#### THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF HAMPTON, VIRGINIA (the "IDA")

#### PROTECTIVE PROVISIONS AND COVENANTS

The Board of Directors (the "Board") of the IDA shall determine on an individual case basis if a proposed building, structure, fence and all improvements on the land meet the land use criteria established for its properties.

In general terms the IDA's properties are to be used for the following purposes:

<u>Copeland Industrial Park</u> shall be used primarily to accommodate manufacturing industries which are new to the area, thus providing new employment opportunities to the community.

**Langley Research and Development Park** shall be used primarily for research and development activities, compatible light manufacturing activities, and consulting or contractual services to government or private organizations.

The properties of the IDA are subject to protective provisions and covenants which run with the land.

The purpose of these provisions and covenants is to insure the proper development and use of the property.

#### 1. <u>Approval of Use.</u>

The specific use of the property must be approved by the Board prior to the original sale or lease and the resale or assignment of lease to any subsequent owners or tenants, such approval, however, not to be unreasonably withheld.

### A. <u>Uses Permitted – General</u> (For property in Copeland Industrial Park)

The primary use of property herein contained shall be industrial manufacturing. It shall not be used for residential purposes, or for the retail sale of goods or wares, but quarters for a watchman, incidental sales of the product produced, or incidental sales to employees is permitted. The purpose of this restriction is to prohibit the operation on this property of any business devoted primarily to the retail sale of consumer-type merchandise.

**B.** <u>Uses Permitted – General</u> (For property in Langley Research and Development Park.

The primary use of property herein contained shall be research and development activities, compatible light manufacturing activities, and consulting or contractual

services to government or private organizations. It shall not be used for residential purposes, or for the retail sale of goods and wares, but quarters for a watchman, incidental sales of the product produced, or incidental sales to employees is permitted. The purpose of this restriction is to prohibit the operation on this property of any business devoted primarily to the retail sale of consumer-type merchandise.

### 2. <u>Approval of Improvements</u>.

No improvements including building structure, drainage, parking areas, landscaping, fencing and signs shall be erected, placed or altered on any site until and unless the plans and specifications for the same showing the nature, shape, size, color, architectural design, materials and location on the lot shall have been first submitted to and approved in writing by the Board. It is expressly understood and agreed that the Board shall not be liable for any act or omission regarding the approval or disapproval of the plans and specifications submitted to them.

## 3. <u>Time Limit for Construction of Improvements.</u>

If after the expiration of one (1) year from the date of execution a deed on the property, the purchaser shall not have commenced construction of an approved building thereon or, having commenced construction but not having completed the approved building within two (2) years from said execution date, then in either event the Board shall have the option to repurchase the property for the same amount as paid to the IDA by the purchaser less any legal or other costs incurred by the IDA as a result of the original sale or repurchase of the property but subject to any mortgage or deed of trust used to finance construction of any improvement on the property (The option shall be deemed exercised by notice in writing to the purchaser and closing shall be for cash within ten (10) days of said notice).

# 4. <u>Resale or Lease</u>.

(a) If an owner desires to sell or lease all or any part of land acquired from the IDA which land is unimproved the Board shall have the prior right and option to repurchase the land at the same price per acre paid to the IDA by the owner. In this event the owner shall notify the Board in writing of his desire to sell or lease the described property and the Board shall have thirty (30) days from the date of receipt of such notice to exercise its option and complete the repurchase.

(b) In the event, after the completion of construction and/or occupancy by the owner, the owner or any subsequent transferee shall receive a bona fide written offer to sell or lease the property, which offer the owner desires to accept, the Authority shall have the prior right and option to purchase the property on the same terms and conditions offered by the prospective buyer or lessee. Prior to any closing of sale or lease of the property the owner shall notify the Authority of the content of such offer and the Authority shall have thirty (30) days from the date of receipt of such notice to exercise its option, and in the absence of the Authority's written notification exercising its option, the owner shall be free to close the sale or lease to the prospective buyer or lessee. The Authority shall have the continuing right of first refusal as to all succeeding owners or lessees during the life of these covenants. This provision shall not apply to a purchase in the event of foreclosure or to a deed in lieu of foreclosure, and in any event shall terminate five (5) years from the recordation of the deed to which these covenants are attached.

### 5. <u>Emissions and Notes</u>.

No operation shall be permitted which produces objectionable smoke, dust, odors, soot, radiation, noise and vibration or any other similar effects.

# 6. <u>Utilities</u>.

All onsite utilities must be underground.

# 7. <u>Waste</u>.

All sewage and industrial waste shall only be released into a public sewer and must comply with applicable quality standards of the Hampton Roads Sanitation District Commission and other applicable regulatory agencies.

## 8. <u>Set-back Standards</u>.

No structures or buildings shall be located closer than eighty (80) feet to the street upon which it fronts, fifty (50) feet to any other street, and thirty (30) feet to any side building site line or rear property line, it being the intent that an open area of at least sixty (60) feet shall exist between all adjacent but separately owned improvements both at sides and rear. Where a right-of-way easement has been granted to the C & O Railway Company, its successors or assigns, no structures or buildings shall be constructed on said right-of-way or any part thereof, except with the written permission of the Board and said C & O Railway Company, its successors or assigns.

# 9. <u>Building Construction and Materials.</u>

All buildings shall be of masonry, concrete, approved curtain wall construction, or Pre-Engineered Metal Buildings (approved by the Metal Building Manufacturer's Association or a comparable standard) or other materials approved in writing by the Commission. Exterior walls shall be finished in a manner acceptable to the Board as to architectural details and colors. Changes in materials or colors to be used for repainting or resurfacing the exterior must have prior written approval of the Board.

# 10. <u>Landscaping</u>.

The area between building and property lines shall be landscaped with trees, grass, shrubs or pedestrian walks, or for off-street surfaced parking areas or driveways. These areas as well as any unimproved areas and easements shall be kept in a neat, clean and attractive condition at all times.

### 11. Loading Docks or Areas.

All loading docks or areas shall be located at such points or places as will accommodate all trucks and trailers without requiring their protrusion into any streets during the time of loading or unloading.

#### 12. <u>Parking</u>.

Off street parking for vehicles or employees and visitors shall be provided and well maintained including entranceways and driveways from streets, and the streets shall not be used for parking. The surface of all driveways and permanent parking areas shall be of concrete, asphalt or other bituminous material.

### 13. <u>Storage</u>.

Where outside storage or materials, supplies, products or equipment is deemed necessary by the Board it must be screened by fence, shrubbery or other approved barrier. The location of any outside storage and the method for screening same must be approved in writing by the Board.

### 14. <u>Signs</u>.

Only those signs identifying the name, business and products of the firm occupying the premises shall be permitted and prior to erection of any sign the location, size, design, text and color must be approved in writing by the Board, provided, however, the sign of a lender financing the construction of any improvements on the property shall be permitted during the period of construction.

### 15. <u>Mechanical Equipment – Screening</u>.

All air conditioning, or other equipment or fixtures which are customarily incidental and accessory to the use of buildings, whether located on the roof or on the ground outside the buildings, shall be screened in a manner approved by the Board.

### 16. <u>Fences and Other Facilities</u>.

All fences, masonry walls, hedges or other facilities erected for the purpose of screening or security shall receive prior approval as to location, design, size and color by the Board.

### 17. <u>Right of Enforcement</u>.

Each of the foregoing covenants, conditions, restrictions and reservations shall run with the land hereby conveyed and a breach of any one of them or the continuance thereof may, at the option of the Board, its successors or assigns, be enjoined, abated, or remedied by appropriate proceedings. It is understood, however, that the breach of any of the foregoing covenants, conditions, and restrictions shall not defeat or render invalid the lien of any mortgage on said premises made in good faith and for value. Providing, however, that any breach or the continuance thereof may be enjoined, abated or remedied by the proper proceedings as aforesaid. And, provided, further, that each and all of the foregoing covenants, conditions, and restrictions shall at all times remain in full force and effect against said premises, or any part thereof, title to which is obtained by foreclosure of any such mortgage.

## 18. <u>Separability</u>.

Invalidation of any of these protective provisions and covenants by judgment, court order, or legislation shall in no way affect any of the provisions which shall remain in full force and effect.

## 19. <u>Waivers, Changes or Rescissions</u>.

Each of these protective provisions and covenants are for the benefit of the Board and it hereby reserves the right to waive, change, or rescind any or all of the same in its discretion, it being understood that any waiver, change or rescission is valid only if in writing by the Authority or its successors or designee.

## 20. <u>Design Review Committee</u>.

The IDA shall appoint a Design Review Committee that will serve as the working level review and approval group for new construction and expansion. The Committee shall consist of three (3) members, each appointed by the City Manager of the City of Hampton, Virginia, and may include members of the City Staff. In the alternative, the IDA may appoint their directors as the members of the Committee. The Committee shall review and act upon all development proposals in accordance with the criteria set forth herein. Upon their approval of the final design plans, the Committee will recommend approval of the plans to the Authority.

# 21. <u>Term of Protective Provisions and Covenants.</u>

These protective provisions and covenants run with the land and shall be binding upon all parties claiming under them for a period of thirty (30) years from date of this Deed.

-5-