

MUTUAL RELEASE OF CLAIMS

THIS AGREEMENT is made as of this _____ day of November, 2023, by and between **Seven Development, LLC (“Seven”), a Virginia Limited Liability Company, Riverside Multifamily, LLC (“Riverside”), a Virginia Limited Liability Company, and the City of Charlottesville, Virginia (the “City”)** (Seven, Riverside, and the City may be referred to herein individually as a “Party” or collectively as the “Parties”).

RECITALS

A. Seven sought to develop certain property in a project known as 0 East High Street (the “Project”).

B. Pursuant to a *Code of Virginia* Section 15.2-2232 review, the Planning Commission determined that certain public improvements to be built as a part of the Project were not substantially in compliance with the City’s Comprehensive Plan. Seven appealed that decision to the Charlottesville City Council which upheld the Planning Commission’s decision (collectively, the “Actions”).

C. Seven has transferred its contractual rights to purchase property on which the Project would be built (the “Property”) to Riverside Multifamily LLC.

D. The City has entered into negotiations with Seven, Riverside, and the current owners of the Property to acquire the property on which Seven proposed to build the Project, and the parties have agreed to an Assignment of Contract pursuant to which the City will acquire the Property for the total sum of five million nine hundred thousand dollars (\$5,900,000.00). Such amount includes the purchase price of the Property to be paid to the current record owners of the Property in consideration of their conveyance of the Property to the City, and an assignment fee to be paid to Riverside (the “Assignment Fee”), Seven’s successor in interest, in consideration of

its assignment of the underlying purchase contract to the City. Such amounts will be paid at the settlement of the transaction when the current owners of the Property convey the Property to the City.

C. Seven, Riverside, and the City wish to settle all disputes between them on the terms and conditions stated below and to evidence such settlement by entering into this Mutual Release of Claims.

D. The City Council of the City of Charlottesville considered and approved the Assignment of Contract and this Mutual Release of Claims at its duly called public meeting on November 6, 2023.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual benefits to the parties by entering into this agreement, the promises made herein, and other good and valuable consideration, the sufficiency and receipt of which is acknowledged, the Parties hereto covenant and agree as follows.

I. Mutual Releases. Seven and Riverside discharge and release the Planning Commission of the City, City Council, the City, and its officers, employees, agents, attorneys, and representatives, from all claims, debts, suits, actions, causes of action, charges, demands, judgments, costs, executions, liabilities and all other obligations, whether in contract, tort, or other, known and unknown, both legal and equitable, which have been brought or could have been brought, relating to the subject matter of the Actions or related in any way to the Project, the Property, and/or the *Code of Virginia* 15.2-2232 review and decisions of the Planning Commission and City Council related to the Property and the Project.

The City discharges and releases Seven, Riverside and its members, officers, employees, agents, attorneys, and representatives, from all claims, debts, suits, actions, charges, demands, judgments, costs, executions, liabilities and all other obligations, whether in contract, tort, or other, known and unknown, both legal and equitable, which have been brought or could have been brought, relating to the subject matter of the Actions or related in any way to the Project, the Property, and/or the *Code of Virginia* 15.2-2232 review of the Property and the Project.

2. Full and Final Settlement. The Parties understand that this is a full and final disposition of the claims and disputes between them, both as to the existence, and the nature and extent of, liability by any Party except as may be expressly set forth herein. The Parties understand and agree fully that this Mutual Release constitutes a mutual and final settlement agreement that is binding upon the Parties.

3. Modifications. No modification of this Agreement shall be valid unless it is in writing and signed by all Parties, with the approval of the Charlottesville City Council.

4. Successors and Assigns. This Agreement shall bind and inure to the benefit of all Parties, their successors, and permitted assigns, and each of them.

5. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

11. Authority. Each signor represents and warrants that he or she has full legal authority to execute this Mutual Release on behalf of the Party for which he or she signs.

12. Governing Law. This Agreement shall be governed and construed in accordance with Virginia law. In the event any litigation arises concerning enforcement of this Agreement or the matters recited herein, jurisdiction and venue shall lie in a court of competent jurisdiction in

the City of Charlottesville, Virginia, and all legal proceedings shall be brought only in such court.

This Agreement has been read by the Parties hereto, each of which is represented by legal counsel, and the Parties understand its content and are satisfied with its terms.

*[The remainder of this page is intentionally left blank.
Signatures appear on the following page.]*

[SIGNATURE PAGE TO MUTUAL RELEASE OF CLAIMS]

IN WITNESS WHEREOF, each party has executed and sealed this Agreement or caused it to be executed and sealed on its behalf by its duly authorized representative or agent.

SEVEN DEVELOPMENT, LLC
a Virginia limited liability company

By: _____ (SEAL)
Authorized Signatory

Printed Name
Title:

RIVERSIDE MULTIFAMILY, LLC
a Virginia limited liability company

By: _____ (SEAL)
Authorized Signatory

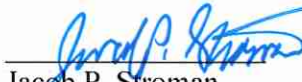
Printed Name
Title:

CITY OF CHARLOTTESVILLE, VIRGINIA
*a municipal corporation and political subdivision of
the Commonwealth of Virginia*

By: _____ (SEAL)
Authorized Signatory

Printed Name
Title:

Approved as to form:



Jacob P. Stroman
City Attorney