

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number: 15.k.

Meeting Type: Regular

Meeting Date: Nov 3, 2016

Action Requested By: Legal

Agenda Type: Resolution

Subject Matter:

Sale of property located in Cummings Research Park West.

Exact Wording for the Agenda:

Resolution authorizing the Mayor to enter into a Real Estate Sales Contract between the City of Huntsville and Vette Properties, LLC, for approximately 1 acre in Cummings Research Park West.

Note: if amendment, Please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what council action will provide, allow and accomplish and; any other information that might be helpful.

Associated Cost: _____

Budgeted Item: Not Applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: 

Date: Nov 3, 2016

RESOLUTION NO. 16- _____

BE IT RESOLVED by the City Council of the City of Huntsville, Alabama that the Mayor be and he is hereby authorized to enter into a real estate sales contract by and between the City of Huntsville, a municipal corporation in the State of Alabama, and Vette Properties, LLC, which said agreement is substantially in words and figures as that certain document attached hereto and identified as "Real Estate Sales Contract between the City of Huntsville and Vette Properties, LLC," consisting of seventeen (17) pages including Exhibits and the date of November 3, 2016, appearing on the margin of the first page, together with the signature of the President or President Pro Tem of the City Council, an executed copy of said document being permanently kept on file in the Office of the City Clerk-Treasurer of the City of Huntsville, Alabama.

ADOPTED this the 3rd day of November, 2016.

President of the City Council of
the City of Huntsville, Alabama

APPROVED this 3rd day of November, 2016.

Mayor of the City of Huntsville,
Alabama

STATE OF ALABAMA

COUNTY OF MADISON

REAL ESTATE SALES CONTRACT

This Real Estate Sales Contract (“Contract”) entered into on this the 3rd day of November, 2016 (the “Effective Date”), by and between **The City of Huntsville, Alabama**, a municipal corporation in the State of Alabama (the “City”), and **Vette Properties, LLC**, an Alabama limited liability company, its successors and assigns (“Purchaser”).

WITNESSETH:

WHEREAS, the City sold to Purchaser a parcel of real property, consisting of approximately 9.347 acres, as evidenced by that certain Deed recorded on November 6, 2014, as Document Number 20141106000589160 in the Office of the Judge of Probate of Madison County, Alabama, and as more particularly described in Exhibit “A”, attached hereto and incorporated herein (“Original Parcel”); and

WHEREAS, the City owns the real property abutting and adjacent to the Original Parcel, said property being more particularly described in Exhibit “B” attached hereto and incorporated herein (“City’s Property”); and

WHEREAS, Purchaser wishes to enlarge its current business operations located on the Original Parcel, and accordingly desires to purchase an additional portion of real property from the City, and the City desires to sell to Purchaser a portion of the City’s Property for its intended use.

NOW, THEREFORE, in consideration of the sum of the promises and mutual covenants set forth herein, and for other and valuable consideration hereinafter provided, the parties do hereby agree as follows, to wit:

I. AGREEMENT TO BUY AND SELL

Purchaser agrees to buy and the City agrees to sell an approximately one (1) acre tract of real property described in Exhibit “C”, attached hereto and incorporated herein by reference (the “Expansion Parcel”) in accordance with the covenants and conditions of this contract. Within sixty (60) days of Closing, Purchaser shall, at its expense, (i) plat the Expansion Parcel in accordance with City’s subdivision and platting regulations, and (ii) obtain a topographical map/survey of the Property. In the event items (i) and (ii) have not occurred within sixty (60) days of Closing, the City shall have the option to repurchase the Expansion Parcel for the Purchase Price set forth below. Upon such platting, the legal description of the Expansion Parcel for purposes of this Agreement and the deed of conveyance to Purchaser shall be deemed to be the Expansion Parcel as described in, and with reference to, the recorded plat.

President of the City Council of the
City of Huntsville, Alabama
Date: _____

II. DUE DILIGENCE PERIOD

Between the Effective Date of this Contract and the date of Closing, Purchaser and Purchaser's agents, employees, contractors, representatives and other designees (collectively the "Purchaser's Designees") shall have the right to enter the Property for the purposes of inspecting the Expansion Parcel, conducting soil tests, conducting surveys, mechanical and structural engineering tests, and conducting any other investigations, examinations, tests and inspections as Purchaser may reasonably require to assess the condition of the Expansion Parcel; provided however, that (i) any activities by or on behalf of Purchaser, including, without limitation, the entry by Purchaser or Purchaser's Designees with respect to the Expansion Parcel ("Purchaser's Activities") shall not damage the Expansion Parcel in any manner whatsoever, and (ii) in the event the Property is altered or disturbed in any manner in connection with any of Purchaser's Activities, Purchaser shall immediately return the Property to the condition existing prior to Purchaser's Activities.

Purchaser shall have until the date sixty (60) days after the date the Contract was fully executed (the "Due Diligence Date") to perform such investigations, examinations, tests, and inspections as Purchaser shall deem necessary or desirable to determine whether the Property is suitable and satisfactory to Purchaser in its sole discretion. In the event that Purchaser shall determine, in its sole and absolute discretion, that the Property is not suitable and satisfactory to Purchaser, Purchaser shall have the right to terminate the Contract by delivering written notice to the City not later than the Due Diligence Date. In the event Purchaser gives the City notice of termination, all Earnest Money, if any, shall be promptly returned to Purchaser, all rights and obligations of the parties under this Contract shall expire, and this Contract shall become null and void.

III. PURCHASE PRICE

In consideration of the City's agreement to sell the Expansion Parcel to the Purchaser, Purchaser agrees to pay the City the sum of \$99,500.00 per acre, for a total price of \$99,500.00 payable in full on the date of closing as hereinafter defined. If a final survey to be provided by Purchaser prior to closing reveals the total acreage is more or less than one (1) acre, the Purchase Price shall be adjusted accordingly.

IV. CLOSING

Except as otherwise agreed, Closing shall occur upon five (5) days' notice by Purchaser to City at the Offices of the City Attorney of the City of Huntsville or such other place as agreed upon by the parties. Closing shall occur not more than ninety (90) days from the date hereof; provided, however, at the election of the Purchaser, City shall grant an additional thirty (30) days upon the payment to City, as interest, of three percent (3%) of the unpaid balance of the Purchase Price at least two (2) days prior to the ninetieth (90th) day following the date hereof.

V. CONVEYANCE

A. Deed. The City agrees to convey said property and will furnish to Purchaser a good and merchantable title by a properly executed warranty deed substantially in the form

attached hereto as Exhibit "D", free from any and all encumbrances, subject only to easements, restrictions set out in the attached deed, rights-of-way of record, ad valorem taxes due and payable for the year 2013, and the protective covenants of Cummings Research Park West, as recorded in Deed Book 826 at Page 602 in the Office of the Judge of Probate of Madison County. If, subsequent to the execution of the contract, the Purchaser determines to finance this venture, through Industrial Development Bonds, then, upon Purchaser's request, said deed shall be delivered in the name of the Industrial Development Board of the City of Huntsville, a public corporation and instrumentally organized under the laws of the State of Alabama, as Grantee. Purchaser understands said restrictions are binding on the property and may be amended from time to time and Purchaser agrees that Purchaser shall comply with said restrictions as amended.

B. Title Insurance. Purchaser may, at Purchaser's sole expense, obtain an owner's title insurance commitment from a title company of Purchaser's choosing.

C. Title Objections. If, prior to closing, Purchaser discovers a defect in title to the property, the City, at its option, shall have a reasonable time (but not in excess of thirty (30) days following the receipt of Purchaser's written notice of objections) within which to cause the same to be cured. If the defects are not timely cured to Purchaser's satisfaction, (i) Purchaser may waive such defects and proceed to close or (ii) Purchaser may cancel its agreement by notice of writing to City, and any money paid to City pursuant to this contract (as Earnest Money or otherwise), shall be refunded (including interest payments for extensions); and each of the parties shall be released from further liability to the other. Purchaser shall notify City of any defect in writing within ten (10) days following receipt or such title defect.

VI. CONSTRUCTION

Purchaser agrees to obtain a building permit, complete all site preparation, and to obtain the approval of the Architectural Control Committee before commencing construction of any facility or structure upon the Expansion Parcel.

Purchaser also understands that there are certain building restrictions in existence with respect to property located within Cummings Research Park West, and that certain approvals are necessary for the design and construction of any structure(s) on the Tract. Purchaser agrees to comply with any and all rules and regulations with respect to structures on the Tract, as they may be amended from time to time. Purchaser will indemnify and hold harmless City from and against any and all liability arising out of the destruction of or damage to the Expansion Parcel, or injuries or loss to, or death of any person in connection with the development, improvement or construction upon the real property described herein, or any activity or project conducted thereon, other liability for any loss, damages or injuries that may result from City's own intentional, wrongful or negligent acts. The provisions of this paragraph shall survive the closing.

VII. DEFAULT

Should Purchaser fail to carry out the terms and conditions of this Contract in accordance, with all of its provisions, this contract shall terminate with no further obligations between the parties and City shall retain any money paid to the City as liquidated damages. Should the City fail to carry out this Contract in accordance with all of its provisions, (1) Purchaser shall have the option to demand a refund of any monies and any extension interest

Purchaser may have paid or caused to be paid to City, together with payment to Purchaser by the City of any sums expended by Purchaser in connection with Purchaser's due diligence investigations and inspections of the Property, and upon payment of such sums to Purchaser by the City, this Contract shall terminate, or (2) Purchaser may, without demanding a return of any money, proceed with a suit for specific performance of this Contract.

VIII. ADDITIONAL PROVISIONS

Policies and Procedures- Hazardous Materials. Purchaser shall develop and implement policies and procedures for the storage, use, receipt and disposition of any hazardous materials that come onto its premises. Purchaser will not offer or accept, under these policies, hazardous materials for transportation in commerce unless said materials are properly classed, described, packaged, marked, labeled, and in such condition for proper shipment as required under Title 49 Code of Federal Regulations, Parts 171-179. The packaging of hazardous materials coming into or going out of its facilities shall be maintained in compliance with the regulations specified for each specific mode of transportation. This includes the proper handling and transport of all materials via air, highway, rail or water.

Materials handling, as part of all manufacturing operations, will be conducted within the confines of the building. This will include the inspection of product, material packing/unpacking, and all functions requiring product or by-product preparation for transportation.

In the event by-product material removal becomes necessary, procedures will be placed into effect to ensure proper removal. Prior to the transport of materials, complete material evaluation will be conducted to ensure proper compliance with all applicable transportation requirements. All options will be evaluated for the beneficial reclamation or recycling for by-product material.

Purchaser insures that its intrastate, interstate, and internal operations will be in compliance with all applicable requirements, and that it will fully comply with all federal, state, and local laws, regulations or ordinances regarding environmental, safety, industrial hygiene, and/or hazardous material requirements.

IX. MISCELLANEOUS

A. Entire Agreement. This Contract, with all Exhibits attached hereto, and the restrictions and covenants of as herein referenced, constitute the entire agreement between the parties. All statements, representations covenants heretofore made and any other agreements not incorporated herein are void and of no force and effect.

B. Counterparts. This Contract may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

C. Amendments. This Contract may only be modified or amended in a writing to be signed by both parties.

D. Governing Law. This Contract shall be construed in accordance with the laws of the State of Alabama, without regard to its conflict of law provisions.

E. Notice. All notices given hereunder shall be in writing and shall be deemed effective upon receipt. All notices shall be provided as follows:

If to the City:

The City of Huntsville
Attn: Trey Riley
308 Fountain Circle
P.O. Box 208
Huntsville, AL 35804

If to the Purchaser:

Vette Properties, LLC
Attn: Miranda Bolden
2311 Market Place SW
Suite D
Huntsville, AL 35801

[Signatures appear on following page]

IN WITNESS WHEREOF, the parties hereto have duly executed this Contract as of the Effective Date.

CITY:

THE CITY OF HUNTSVILLE, ALABAMA,
a municipal corporation in the State of Alabama

By: _____
Tommy Battle, Mayor

ATTEST:

Kenneth Benion, City Clerk-Treasurer

PURCHASER:

VETTE PROPERTIES, LLC, an Alabama
limited liability company

By: _____
Miranda Bouldin, Manager

WITNESS:

STATE OF ALABAMA
COUNTY OF MADISON

I, the undersigned, Notary Public in and for said County in said State, hereby certify that Tommy Battle and Kenneth Benion, whose names as Mayor and Clerk-Treasurer, respectively, of THE CITY OF HUNTSVILLE, are signed to the foregoing Contract and who are known to me, acknowledged before me on this day that, being informed of the contents of such instrument, they, as such officers with full authority, executed the same voluntarily for and as the act of said City of Huntsville, as of the day the same bears date.

Given under my hand this the 3rd day of November, 2016

NOTARY PUBLIC
My Commission Expires: _____

[NOTARIAL SEAL]

STATE OF ALABAMA
COUNTY OF MADISON

I, the undersigned, Notary Public in and for said County in said State, hereby certify that Sheila M. Cummings, whose name as Manager of VETTE PROPERTIES, LLC, an Alabama limited liability company, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of such instrument, she, as such Manager and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand this the _____ day of _____, 2016.

NOTARY PUBLIC
My Commission Expires: _____

[NOTARIAL SEAL]

EXHIBIT "A"
ORIGINAL PARCEL

**LOT 3B OF A RESUBDIVISION OF LOT 3 OF A RESUBDIVISION OF
BLOCK 8 OF CUMMINGS RESEARCH PARK WEST PLAT BOOK 20,
PAGE 15 AS RECORDED IN DOCUMENT NO. 20051004000676640 IN
THE OFFICE OF THE JUDGE OF PROBATE OF MADISON COUNTY,
ALABAMA.**

EXHIBIT "B"

CITY'S PROPERTY

**LOT 3A ACCORDING TO THE FINAL PLAT OF VOYAGER WAY
RESUBDIVISION AT CUMMINGS RESEARCH PARK WEST A
RESUBDIVISION OF DOCUMENT NO. 2011128000638500, RECORDED
IN THE OFFICE OF THE JUDGE OF PROBATE OF MADISON
COUNTY, ALABAMA, IN DOCUMENT NO. 20160928000554300.**

EXHIBIT "C"
EXPANSION PARCEL

STATE OF ALABAMA
MADISON COUNTY

ALL THAT PART OF SECTION 1, TOWNSHIP 4 SOUTH, RANGE 2 WEST, CITY OF HUNTSVILLE, MADISON COUNTY, ALABAMA AND BEING A 70.56 WIDE STRIP OF LAND EVENLY ACROSS THE SOUTH END OF LOT 3B OF VOYAGER WAY RESUBDIVISION AT CUMMINGS RESEARCH PARK WEST A RESUBDIVISION OF DOCUMENT NO. 20111128000638500, AS RECORDED IN DOCUMENT NO. 20160928000554300 IN THE OFFICE OF THE JUDGE OF PROBATE, MADISON COUNTY, ALABAMA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT 1/2-INCH CAPPED IRON PIN (CA451LS) MARKING THE SOUTHEAST CORNER OF SAID LOT 3B, SAID POINT BEING FURTHER DESCRIBED AS LYING ON THE WEST RIGHT-OF-WAY MARGIN OF VOYAGER WAY (200 FOOT RIGHT-OF-WAY) AND HAVING ALABAMA STATE PLANE COORDINATES, EAST ZONE NAD 83 OF N: 1535987.71, E: 401663.83; THENCE NORTH 87 DEGREES 22 MINUTES 38 SECONDS WEST, 602.38 FEET TO A 1/2-INCH CAPPED IRON PIN (CA451LS) MARKING THE SOUTHWEST CORNER OF SAID LOT 3B; THENCE NORTH 20 DEGREES 33 MINUTES 53 SECONDS WEST, 76.76 FEET TO A 1/2-INCH CAPPED IRON PIN (MCELROY); THENCE SOUTH 87 DEGREES 22 MINUTES 38 SECOND EAST, 632.25 FEET TO AN X IN CONCRETE IN A CURB ISLAND LYING ON SAID WEST RIGHT-OF-WAY MARGIN; THENCE ALONG SAID WEST RIGHT-OF-WAY MARGIN SOUTH 2 DEGREES 19 MINUTES 57 SECONDS WEST, 70.56 FEET TO THE POINT OF BEGINNING AND CONTAINING 1.00 ACRE (43,560 SQUARE FEET) MORE OR LESS.

EXHIBIT "D"

FORM OF DEED – see attached.

STATE OF ALABAMA)
)
COUNTY OF MADISON)

DEED

THIS INDENTURE, made and entered into on this the ____ day of _____, 2016, by and between the **City of Huntsville, Alabama**, a municipal corporation, as party of the first part, hereinafter called "Grantor," and **VETTE PROPERTIES, LLC**, as party of the second part, hereinafter called "Grantee."

WITNESSETH: That for and in consideration of good and valuable consideration, to it paid this day by Grantee, receipt of which is hereby acknowledged, has this day given, granted, bargained, sold and conveyed and does by these presents give, grant, bargain, sell and convey unto Grantee, subject to the reservations and exceptions hereinafter made and with the restrictions and upon the covenants stated below, the following described real estate, lying and being situated in the City of Huntsville, County of Madison, State of Alabama, to-wit (the "Property"):

SEE EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN.

LESS AND EXCEPT any and all easements, and right of ways to the benefit of Grantor, which are hereby reserved unto the Grantor, and subject to all restrictions and other matters of record.

TO HAVE AND TO HOLD the real estate above described, together with all and singular the rights, privileges, tenements, hereditaments, appurtenances and improvements thereunto belonging or in anywise appertaining unto Grantee, its successors and assigns forever, in fee simple.

Grantor does hereby covenant with and represent unto Grantee, its successors and assigns, that Grantor is lawfully seized in fee of the tracts or parcels of land above described; that the same are free of encumbrances, that it has a good and lawful right to sell and convey the same; and that it will warrant and defend the title to the same unto Grantee, its successors and assigns forever, except as to ad valorem taxes, and any easements, rights of way and restrictions of record.

I. Use of the real estate shall be subject to the Protective Covenants to Cummings Research Park West, as recorded in Deed Book 626 at Page 602, as amended, in the Office of the Judge of Probate of Madison County, Alabama.

II. Grantee shall grant and convey to Grantor, its successors and assigns, a perpetual, non-exclusive easement, suitable in form and content to Grantor, for pedestrian, vehicular, and construction traffic and equipment over, along, through, across, and upon the easement, so that Grantor may access its remaining real property. The easement shall be recorded in the Office of the Judge of Probate of Madison County, Alabama within two (2) weeks from the date of this conveyance (the "Easement Agreement"). The Grantee does for itself, its successors and assigns, agree that upon its failure to record in the Easement Agreement within the two weeks herein provided, then Grantor may, at its option, within 360 days of Grantee's failure, repurchase the above described tract of land for a sum equal to the total purchase price paid by the Grantee therefor.

III. Use of the real estate shall be subject for a period of twenty (20) years to the following restrictions, which shall be deemed for all purposes covenants running with the land, violation of which

may be enjoined at the suit of the within Grantor, its successors or assigns, including the immediate and remote Grantees of the within Grantor of other parcels of land within the area acquired and developed by the Grantor known as the "Cummings Research Park West." Such restrictions are as follows, to-wit:

(a) Said property shall be used only for the purposes of laboratories, offices and other facilities for basic and applied research and development, testing and consulting, whether public or private; production or assembly of prototype products, scientifically-oriented production, or the assembly of high-technology products which are related to the on-site research and development activities of the Grantee or its assigns; or any use permitted pursuant to Article 51 – "Research Park West District Regulations," of the Zoning Ordinance of the City of Huntsville, Alabama, (Ordinance Number 63-93, as amended).

(b) Said property, or any portion thereof, or any building, structure or improvement thereon shall not be used, kept, maintained or offered for general rental or lease purposes, except that the Grantee or its assigns may use, keep, maintain or offer up to 25% of the heated floor space of a building, structure or improvement on the property for general rental or lease purposes, for a qualified use, if the portion thus used, kept, maintained or offered for general rental or lease purposes is reasonably necessary for the future expansion of the Grantee, its primary tenant or its assigns. In no event shall an entire building, structure or improvement on the subject property be occupied by more than a primary or base tenant, plus one (1) additional tenant for each 7,500 square feet of permitted excess rental/lease area.

(c) Any failure or delay on the part of the within Grantor to object or to bring suit to enjoin any violation of these restrictions shall in no event be deemed a waiver of same, except with respect to Architectural Control Committee approval, as specifically provided in the Protective Covenants referenced in paragraph I, above.

IV. It is expressly agreed and acknowledged by and between the parties hereto that the hereinabove described tract of land is being sold and conveyed to the Grantee to be combined with that certain property conveyed to the Grantee in Instrument Number 20141106000589160 (the "Combined Parcel") and for the construction thereon of a facilities and/or improvements to be used in accordance with the permitted uses hereinabove specified in paragraphs II(a), II(b) and II(c), and that a part of the consideration for the conveyance of said property to the Grantee is the Grantee's agreement to obtain a building permit, complete all site preparation, and to commence the actual physical construction of the improvements thereon, as approved by the Architectural Control Committee, within twelve (12) months from the date of this conveyance, and to continue without interruption the construction of the said facility until completed according to approved plans and specifications. The Grantee does for itself, its successors and assigns, agree that upon its failure to meet the requirements hereunder then the Grantor may, at its option, within 360 days of Grantee's failure, repurchase the above described tract of land for a sum equal to the total purchase price paid by the Grantee therefor plus the value of any improvements thereon.

V. The Grantee hereby agrees that in the event Grantee, or Grantee's assigns, shall elect to sell or otherwise dispose of any unimproved portion of the above described property, or its adjacent property, within twenty (20) years from the date of this conveyance, Grantee shall first offer such unimproved portion to Grantor at the purchase price per acre of such portion paid by Grantee to Grantor. Grantor and Grantee hereby further agree as follows:

(a) Before offering any unimproved portion of the above described property for sale or development, the Grantee shall submit its plan therefor to the Planning Commission of the City of Huntsville, Alabama, for approval as is required by law in the subdivision of land. The costs of such submission shall become a part of the purchase price of the property in the event the Grantor herein shall

elect to exercise its right of first refusal as permitted in this Paragraph IV.

(b) Before consummating any sale of any unimproved portion of the real property involved, Grantee, or Grantee's assigns, shall notify Grantor in writing of its intention to sell the same as a separate parcel of property and shall offer such property to Grantor in writing at the price hereinabove specified. In the event Grantor shall elect so to repurchase said property, it shall so notify the Grantee, or Grantee's assigns, in writing, and shall pay the amount of the sale price in cash to Grantee or Grantee's assigns, upon delivery of a deed from the Grantee, or Grantee's assigns, reconveying such unimproved parcel of property to Grantor, subject only to ad valorem real property taxes for the then current year, and covenants, restrictions, reservations and rights-of-way then of record. In the event Grantor shall not so notify Grantee, or Grantee's assigns, in writing of its election to repurchase said property within forty-five (45) days from receipt of notification from Grantee, or having given such notice of its election to repurchase, shall not tender the purchase price thereof, as aforesaid, within forty-five (45) days after delivery of such notice from Grantor of its election to repurchase, Grantee, or Grantee's assigns, shall no longer be obligated to Grantor with respect to any repurchase of such unimproved real property. Such unimproved real property shall be selected by Grantee or Grantee's assigns, in such manner that no one (1) major dimension shall exceed any other major dimension by a factor in excess of two (2) and shall be in the configuration of a rectangle or square as nearly as practicable; provided, however, that if at least one boundary of said property, when so placed as to comply with building set-back provisions of applicable building codes and restrictions does not abut a public street, or streets, said area shall be enlarged by extension of the boundaries thereof in straight lines to the extent necessary to cause said area to abut the nearest public street providing access to said area.

(c) In the event Grantee, or Grantee's assigns, shall have made substantial improvements, including construction of a building, and desires to sell the entire tract of real property here involved to a single purchaser in one transaction, the Grantee or its assigns shall be under no obligation to Grantor with respect to offering the property for repurchase.

(d) Grantee, or Grantee's assigns, shall be under no obligation to Grantor with respect to offering the unimproved real property to Grantor as herein provided in paragraph (V) above, and shall be entitled to retain any consideration received, if the contemplated sale or transfer by Grantee, or Grantee's assigns, is:

(1) A sale or transfer to the United States or the State of Alabama or to any department, subdivision or agency thereof, including any legally established Industrial Development Board or other public corporation expressly authorized under Alabama Law, or to any municipality or municipal corporation, whether voluntary or involuntary, or any other sale or transfer under threat of condemnation, or

(2) To a wholly owned subsidiary of the Grantee, or Grantee's assigns, or to a legal entity of which the Grantee, or Grantee's assigns, own more than 50% interest.

(3) In connection with a merger, consolidation, reincorporation, any reorganization of the types described in Section 368 of the Internal Revenue Code of 1986, as amended from time to time, or any similar provision of the Internal Revenue laws of the United States, or other corporate reorganization, except under the laws relating to bankruptcies, affecting or involving the Grantee, or

(4) To an investor pursuant to a sale and leaseback agreement whereby such investor shall have agreed to construct upon such property a facility in conformance with Paragraph II leased to or to be occupied by the Grantee or the Grantee's successor in title as a result of a sale or transfer by Grantee, or Grantee's assigns, of a type described in subparagraph (2) or (3) above; or

(5) Any sale or conveyance approved in writing by Grantor; provided, however, that this option to repurchase and the restrictions elsewhere set out in this option shall continue in effect as to said land or part thereof, in the hands of any successor in title of Grantee as a result of a sale or transfer of a type described in subparagraphs (2), (3), (4), above, or in this paragraph. It is further provided that this option and said restrictions shall apply in the event of any involuntary transfer or conveyance of the above described property suffered by the Grantee or Grantee's assigns, (except an involuntary transfer or conveyance of the type described in subparagraph (1) above) with like effect as to a voluntary sale, conveyance or transfer and shall be, in any case, deemed a covenant running with the land.

(e) In the event Grantee, or Grantee's assigns, shall wish to encumber all or any portion of the real property herein involved in conjunction with a building program for the improvement of such property, Grantor will, upon request, subordinate the rights contained in the foregoing paragraphs to any such encumbrances, provided, however, said mortgage or encumbrances will provide that in the event of default the within Grantor will be given thirty (30) days notice before foreclosure proceedings or any other action is instituted. (f) Nothing in this paragraph IV shall be deemed to inhibit the right of Grantee, or Grantee's assigns, acting without the concurrence of Grantor, to grant easements or rights-of-way for the installation of utilities or roadways deemed necessary by Grantee, or Grantee's assigns, for appropriate utilization of the premises.

VI. In the event Grantee or Grantee's assigns conveys less than the entire Combined Parcel ("Partial Conveyance"), the Partial Conveyance shall be for no less than five (5) acres and the retained parcel must not be less than five (5) acres.

VII. The foregoing agreements shall be valid for a period of twenty (20) years from the date of this conveyance.

VIII. The City Council of the City of Huntsville, Alabama, may grant a written exception to the restrictions herein contained, by resolution which shall clearly and specifically set forth the exception and the reasons therefore. The City Council shall hold a public hearing on any request for a written exception hereunder. No resolution granting any such exception shall be adopted until after such public hearing. Any such resolution shall be executed in the name of the City by the President of the City Council and the Mayor. No assigns or immediate or remote Grantees of the Grantor shall have the right to restrain the granting of any such exception or any use of the property pursuant to such exception.

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed by its duly authorized officers on the date first above written.

CITY OF HUNTSVILLE, ALABAMA,
a municipal corporation in the State of Alabama

By: _____
Tommy Battle, Mayor

ATTEST:

By: _____
Kenneth Benion, Clerk-Treasurer

STATE OF ALABAMA)
COUNTY OF MADISON)

I, the undersigned, a notary public in and for said County, in said State, hereby certify that Tommy Battle and Kenneth Benion, whose names as Mayor and City Clerk-Treasurer, respectively, of The City of Huntsville, Alabama, a municipal corporation are signed to the foregoing document, and who are known to me, acknowledged before me on this day that, being informed of the contents of the instrument, they, as such officers and with full authority, executed the same for and as the act of said corporation on the day the same bears day.

GIVEN under my hand and official seal this the _____ day of _____, 2016.

Notary Public

THIS INSTRUMENT PREPARED BY:

Samuel H. Givhan
Attorney for Grantor
100 Washington Street
Huntsville, AL 35801
(256)-533-0202

user-data:Sam:CITY:Vette Properties:CRP.VETTE.Deed.2016.doc

EXHIBIT "A"

STATE OF ALABAMA
MADISON COUNTY

ALL THAT PART OF SECTION 1, TOWNSHIP 4 SOUTH, RANGE 2 WEST, CITY OF HUNTSVILLE, MADISON COUNTY, ALABAMA AND BEING A 70.56 WIDE STRIP OF LAND EVENLY ACROSS THE SOUTH END OF LOT 3B OF VOYAGER WAY RESUBDIVISION AT CUMMINGS RESEARCH PARK WEST A RESUBDIVISION OF DOCUMENT NO. 20111128000638500, AS RECORDED IN DOCUMENT NO. 20160928000554300 IN THE OFFICE OF THE JUDGE OF PROBATE, MADISON COUNTY, ALABAMA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT 1/2-INCH CAPPED IRON PIN (CA451LS) MARKING THE SOUTHEAST CORNER OF SAID LOT 3B, SAID POINT BEING FURTHER DESCRIBED AS LYING ON THE WEST RIGHT-OF-WAY MARGIN OF VOYAGER WAY (200 FOOT RIGHT-OF-WAY) AND HAVING ALABAMA STATE PLANE COORDINATES, EAST ZONE NAD 83 OF N: 1535987.71, E: 401663.83; THENCE NORTH 87 DEGREES 22 MINUTES 38 SECONDS WEST, 602.38 FEET TO A 1/2-INCH CAPPED IRON PIN (CA451LS) MARKING THE SOUTHWEST CORNER OF SAID LOT 3B; THENCE NORTH 20 DEGREES 33 MINUTES 53 SECONDS WEST, 76.76 FEET TO A 1/2-INCH CAPPED IRON PIN (MCELROY); THENCE SOUTH 87 DEGREES 22 MINUTES 38 SECOND EAST, 632.25 FEET TO AN X IN CONCRETE IN A CURB ISLAND LYING ON SAID WEST RIGHT-OF-WAY MARGIN; THENCE ALONG SAID WEST RIGHT-OF-WAY MARGIN SOUTH 2 DEGREES 19 MINUTES 57 SECONDS WEST, 70.56 FEET TO THE POINT OF BEGINNING AND CONTAINING 1.00 ACRE (43,560 SQUARE FEET) MORE OR LESS.