

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT (the “**Agreement**”) is dated as of _____, 2025, by and among the CITY OF CHARLOTTESVILLE, VIRGINIA, a municipal corporation and political subdivision of the Commonwealth of Virginia (“**Buyer**”); and MIS PROPERTY, LLC, a Virginia limited liability company (“**Seller**”). The “**Effective Date**”, as used in this Agreement, means the date this Agreement has been fully ratified.

RECITALS

A. Seller owns that certain real estate, together with improvements thereon and appurtenances thereto, located in the City of Charlottesville, Virginia (the “**City**”) and designated and shown on current tax maps of the City as Parcel ID 40A013000 and Parcel ID 40A014000, which is also known by present street numbering respectively as 2000 and 1900 Holiday Drive, Charlottesville, VA 22903 (the “**Property**”).

B. Buyer desires to buy from Seller, and Seller desire to sell to Buyer, all of Seller’s right, title and interest in and to the Property, subject to the terms and conditions herein.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in consideration of the foregoing recitals (which are hereby incorporated as integral parts of this Agreement, and not as mere recitals), Seller and Buyer agree as follows:

1. **Purchase and Sale.** Subject to the terms and conditions set forth in this Agreement, at Closing (as defined below), Buyer will buy from Seller, and Seller will sell and transfer to Buyer, all of Seller’s right, title, and interest in and to the Property.

2. **Purchase Price.** The purchase price for the Property is Six Million Two Hundred Thousand and No/100 Dollars (\$6,200,000.00) (the “**Purchase Price**”). The Purchase Price shall be payable by Buyer as follows:

2.1 Buyer shall pay the Deposit (defined below) pursuant to Section 3 below.

2.2 The balance of the Purchase Price will be paid by Buyer in immediately available funds by wire transfer at Closing consistent with instructions supplied by Seller and/or Seller’s attorney.

3. **Deposit.**

3.1 Within three (3) days of the Effective Date, Buyer shall deliver a deposit of \$100,000.00 (the “**Deposit**”), which will be delivered by Buyer to Safe Harbor Title Insurance Company (“**Escrow Agent**”). If Buyer performs all of its obligations under this Agreement, the Deposit shall be applied toward the Purchase Price at Closing. If the Buyer chooses not to consummate the transaction, and proper notice is given in writing prior to close of business on October 30, 2025, the **Deposit** shall be refundable.

3.2 If this transaction is not consummated, the Escrow Agent shall hold the Deposit in escrow until (i) all parties to the transaction have agreed in writing to the disposition thereof; (ii) a court of competent jurisdiction orders disbursement; or (iii) the Escrow Agent can pay the funds to the party who is entitled to receive them in accordance with the explicit terms of this Agreement. In the latter event, prior to disbursement, the Escrow Agent shall give written notice to each party to this Agreement that this payment will be made unless a written protest from either party is received by the Escrow Agent within 30 days of the delivery or mailing, as appropriate, of the notice, in which event the Deposit will be held by the Escrow Agent until either of the events specified in subparagraphs 3.2(i) or 3.2(ii) have occurred. If a dispute arises regarding the Deposit, the Escrow Agent shall have the right to pay the Deposit into the Circuit Court of the City of Charlottesville until final resolution of the dispute.

3.3 Escrow Agent shall have no liability for error of judgment or for any mistake of fact or law in connection with its action or inaction relating to the parties' disagreement or otherwise as to the Deposit or other escrowed funds, and the parties shall, jointly and severally, indemnify and hold Escrow Agent harmless from any and all liability and expenses arising out of any such action or inaction, including attorney fees, which Escrow Agent may incur in defending against any such liability. Neither Escrow Agent nor any of its attorneys shall be disqualified as counsel for Seller in such proceeding, or in any other dispute between Seller and Buyer, because of Escrow Agent's service as an escrow agent.

4. **Title.** Title to the Property at Closing must be insurable by an ALTA Owner's Title Policy (the "**Title Policy**"), without exception or limitation except as to the following (collectively, the "**Permitted Exceptions**"): (i) the standard printed exceptions in the Title Policy; (ii) the lien of real property taxes on the Property for the current year not yet due and payable; (iii) any state of facts that an accurate survey of Property would disclose; (iv) any exceptions disclosed on Schedule B of the Buyer's title commitment which will be extinguished upon transfer of the Property; (v) certain unrecorded leases, as more fully identified and described on Exhibit A, attached hereto and incorporated herein, if any (collectively, the "**Leases**"); and (vi) such other encumbrances, easements, restrictions and exceptions which would not materially and adversely affect the use of the Property for commercial purposes.

5. **Seller's Warranties and Representations.** Seller represents that it has the necessary authority to execute and deliver this Agreement, and to satisfy its obligations under this Agreement. The representations and warranties of Seller set forth in this Section 5 will be materially true at Closing. Seller further warrants and represents the following as of the Effective Date:

5.1 **Pending Suits.** There are no actions, suits or proceedings pending or, to the best of Seller's knowledge and belief, threatened, affecting the Property or relating to Seller's ownership and ability to convey the Property to Buyer pursuant to this Agreement.

5.2 **Condemnation.** There is no pending, or, to the best of Seller's knowledge and belief, threatened, condemnation or similar proceeding affecting the Property or any portion thereof.

5.3 **Valid Existence.** Seller is duly organized and validly existing and in good standing under the laws of the jurisdiction of its organization and is qualified to do business in the Commonwealth of Virginia and has all requisite company power and authority to own, lease and operate its properties, to carry on its business as now being conducted and to execute, deliver and perform this Agreement.

5.4 **No Violation.** The execution and delivery of this Agreement, the Deed (defined below), and other closing documents, and the performance of, fulfillment of and compliance with the terms and conditions hereof and thereof by Seller do not (1) conflict with or result in a breach of its governance documents; or (2) violate any statute, law, rule or regulation, or any order, writ, injunction or decree of any governmental authority binding on it or its properties.

6. **Buyer's Warranties and Representations.** Buyer hereby represents that Buyer has the necessary authority to execute and deliver this Agreement, and to satisfy its obligations under this Agreement. Buyer's representations and warranties set forth in this Section 6 will be true at Closing. Buyer further warrants and represents the following as of the Effective Date:

6.1 **Pending Suits.** There are no actions, suits or proceedings pending or, to the best of Buyer's knowledge, threatened, which would in any way be binding upon Buyer or its successors or assigns or affect or limit its or its successors' or assigns' use and enjoyment of the Property or which would limit or restrict in any way Buyer's right and ability to enter into this Agreement and consummate the transaction contemplated hereby, and perform the obligations in the documents to be executed in connection with the Closing.

6.2 **Valid Existence.** Buyer is a municipal corporation and political subdivision of the Commonwealth of Virginia and has all requisite power and authority to own, lease and operate its properties, to carry on its business as now being conducted and to execute, deliver and perform this Agreement.

6.3 **Authority.** Buyer has the power and authority to execute and deliver this Agreement and the other closing documents to be delivered by Buyer at the Closing and to carry out and perform all covenants to be performed under this Agreement. The closing documents will, when signed and delivered, constitute Buyer's legal, valid and binding obligation, enforceable in accordance with its terms.

6.4 **No Violation.** Buyer's signing and delivery of this Agreement, other closing documents, and completion of the transactions described in this Agreement, and performance of this Agreement, do not (1) conflict with or result in a breach of its governance documents; or (2) violate any statute, law, rule or regulation, or any order, writ, injunction or decree of any governmental authority binding on it or its properties.

7. **Conditions Precedent to Closing.**

7.1 **Seller Conditions to Closing.** Seller's obligation to consummate the transaction contemplated by this Agreement is subject to the satisfaction of each of the following conditions on or before the Closing Date, any or all of which may be waived in writing by Seller in its sole discretion.

(i) The representations and warranties of Buyer contained in this Agreement shall have been true and correct in all material respects on the date of this Agreement and shall be true and correct in all material respects on the Closing Date as though made on and as of the Closing Date, and Buyer shall have duly performed and complied in all material respects with all covenants and obligations required by this Agreement to be performed or complied with by them on or prior to the Closing.

(ii) No action or proceeding shall be pending by or before any court or other governmental body or agency seeking to restrain, prohibit or invalidate the transactions contemplated by this Agreement.

(iii) Seller shall have received from Buyer evidence that Buyer has all required governmental approvals, including but not limited to one or more resolutions of the City Council of the City of Charlottesville approving of this Agreement (and any amendments hereto), authorizing Buyer's purchase of the Property and Buyer's entry into, and consummation of, this Agreement (and any amendments hereto).

7.2 Buyer Conditions to Closing. Buyer's obligation to consummate the transaction contemplated by this Agreement is subject to the satisfaction of each of the following conditions on or before the Closing Date, any or all of which may be waived in writing by Buyer in its sole discretion.

(i) The representations and warranties of Seller contained in this Agreement shall have been true and correct in all material respects on the date of this Agreement and shall be true and correct in all material respects on the Closing Date as though made on and as of the Closing Date, and Seller shall have duly performed and complied in all material respects with all covenants and obligations required by this Agreement to be performed or complied with by them on or prior to the Closing.

(ii) No action or proceeding shall be pending by or before any court or other governmental body or agency seeking to restrain, prohibit or invalidate the transactions contemplated by this Agreement.

(iii) Title to the Property at Closing must be insurable by the Title Policy subject to the Permitted Exceptions and in accordance with Paragraph 4 of this Agreement (and any amendments hereto).

8. Closing. The closing of the transaction contemplated by this Agreement (the "**Closing**") shall occur on or before November 20, 2025 (the "**Closing Date**"). The Closing will be held in the offices of Escrow Agent, or such other mutually agreeable place.

9. Taxes, Prorations and Closing Costs. Costs and expenses relating to this transaction and relating to Closing, will be paid as follows:

9.1 Seller will pay in full (i) the fees of Seller's counsel, (ii) all costs pertaining to release of any deeds of trust or other liens against the Property not the fault of Buyer, subject to

the provisions of Section 2, and (iii) any other costs and expenses agreed to by Seller in this Agreement.

9.2 Buyer will be responsible for the costs of the title search and exam and all additional costs and expenses related to the issuance of the title insurance policy, including, but not limited to, the premium(s) and all title endorsements to the Title Policy and the cost of any survey.

9.3 Buyer will pay in full (i) all fees of Buyer's counsel, and (ii) and any other costs and expenses agreed to by Buyer in this Agreement.

9.4 All ad valorem, real, and personal property taxes and general and special assessments levied or assessed against the Property (collectively, the "**Taxes**") for all years before the calendar year which includes the Closing Date will be paid by Seller. All Taxes attributable to the calendar year in which the Closing occurs will be prorated between Seller and Buyer based upon the number of days each party owned (or will own) the Property during such year.

9.5 At Closing, any rent paid pursuant to the Leases, if any, and attributable to the month in which Closing occurs will be prorated between Seller and Buyer based on the number of days each party owned (or will own) the Property during such month. In addition, to the extent that Seller has received any other prepaid rent from the tenants under the Leases prior to Closing, such prepaid rent shall be transferred to Buyer via a credit toward the Purchase Price on the Settlement Statement.

9.6 Seller will pay all grantor's taxes associated with the Deed. Buyer will pay all other recording taxes and fees, including state and local taxes, documentary stamps and transfer taxes, if any, and for its own attorney's fees in connection with the Deed and all title curative instruments, if any.

9.7 Any and all closing costs not otherwise specifically provided for in this Agreement will be borne solely by Buyer.

10. **Closing Documents.**

10.1 **Seller's Closing Documents.** Seller will execute and deliver to Buyer the following documents:

(i) **Deed.** Special warranty deed from Seller, conveying fee simple title to the Property to Buyer, subject only matters of record in the chain of title and the Permitted Exceptions (the "**Deed**").

(ii) **Lien Affidavit.** An owner's affidavit sufficient to induce Buyer's title insurance company to issue a standard owner's policy of title insurance without general exceptions for mechanic's liens, provided that the form and substance of such affidavit shall be reasonably acceptable to Seller and Seller's attorney.

(iii) **FIRPTA Certificate.** Certificates executed by Seller as to income tax status and matters related to Section 1445 of the Internal Revenue Code or other evidence

satisfactory that Seller have complied with the withholding requirements of the Foreign Investment in Real Property Tax Act under Section 1445, including establishment of escrow until the withholding requirements of Section 1445 have been met. Buyer agrees to reasonably cooperate with Seller on such compliance, provided that Buyer does not incur any added expense in so doing.

(iv) **Settlement Statement.** A Settlement Statement in a form agreed upon by both Buyer and Seller.

(v) **Assignment and Assumption Agreement.** An Assignment and Assumption Agreement, whereby Seller shall assign and transfer, and Buyer shall accept and assume, all of Seller's rights, obligations, and liabilities under the Leases, if any.

(vi) **Other Closing Documents.** Any other documents, instruments or certificates reasonably required by Buyer or its title insurer to issue the Title Policy to Buyer, otherwise required by this Agreement, required for tax reporting purposes or reasonably necessary to effect Closing, provided that same shall be in form and substance reasonably acceptable to Seller and Seller's attorney.

10.2 **Buyer Closing Documents.** Buyer will execute and deliver to Seller the following documents:

(i) **Settlement Statement.** A Settlement Statement in a form agreed upon by both Buyer and Seller.

(ii) **Assignment and Assumption Agreement.** An Assignment and Assumption Agreement, whereby Seller shall assign and transfer, and Buyer shall accept and assume, all of Seller's rights, obligations, and liabilities under the Leases, if any.

(iii) **Other Closing Documents.** Any other documents, instruments or certificates reasonably required by Seller, otherwise required by this Agreement, required for tax reporting purposes or reasonably necessary to effect Closing.

11. **Time of Essence.** Time will be of the essence in the performance of the obligations created under this Agreement.

12. **Risk of Loss; Condemnation.** The risk of loss or damage to the Property by fire or other casualty prior to Closing will be on Seller. If, at any time on or before the Closing Date, title or possession of all or any material part of the Property be taken by condemnation proceeding, or if any such proceeding become pending or threatened, or if Seller or Buyer receive notice of the pendency or threat of any such proceeding, or if a casualty loss occurs affecting the Property, then Buyer will have the option, at its election, to terminate this Agreement by written notice to Seller of such election within fifteen (15) days after the date upon which Seller gives written notice to Buyer of (or, if earlier, the date upon which Buyer receives written notice of) such taking, proceeding, pendency, casualty or threat of taking, in which case this Agreement will terminate and the parties will have no further liability to one another hereunder except for the obligations of the parties that survive the termination of this Agreement. Seller will notify Buyer as soon as commercially reasonable, should Seller be notified of such a taking, proceeding, pendency, casualty or threat of taking. In the event Buyer elects to purchase the Property despite such taking,

proceeding, pendency, casualty or threat of taking, then payment of all awards and/or other compensation made on account of any taking by eminent domain and/or the proceeds of any sale of all or any part of the Property, either under threat of, or while a condemnation proceeding is pending, and all insurance proceeds from casualty, will be paid to, and become the property of Buyer, less any deductibles which Seller may have paid or may be required to pay.

13. **No Recording.** This Agreement may not be recorded.

14. **Default.** If prior to Closing either party is in default of its covenants or obligations under this Agreement, which the defaulting party fails to cure at the earlier of the Closing or within five (5) days after written notice thereof, then in such event: (i) if Buyer fails to perform or breaches any of the obligations, representations, terms or conditions of this Agreement, the Deposit will be delivered to Seller as liquidated damages in lieu of any or all other remedies Seller may have at law or in equity; and (ii) if Seller fails to perform or breaches its obligations under the Agreement, Buyer will be entitled, as its sole right and remedy at law or in equity, to either (a) terminate this Agreement by written notice of termination to Seller, in which event Buyer shall be entitled to a return of the Deposit and Seller and Buyer will be relieved of any and all obligations and liabilities hereunder, subject to the obligations and liabilities of the parties that expressly survive the termination of this Agreement; or (b) pursue an action for specific performance.

15. **Notices.** Whenever any notice or other communication is required or permitted hereunder, such notice or other communication shall be in writing and shall be delivered by hand or sent by overnight courier service or by U.S. registered or certified mail, return receipt requested, postage prepaid, or by email, to the addresses set out below or at such other addresses as are specified by written notice delivered in accordance herewith:

TO SELLER: MIS PROPERTY, LLC
501 Faulconer Drive #2D
Charlottesville, VA 22903
Attn: Mark Krebs
Email: mkrebs47@gmail.com

with a copy (which alone shall not constitute notice hereunder) to:

Spotts Fain, PC
411 East Franklin Street, Suite 600
Richmond, Virginia 23219
Attn: David DuVal
Email: dduval@spottsfain.com

TO BUYER: City of Charlottesville
605 E. Main St
Charlottesville, VA 22902
Attn: Samuel Sanders, Jr.
Email: sanderss@charlottesville.gov

Notices sent by hand delivery, overnight delivery, or email shall be effective when delivered. To be effective, email notices shall require confirmation of delivery (which shall expressly exclude an “out of office” reply or other automated email reply) and a copy to be sent by any one of the other methods for giving notice under this Agreement. Notices sent by certified mail shall be effective 3 days after mailing. Any notice given by legal counsel or other authorized agent of any party shall be effective as if the same had been executed and delivered by such party itself.

16. **Waiver.** No waiver by either party of any breach or default of any of the terms and conditions contained in this Agreement will be construed as a waiver of any subsequent breach or default whether of a like or different character

17. **Headings.** The headings of the paragraphs herein are for convenience only and will not affect the meanings or interpretations of the contents thereof.

18. **Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement will nonetheless remain in full force and effect.

19. **Complete Agreement.** This Agreement represents the complete understanding between the parties hereto, and supersedes all prior negotiations, representations or agreements, either written or oral, as to the matters described herein. This Agreement may be amended only by written instrument signed by both parties. Both parties have participated in drafting and negotiating this Agreement and no interpretive presumption will be drawn against either party by virtue of its role in drafting this Agreement.

20. **Construction.** This Agreement will be governed and construed in accordance with laws of the Commonwealth of Virginia.

21. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Electronic copies of any signed original agreement will be deemed the same as delivery of an original. At the request of any party, the parties will conform electronic copies of any signed original document by signing and delivering a duplicate original document. In addition, the parties will sign original documents for all documents that are required to be recorded in the Clerk’s Office of the Circuit Court of the City of Charlottesville for this transaction.

22. **Assignability.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. This Agreement may not be assigned by the Buyer without the prior written consent of Seller, and any purported assignment without such consent shall be void.

23. **Attorneys’ Fees.** If it is necessary that either Buyer or Seller employ an attorney to enforce its rights pursuant to this Agreement (or defend any such enforcement action), the non-substantially prevailing party will reimburse the substantially prevailing party for such party’s costs of court and reasonable attorneys’ fees.

24. **Brokers.** Each party represents and warrants to the other that no real estate brokers or other intermediaries were involved in connection with this transaction except for the following:

S.L. Nusbaum Realty Co, by and through Douglas O. Tice. The parties will each indemnify, defend and hold each other harmless from any claim for brokerage fees resulting from a breach of the foregoing representation and warranty. The provisions of this Section shall survive Closing and any termination of this Agreement.

25. **Deadlines.** If the Closing Date or any other date for performance by a party of any obligation herein falls on a Saturday, Sunday or legal holiday, then the Closing Date or such other date shall be extended to the next day which is a business day.

26. **Submission of Agreement for Examination.** The submitting of this Agreement for examination by any party does not constitute an offer, and this document becomes effective only upon full execution and delivery hereof.

27. **As-Is, Where-Is, and With All Faults Condition.**

27.1 Buyer does hereby acknowledge, represent, warrant and agree, to and with the Seller, that, as of Closing, except as otherwise expressly set forth in this Agreement (i) Buyer is purchasing the Property in an “AS IS, WHERE IS, AND WITH ALL FAULTS” condition as of the Effective Date and as of Closing with respect to any facts, circumstances, conditions and defects of all kinds, (ii) Seller has no obligation to repair or correct any such facts, circumstances, conditions or defects or compensate Buyer for same; (iii) based upon all physical inspections, examinations and tests of the Property as Buyer deems necessary or appropriate under the circumstances, Buyer is and will be relying strictly and solely upon such inspections and examinations and the advice and counsel of its own agents and officers and the Buyer is and will be fully satisfied that the Purchase Price is fair and adequate consideration for the Property; (iv) Buyer has had and will have, pursuant to this Agreement, an adequate opportunity to make such legal, factual and other inquiries and investigations as Buyer deems necessary, desirable or appropriate with respect to the Property; (v) Seller is not making and has not made any warranty or representation with Property as an inducement to the Buyer to enter into this Agreement and thereafter to purchase the Property or for any other purpose; and (vi) by reason of all of the foregoing, Buyer shall assume the full risk of any loss or damage occasioned by any fact, circumstance, condition or defect pertaining to the physical condition of the Property or the operation of the Property, regardless of whether the same is capable of being observed or ascertained.

27.2 EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, SELLER HAS NOT, DOES NOT AND WILL NOT, WITH RESPECT TO THE PROPERTY, MAKE ANY REPRESENTATIONS, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT IN NO WAY LIMITED TO, ANY WARRANTY OF CONDITION OR MERCHANTABILITY, OR WITH RESPECT TO THE VALUE, PROFITABILITY OR OPERATING POTENTIAL OF THE PROPERTY.

[SIGNATURES ON FOLLOWING PAGE]

[SIGNATURE PAGE TO REAL ESTATE PURCHASE AND SALE AGREEMENT]

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(s) or agent(s).

AGREED:

SELLER:

MIS PROPERTY, LLC
a Virginia limited liability company

Date: 9/26/2025

DocuSigned by:

By: 9A5FE26132E6490...
Mark Krebs, Managing Member

BUYER:

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

Date: _____

By: _____
Name: _____
Title: _____

EXHIBIT A

LEASES (if needed)

NONE.