESSARY CLOSING DOCUMENTS CONVEYING SAID PROPERTY TO THE PURCHASER LISTED HEREINBELOW UPON PAYMENT OF THE SALE PRICE BY THE PURCHASER.

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BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE, that it is hereby authorizing the Mayor to enter into and execute a Real Estate Purchase and Option Agreement relative to the purchase of Lots 1, 2-B, and option to purchase Lot 2-A, located at the Enterprise South Industrial Park (ESIP) and authorizing the Mayor to execute a deed and other necessary closing documents conveying said property to the purchaser listed hereinbelow upon payment of the sale price by the purchaser.

ADOPTED: September 22, 2020

/mem

## REAL ESTATE PURCHASE AND OPTION AGREEMENT

**THIS REAL ESTATE PURCHASE AND OPTION AGREEMENT** (this “Agreement”) is entered into so as to be effective as of the \_\_\_\_ day of \_\_\_\_\_, 2020 (“Effective Date”), by and between the **CITY OF CHATTANOOGA** and **HAMILTON COUNTY, TENNESSEE**, political subdivisions of the state of Tennessee (collectively “Sellers”) and **CHATTANOOGA INDUSTRIAL, LLC** a Tennessee limited liability (“Purchaser”).

FOR AND IN CONSIDERATION OF the premises set forth herein, the receipt and legal sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Defined Terms. The following terms which are used in this Agreement are defined and have the meanings set forth in this Section 1:

(a) Access Parcel. The approximately 11,000 square foot parcel of land which is shown on **Exhibit “1”** and is located adjacent to Lot 1 and Hickory Valley Road, a public right of way, which is intended to be used by Purchaser to access Lot 1.

(b) Approved Uses. The leasing of the Improvements by Purchaser for Class A office and warehouse space, light manufacturing, warehousing, e-commerce, research and development, and other engineering and technology purposes, including without limitation, the potential operations set forth on **Exhibit “2”**.

(c) Buildable Acreage. The portions of Lot 1, Lot 2-A, and Lot 2-B, on which development is suitable and on which the Improvements are to be constructed pursuant to the locations shown on the Site Plan. The estimated Buildable Acreage of Lot 1 is 12.2 acres. The estimated Buildable Acreage of Lot 2-A is 9.2 acres. The estimated Buildable Acreage of Lot 2-B is 1.8 acres.

(d) Closing. As to any of Lot 1, Lot 2-A and Lot 2-B, the conveyance thereof by Sellers to Purchaser pursuant to a fully executed limited warranty deed (“Deed”) which is in form and content reasonably acceptable to Purchaser and the Title Company so that the Title Company can insure fee simple title to Lot 1, Lot 2-A and Lot 2-B in the name of Purchaser, free and clear of all liens and encumbrances except for the Permitted Encumbrances. The other terms of the Closing are set forth in Section 17 hereof.

(e) Effective Date. The date on which the last of the parties to this Agreement executes this Agreement, which date is to be set forth in the first paragraph of this Agreement.

(f) Escrow Agent. Jones Title Insurance Agency, Inc., which also will serve as the title company (“Title Company”) insuring to Purchaser fee simple title to the Lots.

(g) Feasibility Period. The period of time for both the Sale Property and the Option Property which commences on the Effective Date of this Agreement and expires not later than one hundred eighty (180) days thereafter, the terms of which are set forth in Section 9 hereof.

(h) Improvements. The building structures, truck and other vehicular parking areas, landscaping and other infrastructure that are to be constructed on Lot 1, Lot 2-A and Lot 2-B in accordance with the Site Plan and are shown in general detail on **Exhibit “3”**.

(i) Lot(s). Any of Lot 1, Lot 2-A and Lot 2-B or when used in the plural form, all of Lot 1, Lot 2-A and Lot 2-B.

(j) Lot 1. The approximately 25.5 acre parcel of unimproved real property located at Enterprise South Industrial Park in the city of Chattanooga, Hamilton County, together with all easement rights and privileges appurtenant thereto, and which is more particularly shown on **Exhibit “4”**.

(k) Lot 2-A. The approximately 16.2 acre parcel of unimproved real property located at Enterprise South Industrial Park in the city of Chattanooga, Hamilton County, together with all easement rights and privileges appurtenant thereto, and which is more particularly shown on **Exhibit “5”**.

(l) Lot 2-B. The approximately 1.8 acre parcel of unimproved real property located at Enterprise South Industrial Park in the city of Chattanooga, Hamilton County, together with all easement rights and privileges appurtenant thereto, and which is more particularly shown on **Exhibit “6”**.

(m) Option Earnest Money. The sum of Twenty Eight Thousand Five Hundred Twenty and No/100 Dollars (\$28,520).

(n) Project Economic Impact. Purchaser’s good faith projection of the potential financial impact to the greater Chattanooga region resulting from the construction, development and leasing of the Improvements, which projection is set forth on **Exhibit “7”**.

(o) Restrictive Covenants. The Declaration of Covenants and Restrictions for Enterprise South Industrial Park dated April 2, 2004, and recorded in Book 7085, Page 299, in the Register’s Office of Hamilton County, Tennessee (“ROHC”).

(p) Sale Earnest Money. The sum of Forty Two Thousand Five Hundred Eighty and No/100 Dollars (\$42,580).

(q) Site Plan. The preliminary site plan showing the proposed Improvements and their locations on Lot 1, Lot 2-A and Lot 2-B, a copy of which is shown on **Exhibit “8”**.

2. Sale of Property. In accordance with and subject to the terms and conditions of this Agreement, Sellers shall sell, and Purchaser shall purchase, in fee simple, Lot 1 and Lot 2-B (collectively “Sale Property”) for the development and operation of the Improvements for any of the Approved Uses.

3. Purchase Price for the Sale Property and Price Per Acre.

(a) The amount of the purchase price (“Sale Purchase Price”) for the Sale Property is Eight Hundred Fifty One Thousand Six Hundred and No/100 Dollars (\$851,600) which is comprised of \$707,600 for Lot 1, and \$144,000 for Lot 2-B.

(b) The price per acre for Lot 1 is calculated as follows:  
 $\$707,600$  (purchase price)  $\div$  25.5 acres = \$27,749 per acre

(c) The price per acre for Lot 2-B is calculated as follows:  
 $\$144,000$  (purchase price)  $\div$  1.8 acres = \$80,000 per acre

4. Option of Lot 2-A (Option Property). Sellers hereby grant to Purchaser the exclusive option (“Purchase Option”) to purchase Lot 2-A (sometimes hereinafter called “Option Property”). The term of the Purchase Option commences on the Effective Date of this Agreement and expires thirty-six (36) months (“Option Expiration”) following the expiration of the Feasibility Period as to the Option Property. If exercised, Purchaser must exercise the Purchase Option by delivery to Sellers of written notice of such exercise not later than the Option Expiration with the Closing to occur as provided in Section 17 hereof, failing which the Purchase Option will terminate automatically without further obligation by Sellers to convey the Option Property, and the Option Earnest Money will be forfeited to Sellers, and neither of the parties will have any further obligation with respect to the Option Property.

5. Purchase Price for Lot 2-A (Option Property) and Price Per Acre.

(a) The amount of the purchase price (“Option Price”) for the Option Property is Five Hundred Seventy Thousand Four Hundred and No/100 Dollars (\$570,400).

(b) The price per acre for Lot 2-A (Option Property) is calculated as follows:  
 $\$570,400$  (Option Amount)  $\div$  16.2 acres = \$35,210 per acre

6. Buildable Acreage. Sellers and Purchaser acknowledge and agree that because of topographical, environmental, wetland, and other physical issues, including a stream on Lot 1 and a private cemetery on Lot 2-B, the Buildable Acreage on the Lots is less than the total acreage of the Lots. The Buildable Acreage of each of the Lots, and the price per Buildable Acreage are:

(a) Lot 1:

(i) Buildable Acreage: 12.2 acres

(ii) Buildable Acreage price for the approximately 6.1 acres comprising northern section of Lot 1: \$80,000

(iii) Buildable Acreage price for the approximately 6.1 acres comprising southern section of Lot 1: \$36,000 per acre

(b) Lot 2-B:

(i) Buildable Acreage: 1.8 acres

- (ii) Buildable Acreage Price: \$80,000 per acre
- (c) Lot 2-A:
  - (i) Buildable Acreage: 9.2 acres
  - (ii) Buildable Acreage Price: \$62,000 per acre

7. Sale Earnest Money and Option Earnest Money. Within three (3) business days after the execution of this Agreement, Purchaser will pay to Escrow Agent the Sale Earnest Money and the Option Earnest Money, to be held as earnest money hereunder in an interest bearing account, all of which will be nonrefundable upon execution of this Agreement and opening of escrow, except as provided hereinafter. In the event Purchaser terminates this Agreement and is due a refund of the Sale Earnest Money and/or the Option Earnest Money, such funds will be refunded to Purchaser, less \$100 paid to Sellers as independent consideration.

8. Restrictive Covenants.

(a) Sellers agree that at the Closing of each Lot, they will cause to be waived as to a Lot, the application of the provisions of Section 2.1 (Right of Reversion) and Section 3.1 (Speculation Prohibition) of the Restrictive Covenants so long as construction of the Improvements on the respective Lots commences within the respective time periods set forth below, and, unless Sellers consent to additional time, which consent won't be unreasonably withheld, such construction is pursued to substantial completion within eighteen (18) months thereafter, using reasonable commercial efforts, and thereafter to the extent not occupied, is continuously marketed to tenants for the Approved Uses under the Agreement.

The respective time periods for commencement of construction on the Lots are:

- (i) Lot 1 and Lot 2-B: Within forty-eight (48) months after Closing; and
- (ii) Lot 2-A: Within twelve (12) months after Closing.

(b) Sellers further agree that they will subordinate the rights of Sellers under Section 2.1 (Right of Reversion) and Section 3.1 (Speculation Prohibition) of the Restrictive Covenants to the construction and permanent financing loans from time to time placed upon the Lots which Purchaser will utilize to construct, develop and finance the Improvements.

9. Purchaser's Feasibility Period. Purchaser shall have until the expiration of the Feasibility Period to examine the Sale Property and the Option Property and all matters relating thereto. If such day falls on a weekend or holiday, then the Feasibility Period will expire on the next-following business day. The matters included in the examination of the Sale Property and the Option Property shall be, without limitation, the status of title and survey as described in Section 10 and the determination by Purchaser that the Sale Property and the Option Property is suitable for Purchaser's intended use, including without limitation, assessment of title, surveying, platting, preparation of the Site Plan, environment and wetlands analysis, tree surveys, soil borings, site engineering and access. Sellers will reasonably cooperate with Purchaser in making its

examination and timely will furnish to Purchaser any materials relating to the Sale Property and the Option Property which are known by Sellers to be in their possession. Purchaser shall notify Sellers in writing prior to the expiration of the Feasibility Period as to whether Purchaser elects to proceed to the Closing of the Sale Property and the binding Option of the Option Property, or terminate this Agreement as to either or both of the Sale Property and the Option Property, which Purchaser may elect to do in its sole discretion. If Purchaser fails to provide such notice prior to the expiration of the Feasibility Period, then this Agreement shall automatically remain in full force and effect as to the Lot(s) for which no notice has been given. If this Agreement is terminated pursuant to this Section 9 as to either or both of the Sale Property and the Option Property, Purchaser shall recover the Sale Earnest Money and/or the Option Earnest Money, as the case may be, together with all interest accrued thereon, less \$100 paid to Sellers as independent consideration. If Purchaser does not terminate this Agreement as to either the Sale Property or the Option Property prior to the expiration of the Feasibility Period, then the Sale Earnest Money and/or the Option Earnest Money, as the case may be, shall be nonrefundable except as set forth herein.

During the Feasibility Period, Sellers will deliver to Purchaser documents relating to the Lots which are in Sellers' control, and will use reasonable efforts to assist Purchaser with respect to (i) developing strategies and solutions to mitigate wetlands and other environmental issues which may be adversely affected by the construction of the Improvements; (ii) securing for Purchaser either an insurable perpetual and exclusive access easement in, or insurable fee title to, the Access Parcel; (iii) third party access to the private cemetery located on the rear portion of Lot 2-B; and (iv) a waiver of the requirement of a predevelopment tree survey of the Lots.

By notice to Sellers, Purchaser will have the right, at its discretion, to reduce the term of the Feasibility Period as to either of the Sale Property or the Option Property while continuing in effect the Feasibility Period for the Lot(s) for which the Feasibility Period has not been reduced.

10. Title and Survey Review.

(a) Promptly after the Effective Date, Purchaser shall cause title to the Lots to be examined by the Title Company and shall request that the Title Company issue a commitment for an owner's policy of title insurance, a copy of which will be furnished to Sellers (the "Title Commitment").

(b) During the Feasibility Period, Sellers shall, at Sellers' expense, obtain ALTA/ACSM surveys of the Sale Property and the Option Property, prepared in conformance with Purchaser's and Title Company's reasonable survey requirements (the "Survey") and, if required under applicable law, a subdivision plat of the Lots.

(c) If (i) the Title Commitment indicates: (A) that Sellers do not have marketable, indefeasible title to the Sale Property and/or the Option Property in fee simple, or (B) the Sale Property and/or the Option Property are subject to any defects, liens, encumbrances, encroachments, easements, rights-of-way, covenants, reservations, or restrictions which are not acceptable to Purchaser; or if (ii) the Survey (x) is for good cause not acceptable to the Title Company, or (y) shows the dimensions of the Sale Property and/or the Option Property to be other

than as set forth on Exhibit “9”, so that the boundaries are insufficient for the Approved Uses and the Site Plan, or (z) shows easements, encroachments or other adverse conditions which are not acceptable to Purchaser; then Purchaser shall, within five (5) days after its receipt of the latter of the Title Commitment or the Survey but prior to the expiration of the Feasibility Period, give Sellers written notice thereof (the “Objection Notice”). The matters that are set forth in the Objection Notice are hereinafter referred to as “Title Objections”.

(d) Sellers shall notify Purchaser within five (5) days of receipt of the Objection Notice of its intended action in regard to satisfying or remedying the Title Objections. If Sellers elect to satisfy or remedy the Title Objections, but have not so satisfied or remedied all Title Objections within ten (10) days after receipt of the Objection Notice, or if Sellers elect not to satisfy or remedy the Title Objections, then Purchaser may, by written notice within ten (10) days after the expiration of said ten (10) day period, either (i) terminate this Agreement as to either or both of the Sale Property and the Option Property; or (ii) elect to waive its objection to any uncured Title Objections and to proceed to close the purchase of the Sale Property and/or the Option Property without reduction in the Sale Purchase Price or the Option Price. The Closing may, if necessary, and only by written consent of both Purchaser and Sellers, be adjourned for such time period as is necessary to accommodate the notice periods set forth in this Section 10. Any exceptions shown on the Title Commitment or the Survey to which Purchaser does not object as herein provided, and any exceptions to which Purchaser waives its objections by written notice, shall be deemed approved by Purchaser and shall be “Permitted Exceptions”.

11. Purchaser’s Access to the Lots. Purchaser, its agents, engineers, surveyors and other representatives shall have the right, during the term of this Agreement, to enter upon the Lots to inspect, examine, survey the Lots, conduct engineering, geophysical, and/or environmental and wetlands assessments and tests of the Lots, and otherwise to do that which, in the opinion of Purchaser, is necessary to determine the boundaries and acreage of the Lots including the Buildable Acreage, the suitability of the Lots for the uses intended by Purchaser, and the physical condition of the Lots. Purchaser agrees to indemnify and hold Sellers harmless from and against any damage to persons or property, costs (including attorneys’ fees), liabilities, claims or suits arising directly from Purchaser’s inspection and testing of the Lots, which indemnity shall survive closing or the termination of this Agreement. Notwithstanding the foregoing, Purchaser shall not conduct a Phase II environmental assessment without Sellers’ written consent, which consent won’t be unreasonably withheld or delayed. Sellers shall have the right to have a representative present when Purchaser is undertaking invasive testing on the Lots, and Purchaser will give Sellers reasonable advance notice thereof. Additionally, prior to accessing the Lots, Purchaser shall obtain commercial general liability insurance in an amount not less than One Million Dollars (\$1,000,000) listing Sellers as additional insureds and shall provide a certificate evidencing the same to Sellers.

12. Sellers’ Approvals. Sellers and Purchaser agree that prior to the commencement of construction on a Lot, Purchaser will prepare in final form the Site Plan and the plans and specifications for the Improvements (collectively “Site Plan and Improvements Specs”) for the Lot(s) on which Purchaser wishes to commence construction. Upon Purchaser’s finalization of the Site Plan and Improvement Specs for any portion of the Lots, and prior to the commencement of construction thereon, Purchaser will obtain the written approval thereof from the Enterprise South

Industrial Park Development Review Committee (“Committee”) which has been created pursuant to the terms of the Restrictive Covenants. Such approval will be based upon the general conformity of the Site Plan and Improvements Specs with the preliminary Site Plan and their suitability for any of the Approved Uses, and which will not be unreasonably withheld or delayed.

13. Project Economic Impact. Purchaser represents that its good faith projection of the potential economic impact of the construction, development and leasing of the Improvements is reflected in the Project Economic Impact, provided that Sellers acknowledge that forecasting the Project Economic Impact necessarily is speculative, and will be affected by changing marketplace conditions. Provided that Purchaser uses reasonable commercial efforts to develop the Improvements, Purchaser will have no liability to Sellers for the non-achievement of the Project Economic Impact.

14. Expenses. The cost of preparing the Deeds and the cost of a standard owner’s title policy (excluding the cost of endorsements unless required to correct existing deficiencies in title) shall be paid by Sellers, along with the cost of the Survey and the subdivision plats, if required under applicable law (as provided in Section 10 hereof). Purchaser shall pay for the cost of all of Purchaser’s due diligence, any costs associated with Purchaser’s financing, the Tennessee transfer tax, and any title endorsements. Purchaser and Sellers shall each pay their own attorneys’ fees in connection with this transaction. All other escrow fees shall be divided equally between Sellers and the Purchaser.

15. Risk of Loss. The risk of loss or damage to a Lot from fire, flood, windstorm or other casualty until delivery of the Deed for such Lot is assumed by Sellers. Risk of loss or damage to a Lot upon and after delivery of the Deed for such Lot is assumed by Purchaser. If, before the date of Closing, any condemnation (taking by eminent domain) proceeding is or has been commenced with respect to a Lot or any casualty results in damage to the Lot or improvements thereon, Purchaser shall have the option of either terminating this Agreement or of completing the purchase contemplated herein. In the event Purchaser shall elect to terminate this Agreement, Purchaser shall be entitled to the return of all Sale Earnest Money and/or Option Earnest Money applicable to the affected Lot(s) and all parties shall be relieved and discharged of any further liability hereunder (except as specified in Section 11). If, however, Purchaser shall elect to complete this transaction, there shall be no reduction in the Sale Purchase Price or the Option Price and Purchaser shall be entitled, in the case of fire or other casualty, to receive from the insurance carrier all insurance proceeds or, in the case of condemnation, to receive the entire award for the Lots or the portion thereof so taken. Sellers shall execute and deliver to Purchaser at closing all proper instruments for the assignment and collection of such proceeds and awards.

16. **NO REPRESENTATIONS AND WARRANTIES/RELEASE.**

(a) **BY ENTERING INTO THIS AGREEMENT, PURCHASER REPRESENTS AND WARRANTS THAT IT HAS PERFORMED (AND PURCHASER REPRESENTS AND WARRANTS TO SELLERS THAT PURCHASER IS CAPABLE OF PERFORMING) AN INDEPENDENT INVESTIGATION, ANALYSIS AND EVALUATION OF THE LOTS. PRIOR TO THE EXPIRATION OF THE FEASIBILITY PERIOD, PURCHASER SHALL DETERMINE, SUBJECT TO THE TERMS AND**



**CONDITIONS OF THIS AGREEMENT, THAT THE LOTS ARE ACCEPTABLE TO PURCHASER. PRIOR TO THE EXPIRATION OF THE FEASIBILITY PERIOD, PURCHASER SHALL CONDUCT ITS OWN THOROUGH AND INDEPENDENT INSPECTION, INVESTIGATION, ANALYSIS AND EVALUATION OF ALL INSTRUMENTS, RECORDS AND DOCUMENTS WHICH PURCHASER DETERMINED TO BE APPROPRIATE OR ADVISABLE TO REVIEW IN CONNECTION WITH PURCHASER'S ACQUISITION OF THE LOTS AND THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.**

**(b) PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT PURCHASER HAS SUBSTANTIAL EXPERIENCE WITH REAL PROPERTY AND ITS OPERATIONS, AND THAT PURCHASER WILL ACQUIRE THE LOTS IN "AS IS, WHERE IS, WITH ALL FAULTS" CONDITION, AND SOLELY IN RELIANCE ON PURCHASER'S OWN INSPECTION AND EXAMINATION AND SELLERS' REPRESENTATIONS AND WARRANTIES EXPRESSLY CONTAINED HEREIN, IF ANY.**

**(c) EXCEPT AS TO THOSE REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN THIS AGREEMENT, IF ANY, AND THE CONVEYANCE DOCUMENTS, IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT SELLERS MAKE NO REPRESENTATIONS, WARRANTIES OR GUARANTIES OF ANY KIND, NATURE OR SORT, EXPRESS OR IMPLIED, WITH RESPECT TO THE PHYSICAL CONDITION, PAST, PRESENT OR FUTURE OPERATION AND/OR PERFORMANCE, OR VALUE, OF THE LOTS AND THAT SELLERS CONVEY ALL OF THE LOTS TO PURCHASER "AS IS AND WHERE IS, WITH ALL FAULTS," AND PURCHASER ACKNOWLEDGES THAT, EXCEPT AS EXPRESSLY SET FORTH HEREIN AND THE CONVEYANCE DOCUMENTS, SELLERS MAKE NO REPRESENTATIONS, GUARANTIES OR WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, AS TO THE QUALITY, CHARACTER, EXTENT, PERFORMANCE, CONDITION OR SUITABILITY OF THE LOTS FOR ANY PURPOSE.**

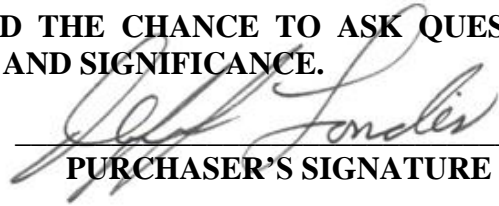
**(d) PURCHASER'S INSPECTION, INVESTIGATION AND SURVEY OF THE LOTS SHALL BE IN LIEU OF ANY NOTICE OR DISCLOSURE REQUIRED BY ANY APPLICABLE HEALTH AND SAFETY CODE, OR BY ANY OTHER PROVISION OF APPLICABLE LAW, RULE OR REGULATION, INCLUDING LAWS REQUIRING DISCLOSURE BY SELLERS OF FLOOD, FIRE, MOLD, SEISMIC HAZARDS, LEAD PAINT, LANDSLIDE AND LIQUEFACTION, OTHER GEOLOGICAL HAZARDS, RAILROAD AND OTHER UTILITY ACCESS, SOIL CONDITIONS AND OTHER CONDITIONS WHICH MAY AFFECT THE USE OF THE LOTS, AND PURCHASER HEREBY WAIVES ANY REQUIREMENT FOR A NOTICE PURSUANT TO THOSE PROVISIONS AND HEREBY ACKNOWLEDGES AND AGREES THAT IT WILL CONDUCT ITS OWN INSPECTIONS AND REVIEWS WITH RESPECT TO ALL MATTERS COVERED THEREBY, AND, EXCEPT WITH RESPECT TO FRAUD, HEREBY RELEASES SELLER FROM LIABILITY IN CONNECTION WITH ANY SUCH MATTERS.**

(e) FURTHERMORE, EXCEPT AS TO THOSE REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN THIS AGREEMENT AND THE CONVEYANCE DOCUMENTS, PURCHASER ACKNOWLEDGES THAT SELLERS MAKE NO, AND HAVE MADE NO, REPRESENTATIONS OR WARRANTIES IN CONNECTION WITH THE PRESENCE OR INTEGRATION OF HAZARDOUS MATERIALS UPON OR WITHIN THE LOTS. IN THAT REGARD, PURCHASER HAS, PRIOR TO CLOSING, CONDUCTED ITS OWN INVESTIGATIONS TO DETERMINE IF THE LOTS CONTAIN ANY HAZARDOUS MATERIALS OR TOXIC WASTE, MATERIALS, DISCHARGE, DUMPING OR CONTAMINATION, WHETHER SOIL, GROUNDWATER OR OTHERWISE, WHICH VIOLATES ANY FEDERAL, STATE, LOCAL OR OTHER GOVERNMENTAL LAW, REGULATION OR ORDER OR REQUIRES REPORTING TO ANY GOVERNMENTAL AUTHORITY.

EXCEPT AS TO THOSE REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN THIS AGREEMENT AND THE CONVEYANCE DOCUMENTS AND EXCEPT WITH RESPECT TO FRAUD, PURCHASER, FOR ITSELF AND ITS OWNERS, SUCCESSORS AND ASSIGNS, HEREBY RELEASES AND FOREVER DISCHARGES SELLERS, AND SELLERS' PAST, PRESENT AND FUTURE MEMBERS, PARTNERS, AFFILIATES, EMPLOYEES, AGENTS, ATTORNEYS, ASSIGNS, AND SUCCESSORS-IN-INTEREST, FROM ALL PAST, PRESENT AND FUTURE CLAIMS, DEMANDS, OBLIGATIONS, LOSSES AND CAUSES OF ACTION OF ANY NATURE WHATSOEVER, WHETHER NOW KNOWN OR UNKNOWN, DIRECT OR INDIRECT, FORESEEN OR UNFORESEEN, SUSPECTED OR UNSUSPECTED, WHICH ARE BASED UPON OR ARISE OUT OF OR IN CONNECTION WITH THE CONDITION OF THE LOTS AND, WITH RESPECT TO THE PRESENCE OF ANY HAZARDOUS MATERIALS, ANY ENVIRONMENTAL DAMAGES OR ENVIRONMENTAL REQUIREMENTS, INCLUDING THE PHYSICAL, STRUCTURAL, GEOLOGICAL, MECHANICAL AND ENVIRONMENTAL (SURFACE AND SUBSURFACE) CONDITION OF THE LOTS (INCLUDING THE IMPROVEMENTS THEREON) OR ANY LAW OR REGULATION RELATING TO HAZARDOUS MATERIALS. WITHOUT LIMITING THE FOREGOING, THIS RELEASE SPECIFICALLY APPLIES TO ALL LOSSES AND CLAIMS ARISING UNDER THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT OF 1980, AS AMENDED, THE SUPERFUND AMENDMENTS AND REAUTHORIZATION ACT OF 1986, (42 U.S.C. SECTIONS 9601 ET SEQ.), THE RESOURCES CONSERVATION AND RECOVERY ACT OF 1976, (42 U.S.C. SECTIONS 6901 ET SEQ.), THE CLEAN WATER ACT, (33 U.S.C. SECTIONS 466 ET SEQ.), THE SAFE DRINKING WATER ACT, (14 U.S.C. SECTION 1401-1450), THE HAZARDOUS MATERIALS TRANSPORTATION ACT, (49 U.S.C. SECTIONS 1801 ET SEQ.), THE TOXIC SUBSTANCE CONTROL ACT, (15 U.S.C. SECTIONS 2601-2629), AND ANY OTHER FEDERAL, STATE OR LOCAL LAW OF SIMILAR EFFECT, AS WELL AS ANY AND ALL COMMON LAW CLAIMS.

BY INITIALING THIS CLAUSE BELOW, PURCHASER ACKNOWLEDGES THAT THIS SECTION HAS BEEN READ AND FULLY UNDERSTOOD, AND THAT

**PURCHASER HAS HAD THE CHANCE TO ASK QUESTIONS OF ITS COUNSEL ABOUT ITS MEANING AND SIGNIFICANCE.**

  
\_\_\_\_\_  
**PURCHASER'S SIGNATURE**

17. Closing.

(a) The Closing of the Sale Property will occur within fifteen (15) days following the expiration of the Feasibility Period.

(b) The Closing of the Option Property will occur within fifteen (15) days following the exercise by Purchaser of the Purchase Option.

(c) At the Closing (or Closings) for the Lots, Sellers shall deliver the following:

- (i) The fully executed Deed for the Lot for which the Closing is to occur in form and content reasonably acceptable to Purchaser and the Title Company and subject to no exceptions that were not disclosed in the title commitment which Purchaser has obtained from Title Company during the Feasibility Period.
- (ii) If the Closing is for the Sale Property, a fully executed exclusive perpetual easement for the Access Parcel in form and content reasonably acceptable to Purchaser and the Title Company so that the Title Company is able to insure easement title to the Access Parcel in the name of Purchaser pursuant to its standard ALTA Owner's Policy.
- (iii) A fully executed recordable waiver Section 2.1 and Section 3.1 of the Restrictive Covenants in accordance with the terms of Section 8 hereof.
- (iv) A fully executed subordination (to the extent provided in Section 8 hereof) of the terms of Section 2.1 and Section 3.1 of the Restrictive Covenants to the terms of Purchaser's construction and permanent financing, in form and content reasonably acceptable to Purchaser and the Title Company, provided that if, as of the Closing, such financing is not in place, Sellers will timely deliver such subordination in connection with such financing and prior to Purchaser's commencement of construction on the Lot for which the subordination is requested.
- (v) An affidavit to the Title Company enabling it to issue its final title insurance policy without exception for mechanic's or materialmen's liens, parties in possession, or unrecorded leases.
- (vi) An affidavit stating Sellers' U.S. taxpayer identification numbers, that Sellers and all persons holding beneficial interest in the Lots are "United States Persons," as defined by Section 1445(f)(3) and Section 7701(a)(30)

of the Internal Revenue Code of 1986, as amended, and that the purchase of the Lots by Purchaser pursuant to this Agreement is not subject to the withholding requirements of Section 1445(a) of the Code.

- (vii) Instruments satisfactory to Purchaser and Purchaser's title insurance company reflecting the proper authority of Sellers to consummate the transactions contemplated by this Agreement.
  - (viii) An affidavit with respect to the Lots which are subject to the Closing, that (i) there is no pending condemnation or similar proceeding or other pending or threatened litigation or administrative action, and (ii) no third party has any right to occupy, use or acquire the Lots.
  - (ix) Any other documents or instruments reasonably necessary to close the sale of the Lots that are subject to the Closing.
- (d) At the Closings of the Lot(s), Purchaser shall deliver:
- (i) If for the Sale Property, payment in cash of the Sale Purchase Price, giving credit for the Sale Earnest Money and any allocations and prorations set forth in this Agreement.
  - (ii) If for the Option Property, payment in cash of the Option Price, giving credit for the Option Earnest Money and any allocations and prorations set forth in this Agreement.
  - (iii) Any other documents or instruments reasonably necessary to close the transfer of the title to the Lot(s).
- (e) Possession and title of the Lots shall pass to Purchaser at the Closing of each Lot.
- (f) Either party may elect to close by overnight courier, through the Title Company.

18. Default.

(a) In the event that Purchaser defaults under the terms of this Agreement and Sellers have not defaulted, Sellers shall be entitled to receive the Sale Earnest Money and the Option Earnest Money, and any interest earned thereon, as agreed upon liquidated damages, and the parties shall be relieved from any further liability hereunder except under the provisions of Section 11. Purchaser and Sellers specifically acknowledge and agree that the damage to Sellers from Purchaser's breach hereunder would be difficult or impossible to accurately determine, that the Sale Earnest Money and the Option Earnest Money (if previously paid to Escrow Agent), and interest earned thereon is a reasonable estimate of Sellers' damages, and that the retention by Sellers of the Sale Earnest Money and the Option Earnest Money and interest earned thereon does not constitute a penalty. The Sellers waive the right to assert the defense of lack of mutuality in any action for specific performance instituted by the Purchaser.

(b) In the event Sellers default under the terms of this Agreement and Purchaser has not defaulted, Purchaser shall be entitled, at Purchaser's option:

- (i) to compel Sellers to convey the Lots by a suit for specific performance and to recover all costs incidental to such suit; or
- (ii) to declare this Agreement terminated as to the Lot(s) for which such default has occurred. Upon any such declaration, Purchaser shall be entitled to receive the Sale Earnest Money and the Option Earnest Money (whichever is applicable to Lot(s) for which the default has occurred), and interest earned thereon, if any, and any out of pocket expenses paid for Purchaser's third party contractors, consultants, and engineers, and the parties shall thereafter be relieved from any further liability hereunder.

(c) In the event of default, the non-defaulting party shall have the right to recover from the defaulting party all costs and expenses incurred in enforcing this Agreement, including reasonable attorney's fees.

19. Broker. Purchaser and Sellers represent and warrant to each other that they have not dealt with any broker, consultant, finder, or like agent who might be entitled to any compensation in connection with the sale and option of the Lots to Purchaser. No broker has authority to bind either party to this Agreement. Sellers and Purchaser do each hereby indemnify and agree to hold one another harmless from and against any and all causes, claims, demands, losses, liabilities, commissions, settlements, judgments, damages, expenses and fees (including reasonable attorneys' fees and court costs) in connection with any claim for commissions, fees, compensation or other charges relating in any way to this transaction, or the consummation thereof, which may be made by any person, firm or entity as a result of any of Sellers' or Purchaser's acts or the acts of Sellers' or Purchaser's representatives.

20. Assignment. Purchaser may assign this Agreement and any rights hereunder only to an affiliate of which White Oak Enterprises and Tenby Partners or Jeff Londis or Richard Schuen, individually, are principals, unless the prior written consent of Sellers is obtained, which consent may be withheld at Sellers' discretion. In the event of an assignment, unless Sellers agree otherwise in their sole discretion, Purchaser shall remain liable for all obligations hereunder.

21. Notices. Any notice required or permitted to be given to a party under this Agreement, shall be in writing and shall be deemed given: (i) on the day it is delivered personally (with receipt); or (ii) the day after it is deposited with a nationally-recognized courier service for next day delivery; or (iii) three (3) days after it is deposited in the U.S. certified mail, postage prepaid, return receipt requested, addressed as follows:

To Purchaser: Chattanooga Industrial, LLC  
c/o White Oak Enterprises  
1430 Baugh Springs Road  
McDonald, TN 37353  
Attention: Jeff Londis, Managing Member  
Email: [jeff@whiteoakenterprises.com](mailto:jeff@whiteoakenterprises.com)

And

c/o Tenby Partners  
2 Miranova Place, Suite 910  
Columbus, OH 43215  
Attention: Richard Schuen, Managing Member  
Email: [Richard.schuen@tenby.com](mailto:Richard.schuen@tenby.com)

With a copy to: Miller & Martin PLLC  
Attention: James M. Haley IV  
Suite 1200 Volunteer Building  
832 Georgia Avenue  
Chattanooga, TN 37402  
Email: [james.haley@millermartin.com](mailto:james.haley@millermartin.com)

To Sellers: Hamilton County, Tennessee  
c/o Paul Parker, Real Property Manager  
Hamilton County Real Property Office  
4005 Cromwell Road  
Chattanooga, TN 37421  
Email: [Paul.Parker@HamiltonTN.gov](mailto:Paul.Parker@HamiltonTN.gov)

City of Chattanooga  
c/o ECD Real Property  
101 E. 11<sup>th</sup> Street, Suite G4  
Chattanooga, TN 37402  
Email: [callen@chattanooga.gov](mailto:callen@chattanooga.gov)

With a copy to: Rheubin M. Taylor, Esq.  
Hamilton County Attorney  
204 Hamilton County Courthouse  
625 Georgia Avenue  
Chattanooga, TN 37402  
Email: [rmtaylor@mail.hamiltontn.gov](mailto:rmtaylor@mail.hamiltontn.gov)

Office of the City Attorney  
100 E. 11th Street, Suite 200  
Chattanooga, TN 37402  
Email: [pnoblett@chattanooga.gov](mailto:pnoblett@chattanooga.gov)

Either party may, from time to time, change its address by written notice to the other party at its then current address.

22. Escrow Agent.

(a) The Sale Earnest Money and the Option Earnest Money shall be held by the Escrow Agent until Closing or sooner termination of this Agreement, and Escrow Agent shall pay over the interest or income earned thereon, if any, to the party entitled to the Sale Earnest Money and the Option Earnest Money, and the party receiving such interest or income shall pay any income taxes due thereon. In the event Closing shall occur in accordance with the provisions of this Agreement, then, Sellers and Purchaser shall deliver to Escrow Agent written instructions directing Escrow Agent to deliver the Sale Earnest Money and the Option Earnest Money to Sellers.

(b) If for any reason Closing does not occur pursuant to the provisions of this Agreement, and either party makes a written demand upon Escrow Agent, by registered or certified mail (return receipt optional), or overnight mail carrier, for the payment of the Sale Earnest Money and the Option Earnest Money and any other sums previously paid to Escrow Agent, then Escrow Agent shall give written notice in accordance with the provisions hereof to the other party of the receipt of such demand. If Escrow Agent does not receive a written objection from the other party to the proposed payment of the Sale Earnest Money and the Option Earnest Money and any other sums previously paid to Escrow Agent pursuant to the aforesaid demand within ten (10) days after the delivery of such notice by Escrow Agent, Escrow Agent is hereby authorized to make such payment in accordance with the aforesaid demand.

(c) If Escrow Agent receives written objection from the other party to the proposed payment of the Sale Earnest Money and the Option Earnest Money and any other sums previously paid to Escrow Agent pursuant to the aforesaid demand within such ten (10) day period, or if for any other reason Escrow Agent in good faith shall elect not to make such payment, Escrow Agent shall continue to hold the Sale Earnest Money and the Option Earnest Money and any other sums previously paid to Escrow Agent until otherwise directed by written instructions from Sellers and Purchaser or a final judgment of a court of competent jurisdiction. Escrow Agent shall have the right at any time to deposit the Sale Earnest Money and the Option Earnest Money and any other sums previously paid to Escrow Agent with the clerk of any court of competent jurisdiction in Hamilton County, Tennessee, and Escrow Agent shall give written notice of such deposit to the Sellers and the Purchaser, and upon such deposit being made, Escrow Agent shall be discharged from all obligations and responsibilities hereunder.

(d) The parties acknowledge that Escrow Agent is acting solely as a stakeholder at their request and for their convenience, that Escrow Agent may act upon any writing believed by it in good faith to be genuine and to be signed and presented by the proper person and the Escrow Agent shall not be deemed to be the agent of either of the parties, and that Escrow Agent shall not be liable to either of the parties for any act or omission on its part unless taken or suffered in bad faith, in willful disregard of this Agreement or involving gross negligence.

(e) Escrow Agent shall have no duties or responsibilities except as set forth herein. Escrow Agent shall not be bound by any modification of the Agreement unless the same is

in writing and signed by the Purchaser and Sellers and if Escrow Agent's duties hereunder are affected, unless Escrow Agent shall have given prior written consent thereto. The Sellers and Purchaser hereby jointly and severally indemnify and hold the Escrow Agent harmless from and against all costs, claims and expenses (including reasonable attorney's fees) incurred in connection with the performance by the Escrow Agent of its duties in accordance with the provisions of this section of this Agreement.

23. Force Majeure. If Purchaser is delayed or hindered in or prevented from the performance of its obligations hereunder by reason of acts of God, pandemics, weather, strikes, lockouts, unavailability of materials, failure of power, prohibitive governmental laws or regulations, riots, insurrections, war, or other reasons beyond Purchaser's reasonable control, then the time periods for Purchaser's performance hereunder will be extended for a period equivalent to the period of such delay. Financial inability to perform will not be deemed to be a cause beyond the control of Purchaser.

24. Survival. The terms and provisions of this Agreement will survive the Closing and remain in full force and effect until they expire in accordance with their terms.

25. Miscellaneous.

(a) Entire Agreement; Amendment. This Agreement constitutes the entire agreement between Sellers and Purchaser, and no change in or supplement to this Agreement may be made except by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

(b) Binding Effect. The covenants and agreements contained in this Agreement shall be binding upon and inure to the benefit of Sellers and Purchaser and their respective successors and assigns.

(c) Construction. This Agreement shall be construed without reference to the titles of the various paragraph headings herein contained, which are inserted for convenience of reference only. Both Sellers and Purchaser have had the opportunity to be represented by legal counsel in negotiating this Agreement, thus this Agreement shall be construed without inference of drafting by either Sellers or Purchaser.

(d) Counterparts. This Agreement may be executed in any number of counterparts, any one or all of which shall constitute the agreement of the parties.

(e) Time is of the Essence. Time is of the essence of this Agreement and each provision hereof. Any reference to a number of "days" herein shall be a reference to "calendar days" unless an express reference in said provision is made to "business days". For the purposes hereof, "business day" means any day other than a Saturday or Sunday, or other day on which commercial banks are authorized or required to close under the laws of the state of Tennessee. If the date on which either Purchaser or Sellers is required to take action under this Agreement is not a business day (as defined herein), the action shall be taken on the next succeeding business day.



(f) Partial Invalidity; Waiver. If any portion of this Agreement is held invalid or inoperative, then so far as is reasonable and possible the remainder of this Agreement shall be deemed valid and operative, and effect shall be given to the intent manifested by the portion held invalid or inoperative. The failure by either party to enforce against the other any term or provision of this Agreement shall be deemed not to be a waiver of such party's right to enforce against the other party the same or any other such term or provision.

(g) Governing Law. This Agreement will be interpreted under and governed and enforced according to the laws of Tennessee which are applicable to contracts executed wholly within that state.

(h) Confidential Information. Sellers and Purchaser will coordinate any and all announcements regarding the Closing of any of the Lots to the extent allowed by Tennessee law. Notwithstanding the foregoing, commencing on the Effective Date of this Agreement, Purchaser, at its option, may market the Lots or any of them for lease to prospective tenants, provided that prior to Closing as to a Lot, Purchaser will have no authority to obligate or bind Sellers (or any of the Lots prior to Closing thereon) with respect to any of Purchaser's representations or commitments to third parties, and Purchaser indemnifies and holds Sellers harmless from all liabilities resulting from Purchaser's marketing activities.

**[SIGNATURES CONTINUED ON FOLLOWING PAGE]**

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the day and date first above written.

**PURCHASER:**

**CHATTANOOGA INDUSTRIAL, LLC**

**By: WHITE OAK PARTNERS, Member**

A handwritten signature in cursive script, appearing to read "Jeff Londis".

By: \_\_\_\_\_  
Jeff Londis, Managing Partner

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the day and date first above written.

**PURCHASER:**

**CHATTANOOGA INDUSTRIAL, LLC**

**By: TENBY PARTNERS, Member**

By: \_\_\_\_\_  
Richard Schuen, Managing Partner

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the day and date first above written.

**SELLER:**

**HAMILTON COUNTY, TENNESSEE, a  
political subdivision of the state of Tennessee**

By: \_\_\_\_\_  
Jim M. Coppinger, County Mayor

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the day and date first above written.

**SELLER:**

**CITY OF CHATTANOOGA, TENNESSEE**

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

Title: \_\_\_\_\_

Print Name: \_\_\_\_\_

The undersigned has signed this Agreement to acknowledge its receipt of the \$42,580 Sale Earnest Money and the \$28,520 Option Earnest Money and its agreement to hold and disburse the Earnest Money in accordance with the terms of this Agreement.

**JONES TITLE INSURANCE AGENCY, INC.**

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

Print Name: \_\_\_\_\_

Its: \_\_\_\_\_

## **EXHIBITS TO REAL ESTATE PURCHASE AND OPTION AGREEMENT**

The photographs and renderings that are included in the following exhibits are conceptual and may vary from the final approved Site Plan and plans and specifications for the Improvements. Additionally, the dimensions of the renderings are not necessarily drawn to scale.

**EXHIBIT "1"**  
**ACCESS PARCEL**



**LOT 1**



**Page 1 of Exhibit 1  
Access Parcel is Shaded Parcel**

**EXHIBIT “2”**

**APPROVED USES**

Businesses that are involved in light manufacturing, warehousing and distribution, manufacturing supply, E-Commerce, research and development, engineering, technology, and other uses that are permitted under the existing zoning for the Lots.

**EXHIBIT “3”**

**IMPROVEMENTS**

The Improvements depicted on this Exhibit “3” are conceptual. The plans and specifications for the Improvements, which must be approved by Sellers in accordance with Section 12 of the Agreement to which this Exhibit is attached, may be modified by Purchaser prior to the commencement of construction to satisfy a tenant’s leasehold requirements.

**LOT 1**  
BUILDING RENDERINGS



CONFIDENTIAL 20

**LOT 2-A  
BUILDING RENDERINGS**

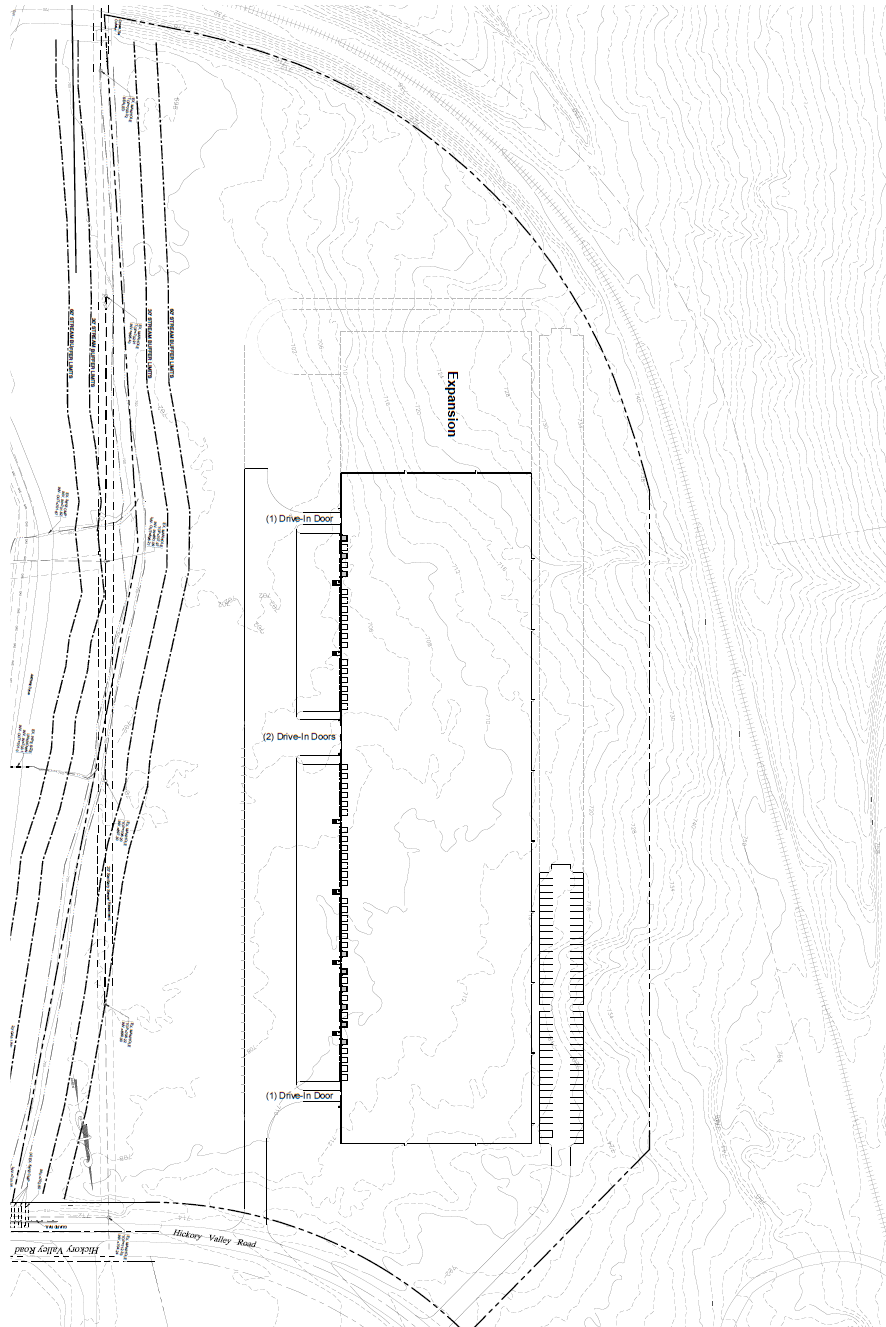


View is looking South West from the perspective of Hickory Valley Road.

**EXHIBIT “4”**

**LOT 1**

The dimensions shown on this Exhibit are conceptual and subject to the reasonable approval of Sellers and Purchaser, provided that the boundaries must facilitate the Buildable Acreage necessary to construct the proposed Improvements, which are subject to Sellers' approval rights under Section 12 of the Agreement to which this Exhibit is attached.



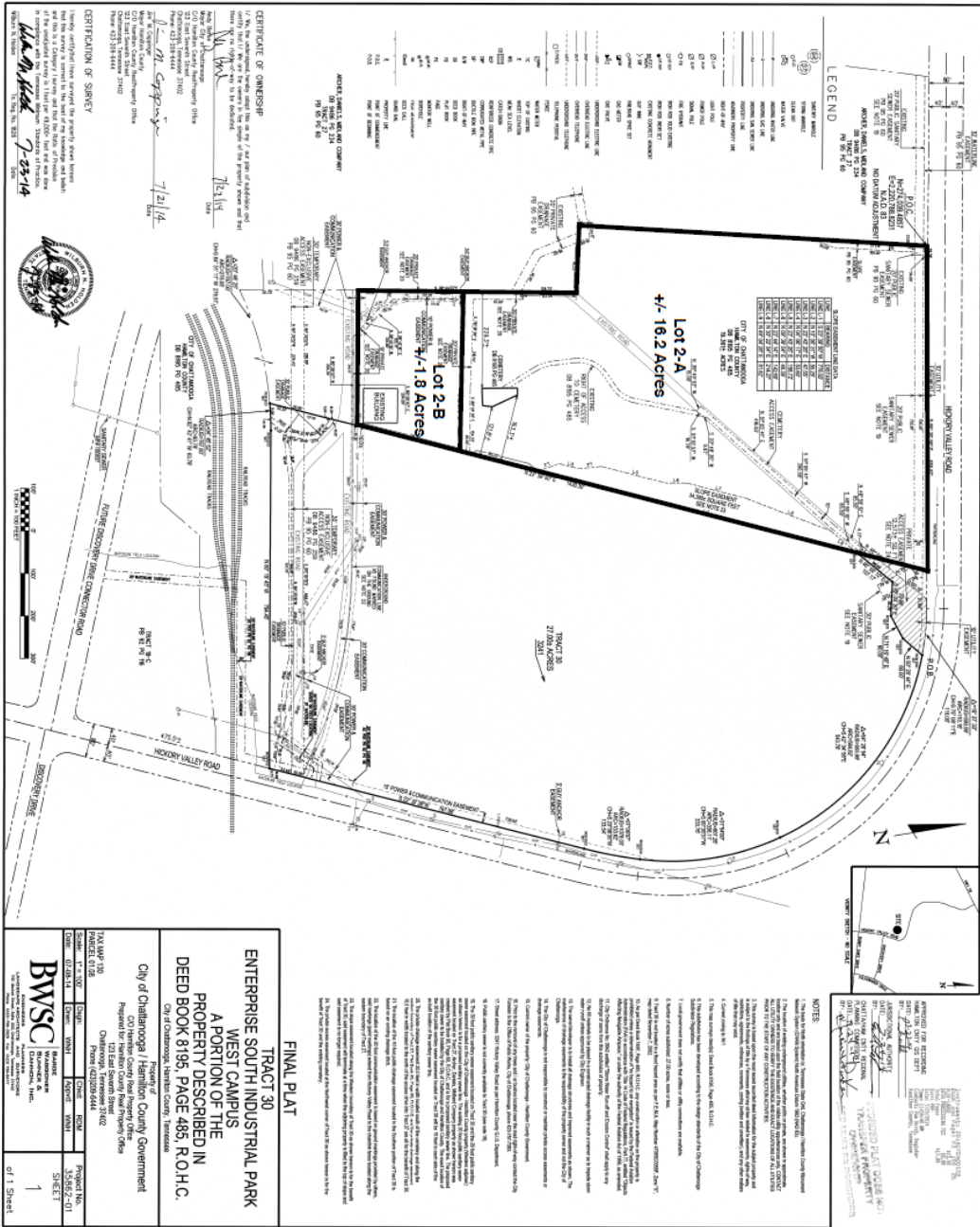
Page 1 of Exhibit 4

**EXHIBIT "5"**

**LOT 2-A**

The dimensions shown on this Exhibit are conceptual and subject to the reasonable approval of Sellers and Purchaser, provided that the boundaries must facilitate the Buildable Acreage necessary to construct the proposed Improvements, which are subject to Sellers' approval rights under Section 12 of the Agreement to which this Exhibit is attached.





Page 1 of Exhibit 5

**EXHIBIT “6”**

**LOT 2-B**

The dimensions shown on this Exhibit are conceptual and subject to the reasonable approval of Sellers and Purchaser, provided that the boundaries must facilitate the Buildable Acreage necessary to construct the proposed Improvements, which are subject to Sellers’ approval rights under Section 12 of the Agreement to which this Exhibit is attached.



**EXHIBIT “7”**  
**PROJECT ECONOMICS IMPACT**

Project Economics Impact shown on the following pages is an estimate and actual economic impact may vary depending upon the tenant.

# ECONOMIC IMPACT

## WAGES

### RESEARCH & DEVELOPMENT OCCUPATIONS WAGES

OCCUPATION	AVG. HOURLY RATE
Biological Technicians	\$25.09
Life, Physical, and Social Science Technicians	\$28.83
Chemical Technicians	\$23.37
Life, Physical, and Social Science Technicians, All Other	\$28.83
Chemists	\$36.66
Environmental Scientists and Specialists, Including Health	\$35.60
Materials Engineers	\$39.57
Mechanical Engineers	\$46.89
Environmental Engineers	\$40.90
Agricultural Engineers	\$44.72

### LOGISTICS OCCUPATIONS WAGES

OCCUPATION	AVG. HOURLY RATE
Packers and Packers, Hand	\$12.72
Machine Feeders and Offbearers	\$13.78
Laborers and Freight, Stock, and Material Movers, Hand	\$14.11
Industrial Truck and Tractor Operators	\$15.37
Light Truck or Delivery Services Drivers	\$20.08
Inspectors, Testers, Sorters, Samplers, and Weighers	\$18.63
Packaging and Filling Machine Operators and Tenders	\$14.04
Heavy and Tractor-Trailer Truck Drivers	\$21.37
First-line Supervisors of Transportation and Material Moving Workers	\$26.29
First-Line Supervisors of Production and Operating Workers	\$27.45
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	\$32.84
Business Operations Specialists, All Other	\$34.17
Transportation, Storage, and Distribution Managers	\$45.02
Purchasing Managers	\$49.79

# ECONOMIC IMPACT

## WAGES

### MANUFACTURING OCCUPATIONS WAGES

OCCUPATION	AVG. HOURLY RATE
Packers and Packers, Hand	\$12.72
Machine Feeders and Offbearers	\$13.78
Assemblers and Fabricators, All Other, Including Team Assemblers	\$16.31
Structural Metal Fabricators and Fitters	\$16.90
Production Workers, All Other	\$15.01
Welders, Cutters, Solderers, and Brazers	\$21.29
Maintenance Workers, Machinery	\$22.03
Machinists	\$20.84
Inspectors, Testers, Sorters, Samplers, and Weighers	\$18.63
Packaging and Filling Machine Operators and Tenders	\$14.04
Industrial Machinery Mechanics	\$24.23
First-Line Supervisors of Production and Operating Workers	\$27.45
Business Operations Specialists, All Other	\$31.65
Industrial Engineers	\$44.17
Electrical Engineers	\$48.18
Mechanical Engineers	\$46.89

### AUTOMOTIVE OCCUPATIONS WAGES

OCCUPATION	AVG. HOURLY RATE
Shipping, Receiving, and Traffic Clerks	\$16.09
Cutting, Punching, and Press Machine Setters, Operators, and Tenders, Metal and Plastic	\$17.82
Industrial Truck and Tractor Operators	\$15.37
Electrical, Electronic, and Electromechanical Assemblers, Except Coil Winders, Tapers, and Finishers	\$15.28
Assemblers and Fabricators, All Other, Including Team Assemblers	\$16.31
Molding, Coremaking, and Casting Machine Setters, Operators, and Tenders, Metal and Plastic	\$16.85
Welders, Cutters, Solderers, and Brazers	\$21.29
Machinists	\$20.84
Industrial Machinery Mechanics	\$24.23
First-Line Supervisors of Production and Operating Workers	\$27.45
Electrical and Electronics Engineering Technicians	\$28.24
Mechanical Engineers	\$46.89
Industrial Production Managers	\$52.46

### **Estimated Real Property Tax Revenue**

The development consists of Class A Light Industrial buildings totaling +/- 399,500 square feet. The approximate development cost is \$29,962,500 to \$39,950,000. Using a value of \$30,000,000, the potential real estate tax revenue would be \$605,064 each year. Real estate taxes are based on the assessed value of \$12,000,000 (\$30,000,000 fair market value X 40%) and then multiplied at the current tax rates of ~2.27% for the city and ~2.76% for the county which reflect an estimated annual real property tax revenue of \$605,064.

### **Estimated Tangible Personal Property Tax Revenue**

Using the Chattanooga Chamber of Commerce suggested estimates based on past experience of 30% real estate tax revenue to 70% tangible personal property tax revenue ratio, estimated annual tangible property tax revenue is \$1,411,816 each year.

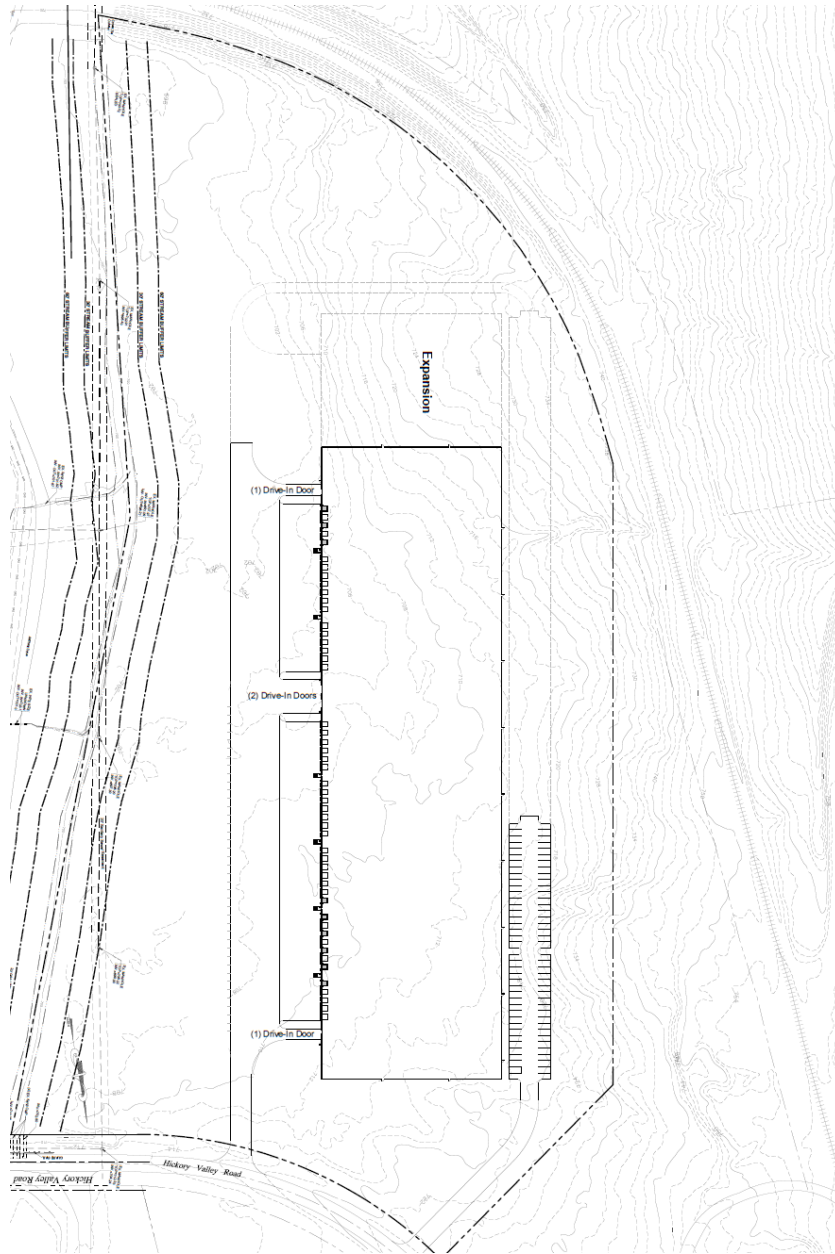
Combined real estate and personal property tax revenue are estimated to be \$2,016,880 per year.

**EXHIBIT “8”**

**SITE PLAN**

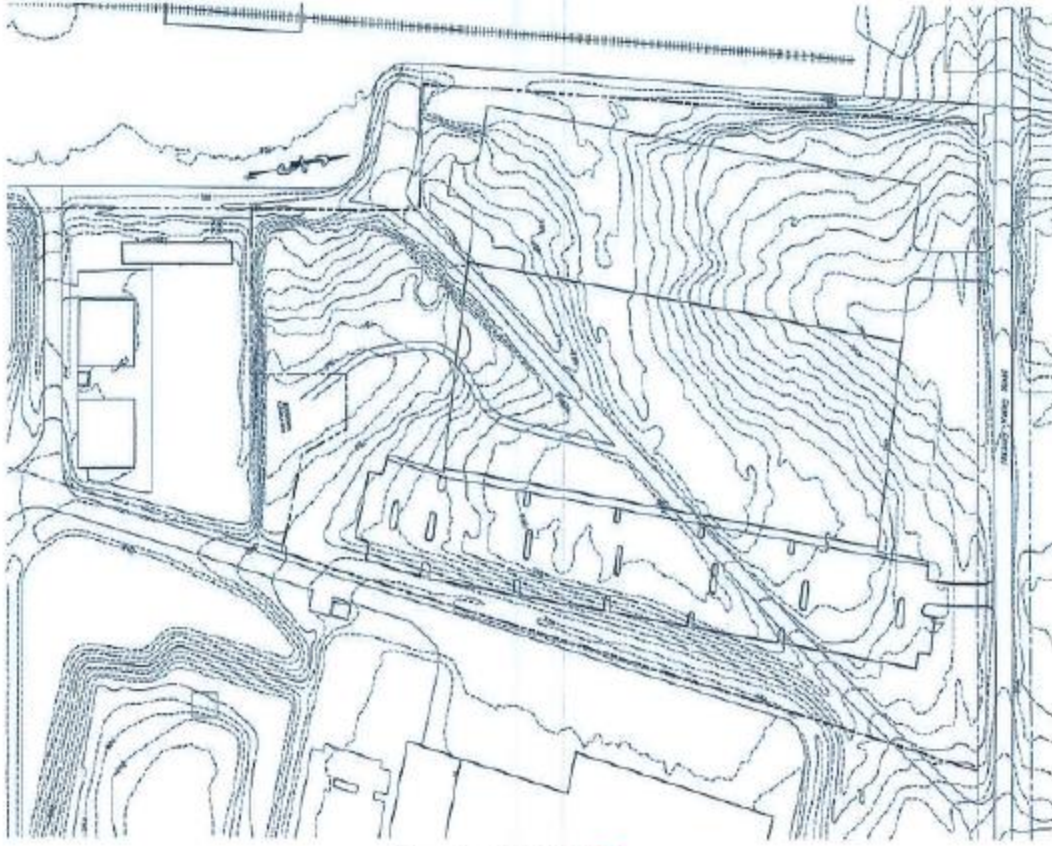
The Site Plan depicted on this Exhibit “8” are conceptual and the plans and specifications therefore may be modified by Purchaser during the Feasibility Period and the Construction Period, subject to Seller’s approval rights under Section 12 of the Agreement to which this Exhibit is attached.





Lot 1  
Page 1 of Exhibit 8

**SITE LAYOUT WITH TOPOGRAPHY**



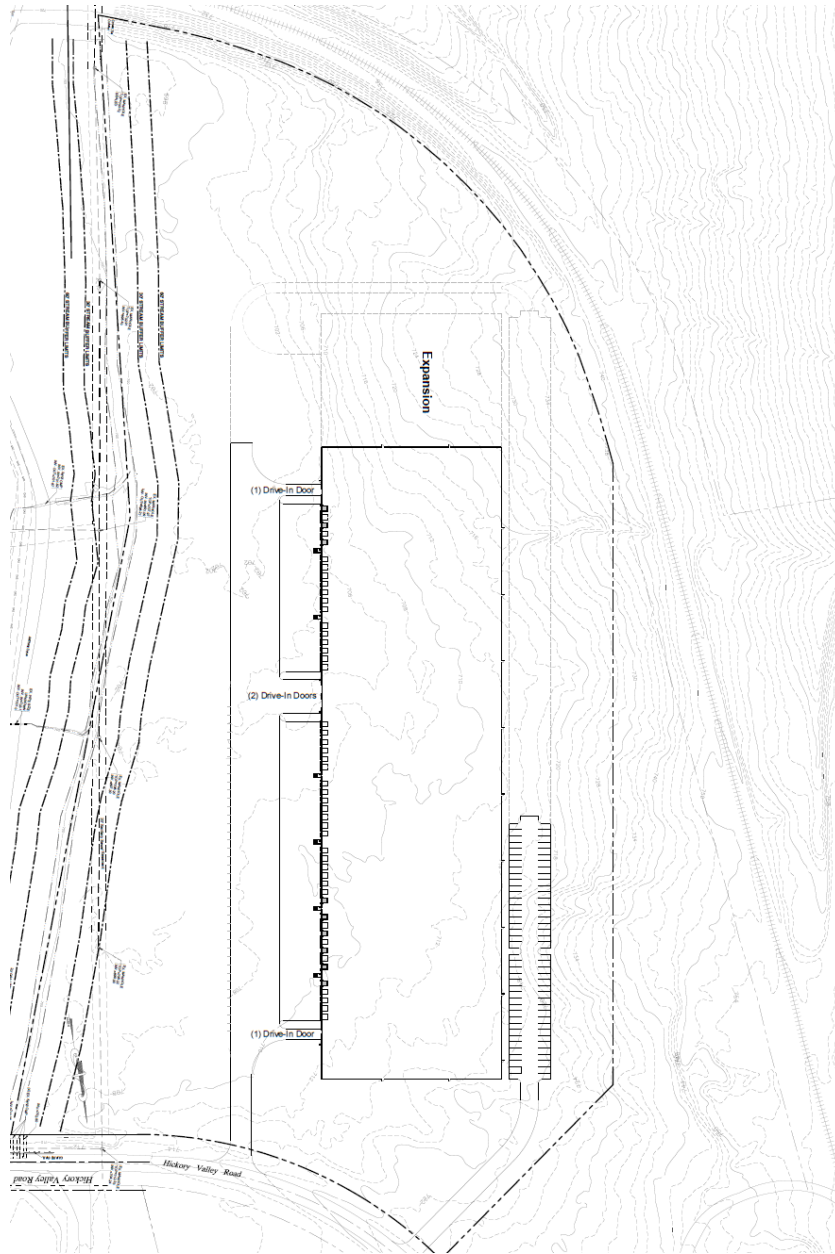
Lot 2-A  
Page 2 of Exhibit 8

**EXHIBIT “9”**

**DIMENSIONS OF PROPERTY**

The dimensions shown on this Exhibit are conceptual and subject to the reasonable approval of Sellers and Purchaser, provided that the boundaries must facilitate the Buildable Acreage necessary to control the proposed Improvements, which are subject to Sellers’ approval rights under Section 12 of the Agreement to which this Exhibit is attached.

Purchaser’s intent with respect to Lot 1 is that its western and southern boundaries adjoin the rail line depicted on Page 1 of this Exhibit.



Lot 1  
Page 1 of Exhibit 9

