

# MONTGOMERY COUNTY



BOARD OF SUPERVISORS  
MONTGOMERY COUNTY, VIRGINIA  
[www.MONTGOMERYCOUNTYVA.gov](http://www.MONTGOMERYCOUNTYVA.gov)



755 ROANOKE ST, SUITE 2E  
CHRISTIANSBURG, VA 24073  
PHONE: 540.382.6954 • FAX: 540.382.6943

March 3, 2017

David Hagan  
HS Development, LLC  
2257 Roanoke Street  
Christiansburg, Virginia 24073

**Re: Former BHS Property, 520 Patrick Henry Drive, Blacksburg, VA 24060**

Dear David:

I wanted to thank you for your interest in the former Blacksburg High School Property located at 520 Patrick Henry Drive, Blacksburg, Virginia ("former BHS Property") that the County currently has for sale. On January 5, 2017, HS Development, LLC made a written offer to the County to purchase the former BHS Property for \$2,175,000. The offer contained contingencies by which HS Development, LLC had 180 day inspection period to decide to purchase the property, terminate the offer or extend the inspection period an additional 365 days by paying a non-refundable \$25,000 deposit. That offer expired on February 6, 2017. By e-mail on February 24, 2017 you advised the County Administrator that HS Development, LLC would extend the offer until March 31, 2017 under the same general terms offered above.

The Board of Supervisors discussed your offer in closed session and decided not to accept the offer dated January 5, 2017. The Board authorized me as Chair to make the following non-exclusive offer to HS Development, LLC:

1. The County would sell the former BHS Property for \$3,000,000.
2. The County would provide HS Development, LLC with a six month option period to perform due diligence to determine if HS Development, LLC wishes to purchase the former BHS Property.
3. In consideration for the six month option period, HS Development, LLC would provide a \$25,000 non-refundable deposit to the County. If HS Development, LLC decides to close on the property, the \$25,000 would be applied to the \$3,000,000 purchase price. If HS Development, LLC decided during the six month option period not to purchase the property, the County would retain the \$25,000 deposit, and the Agreement would be terminated.
4. Should HS Development, LLC decide to purchase the property, the County is willing to owner finance the property under the following terms and conditions:

**DISTRICT A**  
*Annette S. Perkins*

**DISTRICT C**  
*Gary D. Creed*

**DISTRICT E**  
*Darrell O. Sheppard*

**DISTRICT G**  
*April N. DeMotts*

**DISTRICT B**  
*Christopher A. Tuck, Chair*

**DISTRICT D**  
*M. Todd King, Vice Chair*

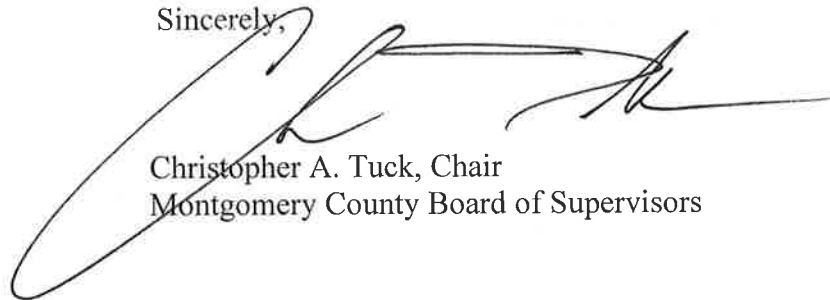
**DISTRICT F**  
*Mary W. Biggs*

**COUNTY ADMINISTRATOR**  
*F. Craig Meadows*

- a) \$1,000,000 would be due at closing (\$975,000 plus \$25,000 non-refundable deposit).
  - b) An additional \$1,000,000 would be due 24 months from execution of the Real Estate Purchase Agreement.
  - c) An additional \$1,000,000 would be due 36 months from execution of the Real Estate Purchase Agreement.
  - d) As security, HS Development, LLC agrees to provide the County at closing a Deed of Trust in the amount of \$2,000,000 on the former BHS Property until such time that the entire \$3,000,000 purchase price is paid in full to the County. Should HS Development, LLC sell or convey any portion of the former BHS Property to a third party prior to paying the County the \$3,000,000, the property will be released from the Deed of Trust as the proceeds from the sale, or value of the property if not sold at fair market, are paid to the County to reduce the remaining purchase price owed on the former BHS Property.
5. This offer is a non-exclusive offer. The County is not prohibited from making this same or another offer to sell the former BHS Property to any individual or legal entities on a first come, first accepted basis.
  6. This non-exclusive offer is contingent upon the parties entering into a real estate purchase agreement that is consistent with the terms offered above.
  7. This non-exclusive offer is contingent upon the Board of Supervisors holding a duly authorized public hearing as required by Section 15.2-1800 of the Code of Virginia, and the Board of Supervisors taking formal action at a duly called Board of Supervisors meeting to approve a Real Estate Purchase Agreement that contains the terms and conditions of this offer.

Should you have any questions, please do not hesitate to give Brian Hamilton, Economic Development Director, a call at (540) 382-5732.

Sincerely,



Christopher A. Tuck, Chair  
Montgomery County Board of Supervisors

cc: Board of Supervisors  
F. Craig Meadows, County Administrator  
Martin M. McMahan, County Attorney  
Brian T. Hamilton, Economic Development Director