



Luray Office
17 West Main Street
Luray, VA 22835
(540) 743-8521
www.mybrb.com

November 7, 2017

Town of Luray, Virginia
c/o Bryan Chrisman

Dear Mr. Chrisman:

Blue Ridge Bank ("Lender") is pleased to provide this commitment for the credit facility outlined herein (the "Commitment") to the Town of Luray, Virginia ("Borrower"). For purposes of this Commitment, the credit facility will be referred to as the "Loan". This Commitment will become effective upon your acceptance of the terms and conditions outlined in this letter, and your return of an executed copy and a closing in a manner satisfactory to Lender. "Closing", "close", or "closed" as used herein, shall mean the execution, recordation where necessary, delivery to Lender of all documentation required by this Commitment letter, and satisfaction of all terms and conditions specified herein.

Borrower: Town of Luray, Virginia

Amount: Line of credit in the amount of \$2,500,000.00, with a maximum funding limit of \$3,900,000 (the "Loan")

Purpose: Finance construction costs and related expenses for the West Main Street bridge project

Interest Rate: A fixed rate of 2.99% for 36 months

Loan Fees: None

Maturity: 36 months from closing

Repayment Terms: Quarterly payments of interest only with all accrued and unpaid interest plus all principal due at maturity

Collateral: Unsecured as this is a General Obligation of the Town of Luray, Virginia

Financial Reports: The following information will be required:

Year-end financial statements of Borrower within 90 days of fiscal year-end prepared by a certified public accounting firm acceptable to Lender.

Additional financial information on Borrower as requested by Lender.

Fees: A late charge not to exceed the amount permitted by applicable law shall be assessed on any payment remaining unpaid on the seventh day after the payment due date.

Prepayment Premium: The Loan may be prepaid in whole or in part at any time without premium or penalty.

Other Conditions: All loan documents will be acceptable to the Bank in all respects and is its sole discretion. All terms and conditions described in this Commitment will be memorialized in the Loan documents. Finally, loan documents will include all customary terms and conditions associated with a construction loan as the Lender deems appropriate.

During the term of the Loan, there shall be no change in control, ownership, or legal structure of Borrower without the prior written consent of Lender.

All costs, expenses and fees incurred to close the Commitment and perfect Lender's security interest will be the responsibility of the Borrower, whether or not the transaction contemplated herein closes, unless the failure to close is due solely to Lender's gross negligence or willful misconduct.

In addition to any other defaults normally specified in the Loan documents, to the extent permitted by law, Borrower agrees that a default under this Loan will also cause a default under any other loan or obligation of the Borrower to Lender and that a default under any other loan or obligation of the Borrower to Lender will cause a default under this Commitment.

Other: All information and representations made by the Borrower to Lender are and will be accurate at closing.

The Loan shall be governed by the laws of the Commonwealth of Virginia.

This Commitment is for the sole and exclusive benefit of the Borrower and may not be assigned by the Borrower.

Additional Requirements

1. No condition or other term of this Commitment may be waived or modified except in writing signed by Borrower and Lender.
2. Prior to closing, the Borrower will provide the Lender with written evidence of approval for a Federal grant up to \$1,650,000; that the State of Virginia has control over these funds; and that 80% of these proceeds are available for this project.
3. Prior to closing, the Borrower will provide the Lender with written evidence of approval for a Virginia State of Good Repair and Revenue Sharing grant up to \$1,953,000 and that 100% of these proceeds are available for this project.
4. Prior to closing, the Borrower will provide Lender with written evidence of a final approved budget, said approval defined as all those agencies and municipalities charged with overseeing this project. In addition, the final budget will be submitted and approved by Lender
5. Borrower agrees that the funding of any loan requests provides evidence of approval from agencies and municipalities overseeing the project and that Borrower will promptly use proceeds from the grants outlined in #2 and 3 above to curtail the Loan.
6. If during the term of the Loan project costs exceed the funds available to complete, the Lender can stop funding under the Loan until such time as the shortfall is addressed in a manner acceptable to the Lender.

The initial advance under the Loan, signifying the commencement of the project, must occur no later than February 1, 2018

Please call me if you have any questions about the terms of this Commitment. If this Commitment is not accepted with an executed copy received by Lender by December 20, 2017 and closed by December 31, 2017, this Commitment shall be null and void at the option of Lender. To acknowledge your acceptance, please sign below and return to me. We look forward to working with you.

Sincerely,



Jonathan B. Comer

Market President, Shenandoah Valley

Understood and agreed to this _____ day of _____, 2017.

BORROWER:

Bryan Chrisman, Assistant Town Manager for Town of Luray, Virginia