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(1923 – 1984)
NEIL WESTER
(1944 – 2006)

November 17, 2020

Herndon Properties, LLC
ATTN: Steve Herndon
522 North Elm Street
Dalton, GA 30721

RE: Letter of Intent
Ground lease for construction of hanger(s)
Dalton Municipal Airport

Dear Mr. Herndon:

On behalf of the City of Dalton, this letter confirms the City's and your mutual interest in regards to the current potential transaction described herein ("Prospective Transaction") between the City of Dalton and Herndon Properties, LLC:

1. **Terms.** The principal terms of the proposed transaction would be substantially as follows:

(a) **Effective Acquisition.** The transaction currently under negotiations is the ground lease of approximately 70 x 70 feet and authorization to construct a hanger(s) at the City of Dalton Municipal Airport for private use for an initial period of 5 years, said term to be amended to 20 years upon amendment of the City Charter permitting leases of said length of time. The City shall endeavor to complete the charter amendment process within 90 days.

(b) **Consideration.** Should a final agreement be made, the aggregate consideration for the ground lease shall be \$0.05/sq. ft per month to increase annually based on the Consumer Price Index of the previous year.

2. **Liability.** Steve Herndon and Herndon Properties, LLC hereby acknowledge that as part of the to be negotiated agreement Herndon Properties, LLC shall assume all liability associated with the lease, construction, and use of the ground lease and hanger to be constructed and shall fully indemnify the City of Dalton from any loss arising therefrom. In addition, Steve Herndon shall maintain or pay for the cost of general liability insurance naming the City of Dalton as insured/additional insured as may be determined by the City.

3. **Expenses.** Buyer and Seller will pay their respective expenses incident to this letter of intent, and the transactions contemplated hereby and thereby.

4. **Enforcement.** This document, in and of itself, does not represent an enforceable legal or binding contract. Further negotiations and documentation including preparation and execution of a final agreement is required for the Prospective Transaction.

ACCEPTED AND AGREED, I, Steve Herndon, agree with the intentions of the above letter of intent and I understand that this letter of intent is not a binding agreement.

Herndon Properties, LLC

By: _____

Steve Herndon

Date: _____

Title: _____

Thank you for your attention and cooperation in this matter.

Sincerely,

G. Gargandi Vaughn
City Attorney
City of Dalton

Cc: Client
Enclosure