LARKIN PROPERTY PURCHASE (683 ACRES) & FINANCING TIMELINE

July 14, 2026 BOS Meeting

PROPERTY PURCHASE - BOS APPROVAL

RESOLUTION R2026-50

Adopted June 9, 2026

BOARD OF SUPERVISORS

ERNIE Q. REED
Central District

JESSE N. RUTHERFORD
East District

J. DAVID PARR
West District

DR. JESSICA LIGON
South District

A. CAMERON LENAHAN
North District

NELSON COUNTY 1807 VIRGINIA

CANDICE W. MCGARRY
County Administrator

AMANDA B. SPIVEY
Administrative Assistant/
Deputy Clerk

GRACE E. MAWYER
Director of Finance and
Human Resources

RESOLUTION R2026-50
NELSON COUNTY BOARD OF SUPERVISORS
RESOLUTION RATIFYING PRE-AUCTION PROPERTY PURCHASE CONTRACT FOR ACQUISITION OF 683 ACRES IN LOVINGSTON, VIRGINIA

WHEREAS, Approximately 683 acres in Lovingston, Virginia were presented for auction by Torrence, Read & Forehand Auctions, L.C. on behalf of Wells Fargo, N.A., Trustee of the Thomas D. Larkin Jr. Trust; and,

WHEREAS, on May 26, 2026 in a duly held closed session pursuant to Virginia State Code §2.2-3711 A(6) and in accordance with Virginia State Code §15.2-1800, the Board of Supervisors authorized the County Administrator and County Attorney to submit a pre-auction offer of $8,500,000 to purchase the approximately 683 acres in Lovingston consisting of tax parcels 67-A-37 and 67-A-39B; and

WHEREAS, submittal of this purchase offer required submission of a signed purchase contract committing to the terms of the auction sale known to the Board; and,

WHEREAS, the County's purchase offer of $8,500,000 was accepted by the seller through execution of the attached Purchase Contract on June 2, 2026 for the total purchase price of $8,925,000 which includes the 5% buyer's premium of $425,000; and,

WHEREAS, the required 10% purchase deposit was subsequently made in the amount of $892,500,

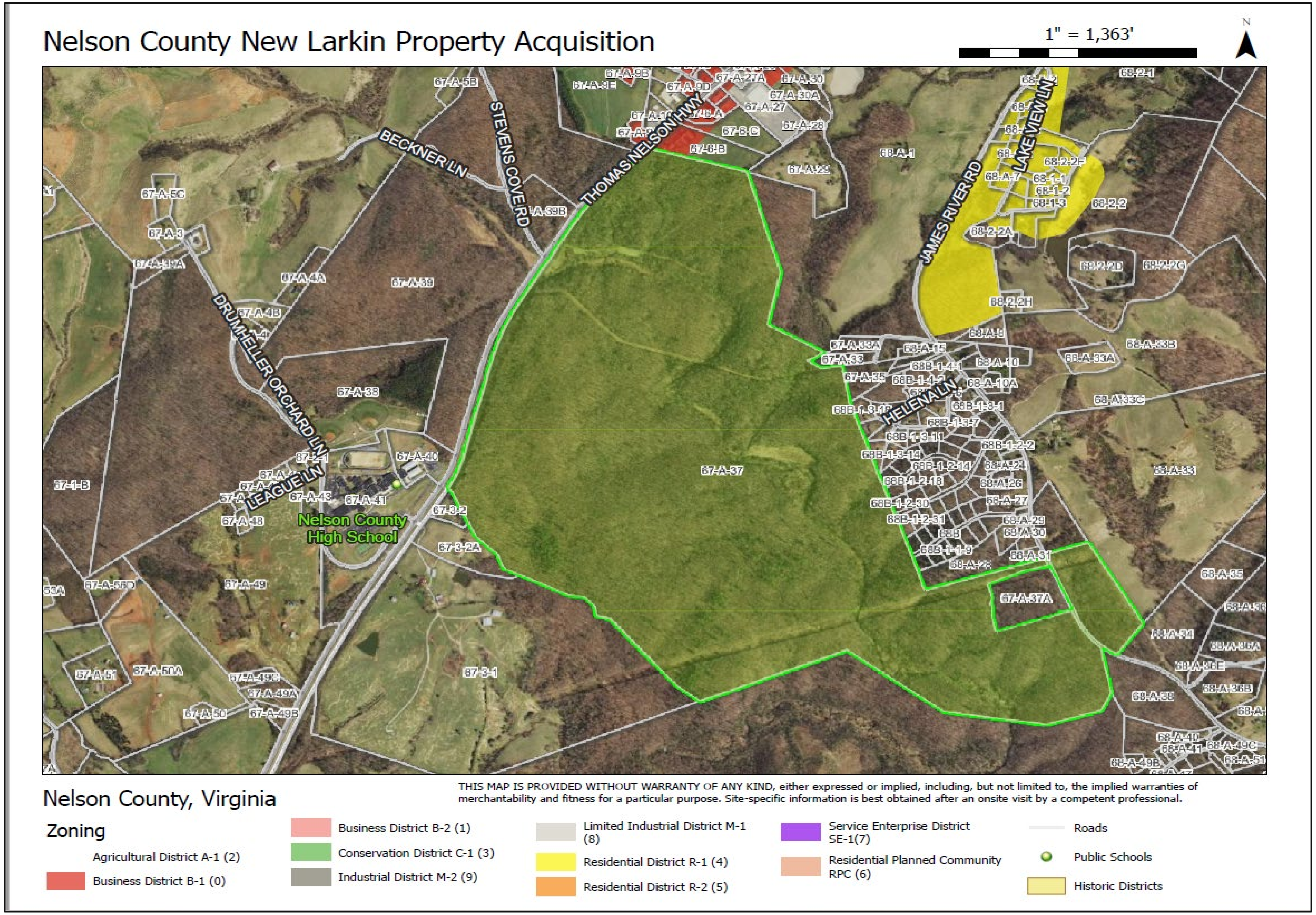
NOW THEREFORE BE IT RESOLVED, the Nelson County Board of Supervisors does hereby ratify the duly executed Auction Contract of Purchase for said property as attached and does hereby authorize the County Administrator and County Attorney to proceed towards settlement of the purchase contract.

Approved: June 9, 2026

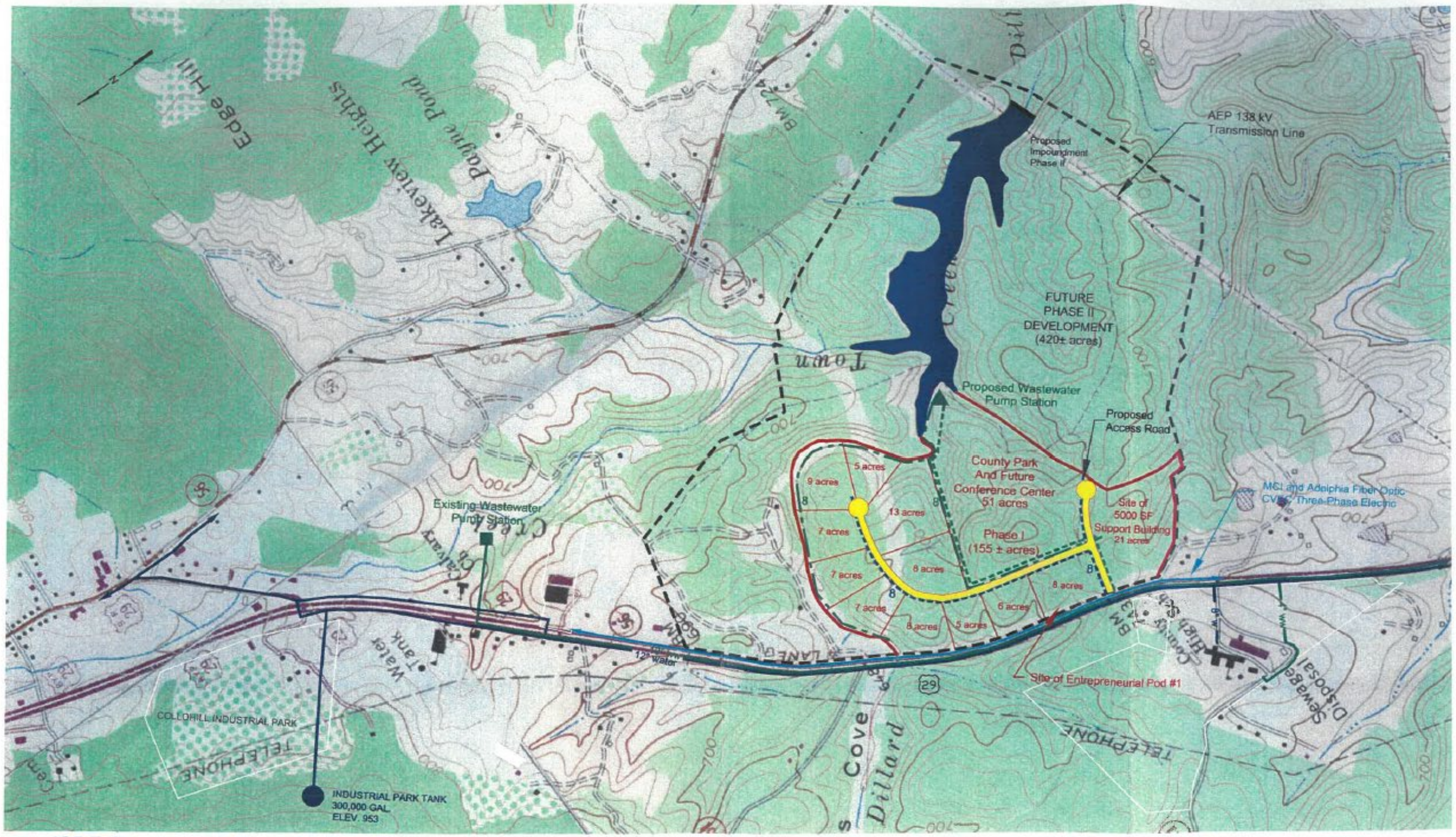
Attest: Candice W. McGarry, Clerk,
Nelson County Board of Supervisors

P.O. Box 336 • Lovingston, VA 22949 • 434 263-7000 • Fax: 434 263-7004 • www.nelsoncounty-va.gov

2026 LARKIN PROPERTY ACQUISITION - 683 ACRES
EAST OF ROUTE 29, LOVINGSTON



2001 EVALUATION OF 673 ACRES – LARKIN PARCEL
EAST OF ROUTE 29, LOVINGSTON



ISDF Construction Grant Application
Attachment C

ANDERSON AND ASSOCIATES, Inc.

Technology Entrepreneurial Center
Nelson County, Virginia
February 26, 2001
Scale: 1" - 1000' ; 20' Contour Intervals

Existing Water
Proposed Water
Existing Wastewater Pumped
Proposed WW Gravity
Proposed WW Pumped

2021 EVALUATION OF 1,000 ACRES OF LARKIN PROPERTY PRIOR TO ACQUISITION OF APPROXIMATELY 312 ACRES WEST OF ROUTE 29

(AS SUMMARIZED BY S. CARTER - COUNTY ADMINISTRATOR)

Nelson County - Larkin Business Park Evaluation (Timmons Group) – 2021

Nelson County has long sought to bring high quality and competitive economic development opportunities to the County. Due to its large acreage and proximity to other county services, namely county schools, the Larkin Site (Property) has been long viewed as potential asset for those purposes. Timmons Group was tasked with studying the development potential and reporting to County leadership of this Property.

To date, Timmons Group has identified the Property to have value as a highly valuable development site, with some of the leading characteristics making it attractive:

- Existing road infrastructure (Route 29)
- Access to power
- Proximity to water and sewer infrastructure
- Synergy with existing county property
- Several large-site land bays
- High degree of potential phasing
- Highly flexible
- Minimal capital investment to launch
- Few competitors between Charlottesville and Lynchburg

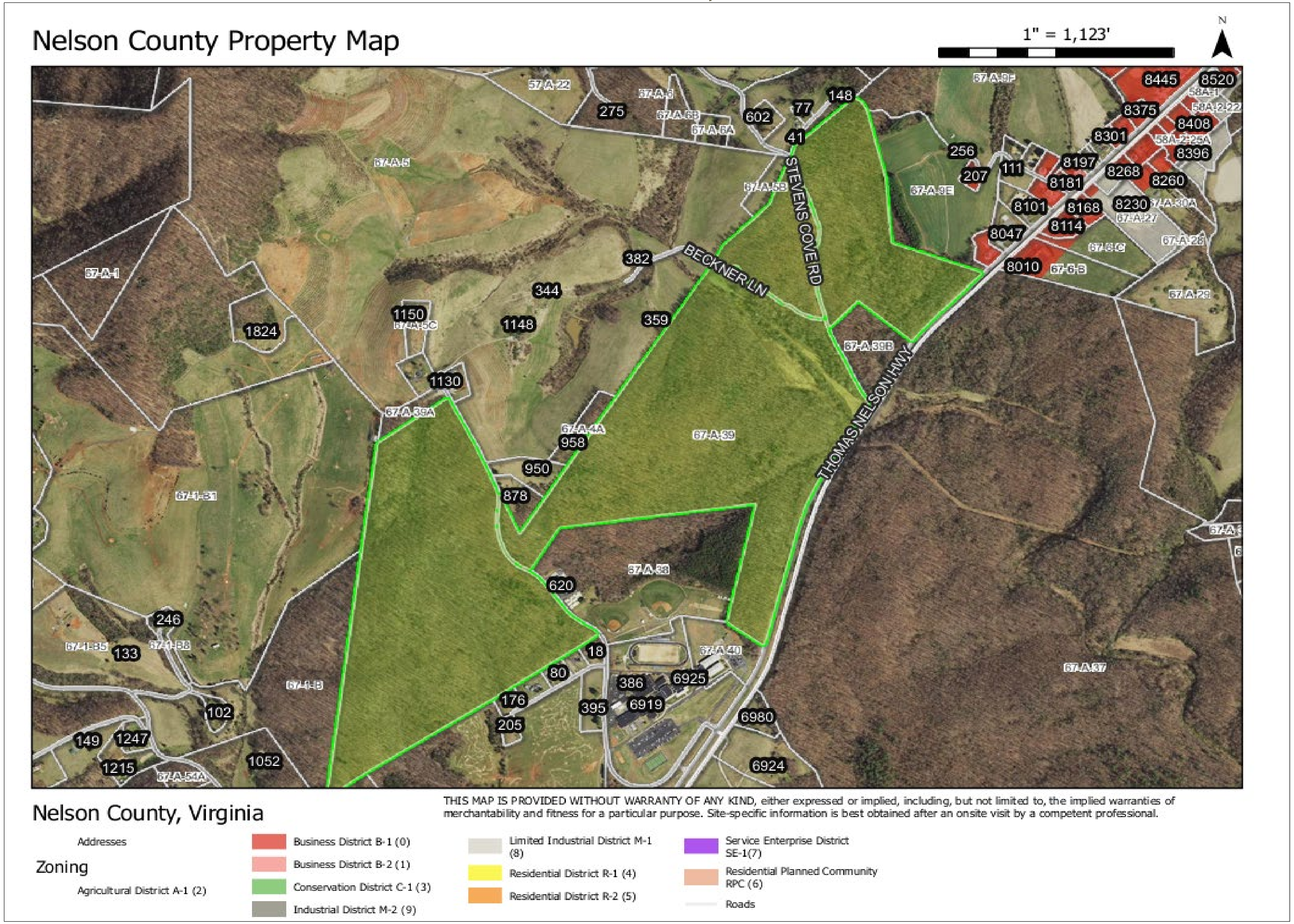
Timmons also identified challenges to the site that include:

- More parcel acreage than needed for economic development
- Potential source water limitations for potential high-water users
- VDOT Access constraints (sight distance, etc.)

The Property naturally divides into two main parcels, one east and the other west of Route 29. This divide allows for a phasing opportunity and even the potential for only purchasing one or the other sites, assuming the seller is amenable.

While this Property appears to provide a good opportunity for economic development, additional studies, including a PER, traffic, and geotechnical studies, and a detailed utility capacity study, to ensure that there are no underlying challenges to the Property being successfully developed.

2022 LARKIN PROPERTY ACQUISITION – 312 ACRES
WEST OF ROUTE 29, LOVINGSTON



2026 LARKIN PROPERTY ACQUISITION - 683 ACRES, LOVINGSTON

- Purchase Price: $8,925,000 – Cash Terms
- 10% Deposit Paid: $892,500
- Balance Due at Property Purchase Closing anticipated on August 31, 2026: $8,032,500
- Property Use
  - To Be Determined With Community Input – the property will be evaluated for a variety of potential purposes, including economic development, recreation, infrastructure, or a combination of uses.
- 2-Pronged Financing Strategy:
  - Use of Fund Balance (Cash on Hand) for Cash purchase to meet property purchase closing timeline acceptable to seller
  - Replace Fund Balance (Cash on Hand) with Lease Revenue Bond Financing
  - Financing fits within the County's current debt capacity of $15,000,000 without requiring any additional General Fund revenue for debt service to pay for this borrowing.

FUND BALANCE AND CASH FLOW ANALYSIS FOR CASH PURCHASE STRATEGY

	180-Day (6-month Financing Closing) Operating Cash Requirement	150-Day (5-month Financing Closing)	120-Day (4-month Financing closing)	90-Day (3-month Financing Closing)	
Bank Account Balances at 5/22/26	$24,237,729				
Estimated Local Revenue (RE/PPT) A/R (Due June 5th)	$10,326,005				
Estimated Additional RE Windfall A/R (Due June 5th)	$1,893,831				
95% A/R Adjustment (collection rate)	-$610,992				
Total:	**$35,846,573**	**$35,846,573**	**$35,846,573**	**$35,846,573**	
Operating Cash Requirement Approximately $4.8M/Month	**$29,132,513**	**$24,277,094**	**$19,421,675**	**$14,566,256**	
FY27 Debt Service Payments	**$2,822,175**	**$2,822,175**	**$2,822,175**	**$1,385,340**	
Maximum Cash Available After Cash Requirement and Debt Services Payments By Permanent Closing Timeframe	**$3,891,886**	**$8,747,304**	**$13,602,723**	**$19,894,977**	

Scheduled Debt Services Payments Through December 2026

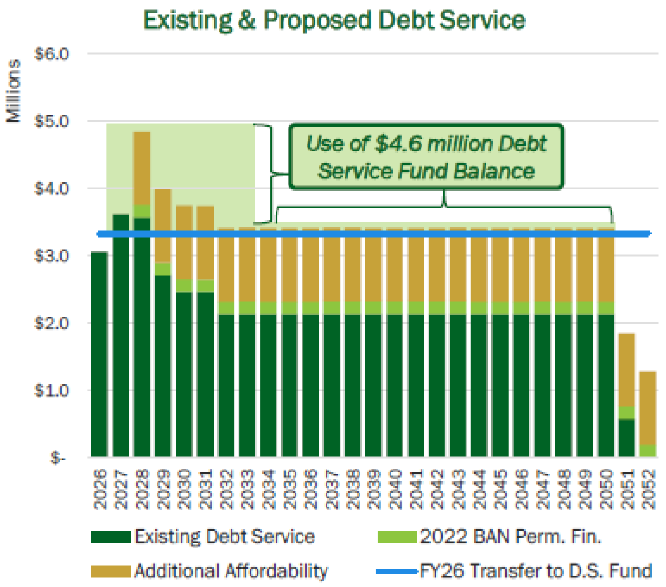
July DS Payments	$501,839	
August DS Payments	$883,501	**$1,385,340 Total Paid as of Month 3 (90 Days)**
October DS Payments	$1,436,835	
	$2,822,175	**Total Paid as of Month 4 (120 Days)**

* Assumes Cash Purchase Closing by August 31, 2026 - FY27

DEBT CAPACITY ANALYSIS AS OF FEBRUARY 25, 2026 PRIOR TO PROPERTY PURCHASE

Future Debt Affordability

- In FY 2026, the County included a $3,325,284 Transfer to the Debt Service Fund from recurring revenues in its budget.
- As of 6/30/2025, the County held $4,626,213 in the Debt Service Fund Balance.
  - From that amount, $718,077 is projected to be used in FY 2027 and FY 2028, leaving $4,176,639 available for future use.
- Assuming that these funding sources are available going forward, the County could afford an additional $15.0 million of debt (based on a 25-year term and a 5% interest rate).
- For each additional 1¢ on the tax rate (which approximately $426,540) dedicated to debt service, the County could afford approximately $6,900,000 of additional debt.



Additional Recurring Revenue Dedicated to Debt Service		Resulting Additional Affordability	
		Incremental	Total
1¢	$ 426,540	$ 6,900,000	$ 21,900,000
2¢	853,080	13,800,000	28,800,000
3¢	1,279,620	20,700,000	35,700,000

Note: based on value of a 1¢ of $426,540 following the reassessment effective 1/1/2026. Provided by staff.

EDA LEASE REVENUE BOND ANTICIPATION NOTE, SERIES 2026 FINANCING SCHEDULE FOR CLOSING BY SEPTEMBER 30, 2026

Preliminary Activity/Action:

- **July 9, 2026 EDA Meeting** – Discussion of Financing
- **July 14, 2026 Board of Supervisors Regular Meeting**
  - Plan of finance options are presented by Davenport (Financial Advisors)
  - Board of Supervisors authorizes staff and Davenport to issue an RFP for bank financing of a Lease Revenue Bond Anticipation Note (Interim Financing)

RFP Activity:

- By July 21, 2026 - RFP is issued by Davenport to Local, Regional, and National Banking Institutions
- By August 24, 2026 - RFP Bank Bids Due

EDA LEASE REVENUE BOND ANTICIPATION NOTE, SERIES 2026
FINANCING SCHEDULE FOR CLOSING BY SEPTEMBER 30, 2026

Board of Supervisors Action:

- **September 8, 2026 Board of Supervisors Regular Meeting**
  - Davenport presents summary of bank proposals
  - Board considers selecting the best option lender and adopting associated financing resolution and documents

- EDA Action Following BOS Presumed Approval:
  - **After September 8th, EDA Holds Special Called Meeting**
    - EDA considers adopting financing resolution and documents