

RESOLUTION NO. 17-_____

BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the Mayor be, and he is hereby authorized to execute on behalf of the City a Real Estate Agreement by and between the City of Huntsville, Alabama, and Dynetics, Inc., on behalf of the City of Huntsville, a municipal corporation in the State of Alabama, which said agreement is substantially in words and figures similar to that certain document attached hereto and identified as "Real Estate Agreement between the City of Huntsville, Alabama, and Dynetics, Inc.," consisting of twenty (20) pages including exhibits A through D, and the date of September 14, 2017, appearing on the margin of the first page, with such changes, if any, as the Mayor may make to further secure performance by the counterparty thereto of its payment obligations to the City thereunder, 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 14th day of September, 2017.

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

APPROVED this the 14th day of September, 2017.

Mayor of the City of
Huntsville, Alabama

STATE OF ALABAMA

COUNTY OF MADISON

REAL ESTATE AGREEMENT

This Real Estate Agreement (the "Agreement") is entered into on this the 14th day of September, 2017, by and between **City of Huntsville**, a municipal corporation in the State of Alabama ("Seller"), and **Dynetics, Inc.**, an Alabama corporation, its successors and assigns ("Purchaser").

WITNESSETH:

WHEREAS, Purchaser owns and operates a government and commercial contracting company located in Cummings Research Park ("CRP") with its company headquarters located at 1002 Explorer Boulevard, Huntsville, Alabama 35806 ("Headquarters"), and is looking to purchase some additional property within CRP in order that it may expand and further grow its company operations; and

WHEREA, Seller owns property within CRP and located across the street from Purchaser's Headquarters ("Headquarters"), consisting of approximately 40.00 acres of real property being and situated in Madison County, Alabama, and as more and more particularly described in Exhibit "A", attached hereto and incorporated herein (the "Property"); and

For in consideration of the sum of the recitals, which are incorporated herein by reference, and the promises and mutual covenants hereinafter set forth, and for other and valuable consideration hereinafter provided, the parties do hereby agree as follows, to wit:

I. AGREEMENT TO BUY AND SELL

The Purchaser agrees to purchase from the Seller and the Seller agrees to sell to Purchaser that certain Property, consisting of approximately 40.00 acres in order that Purchaser may expand its company operations. The Property is depicted in Exhibit "B" attached hereto and incorporated herein.

II. DUE DILIGENCE PERIOD

Between the execution date of this Agreement 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 Property, 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 Property; 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 Property ("Purchaser's Activities") shall not damage

President of the City Council of the
City of Huntsville, Alabama
Date: September 14, 2017

the Property 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 Closing Date (the "Due Diligence Period") 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 Agreement by delivering written notice to the Seller not later than the Due Diligence Period. In the event Purchaser gives Seller notice of termination, all Earnest Money, if any, shall be promptly returned to Purchaser, all rights and obligations of the parties under this Agreement shall expire, and this Agreement shall become null and void.

III. PURCHASE PRICE

In consideration of the Seller's agreement to sell the Property to the Purchaser, Purchaser agrees to pay to Seller a total price of THREE MILLION EIGHTY-THREE THOUSAND SEVEN HUNDRED FIFTY AND NO/100 DOLLARS (\$3,083,750.00) payable at the time of Closings as further specified below.

IV. CONEYANCE OF THE PROPERTY

A. Statutory Warranty Deed. Seller agrees to convey said Property and will furnish to Purchaser a good and merchantable title by a properly executed statutory warranty deed substantially in the form attached hereto as Exhibit "C", 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 not yet due and payable, City Ordinances regarding CRP, 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. 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. Closing. The Closing of this transaction (the "Closing") shall occur within thirty (30) days of the approval of this agreement by the City Council of the City of Huntsville, Alabama at the offices of Purchaser's legal counsel (the "Closing Agent").

C. Resubdivision of Property. Following the Closing, Purchaser shall work with Seller and the City Planning Commission to remove any interior lot lines and to vacate interior easements (as needed) and file a plat of the Property into a single commercial lot in accordance with City and CRP subdivision and zoning regulations. T

D. Misc. Closing Provisions.

i. Seller shall deliver to Closing Agent a customary lien and possession affidavit. Said affidavit is to contain no indemnity provisions.

ii. Purchaser shall pay all closing costs and fees, including all transfer and conveyance taxes, title insurance, loan costs, title examination fees, except as otherwise provided by this Agreement. Each party shall pay its own attorney's fees in connection with Closing.

iii. Seller shall prepare and provide Purchaser with properly executed Statutory Warranty Deed upon Closing.

V. CONSTRUCTION

A. Option to Repurchase. Purchaser agrees to obtain a building permit, complete all site preparation, and to commence the actual physical construction of the facility thereon, as approved by the Architectural Control Committee, within twelve (12) months following the Closing, and to continue without interruption, Force Majeure Events (hereinafter defined) excepted, the construction of the said facility until completed according to approved plans and specifications. As used herein, the term "Force Majeure Events" shall mean any events or occurrences whatsoever which prevent or delay Purchaser's performance hereunder and which are beyond the reasonable control of Purchaser, including without limitation, an act of God, war, riot, civil commotion, or other disturbance, sovereign conduct, national emergencies, acts of civil or military authority, strike or other labor difficulties, fire, flood, catastrophe, insurrection, power or other utility failure, transportation failure, or governmental action. In the event Purchaser fails to begin substantial construction on the Property within the time described above, then the Seller may, at its option, within three hundred sixty (360) days of Purchaser's failure, repurchase the Property for a sum equal to the total purchase price paid by the Purchaser. 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 Property.

B. Compliance with Restrictive Covenants. Purchaser agrees to comply with any and all rules and regulations with respect to structures on the Property, as they may be amended from time to time. Purchaser will indemnify and hold harmless Seller from and against any and all liability arising out of the destruction of or damage to the Property, or injuries or loss to, or death of any person in connection with the development, improvement or construction upon the Property, or any activity or project conducted thereon, other liability for any loss, damages or injuries that may result from Seller's own intentional, wrongful or negligent acts. The provisions of this paragraph shall survive Closing.

C. Site Grading. Following Closing, Seller either directly, in conjunction with, or through agreement with Madison County, agrees to assist Purchaser with the rough grading of the Property so long as Purchaser's construction timeline accommodates for the arrangement of City and/or County work crews to perform said grading, and none of the soil used may be brought onto or removed from the Property. Seller shall provide grading support in an amount not to exceed \$500,000.00.

VI. DEFAULT

Should Purchaser fail to carry out the terms and conditions of this Agreement in accordance, with all of its provisions, this Agreement shall terminate with no further obligations between the parties and Seller shall retain any money paid to Seller as liquidated damages. Should Seller fail to carry out this Agreement in accordance with all of its provisions, (1) Purchaser shall have the option to demand a refund of any monies or an extension interest Purchaser may have paid or caused to be paid to Seller, together with payment to Purchaser by Seller 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 Seller, this Agreement shall terminate, or (2) Purchaser may, without demanding a return of any money, proceed with a suit for specific performance of this Agreement.

VII. ADDITIONAL PROVISIONS

A. 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.

B. Fiber Optic Transmission Lines. Purchaser has expressed a desire to locate two (2) underground fiber optic transmission lines to run from Headquarters underneath Explorer Boulevard to the Property ("Transmission Lines"). In order to do so, Purchaser must utilize fiber of a fiber optic provider, of its choice, that is authorized by the City to use and occupy the public rights-of-way for the construction, operation, and maintenance of fiber and related facilities.

C. Storm Water Detention Pond License. Seller shall retain a permanent, exclusive license for the operation and maintenance of a storm water detention basin/pond ("Detention Pond License"). The detention pond shall be constructed, maintained, and operated in order to store, control, and contain any storm waters, flood waters, and related surface waters on the Property, and shall be installed at a mutually agreed upon location (the "Detention Pond"). The Detention Pond may be located on any portion of the Property, but must serve and provide flood water retention and detention services to and the entire Property as well as adjacent properties. Purchaser shall be solely responsible for the installation, construction, repair, and maintenance of the Detention Pond. The Detention Pond shall remain unobstructed and must be free of permanent structures, buildings, or obtrusive fixtures.

D. Pedestrian Cross Walk. On or before a date that is sixty (60) days prior to Purchaser obtaining its first Certificate of Occupancy on the Property, Seller shall construct and install a designated pedestrian cross walk spanning from Headquarters to the Property ("Cross Walk"). Due to public safety concerns, Seller, in its sole discretion, shall determine the Cross Walk's location. The Cross Walk shall be identified and designated by visible and obvious signage and signalized flashing lights, and shall be constructed similarly to that certain pedestrian crossing area located on Holmes Avenue and granting pedestrian access to and from UAH's campus. Seller shall be solely responsible for the maintenance, upkeep, and repair of the Cross Walk. Furthermore, the Cross Walk shall be constructed and maintained in accordance with all relevant municipal cross walk and traffic safety regulations.

E. Relocation of Utilities. The City will begin rerouting at the City's expense (or cause Huntsville Utilities to do so) the existing overhead power lines on or immediately adjacent to the Property within thirty (30) days of Purchaser commencing construction on the Property, in order to allow for Purchaser's planned improvements. The City will cause all such power lines to be relocated underground in accordance with CRP ordinances along the east perimeter Property line on or before the completion of construction by Purchaser. Furthermore, both parties agree to cooperate and keep one another reasonably informed and up-to-date regarding the estimated timeline and completion dates for their respective construction and utility relocation projects.

VIII. MISCELLANEOUS

A. Entire Agreement. This Agreement, with all Exhibits attached hereto, and the ordinances, restrictions and covenants of CRP 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 Agreement 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 Agreement may only be modified or amended in a writing to be signed by both parties.

D. City Council Approval. This Agreement is contingent upon the approval of the Huntsville City Council with said approval to be verified by the issuance of a resolution substantial similar to the one shown and attached hereto and incorporated herein as Exhibit "D".

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

F. 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:

Dynetics, Inc.
Attn: _____

With a Copy to Seller's Counsel:

Samuel H. Givhan
Wilmer & Lee, P.A.
100 Washington Street
Huntsville, Alabama 35801
sgivhan@wilmerlee.com

With a Copy to Purchaser's Counsel:

Andy Watson
Maynard Cooper & Gale
655 Gallatin Street
Huntsville, Alabama 35801
awatson@maynardcooper.com

[Signatures and acknowledgements appearing on the following page.]

[Signature page for Real Estate Agreement between City of Huntsville and Dynetics, Inc.]

IN WITNESS WHEREOF, the parties have entered their hands and seals and attest to the same with the signature of the Mayor being the official act of said municipality in accordance with his dully constituted authority.

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

Tommy Battle, Mayor

ATTEST:

Kenneth Benion, City Clerk-Treasurer

DYNETICS, INC., an Alabama corporation

By: _____
Name: _____
Title: _____

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**, whose name as Mayor of THE CITY OF HUNTSVILLE, is signed to the foregoing Agreement and who is known to me, acknowledged before me on this day that, being informed of the contents of such instrument, he, as such Mayor and with full authority, executed the same voluntarily for and as the act of said City of Huntsville, on the day the same bears date.

Given under my hand this the _____ day of _____, 2017.

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 _____, whose name as _____ of DYNETICS, INC., an Alabama corporation, 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, s/he, as such officer 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 _____, 2017.

NOTARY PUBLIC

My Commission Expires: _____

[NOTARIAL SEAL]

EXHIBIT "A"
(Property Description)



5125A Research Drive
Huntsville, AL 35805

TEL 256.534.5512
FAX 256.534.5544

www.GarverUSA.com

Exhibit "A"

STATE OF ALABAMA MADISON COUNTY

CITY OF HUNTSVILLE, ALABAMA - PROPOSED DYNETICS, INC LAND SALE TRACT

I, Loyd W. Carpenter, a Professional Land Surveyor in the State of Alabama hereby certify that the foregoing is a true and accurate description of a tract of land lying and being in Sections 36, Township 3 South, Range 2 West of the Huntsville Meridian.

Said tract being a portion of the property conveyed to The City of Huntsville, Alabama in Deed Book 910, Page 242 as recorded in the Office of the Probate Judge for Madison County, Alabama and all of the property conveyed to the City of Huntsville, Alabama in Deed Book 750, Page 801 as recorded in the Office of the Probate Judge for Madison County, Alabama, and being more particularly described as follows:

Commencing at the southeast corner of Section 36, Township 3 South, Range 2 West of the Huntsville Meridian; thence North 77 Degrees 28 Minutes 02 Seconds West a distance of 750.92 feet to a nail found on the north right-of-way of Discovery Drive; thence leaving said right-of-way North 16 Degrees 48 Minutes 20 Seconds West a distance of 726.73 feet; thence North 16 Degrees 30 Minutes 15 Seconds West a distance of 182.33 feet; thence South 54 Degrees 56 Minutes 18 Seconds West a distance of 85.26 feet to a #5 rebar found, said point being the Point of Beginning of the herein described tract having established grid coordinates of (N) 1540255.10, (E) 400844.85 of Zone East of the Alabama State Plane Coordinate System;

Thence South 1 Degree 24 Minutes 50 Seconds West a distance of 10.34 feet to a #5 rebar with a cap Stamped "Garver LLC CA 445" (typical) set; thence South 54 Degrees 56 Minutes 23 Seconds West a distance of 525.46 feet to a #5 rebar set on the east right-of-way of Mark C. Smith Drive, said point being the point of curvature of a curve to the right, having a radius of 3450.00 feet, the chord of which is North 14 Degrees 02 Minutes 48 Seconds West for a distance of 1635.89 feet; thence along said right-of-way and the arc of said curve 1651.62 feet to a #5 rebar set at the point of tangency of said curve; thence North 1 Degree 30 Minutes 27 Seconds West a distance of 298.31 feet to a #5 rebar set at the point of curvature of a curve to the right, having a radius of 100.00 feet, the chord of which is North 45 Degrees 56 Minutes 36 Seconds East for a distance of 147.34 feet; thence leaving said east right-of-way and along the arc of said curve 165.63 feet to a #5 rebar set on the south right of way of Explorer Boulevard at the point of tangency of said curve; thence along said right-of-way South 86 Degrees 36 Minutes 21 Seconds East a distance of 370.94 feet to a #5 rebar set at the point of curvature of a curve to the right, having a radius of 900.00 feet, the chord of which is South 73 Degrees 15 Minutes 05 Seconds East for a distance of 414.57 feet; thence along the arc of said curve 418.32 feet to a #5 rebar set at the point of curvature of a curve to the right, having a radius of 1143.47 feet, the chord of which is South 50 Degrees 22 Minutes 28 Seconds East for a distance of 317.37 feet; thence along the arc of said curve 318.40 feet to a #5 rebar set at the point of tangency of said curve; thence South 36 Degrees 03 Minutes 37 Seconds East a distance of 595.71 feet to a #5 rebar found; thence leaving said right-of-way South 54 Degrees 56 Minutes 17 Seconds West a distance of 476.94 feet to a #5 rebar found; thence South 54 Degrees 56 Minutes 47 Seconds West a distance of 273.68 feet to a #5 rebar found; thence South 1 Degree 24 Minutes 50 Seconds West a distance of 412.85 feet to the POINT OF BEGINNING.

The above described tract contains 40.00 acres more or less.

All according to my survey this the 21st day of July, 2017.

Loyd W. Carpenter 2017.07.21
13:28:45-05'00'

Loyd W. Carpenter, PLS
Alabama License No.26012



EXHIBIT "B"
(Description of Lots 1-5)

EXHIBIT "C"
(Form of Statutory Warranty Deed)

Exhibit "C"

STATE OF ALABAMA)
)
COUNTY OF MADISON)

DEED

THIS INDENTURE, made and entered into on this the ____ day of June, 2017, by and between the **City of Huntsville, Alabama**, a municipal corporation, as party of the first part, hereinafter called "Grantor," and **DYNETICS, Inc.**, an Alabama corporation, 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 and all public utilities as currently in place, all of 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. 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 "Cummins 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 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. Provided, however, that so long as Grantee continues to timely acquire the properties described in that certain Real Estate Agreement between the parties dated on or about June __, 2017 (the "PSA"), that this requirement shall be tolled until the purchase of the last tract described in the PSA is acquired, but in no event shall these construction requirements be tolled beyond June 27, 2020.

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 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 V.

(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 this paragraph (V), 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 V 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 June, 2017.

Notary Public

THIS INSTRUMENT PREPARED BY:

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

EXHIBIT "A"
(Attach Legal Description)

EXHIBIT "D"
(Example City Council Resolution)

RESOLUTION NO. 17- ____

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 Agreement by and between the City of Huntsville, a municipal corporation in the State of Alabama, and Dynetics, Inc., which said agreement is substantially in words and figures as that certain document attached hereto and identified as "Real Estate Agreement between the City of Huntsville and Dynetics, Inc.," consisting of _____ (____) pages including Exhibits and the date of _____, 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 ____ day of _____, 2017.

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

APPROVED this ____ day of _____, 2017.

Mayor of the City of Huntsville, Alabama