

**Town of Thompson's Station
Board of Mayor and Aldermen
Meeting Agenda
January 22, 2018**

Meeting Called To Order

Pledge Of Allegiance

Public Comments-

Unfinished Business:

1. Land Purchase Financing

Documents:

[TA REPORT SPEICAL SESSION 01222018.PDF](#)
[THOMPSON STATION CAPITAL OUTLAY NOTES 2018 SCENARIOS.PDF](#)

2. Encompass Land Group Purchase Agreement

Documents:

[2018.01.19 ENCOMPASS LAND PURCHASE CONTRACT 2.PDF](#)

Announcements/Agenda Requests

Adjourn

*This meeting will be held at 7:00 p.m. at Thompson's Station Community Center
1555 Thompson's Station Road West*

Phone: (615) 794-4333
Fax: (615) 794-3313
www.thompsons-station.com



1550 Thompson's Station Road W.
P.O. Box 100
Thompson's Station, TN 37179

MEMO

DATE: January 19, 2018
TO: The Board of Mayor and Aldermen (BOMA)
FROM: Joe Cosentini, Town Administrator
SUBJECT: Land Purchase

As reported on January 9th, the Town received a petition calling of a referendum of the bond issuance that was approved by BOMA in November, 2017. Encompass Land has informed us that they are unable to keep the properties under contract until May and have asked for consideration of alternative financing that will still allow the purchase to go through by the end of February. As a part of this consideration, Encompass is offering to pre-pay a portion of the tap fees that would be included as part of the purchase agreement. The purchase agreement between the Town and Encompass included an additional tap allocation of 285 for a project to be located on Sedberry Road and an additional 25 taps for Canterbury. Both allocation would be charged the current full wastewater impact fee of \$6,100 per tap. The offered pre-payment would be for \$3,600 of the \$6,100 fee and total \$1,116,000. The remaining portion of the fee would be collected at building permit as is the typical collection point for the remainder of the wastewater fee.

If this is agreeable to the BOMA, our financing for the land purchase would be organized as follows:

- Wastewater Fund would pay cash for the Hill Property (65.12 acres) at \$480,000
- Wastewater Fund would accept pre-payment of 310 taps in the amount of \$1,116,000 to be used toward the purchase of the 105 acres on the Alexander Property
- General Fund would finance through general obligation capital outlay notes an amount not less than \$1,509,000 to cover the remaining purchase

(Note: \$480,000 + \$1,116,000 + \$1,509,000 = \$3,105,000 Purchase Cost)

We have asked Raymond James to look at debt service estimates on the capital outlay note issuance. These numbers are attached for your review. The debt service payment would be budgeted for in our general fund and available cash in the wastewater fund would be reduced to just under \$2,000,000.

Staff will need the BOMA to authorize the preparation of a rescinding resolution for the bond issuance and an authorizing resolution for the issuance of general obligation capital outlay notes in an amount not less than \$1,509,000. These documents will be presented for approval at the February 13 BOMA meeting.

The purchase contract will also need to be amended with a revised closing date of on or before February 28 and the removal of the financing contingency as the capital outlay notes do not carry a protest provision.

The Town of Thompson Station, TN
General Obligation Capital Outlay Notes, Series 2018
(BQ Market Rates - Conservative Estimate)

Table of Contents

Report

\$1.5MM CAPITAL OUTLAY NOTES

Debt Service Schedule	1
-----------------------	---

\$1.75MM CAPITAL OUTLAY NOTES

Debt Service Schedule	3
-----------------------	---

\$2MM CAPITAL OUTLAY NOTES

Debt Service Schedule	5
-----------------------	---

Preliminary

\$1,500,000

The Town of Thompson Station, TN

General Obligation Capital Outlay Notes, Series 2018

(BQ Market Rates - Conservative Estimate)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/30/2018	-	-	10,208.33	10,208.33
06/30/2019	125,000.00	2.500%	37,500.00	162,500.00
06/30/2020	125,000.00	2.500%	34,375.00	159,375.00
06/30/2021	125,000.00	2.500%	31,250.00	156,250.00
06/30/2022	125,000.00	2.500%	28,125.00	153,125.00
06/30/2023	125,000.00	2.500%	25,000.00	150,000.00
06/30/2024	125,000.00	2.500%	21,875.00	146,875.00
06/30/2025	125,000.00	2.500%	18,750.00	143,750.00
06/30/2026	125,000.00	2.500%	15,625.00	140,625.00
06/30/2027	125,000.00	2.500%	12,500.00	137,500.00
06/30/2028	125,000.00	2.500%	9,375.00	134,375.00
06/30/2029	125,000.00	2.500%	6,250.00	131,250.00
06/30/2030	125,000.00	2.500%	3,125.00	128,125.00
Total	\$1,500,000.00	-	\$253,958.33	\$1,753,958.33

Yield Statistics

Bond Year Dollars	\$10,158.33
Average Life	6.772 Years
Average Coupon	2.5000000%
Net Interest Cost (NIC)	2.5000000%
True Interest Cost (TIC)	2.5003152%
Bond Yield for Arbitrage Purposes	2.5003163%
All Inclusive Cost (AIC)	2.5003152%

IRS Form 8038

Net Interest Cost	2.5000000%
Weighted Average Maturity	6.772 Years

Preliminary

\$1,500,000

The Town of Thompson Station, TN
General Obligation Capital Outlay Notes, Series 2018
(BQ Market Rates - Conservative Estimate)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
02/23/2018	-	-	-	-
06/01/2018	-	-	10,208.33	10,208.33
12/01/2018	-	-	18,750.00	18,750.00
06/01/2019	125,000.00	2.500%	18,750.00	143,750.00
12/01/2019	-	-	17,187.50	17,187.50
06/01/2020	125,000.00	2.500%	17,187.50	142,187.50
12/01/2020	-	-	15,625.00	15,625.00
06/01/2021	125,000.00	2.500%	15,625.00	140,625.00
12/01/2021	-	-	14,062.50	14,062.50
06/01/2022	125,000.00	2.500%	14,062.50	139,062.50
12/01/2022	-	-	12,500.00	12,500.00
06/01/2023	125,000.00	2.500%	12,500.00	137,500.00
12/01/2023	-	-	10,937.50	10,937.50
06/01/2024	125,000.00	2.500%	10,937.50	135,937.50
12/01/2024	-	-	9,375.00	9,375.00
06/01/2025	125,000.00	2.500%	9,375.00	134,375.00
12/01/2025	-	-	7,812.50	7,812.50
06/01/2026	125,000.00	2.500%	7,812.50	132,812.50
12/01/2026	-	-	6,250.00	6,250.00
06/01/2027	125,000.00	2.500%	6,250.00	131,250.00
12/01/2027	-	-	4,687.50	4,687.50
06/01/2028	125,000.00	2.500%	4,687.50	129,687.50
12/01/2028	-	-	3,125.00	3,125.00
06/01/2029	125,000.00	2.500%	3,125.00	128,125.00
12/01/2029	-	-	1,562.50	1,562.50
06/01/2030	125,000.00	2.500%	1,562.50	126,562.50
Total	\$1,500,000.00	-	\$253,958.33	\$1,753,958.33

Yield Statistics

Bond Year Dollars	\$10,158.33
Average Life	6.772 Years
Average Coupon	2.500000%
Net Interest Cost (NIC)	2.500000%
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IRS Form 8038

Net Interest Cost	2.500000%
Weighted Average Maturity	6.772 Years

\$1.5MM Capital Outlay Not | \$1.5MM Capital Outlay Not | 12/29/2017 | 10:01 AM

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Page 2

Preliminary

\$1,750,000

The Town of Thompson Station, TN

General Obligation Capital Outlay Notes, Series 2018

(BQ Market Rates - Conservative Estimate)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/30/2018	-	-	11,909.72	11,909.72
06/30/2019	150,000.00	2.500%	43,750.00	193,750.00
06/30/2020	150,000.00	2.500%	40,000.00	190,000.00
06/30/2021	145,000.00	2.500%	36,250.00	181,250.00
06/30/2022	145,000.00	2.500%	32,625.00	177,625.00
06/30/2023	145,000.00	2.500%	29,000.00	174,000.00
06/30/2024	145,000.00	2.500%	25,375.00	170,375.00
06/30/2025	145,000.00	2.500%	21,750.00	166,750.00
06/30/2026	145,000.00	2.500%	18,125.00	163,125.00
06/30/2027	145,000.00	2.500%	14,500.00	159,500.00
06/30/2028	145,000.00	2.500%	10,875.00	155,875.00
06/30/2029	145,000.00	2.500%	7,250.00	152,250.00
06/30/2030	145,000.00	2.500%	3,625.00	148,625.00
Total	\$1,750,000.00	-	\$295,034.72	\$2,045,034.72

Yield Statistics

Bond Year Dollars	\$11,801.39
Average Life	6.744 Years
Average Coupon	2.5000000%
Net Interest Cost (NIC)	2.5000000%
True Interest Cost (TIC)	2.5003165%
Bond Yield for Arbitrage Purposes	2.5003163%
All Inclusive Cost (AIC)	2.5003165%

IRS Form 8038

Net Interest Cost	2.5000000%
Weighted Average Maturity	6.744 Years

Preliminary

\$1,750,000

The Town of Thompson Station, TN
General Obligation Capital Outlay Notes, Series 2018
(BQ Market Rates - Conservative Estimate)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
02/23/2018	-	-	-	-
06/01/2018	-	-	11,909.72	11,909.72
12/01/2018	-	-	21,875.00	21,875.00
06/01/2019	150,000.00	2.500%	21,875.00	171,875.00
12/01/2019	-	-	20,000.00	20,000.00
06/01/2020	150,000.00	2.500%	20,000.00	170,000.00
12/01/2020	-	-	18,125.00	18,125.00
06/01/2021	145,000.00	2.500%	18,125.00	163,125.00
12/01/2021	-	-	16,312.50	16,312.50
06/01/2022	145,000.00	2.500%	16,312.50	161,312.50
12/01/2022	-	-	14,500.00	14,500.00
06/01/2023	145,000.00	2.500%	14,500.00	159,500.00
12/01/2023	-	-	12,687.50	12,687.50
06/01/2024	145,000.00	2.500%	12,687.50	157,687.50
12/01/2024	-	-	10,875.00	10,875.00
06/01/2025	145,000.00	2.500%	10,875.00	155,875.00
12/01/2025	-	-	9,062.50	9,062.50
06/01/2026	145,000.00	2.500%	9,062.50	154,062.50
12/01/2026	-	-	7,250.00	7,250.00
06/01/2027	145,000.00	2.500%	7,250.00	152,250.00
12/01/2027	-	-	5,437.50	5,437.50
06/01/2028	145,000.00	2.500%	5,437.50	150,437.50
12/01/2028	-	-	3,625.00	3,625.00
06/01/2029	145,000.00	2.500%	3,625.00	148,625.00
12/01/2029	-	-	1,812.50	1,812.50
06/01/2030	145,000.00	2.500%	1,812.50	146,812.50
Total	\$1,750,000.00	-	\$295,034.72	\$2,045,034.72

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IRS Form 8038

Net Interest Cost	2.500000%
Weighted Average Maturity	6.744 Years

\$1.5MM Capital Outlay Not | \$1.75MM Capital Outlay No | 12/29/2017 | 10:01 AM

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Preliminary

\$2,000,000

The Town of Thompson Station, TN

General Obligation Capital Outlay Notes, Series 2018

(BQ Market Rates - Conservative Estimate)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/30/2018	-	-	13,611.11	13,611.11
06/30/2019	170,000.00	2.500%	50,000.00	220,000.00
06/30/2020	170,000.00	2.500%	45,750.00	215,750.00
06/30/2021	170,000.00	2.500%	41,500.00	211,500.00
06/30/2022	170,000.00	2.500%	37,250.00	207,250.00
06/30/2023	165,000.00	2.500%	33,000.00	198,000.00
06/30/2024	165,000.00	2.500%	28,875.00	193,875.00
06/30/2025	165,000.00	2.500%	24,750.00	189,750.00
06/30/2026	165,000.00	2.500%	20,625.00	185,625.00
06/30/2027	165,000.00	2.500%	16,500.00	181,500.00
06/30/2028	165,000.00	2.500%	12,375.00	177,375.00
06/30/2029	165,000.00	2.500%	8,250.00	173,250.00
06/30/2030	165,000.00	2.500%	4,125.00	169,125.00
Total	\$2,000,000.00	-	\$336,611.11	\$2,336,611.11

Yield Statistics

Bond Year Dollars	\$13,464.44
Average Life	6.732 Years
Average Coupon	2.5000000%
Net Interest Cost (NIC)	2.5000000%
True Interest Cost (TIC)	2.5003170%
Bond Yield for Arbitrage Purposes	2.5003163%
All Inclusive Cost (AIC)	2.5003170%

IRS Form 8038

Net Interest Cost	2.5000000%
Weighted Average Maturity	6.732 Years

Preliminary

\$2,000,000

The Town of Thompson Station, TN
General Obligation Capital Outlay Notes, Series 2018
(BQ Market Rates - Conservative Estimate)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
02/23/2018	-	-	-	-
06/01/2018	-	-	13,611.11	13,611.11
12/01/2018	-	-	25,000.00	25,000.00
06/01/2019	170,000.00	2.500%	25,000.00	195,000.00
12/01/2019	-	-	22,875.00	22,875.00
06/01/2020	170,000.00	2.500%	22,875.00	192,875.00
12/01/2020	-	-	20,750.00	20,750.00
06/01/2021	170,000.00	2.500%	20,750.00	190,750.00
12/01/2021	-	-	18,625.00	18,625.00
06/01/2022	170,000.00	2.500%	18,625.00	188,625.00
12/01/2022	-	-	16,500.00	16,500.00
06/01/2023	165,000.00	2.500%	16,500.00	181,500.00
12/01/2023	-	-	14,437.50	14,437.50
06/01/2024	165,000.00	2.500%	14,437.50	179,437.50
12/01/2024	-	-	12,375.00	12,375.00
06/01/2025	165,000.00	2.500%	12,375.00	177,375.00
12/01/2025	-	-	10,312.50	10,312.50
06/01/2026	165,000.00	2.500%	10,312.50	175,312.50
12/01/2026	-	-	8,250.00	8,250.00
06/01/2027	165,000.00	2.500%	8,250.00	173,250.00
12/01/2027	-	-	6,187.50	6,187.50
06/01/2028	165,000.00	2.500%	6,187.50	171,187.50
12/01/2028	-	-	4,125.00	4,125.00
06/01/2029	165,000.00	2.500%	4,125.00	169,125.00
12/01/2029	-	-	2,062.50	2,062.50
06/01/2030	165,000.00	2.500%	2,062.50	167,062.50
Total	\$2,000,000.00	-	\$336,611.11	\$2,336,611.11

Yield Statistics

Bond Year Dollars	\$13,464.44
Average Life	6.732 Years
Average Coupon	2.500000%
Net Interest Cost (NIC)	2.500000%
True Interest Cost (TIC)	2.5003170%
Bond Yield for Arbitrage Purposes	2.5003163%
All Inclusive Cost (AIC)	2.5003170%

IRS Form 8038

Net Interest Cost	2.500000%
Weighted Average Maturity	6.732 Years

\$1.5MM Capital Outlay Not | \$2MM Capital Outlay Notes | 12/29/2017 | 10:01 AM

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DISCLAIMER

The information contained herein is solely intended to facilitate discussion of potentially applicable financing applications and is not intended to be a specific buy/sell recommendation, nor is it an official confirmation of terms. Any terms discussed herein are preliminary until confirmed in a definitive written agreement. While we believe that the outlined financial structure or marketing strategy is the best approach under the current market conditions, the market conditions at the time any proposed transaction is structured or sold may be different, which may require a different approach.

The analysis or information presented herein is based upon hypothetical projections and/or past performance that have certain limitations. No representation is made that it is accurate or complete or that any results indicated will be achieved. In no way is past performance indicative of future results. Changes to any prices, levels, or assumptions contained herein may have a material impact on results. Any estimates or assumptions contained herein represent our best judgment as of the date indicated and are subject to change without notice. Examples are merely representative and are not meant to be all-inclusive.

Raymond James shall have no liability, contingent or otherwise, to the recipient hereof or to any third party, or any responsibility whatsoever, for the accuracy, correctness, timeliness, reliability or completeness of the data or formulae provided herein or for the performance of or any other aspect of the materials, structures and strategies presented herein.

Raymond James does not provide accounting, tax or legal advice; however, you should be aware that any proposed transaction could have accounting, tax, legal or other implications that should be discussed with your accounting, tax and other advisors and/or legal counsel.

Raymond James and affiliates, and officers, directors and employees thereof, including individuals who may be involved in the preparation or presentation of this material, may from time to time have positions in, and buy or sell, the securities, derivatives (including options) or other financial products of entities mentioned herein. In addition, Raymond James or affiliates thereof may have served as an underwriter or placement agent with respect to a public or private offering of securities by one or more of the entities referenced herein.

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CONTRACT FOR SALE

THIS CONTRACT made and entered into this ____ day of _____, 2018, by and between Encompass Land Group, LLC, a Tennessee limited liability company, hereinafter referred to as "Seller," and the Town of Thompson's Station, Tennessee, a municipal corporation, hereinafter referred to as "Purchaser."

WITNESSETH, THAT:

WHEREAS, Seller has a contract to purchase two parcels which are identified as follows: 1) Approximately 165 Acres (Williamson County Tax Map/Parcel 132 - 6.09), of which the Seller will sell to Purchaser approximately 105 Acres of the real property, hereinafter referred to as Alexander Property, the legal description of which shall be determined by survey as hereinafter provided; and 2) Map/Parcels 131 - 007.00 and 131 - 007.01, which is approximately 290 acres, of which Seller will sell to Purchaser approximately 65.12 acres, hereinafter referred to as Hill Property (Alexander property and Hill Property shall be referred to as "Property"), the legal description of which shall be determined by survey as hereinafter provided (together with all improvements thereon and all of Seller's right, title and interest in adjoining roadways, rights-of-way, easements and appurtenances thereto, hereinafter referred to as the "Property"); and

WHEREAS, Purchaser is desirous of acquiring the Property and Seller is desirous of selling the Property to Purchaser upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and the mutual covenants, promises and conditions herein contained, the parties agree as follows:

1. **Sale:** For the consideration hereinafter set forth, upon all the terms, provisions and conditions and at the times herein contained, Seller agrees to sell and convey to Purchaser, and Purchaser agrees to purchase from Seller, the Property.

2. **Purchase Price:** Purchaser shall pay to Seller as the purchase price Two Million Six Hundred Twenty-Five Thousand and No/Dollars (\$2,625,000.00) for the Alexander Property and Four Hundred Eighty Thousand and No/Dollars (\$480,000.00) for the Hill Property, which the total Purchase Price shall be Three Million Fifteen Thousand Seven Hundred Twenty and No/Dollars (\$3,105,000.00) (the "Purchase Price") and shall be payable as follows:

(i) Purchaser shall within five (5) business days after the "Acceptance Date" (as hereinafter defined), deposit One Hundred Thousand and No/Dollars (\$100,000.00) with Stewart Title Company, 121 First Avenue South, Suite 200, Franklin, TN 37064 (the "Escrow Agent"), as and for an earnest money deposit hereunder, which said sum shall be applied to the Purchase Price upon closing or shall be retained by Seller as liquidated damages and in lieu of all other remedies at law or in equity in the event Purchaser fails to close as provided in Paragraph 11 hereof. Purchaser has previously paid Seller Ten Thousand Dollars (\$10,000.00) as consideration for a Memorandum of Understanding related to this transaction and upon the execution of this agreement this \$10,000 shall be converted to earnest money to be held and disbursed as provided herein and applied to the Purchase Price at closing. All interest earned on the earnest money while held by the Escrow Agent shall be for the benefit of Purchaser. Seller shall have until 12:00 Noon on the ____ day of _____, 2018, to accept this Contract and to deliver a fully executed copy hereof to Purchaser, the date of such acceptance and delivery being herein referred to as the "Acceptance Date".

(ii) Purchaser shall, at closing hereunder, pay Seller the Purchase Price, of which Purchaser's earnest money shall form a part, in cash or by cashier's check.

3. **Contingencies:** This Contract is contingent upon and subject to the following:

(a) Seller has a contract with Barry Alexander Farms, LLC to purchase 165 acres (Parcel 132 - 6.09), which said contract is attached as Exhibit "C". This Contract is subject to Seller consummating the contract on the Alexander Property.

(b) The Alexander Property is approximately 165 acres, of which Purchaser is only purchasing approximately 105 acres, of the Alexander Property. The Seller must obtain for the remaining 60 acres proper zoning (D-3) to allow for the development and construction of a minimum of 150 residential units.

(c) Seller has a contract with B. Lillian Hill et al to purchase 290.184 acres (Parcel 131- 007.01 and 131-007.00), which said contract is attached as Exhibit "D". This contract is subject to Seller consummating the contract on the Hill Property.

(d) The Hill Property is approximately 290 acres, of which Purchaser is only purchasing approximately 80 acres of the Hill Property. The Seller must obtain for the remaining 210 acres proper zoning (D-2) to allow for the development and construction for a minimum of 285 residential units.

(e) Hood Development, a related party to the Seller, has a surplus of 293 sewer taps under a Sewer Tap Agreement attached as Exhibit "D". The Board of Mayor and Aldermen of the Town of Thompson's Station must approve that Hood Development may use these 293 taps for the expansion of the Canterbury subdivision development. Hood Development shall only be responsible for the payment of the applicable Effluent Disposal Fees for use of these taps. In addition, the Board of Mayor and Aldermen of the Town of Thompson's Station shall approve and guarantee capacity, subject to Tennessee Department of Environment and Conservation of new drip fields, of an additional 25 taps for use in Canterbury. This new allocation, if approved, will be subject to the full amount of the applicable tap fees.

(f) The Board of Mayor and Aldermen of the Town of Thompsons Station shall approve and guarantee capacity, subject to Tennessee Department of Environment and Conservation approval of new drip fields, for 285 Sewer Taps to be used on the Hill Property. The Seller or developer of the Hill Property shall be responsible for the full amount of the applicable tap fees, including effluent disposal fees.

(g) Prior to closing, Seller shall pay to the Town wastewater fund the amount of One Million One Hundred and Sixteen Thousand Dollars (\$1,116,000.00) for the System Development and Access and Tap Fees for the Hill Property (285 taps) and the additional 25 taps for Canterbury referenced above (310 taps at \$3,600 each). This payment shall guarantee and reserve capacity for these taps within these proposed developments; however, these fees are not transferable and not refundable.

(h) If the Seller fails to close on the Alexander or Hill property for any other reason, then the entire \$110,000.00, plus interest, shall be returned to Purchaser. Seller understands and agrees that the Purchaser has not agreed that the Town will approve the requested rezonings as a part of this agreement.

4. Financing Contingency: INTENTIONALLY DELETED

5. Title. (a) The obligations of Purchaser under this Contract are further contingent upon Purchaser's obtaining, at Purchaser's sole cost and expense, within thirty (30) days after the Acceptance Date, of a commitment (and copies of all instruments reflected as exceptions thereon) (the "Commitment") from a title company of its choosing ("Title Company"), to issue as of closing hereunder a standard 1992 ALTA Owner's Policy of Title Insurance covering the Property and providing full extended coverage over all general and special title exceptions except Permitted Exceptions (as hereinafter defined) contained in such commitment in the full amount of the Purchase Price, together with a zoning endorsement on ALTA Form 3.0 and access survey endorsements. Seller shall, upon closing, remove the liens of all mortgages, deeds of trust and other security instruments against the Property reflected upon the Commitment, and the existence of any such lien upon the Commitment shall not require objection as set forth below. Purchaser shall have a period of ten (10) days after receipt of the Commitment to deliver written notice to Seller of any objections that Purchaser may have to the state of title of the Property. In the event Purchaser shall fail to give said notice objecting to the state of

title, all items (other than liens of mortgages, deeds of trust and other security instruments as aforesaid) listed as special exceptions on the Commitment shall be deemed to have been approved by Purchaser and shall thereby be deemed "Permitted Exceptions" for all purposes hereof, and Purchaser shall have no further right to object thereto. In the event Seller is notified, as hereinabove provided, of any objections to the state of title, and Seller is unable to satisfy said objectionable matters to the reasonable satisfaction of Purchaser and the Title Company within ten (10) days after Seller's receipt of such notice, Purchaser shall either: (i) accept the state of title subject to said objectionable conditions and exceptions without adjustment in the Purchase Price, in which event said conditions and exceptions shall be accepted for all purposes and shall thereby be deemed Permitted Exceptions, or (ii) reject the state of title, in which event this Contract shall be terminated and Purchaser's earnest money shall be refunded in full to Purchaser. Purchaser's failure to reject the state of title under clause (ii) above by written notice within five (5) days after Purchaser is advised of Seller's inability to satisfy any such objectionable matters shall be deemed Purchaser's acceptance of title pursuant to clause (i) above.

(b) If any matters become conditions or exceptions to the state of title following the acceptance of the state of title as aforesaid, Seller shall notify Purchaser of such conditions or exceptions and Purchaser shall have ten (10) days after receipt of such notice to object thereto. In the event Seller is unable to satisfy said objectionable matters to the reasonable satisfaction of Purchaser and the Title Company within ten (10) days after receiving notice of such objectionable matters. Purchaser shall either: (i) accept the state of title subject to said objectionable conditions and exceptions without any adjustment in the Purchase Price, in which event said conditions and exceptions shall be accepted for all purposes and shall thereby be deemed Permitted Exceptions; or (ii) reject the state of title, in which event this Contract shall be terminated and of no force and effect, and Purchaser's earnest money shall be refunded in full to Purchaser. Purchaser's failure to reject the state of title under clause (ii) above by written notice within five (5) days after Purchaser is advised of Seller's inability to satisfy any such objectionable matters shall be deemed Purchaser's acceptance of title pursuant to clause (i) above.

(c) Anything to the contrary herein contained notwithstanding, if: (i) any matters become conditions or exceptions to the state of title following Purchaser's acceptance of the state of title, and (ii) Purchaser can establish that said conditions or exceptions to the state of title arose solely as a result of acts or omissions of Seller following Purchaser's acceptance of the state of title, then Purchaser may, if Seller is, as provided above, unable to satisfy the objections of Purchaser: (i) reject the state of title to the Property, in which event the Contract shall be terminated, and Purchaser's earnest money shall be refunded in full to Purchaser; or (ii) close the transaction contemplated hereunder and bring suit for damages.

(d) Purchaser's obligation to close on the Property hereunder is contingent upon Purchaser being able to obtain, at Purchaser's sole cost and expense, from the Title Company, upon closing, an Owner's Policy of Title Insurance for the Property in the form specified above and in the amount of the Purchase Price, containing no exceptions other than:

- (i) Current taxes not yet due and payable;
- (ii) The Permitted Exceptions;
- (iii) The lien of Purchaser's lender; and
- (iv) Exceptions created pursuant to the terms hereof and any other matters which have been approved in writing by Purchaser.

If Purchaser is unable to obtain said policy upon closing hereunder, after the exercise of due diligence and its reasonable efforts, Purchaser may terminate this Contract, and Purchaser's earnest money shall be refunded in full to Purchaser. Notwithstanding anything contained in this Contract to the contrary, in the event necessitated by reason of the exercise of the rights under any of the provisions of this, Paragraph 5, closing (and the obligations of the parties hereto) shall be extended accordingly.

6. Delivery of Documents, etc.: Seller shall, within ten (10) days following the Acceptance Date, deliver the following to Purchaser:

(a) A copy of all recorded plats affecting the Property or any part thereof, and of any and all proposed plats, if any, which have been prepared for, submitted to or approved by any Governmental Agency.

(b) A copy of all trust indentures or restrictions affecting the Property, or any part thereof, or its development.

(c) A copy of any surveys of the Property in the possession and control of Seller, including, but not limited to, outboundary surveys, topographical surveys and as-built surveys, together with authority from Seller to its surveyors/engineers to release copies of any such surveys not in Seller's possession to Purchaser.

(d) A copy of any certificates of title, commitments for title insurance or title insurance policies covering the Property or any part thereof, which are in the possession and control of the Seller.

(e) A copy of any engineering and/or soil and/or hazardous substances studies made of the Property which are in Seller's possession and under Seller's control, and authority from Seller to its engineers/consultants to release copies of any such studies not in Seller's possession to Purchaser.

All copies of items described above to be delivered to Purchaser shall be originals or photocopies of originals. Seller represents and warrants that it will deliver to Purchaser true and complete copies of all items referred to above, including any and all amendments, modifications or changes thereto, and that the items delivered or to be delivered pursuant to this paragraph will be all of the documents of the nature specified.

7. Engineering and Feasibility Reviews: Purchaser shall have until February 15, 2018 ("Contingency Expiration Date") to review and inspect those items to be delivered pursuant to Paragraph 6 hereof and to conduct or have conducted on its behalf and at its sole cost and expense, such soil tests, environmental studies, surveys and engineering and market studies as it deems necessary or advisable, and Seller hereby grants Purchaser and Purchaser's agents and representatives the right, at Purchaser's sole cost and expense, to contact and consult with such of Seller's engineers and experts as Purchaser may desire and with representatives of the Governmental Agencies. Further, Seller hereby grants Purchaser and its agents and representatives the full right of access to the Property, and Purchaser may, through its agents and representatives, and at its sole cost and expense, from time to time inspect the Property, cause boundary line and topographical surveys to be prepared, take soil samples, conduct boring and environmental tests and such other engineering investigations and inspections as Purchaser may reasonably require. Purchaser shall indemnify and hold Seller harmless from and against any loss, cost and/or expense (including reasonable attorney's fees and litigation expenses) incurred, sustained by or claimed against Seller on account of Purchaser's activities pursuant to this Paragraph. In the event the closing contemplated hereby fails to occur for any reason whatsoever, Purchaser shall restore the Property to the same condition existing prior to such activities.

Purchaser's obligation to consummate the purchase called for herein shall be subject to Purchaser's reasonable satisfaction, within the aforesaid period, with the information contained in the documents to be delivered pursuant to Paragraph 6 hereof and with the results of any independent tests or studies made by or on behalf of Purchaser pursuant to this, Paragraph 7. In the event Purchaser determines, based upon such review, tests or studies, that it cannot or that it is not feasible for it to, for any reason whatsoever, develop the Property for the purposes intended or economically or within its initial costs estimates, then, at the option of Purchaser exercisable on or before 5:00 p.m. on the Contingency Expiration Date, this Contract shall be terminated and rendered null and void and Purchaser's earnest money shall be refunded in full to Purchaser. Failure of Seller to receive written notice from Purchaser of its intent to terminate within the aforesaid period shall be deemed a waiver of this contingency.

8. Survey: Seller shall furnish or caused to be furnished to Purchaser a current staked survey of the Property prepared by a registered land surveyor licensed in the State of Tennessee reasonably acceptable to Purchaser

and the Title Company for purposes of its issuance of extended title insurance. Such survey shall establish the right-of-way dedication strip, if any, and otherwise the edge of any adjoining roadway as the boundary line of the Property. Such survey shall (a) comply with the minimum standard detail requirements established by the American Congress on Surveying and Mapping and the American Land Title Association and shall be certified to Purchaser and the Title Company to be in compliance with the minimum standards for property boundary surveys acceptable in the State of Tennessee; (b) show the boundary lines and legal description of the Property; (c) specify the area, in square feet, of the Property; (d) show the location of all improvements, fences and driveways on the Property and show no encroachments of boundary and building lines, easements and rights-of-way; (e) show the location and course of all visible and recorded easements and rights-of-way and sewage, water, electricity, gas and other utility facilities and conduits upon or adjacent to or servicing the Property; and (f) show access to public rights-of-way to and from the Property on adjacent streets. Purchaser shall have a period of ten (10) days after receipt of the survey to deliver written notice to Seller of any defects disclosed therein which, in the reasonable judgment of Purchaser, will impair the value of the Property or Purchaser's contemplated use thereof, and Seller shall have ten (10) days from the date Purchaser delivers such notice to Seller to cure such defects. In the event Seller is unwilling or unable to affect such cure, this Contract shall, at Purchaser's sole option, be terminated and of no force and effect and Purchaser's earnest money shall be refunded in full. The legal description of the Property prepared pursuant to said survey shall be controlling for all purposes hereof.

9. Representations of Seller: Seller makes the following representations and warranties, which are true as of the date hereof and shall be true on the closing date hereunder:

(a) That Seller will be the fee simple owner of the Property and has full right, title and authority to enter into the instant Contract.

(b) That Seller is and has been in compliance with all requirements of law and of all Governmental Agencies, and has not received any notice not heretofore complied with from any such Agency that the Property or any improvements thereon violate or fail to comply with any applicable law, regulation or requirement or are deficient or defective in any manner.

(c) Intentionally Deleted.

(d) That there are no actions, suits, claims or proceedings pending or, to the knowledge of Seller, threatened against or affecting the Property or the zoning thereof.

(e) That no commitments have been made to any governmental or non-governmental organizations, groups or individuals relative to the Property which would impose an obligation on Purchaser or its successors to contribute or dedicate land or money or to construct any improvements on or off the Property.

(f) That Seller has no knowledge of any change contemplated in any laws, ordinances or restrictions, or any action by adjacent landowners, or natural or artificial conditions upon the Property which would limit, impede or render more costly Purchaser's contemplated development of the Property.

(g) That, other than as specifically set forth herein, there are no written or oral contracts, commitments, agreements or obligations to which Seller is a party and affecting the Property, and Seller will not, during the pendency of this Contract, accept any contract (including back-up contracts) relating to the Property.

(h) That no Hazardous Materials (as hereinafter defined) exist on or under the Property or on any properties immediately adjoining or upstream from the Property or have been transported to or from the Property or used, generated, manufactured, stored or disposed of on or under the Property or any properties immediately adjoining or upstream from the Property, and the Property is not in violation of any federal, state or local law, ordinance or regulation relating to industrial hygiene or the environmental conditions on or under the Property, including, without limitation, soil and groundwater conditions. For purposes hereof, "Hazardous

Materials" shall mean (i) substances defined as "hazardous substances," "hazardous materials" or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. §601, et seq.; the Hazardous Materials Transportation Act, as amended, 49 U.S.C. §801, et seq.; the Resource Conservation and Recovery Act, as amended, 42 U.S.C. §901, et seq.; (ii) those substances defined as "hazardous waste" in Sections 260.360 and 260.500 R.S.Mo. promulgated pursuant to said laws; (iii) asbestos in any form, urea formaldehyde foam insulation, transformers or other equipment which contain dielectric fluid or other fluids containing levels of polychlorinated biphenyls in excess of fifty (50) parts per million; and (iv) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority or may or could pose a hazard to the health and safety of the occupants of the Property or of property adjacent to or upstream from the Property.

(i) That if there are presently levied any special assessments with respect to the property or a part thereof, Seller shall pay or cause the same to be paid on or prior to closing hereunder, and such assessments shall be deducted from the Purchase Price at closing if not paid by Seller. Seller has no notice or knowledge of any additional special assessments being contemplated but not now levied.

(j) That Seller is unaware of any fact or condition existing which could result in the termination of the current access as it now exists to or from the Property.

(k) That there are available at the outboundary line of or on the Property existing and operating utility systems and lines for water, gas and electricity, and that Purchaser will have the right, as of closing, to connect thereto without the necessity of obtaining easements over any other property. Further, Seller represents and warrants that Purchaser will be permitted to connect the residences and other improvements to be constructed upon the Property to such utility lines and systems upon payment of normal and customary "tap-in" fees, and that Purchaser will not be liable for payment of any recoupment fees or similar such charges.

(l) That all of the foregoing representations and warranties are true as of the date hereof and will be true upon closing hereunder.

10. INTENTIONALLY DELETED.

11. Closing: The closing of the sale contemplated under this Sales Contract shall occur on or before February 28, 2018. Closing shall take place at the offices of Stewart Title Company, 121 First Avenue South, Suite 200, Franklin, Tennessee 37064, or at such other location as the parties mutually agree.

At Closing, Seller shall execute (where necessary) and deliver to Purchaser the following:

(a) A Special Warranty Deed, in recordable form, conveying the Property free and clear of all liens, charges and encumbrances created by and through Seller other than:

(i) Current real estate taxes and assessments which are a lien but which are not yet due and payable and special taxes, if any, becoming a lien on or before the Closing Date;

(ii) Permitted Exceptions;

(iii) Zoning and other governmental restrictions; and

(iv) Exceptions created pursuant to the terms hereof and any other matters which have been approved by Purchaser hereunder in writing; and

(b) An affidavit or other undertaking as may be reasonably required by the Title Company to remove from Purchaser's Owner's Policy of Title Insurance the standard exceptions for unfiled mechanics' liens, materialmen's liens or other liens for services, labor or materials furnished and for parties in possession; and

(c) Possession of the Property. Notwithstanding anything contained herein to the contrary, Purchaser may, upon ten (10) days' written notice to Seller, accelerate closing hereunder, in which event closing shall be held on the date so noticed at the time and place and in the manner provided above.

12. Closing Prorations: At closing, the following prorations and adjustments shall be made to the Purchase Price:

(a) Real estate taxes payable in respect of the Property for the calendar year in which the closing occurs shall be prorated, on a calendar year basis. If at the time of the closing, the final current tax bills and assessments for the Property have not been received, then the parties shall prorate on the basis of the most recent available tax bills and shall readjust and settle between themselves when final bills become available.

(b) Purchaser shall pay the cost of recording and filing fees and other fees and costs customarily treated as "closing costs" in the Williamson County area and shall also pay the cost of any Owner's and Mortgagee's Policies of Title Insurance.

13. Failure to Close: In the event Purchaser fails to close hereunder other than by reason of a failure of title pursuant to Paragraph 5 hereof or a breach by Seller of the representations contained in Paragraph 9 hereof or a failure of a contingency contained in Paragraphs 3, 4, 7, or 8 hereof, then Purchaser shall forfeit and Seller shall have the right to retain, as liquidated damages and in lieu of all other remedies at law or in equity, the earnest money deposited hereunder, and this Contract shall terminate and Purchaser shall have no further right, title or interest of any kind or nature in or to the Property. It is expressly agreed and understood that all remaining rights of Purchaser hereunder shall automatically terminate and expire upon any such failure of Purchaser to close on the date specified herein for closing, and that no further instrument or instruments shall be necessary to effect such termination. In the event Seller shall fail to close hereunder, Seller shall refund to Purchaser all earnest money deposited hereunder; provided, however, nothing herein contained shall be construed as limiting Purchaser's right to specifically enforce this Contract or Purchaser's damages should it elect to pursue the same.

14. Commissions: The parties hereto each represent onto the other that neither Party has engaged the service of a real estate company nor there are not any commissions to be paid.

15. Notices: Any notice required or permitted to be given hereunder shall be deemed given (1) on the date written notice is personally delivered or (ii) two (2) business days after deposited with the United States Postal Service, registered or certified mail, return receipt requested, postage prepaid, or (iii) on the first business day after deposited with a national courier guaranteeing overnight delivery, and addressed as follows:

If to Seller: Encompass Land Group, LLC
121 First Avenue South, Suite 220
Franklin, Tennessee 37064
Attention: Henry Preston Ingram, Jr.

If to Purchaser: Town of Thompson's Station
1550 Thompson's Station Road, West
Thompson's Station, Tennessee 37179
Attention: Joe Cosentini, Town Administrator

16. Binding Effect: This Contract shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal and personal representatives, successors and assigns.

17. Assignment: This Contract is not assignable by Purchaser without the consent of the Parties.

18. Survival: There are certain provisions of this Contract which by their terms and by necessity must be completed after closing hereof; any such terms shall survive closing. All warranties and representations of Seller made in this Contract shall also survive closing and any independent investigation made by Purchaser.

19. Time is of the Essence: It is agreed by and between Seller and Purchaser that time is of the essence in this Contract.

20. Construction and Interpretation: This Contract has been made and entered into in the State of Tennessee, and shall be governed and construed by and in accordance with the laws of the State of Tennessee without giving effect to conflict of laws principles.

21. Computation of Time: If the last day for deposit of earnest money, giving of notice of performance of any obligation or condition hereunder is a Saturday, Sunday or legal holiday in the State of Tennessee, then such last day shall be extended to the next succeeding business day thereafter.

22. Severability: Whenever possible, each provision of this Contract and any other related document shall be interpreted in such manner as to be valid under applicable law, but if any provision of any of the foregoing shall be invalid or prohibited under such applicable law, such provision shall be ineffective to the extent of such invalidity or prohibition without invalidating the remainder of such provision, or the remaining provisions of such documents.

23. Paragraph Headings: The headings of the paragraphs in this Contract are inserted solely for convenience of reference and are not intended to govern, limit, or aid the construction of any term or provision hereof.

24. Waiver: No claim of waiver, consent, or acquiescence with respect to any provision of this Contract shall be made against any party hereto except on the basis of a written instrument executed by or on behalf of such party.

25. Further Actions: Purchaser and Seller agree to execute such further documents and take such further actions as may reasonably be required to carry out the provisions and intent of this Contract or any agreement or document related hereto or entered into in connection herewith.

26. Attorney's Fees: In the event either party hereto brings an action or proceeding for a declaration of the rights of the parties under this Contract or for any alleged breach or default of, or any other action arising out of this Contract or the transaction contemplated hereby, the prevailing party in any such action shall be entitled to an award of reasonable attorney's fees and any court costs incurred in such action or proceeding, in addition to any other damages or relief awarded.

27. Counterparts: This Contract may be signed in any number of counterparts and signature to any one counterpart shall be deemed signature to all counterparts, which when taken together shall constitute one contract.

28. Entire Agreement: This Contract constitutes the entire agreement between the parties.

IN WITNESS WHEREOF, the parties have executed this Contract for Sale on the day and year first above written.

SELLER:

Encompass Land Group, LLC,
A Tennessee limited liability company

BY: Henry Preston Ingram, Jr.
ITS: Chief Manager

PURCHASER:

Town of Thompson's Station, Tennessee

By: Corey Napier
Its: Mayor