

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this “Agreement”) is made this ____ day of _____, 2026 (“Effective Date”) by and between (i) **SH WATERSVILLE LLC** (“Seller”) and (ii) **TOWN OF MOUNT AIRY**, a municipal corporation organized under the laws of the State of Maryland (the “Purchaser”).

WITNESSETH

RECITALS:

R-1. Seller owns real property located within the Town of Mount Airy, Carroll County, Maryland, containing 5.1812 acres of land, more or less, shown on Tax Map 0600, Grid 017, as Parcel 1487 (Tax Account No. 13-013985), having a street address of 201 Watersville Road, Mount Airy, Maryland 21771, on which is situated a 71-unit apartment complex known as the Mt. Airy Apartments, and being a part of that property conveyed to Seller by Jeanette M. Abell, Successor Trustee of the James E. Abell Family Trust dated June 18, 1987, as amended and restated by the Amended and Restated Revocable Trust Agreement dated August 6, 2020, *etc.* by deed dated May 29, 2024, and recorded among the land records of Carroll County, Maryland at Liber 11255, Folio 262, *etc.* (herein referred to as the "Mt. Airy Apartments Parcel").

R-2. The Purchaser wishes to purchase a portion of the Mt. Airy Apartments Parcel from the Seller, consisting of approximately 0.1515 acres, more or less, adjacent to the Southern boundary of a parcel of property already owned by the Town on which is situated a Town Water Treatment Plant, and to the North of the Mt. Airy Apartment units, as roughly depicted in Exhibit A attached hereto and made a part hereof (hereinafter referred to as “the Property”).

R-3. Seller is willing to sell the Property to Purchaser on the terms and conditions hereinafter specified.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, intending to be bound hereby, mutually agree as follows:

Article 1 Purchase of Property

1.1 Purchase. For and in consideration of the Purchase Price, the Seller hereby agrees to sell, and the Purchaser hereby agrees to purchase, the Property.

1.2 Purchase Price. The purchase price to be paid by Purchaser to Seller for the Property shall be the total sum of Ninety Thousand and no/100 Dollars (\$90,000.00) (the “Purchase Price”) which shall be paid as follows:

(a) Within three (3) business days after the Effective Date, the Purchaser shall deposit the sum of Five Thousand and no/100 Dollars (\$5,000.00) (the “Deposit”) with Stoner, Preston & Boswell, Chtd., and/or associated title company, 288 East Main Street, Westminster, MD 21157 (the “Title Company”). The Title Company shall maintain the Deposit in a federally insured

interest bearing escrow account and the interest shall become part of, and be added to, the Deposit; and

(b) The Deposit and the balance of Purchase Price, subject any prorations as set forth herein, shall be paid to the Title Company at Closing for disbursement to Seller upon consummation of the purchase contemplated hereby and otherwise in accordance with this Agreement.

Article 2 Study Period

2.1. Study Period. Purchaser shall have until **sixty (60) days after the Effective Date** ([REDACTED], 2026) (the “Study Period”) to conduct such investigations of the Property, including but not limited to, the physical and environmental conditions thereof, as Purchaser deems necessary or desirable to satisfy itself as to the condition of the Property and the existence or nonexistence or curative action to be taken with respect to any structural or hazardous or toxic substances on or discharged from the Property. If Purchaser fails to notify Seller in writing by 5:00 p.m. of the last day of the Study Period of Purchaser’s termination of this Agreement, then Purchaser shall be deemed to have waived its termination right under the next sentence. If Purchaser, in its sole discretion, determines that it does not desire to acquire the Property and notifies Seller in writing prior to 5:00 p.m. on the last day of the Study Period of Purchaser’s election to terminate this Agreement, this Agreement thereupon shall become void, the Deposit shall be returned to the Purchaser and there shall be no further obligation or liability on either of the parties hereto except for provisions stated to survive termination hereof. During the Study Period, Seller shall permit Purchaser and/or its contractors access to the Property, and so much of the unimproved land of the Mt. Airy Apartments Parcel, and upon written request and Seller’s consent (which may be withheld in Seller’s sole discretion), any interior unit or space, exterior facade or common space of the Mt. Airy Apartments Parcel, as may be required to complete the studies described above, for such purposes during the Study Period. Should Seller require Purchaser to enter into a right of entry agreement for such access, Seller shall promptly prepare same on reasonable terms and shall provide same to Purchaser for review and execution.

Article 3 Legal Description and Plat

Prior to the expiration of the Study Period, Purchaser, at its sole cost and expense, shall engage a surveyor to produce a metes and bounds description and plat for the Property, with said plat showing the location of the Property in relation to the remainder of the Mt. Airy Apartments Parcel, and shall supply same to Seller for review and approval, which shall not be unreasonably withheld by Seller. Upon prior written consent, Seller shall permit Purchaser and/or its surveyors access to the Property, and so much of the Mt. Airy Apartments Parcel for the limited purpose of completing the legal description and plat, during the Study Period set forth above. Should Seller require Purchaser to enter into a right of entry agreement for such access, Seller shall promptly prepare same on reasonable terms and shall provide same to Purchaser for review and execution.

Article 4

Title

4.1 Title. Seller shall not create or permit to be created any lien, easement or other encumbrance on the Property from the Effective Date until Closing, and thereafter until the recording of any post-closing confirmatory deed as may be required. Seller shall not, without the prior written consent of Purchaser (i) enter into any future, or modify any existing, easement, covenant, condition or restriction appertaining to the Property, or (ii) seek any zoning change or other governmental approval with respect to the Property. The delivery of the deed by Seller and the acceptance thereof by Purchaser, shall be deemed the full performance and discharge of every obligation on the part of Seller to be performed hereunder except those obligations, if any, of Seller that are expressly stated in this Agreement to survive Closing.

4.2 Title Review. On or before fifteen (15) days prior to the expiration of the Study Period, Purchaser shall deliver to Seller a title commitment (the "Commitment") to be issued by the Title Company covering the Property, and a survey of the Property (the "Survey"), along with a written notification (the "Objection Notice") setting forth which of the liens, encumbrances and other matters described in the Commitment or on the Survey are unacceptable to Purchaser (the "Unpermitted Matters"). Seller shall then have until the date that is ten (10) days after Seller's receipt of the Objection Notice to notify Purchaser in writing ("Seller's Response Notice") which of the Unpermitted Matters Seller will cure, by removal from the Commitment or by endorsement (which endorsements must be reasonably acceptable to Purchaser). The matters listed in the Commitment or shown on the Survey that are not Unpermitted Matters shall be "Permitted Exceptions." If Seller elects not to cure any of the Unpermitted Matters within the time period described above, Purchaser shall have the option of proceeding with this Agreement without reduction in the Purchase Price, in which case any Unpermitted Matters not so cured shall be deemed additional Permitted Exceptions or terminating this Agreement by written notice to Seller on or before five (5) days following receipt of the Seller's Response Notice, in which event this Agreement shall be deemed terminated and neither party shall have any further obligations or liabilities hereunder. Notwithstanding the foregoing, Seller shall be obligated to pay off on or before the Closing any monetary liens (e.g., mortgages, judgments, mechanic's liens or tax liens) affecting the Property. Seller shall not change the status of title to the Property between the Effective Date and the Closing without notification to the Purchaser prior to Closing identifying Seller's successor and without first providing a copy of this executed Agreement to Seller's successor.

4.3 Lender's Release. Notwithstanding anything herein to the contrary, Seller shall have until 6pm on the Sixtieth (60th) day following the Effective Date to obtain the consent and agreement of the Seller's lender ("Seller's Lender") to release the Property at Closing from any existing mortgage or deed of trust ("SL Consent Period"). Prior to the expiration of the SL Consent Period, Seller shall provide written notice to Purchaser confirming Seller's Lender's consent or refusal thereof. In the event the Seller is unable to obtain such consent and agreement within the SL Consent Period, the Seller may elect to terminate this Agreement by providing written notice to the Purchaser, in which event this Agreement shall terminate, the Title Company shall pay the

Deposit to the Purchaser, and neither Seller or Purchaser shall have any further rights or obligations hereunder, other than pursuant to any provision hereof that expressly survives the termination of this Agreement.

4.4 Title Company. In performing any of its duties under this Agreement, the Title Company shall not be liable for any loss, costs, fee, claim, expense or damage which may be incurred by the parties hereto as a result of serving as the Title Company hereunder, except for any loss, cost or damages arising out of willful acts of malfeasance or gross negligence of the Title Company. Accordingly, the Title Company shall not incur any liability with respect to any action taken or omitted to be taken: (i) in good faith upon advice of its counsel given with respect to any questions relating to the duties and responsibilities of the parties pursuant to this Agreement; or (ii) in reliance upon any document, including any written notice of instruction provided for in this Agreement, not only as to its due execution and the validity and effectiveness of its provisions, but also as to the truth and accuracy of any information contained therein, which purports to have been signed or presented by a proper person or persons and to conform with the provisions of this Agreement. The parties hereto acknowledge and agree that should the Title Company represent either party, the Title Company may continue to do so notwithstanding the execution of this Agreement or any dispute hereunder and that the execution and performance of this Agreement does not constitute a conflict of interest with the Purchaser or the Seller. The Title Company shall rely upon and shall be protected in acting or refraining from acting upon any oral notice, instruction or request furnished hereunder and believed by it to be genuine. The Title Company undertakes to perform only such duties as are expressly set forth herein and shall not be bound in any way by any other agreement of the parties hereto. The parties acknowledge that the Title Company is serving as an escrow agent without compensation and solely as an accommodation to the parties. If the Title Company is in doubt as to its duties or liabilities under the provisions of this Agreement, it may, in its sole discretion, continue to hold the Deposit until the parties mutually agree to disbursement thereof, or until a judgment of a court of competent jurisdiction shall determine the rights of the parties hereto, or the Title Company may deposit such funds with the Clerk of the Circuit Court of Carroll County, Maryland (the "Clerk"), pursuant to interpleader procedure, whereupon after notifying all parties concerned with such action and paying all filing and other costs imposed by the Clerk from the Deposit, all liability on the party of the Title Company shall terminate except to the extent of accounting for any monies theretofore delivered out of escrow.

Article 5 Subdivision

5.1 Subdivision. The Parties acknowledge that in order for the Property to be conveyed and/or a deed to the Property recorded among the Land Records, it may be necessary to obtain approval for a subdivision of the Property from the Mt. Airy Apartments Parcel and the creation of a new legally subdivided lot from the remaining portion of the Mt. Airy Apartments Parcel (the "Subdivision"). As soon as practicable following the Effective Date, the Purchaser shall file all necessary applications and other documentation to obtain the approval of the Subdivision (the "Subdivision Approval") and shall use commercially reasonable efforts and due diligence to obtain the Subdivision Approval prior to Closing at Purchaser's sole cost and expense. If, despite Purchaser's commercially reasonable efforts, the Subdivision has not been approved by twenty (20) days before Closing, or if any governmental authority, including the Planning Commission for the Town of Mount Airy (the "Planning Commission"), responsible for review or approval of

the proposed Subdivision, either denies Subdivision Approval or requires changes to the Subdivision or imposes conditions for Subdivision Approval that are unacceptable to either Party, either Party may terminate this Agreement by written notice to the other party within twenty (20) days before Closing in which event the Deposit shall be returned to the Purchaser and the parties shall be relieved of all liabilities and obligations hereunder. The Purchaser shall keep the Seller apprised of any developments with regard to obtaining the Subdivision Approval and shall provide the Seller with any significant documents and correspondence relating to the Subdivision Approval. The Seller shall cooperate with the Purchaser in obtaining the Subdivision Approval at no cost, expense or liability to the Seller. The provisions of this Section shall survive the Closing for a period of 120 calendar days.

Article 6 Closing

6.1 Closing Date. The sale of the Property to the Purchaser shall be consummated at the offices of the Title Company on or before **thirty (30) days after expiration of Study Period ([REDACTED], 2026).**

6.2 Closing Documents and Delivery of Possession.

(a) Seller' Deliveries. Seller shall deliver to Purchaser (i) a Special Warranty Deed to the Property (exclusive of any covenants or further assurances); (ii) a non-foreign affidavit from Seller certifying that Seller is not a "foreign person," "foreign estate," "foreign corporation" or "foreign partnership" or any other foreign entity as such terms are defined in Section 1445 of the Internal Revenue Code and the income tax regulations promulgated thereunder; (iii) evidence of Seller's authority to perform its obligations under this Agreement, as required by the Title Company; and (iv) if applicable, releases of any mortgages, deeds of trust, tax liens or other liens or encumbrances on the Property, listed on the Commitment and not otherwise a Permitted Exception, amounts for satisfaction of which if not released by the time of Closing shall extend the Closing by a period of ten (10) business days to allow Seller to produce said release(s).

(b) Purchaser Deliveries. Purchaser shall deliver to Seller at Closing the Purchase Price, plus or minus proration as set forth below for taxes.

(c) Joint Deliveries. Seller and Purchaser shall jointly deliver (i) a Settlement Statement, and (ii) all required real estate transfer tax declarations, returns or affidavits.

(d) Delivery of Possession. At the Closing, the Seller shall deliver the Property to the Seller.

Article 7 Proration of Real Estate Taxes

Real estate taxes on the Property are to be adjusted to the date of Closing as set forth in this Section. Real estate taxes, general and special, are to be adjusted according to the most recent certificate of taxes issued by the taxing authority in the jurisdiction in which the Property is situate; provided that the Seller shall be solely responsible for the payment of any interest or penalty

incurred for failure to pay outstanding real estate taxes timely prior to the Closing. If by Closing, Seller shall not have paid the real estate taxes on the Property for FY2025-2026, the amount necessary to pay the outstanding FY2025-2026 real estate taxes on the Mt. Airy Apartments Parcel shall be charged to the Seller on the closing statement. Real estate taxes for FY2025-2026, not including any interest or penalties which shall be the responsibility of Seller, shall be adjusted on the closing statement with a credit to the Seller, and a charge in the same amount to Buyer, for real property taxes on the Mt. Airy Apartments Parcel attributable to the Property, as calculated by square footage, for the period from the date of Closing through June 30, 2026.

Article 8
Closing Costs

8.1 Purchaser shall pay the following expenses incurred in connection with the transactions described herein:

- (i) All closing fees charged by the Title Company;
- (ii) Purchaser's legal fees and expenses;
- (iii) All recordation and transfer taxes, if any, incurred in recording the special warranty deed; and
- (iv) Title insurance premium for Purchaser's title insurance policy and all endorsements.

8.2 The Town shall reimburse Sellers their reasonable attorneys' fees up to Two Thousand Five Hundred and No/100 Dollars (\$2,500.00), based on an hourly rate of \$500.00 per hour and an estimated five billable hours for review documents associated with the sale and closing, and providing other legal advice to Sellers. Sellers shall otherwise pay their legal fees, if any, and expenses incurred in connection with the transactions described herein.

Article 9
"As Is" Sale

PURCHASER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS SET FORTH IN THIS AGREEMENT, SELLER HAS NOT MADE, AND SPECIFICALLY NEGATES AND DISCLAIMS, ANY REPRESENTATIONS, WARRANTIES, COVENANTS OR AGREEMENTS OF ANY KIND OR CHARACTER REGARDING ANY ASPECT OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION: (A) THE VALUE, NATURE, QUALITY OR PHYSICAL CONDITION THEREOF, (B) THE INCOME TO BE DERIVED THEREFROM, (C) THE SUITABILITY OF THE PROPERTY FOR ANY ACTIVITY OR USE WHICH PURCHASER MAY CONDUCT THEREON, (D) THE COMPLIANCE OF THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, (E) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY, (F) THE CONDITION OF THE PROPERTY (G) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR

OF THE PROPERTY, OR (H) COMPLIANCE OF THE PROPERTY WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS, INCLUDING THE EXISTENCE THEREIN, THEREON OR THEREUNDER OF HAZARDOUS MATERIALS. ADDITIONALLY, NO PERSON ACTING ON BEHALF OF SELLER IS AUTHORIZED TO MAKE, AND BY EXECUTION HEREOF PURCHASER ACKNOWLEDGES THAT NO PERSON HAS MADE, ANY REPRESENTATION, WARRANTY, COVENANT OR AGREEMENT REGARDING THE PROPERTY OR THE TRANSACTIONS CONTEMPLATED HEREIN. PURCHASER ACKNOWLEDGES THAT, HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY, PURCHASER IS RELYING SOLELY ON ITS OWN INVESTIGATIONS AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY SELLER, OTHER THAN INFORMATION EXPRESSLY REQUIRED TO BE PROVIDED BY SELLER HEREUNDER AND OTHER THAN SELLER' REPRESENTATIONS AND WARRANTIES SET FORTH HEREIN. PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, TO THE MAXIMUM EXTENT PERMITTED BY LAW THE SALE PROVIDED FOR HEREIN IS MADE ON AN "AS-IS, WHERE-IS" BASIS WITH ALL FAULTS. FURTHERMORE, PURCHASER DOES HEREBY RELEASE AND FOREVER DISCHARGE SELLER, ITS MEMBERS, DIRECTORS, SHAREHOLDERS, OFFICERS, EMPLOYEES, LEGAL REPRESENTATIVES, AGENTS AND ASSIGNS, FROM ANY AND ALL ACTIONS, CAUSES OF ACTION, CLAIMS AND DEMANDS FOR, UPON OR BY REASON OF ANY DAMAGE, LOSS OR INJURY WHICH HERETOFORE HAVE BEEN OR WHICH HEREAFTER MAY BE SUSTAINED BY PURCHASER RESULTING FROM OR ARISING OUT OF THE PRESENCE OF ANY HAZARDOUS MATERIALS OR OTHER ENVIRONMENTAL CONTAMINATION ON OR IN THE VICINITY OF THE PROPERTY, INCLUDING THE SOIL AND/OR GROUNDWATER. THE PROVISIONS OF THIS SECTION SHALL SURVIVE THE CLOSING OR ANY TERMINATION OF THIS AGREEMENT.

AS USED IN THE PRECEDING PARAGRAPH, THE TERM "CONDITION OF THE PROPERTY" MEANS THE FOLLOWING MATTERS: THE QUALITY, NATURE, AND ADEQUACY OF THE PHYSICAL CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, (1) THE QUALITY OF THE DESIGN, LABOR, AND MATERIALS USED TO CONSTRUCT THE IMPROVEMENTS INCLUDED IN THE PROPERTY, THE CONDITION OF THE STRUCTURAL ELEMENTS, SEWERAGE, AND UTILITY COMPONENTS AND SYSTEMS, THE CAPACITY OR AVAILABILITY OF SEWER, WATER, OR OTHER UTILITIES FOR THE PURCHASER'S INTENDED USE, THE GEOLOGY, FLORA, FAUNA, SOILS, SUBSURFACE, GROUNDWATER, LANDSCAPING, AND IRRIGATION OF OR WITH RESPECT TO THE PROPERTY, THE LOCATION OF THE PROPERTY IN OR NEAR ANY SPECIAL TAXING DISTRICT, FLOOD HAZARD ZONE, WETLANDS AREA, PROTECTED HABITAT, GEOLOGICAL FAULT OR SUBSIDENCE ZONE, HAZARDOUS WASTE DISPOSAL OR CLEANUP SITE, OR OTHER SPECIAL AREA, THE EXISTENCE, LOCATION OR CONDITION OR INGRESS, EGRESS, ACCESS AND PARKING, THE PRESENCE OF ANY HAZARDOUS MATERIALS, DANGEROUS OR TOXIC SUBSTANCE, MATERIAL OR WASTE IN, ON, UNDER, OR ABOUT THE PROPERTY, (2) THE COMPLIANCE OR NON-COMPLIANCE OF THE SELLER OR THE OPERATION OF THE PROPERTY OR ANY PART THEREOF IN ACCORDANCE WITH,

AND THE CONTENTS OF, (A) ALL CODES, LAWS, ORDINANCES, REGULATIONS, AGREEMENTS, LICENSES, PERMITS, APPROVALS, AND APPLICATION OF OR WITH ANY GOVERNMENTAL AUTHORITIES ASSERTING JURISDICTION OVER THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THOSE RELATING TO ZONING, BUILDING, PUBLIC WORKS, PARKING, FIRE, AND POLICE ACCESS, HANDICAP ACCESS, LIFE, SAFETY, SUBDIVISION, AND HAZARDOUS MATERIALS, AND (B) ALL AGREEMENTS, COVENANTS, CONDITIONS, RESTRICTIONS (PUBLIC AND PRIVATE), SITE PLANS, BUILDING PLANS, BUILDING PERMITS, AND OTHER INSTRUMENTS AND DOCUMENTS GOVERNING OR AFFECTING THE USE, MANAGEMENT AND OPERATION OF THE PROPERTY.

Article 10
Real Estate Commissions

Each party represents and warrants to the other that no person or entity acting as real estate broker, finder or real estate agent brought about this Agreement. Seller agrees to and does hereby indemnify Purchaser from all loss, damage, cost, or expense (including reasonable attorneys' fees) that Purchaser may suffer as a result of any claim or action brought by any other person or entity acting or allegedly acting on behalf of Seller in connection with this transaction, and Purchaser agrees to and does hereby indemnify and hold Seller harmless from all loss, damage, cost, or expense (including reasonable attorneys' fees) that Seller may suffer as a result of any claim or action brought by any person or entity acting or allegedly acting on behalf of Purchaser in connection with this transaction. The provisions of this Article shall survive Closing.

Article 11
Representations, Warranties and Covenants

11.1 Seller' Representations. Seller hereby represents and warrants to Purchaser as follows:

(a) *Authority.* Seller has the legal power, right and authority to enter into this Agreement and to consummate the transactions contemplated hereby.

(b) *Binding.* The execution of this Agreement by Seller is the duly authorized and legally binding action of Seller, and upon execution hereof, Seller shall be bound by and subject to the terms and provisions of this Agreement. This Agreement, is the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms and does not violate any provision of any agreement or judicial order to which Seller are a party or to which Seller is subject. All documents to be executed by Seller which are to be delivered at Closing, will, at the time of Closing, (i) be duly authorized, executed and delivered by Seller, (ii) be legal, valid and binding obligations of Seller, and (iii) not violate any provision of any agreement or judicial order to which Seller are a party or to which Seller are subject.

(c) *Leases.* From and after the Effective Date, the Seller shall not consent to or enter into any new lease, license or occupancy agreements or amend or modify any lease for the Property without the prior written consent of the Purchaser. There will be no leases, licenses or occupancy agreements that will remain in effect as of the date of closing affecting the Property.

(d) *Service Contracts.* There are no service contracts, management agreements or leasing agreements which presently, and solely affect the Property and not the Mt. Airy Apartments Parcel (the “Service Contracts”). From and after the Effective Date, the Seller shall not consent to or enter into any new Service Contract that solely affects the Property and not the Mt. Airy Apartments Parcel or without the prior written consent of the Purchaser.

(e) *Litigation.* There is no pending, or to the best of Seller’ knowledge, threatened claims, allegations or lawsuits with respect to the Property. Purchaser acknowledges and confirms that it has received noticed of the tragic drowning of Mason Kearns that occurred on July 31, 2025, on, about or adjacent to the Mt. Airy Apartments Parcel and that litigation, claims or lawsuits may ensue against the Seller.

(f) *Condemnation.* To Seller’ knowledge, there are no pending or threatened condemnation or eminent proceeding pertaining to the taking or possible taking of the Property.

11.2 Purchaser’s Representations. Purchaser represents and warrants to Seller that:

(a) Purchaser has the power and authority to execute and deliver this Agreement and to perform its obligations hereunder.

(b) The execution of this Agreement by Purchaser is the duly authorized and legally binding action of Purchaser, and upon execution hereof, Purchaser shall be bound by and subject to the terms and provisions of this Agreement. This Agreement, is the legal, valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms and does not violate any provision of any law, rule, regulation, agreement or judicial order to which Purchaser is a party or to which Purchaser is subject. All documents to be executed by Purchaser which are to be delivered at Closing, will, at the time of Closing, (i) be duly authorized, executed and delivered by Purchaser, (ii) be legal, valid and binding obligations of Purchaser, and (iii) not violate any provision of any law, rule, regulation, agreement or judicial order to which Purchaser is a party or to which Purchaser is subject.

(c) Neither Purchaser nor any person, group, entity or nation that Purchaser is acting, directly or indirectly, for or on behalf of, is named by any Executive Order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) or the United States Treasury Department as a terrorist, “Specially Designated National and Blocked Person,” or is otherwise a banned or blocked person, group, entity, or nation pursuant to any law that is enforced or administered by the Office of Foreign Assets Control, and Purchaser is not engaging in this transaction, directly or indirectly, on behalf of, or instigating or facilitating this transaction, directly or indirectly, on behalf of, any such person, group, entity or nation. Purchaser is not engaging in this transaction, directly or indirectly, in violation of any laws relating to drug trafficking, money laundering or predicate crimes to money laundering. None of the funds of Purchaser have been or will be derived from any unlawful activity with the result that the investment of direct or indirect equity owners in Purchaser is prohibited by law or that the transaction or this Agreement is or will be in violation of law. Purchaser has and will continue to implement procedures, and has consistently and will continue to consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times prior to Closing.

Article 12
Casualty or Condemnation

In the event prior to the Closing of (a) material damage or material casualty to all or any portion of the Property, or (b) a condemnation or other taking of all or any portion of the Property that materially reduces the value of the Property, then Seller shall notify Purchaser in writing of such event, and Purchaser shall have the option, to either: (i) terminate this Agreement in which event neither party shall have any further obligations or liabilities hereunder; or (ii) proceed with the Closing without reduction in the Purchase Price. In this Article 12, the term “material” or “materially” shall mean a thirty (30) percent reduction in the value of the Property. The parties hereto agree that the value of the Property shall equal the Purchase Price.

Article 13
Default/Remedy

13.1 Seller’ Default. In the event of a default by Seller occurring prior to Closing in the performance or observance of any of Seller’ duties or obligations herein and if Seller does not cure within a reasonable time (not to exceed ten (10) days, or, if such default is not curable within ten (10) days, then for such period of time as is needed to cure such violation as long as Seller diligently pursues such cure, but in no event longer than thirty (30) days) then Purchaser, at its option and as its sole remedies, may: terminate this Agreement by written notice to the Seller and receive a full refund of its deposit.

13.2 Purchaser Default. In the event of a default by Purchaser in the performance or observance of any of Purchaser’s duties or obligations herein contained, then Seller may exercise all legal and equitable remedies against Purchaser, including but not limited to forfeiture of the Deposit.

Article 14
Miscellaneous

14.1 Notices. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given (a) on the same date as the date on which such notice is delivered personally or sent by electronic mail, (b) on the date that is three business days after the date on which such notice is deposited in the United States mail, registered or certified mail, postage prepaid, return receipt requested, or (c) on the date that is one business days after the date on which such notice is sent by overnight courier services (such as Federal Express or any other national courier service), and, in each case, addressed as follows:

If to Purchaser: Town of Mount Airy, Maryland
 Jared Schumacher, Town Administrator
 110 S. Main Street
 Mt. Airy, MD 21777
 E-mail: jschumaker@mountairymd.org

With a copy to: Thomas V. McCarron, Esq., Town Attorney

Semmes, Bowen & Semmes
250 West Pratt Street
Suite 1900
Baltimore, MD 21201
E-mail: tmccarron@semmes.com

If to Seller: c/o Murugadoss Ramasamy & Jayabharathi Duraisamy
SH Watersville, LLC
P.O. Box 325
Uwchland, PA 19480

With copy to: Ariel Afrah, Esquire
Afra Law
3701 Old Court Road, Suite 21A
Baltimore, MD 21208
ariel@afrahlaw.com

14.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland.

14.3 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document.

14.4 Assignment. The terms and conditions of this Agreement shall be binding upon and inure to the benefit of Seller and Purchaser and their respective heirs, executors, administrators, legal representatives, successors and assigns. Purchaser shall be entitled to freely assign its rights hereunder to any person or entity in whole or in part owning or controlling, owned or controlled by, or under common control with Purchaser or its principals; provided, however, the assignor shall not be released from any and all of its obligations hereunder, and shall remain jointly and severally liable with any such assignee, provided further that the assignee of such rights agrees to be fully bound by the terms and conditions of this Agreement as if said assignee were the original signatory hereto and the Escrow Deposit shall continue to be in place pursuant to the terms of this Agreement..

14.5 Interpretation. Notwithstanding any rule of law to the contrary: (i) the fact that this Agreement was prepared by Purchaser's counsel as a matter of convenience shall have no import or significance, and any uncertainty or ambiguity in this Agreement shall not be construed against Purchaser because Purchaser's counsel prepared this Agreement; and (ii) no deletions from prior drafts of this Agreement shall be construed to create the opposite intent of the deleted provisions.

14.6 Entire Agreement. This Agreement constitutes the sole and only agreement of the parties hereto and supersedes any prior understanding or written or oral agreements between the parties respecting the within subject matter, and may be amended only by a written instrument signed by both parties hereto.

14.7 Waiver of Jury Trial. SELLER AND PURCHASER ACKNOWLEDGE AND AGREE THAT THE TIME AND EXPENSE REQUIRED FOR TRIAL BY JURY EXCEED THE TIME AND EXPENSE REQUIRED FOR A BENCH TRIAL AND HEREBY WAIVE, TO THE EXTENT PERMITTED BY LAW, TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON, RELATED TO OR ARISING OUT OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. EACH PARTY RECOGNIZES AND AGREES THAT THE FOREGOING WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR IT TO ENTER INTO THIS AGREEMENT. EACH PARTY REPRESENTS AND WARRANTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

14.8 Time. Time is of the essence of this Agreement, provided that if any date upon which some action, notice or response is required of any party hereunder occurs on a weekend or national holiday, such action, notice or response shall not be required until the next succeeding business day.

14.9 Attorneys' Fees. If as a result of a default under this Agreement, either Seller or Purchaser employs an attorney to enforce its rights hereunder, the non-prevailing party in any such action shall reimburse the prevailing party for all reasonable attorneys' fees, court costs and other legal expenses incurred by the prevailing party in connection with the default.

[Signatures appear on next page]

IN WITNESS WHEREOF, this Agreement has been executed under seal by the parties hereto as of the date first above written.

WITNESS:

SELLER:

SH WATERSVILLE LLC

By: _____
Murugadoss Ramasamy, Member

By: _____
Jayabharathi Duraisamy, Member

WITNESS:

PURCHASER:

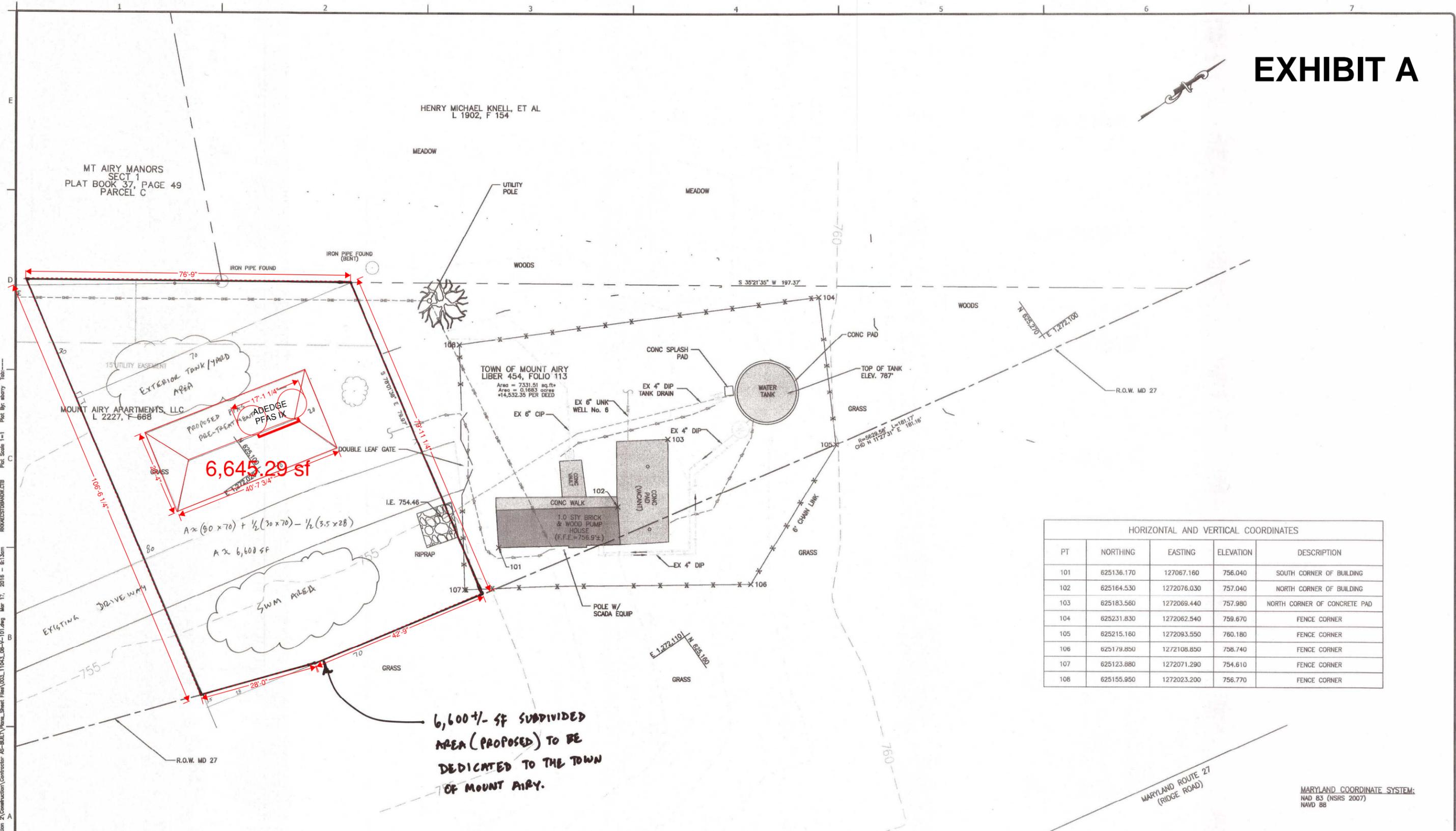
TOWN OF MOUNT AIRY, a municipal corporation organized under the laws of the State of Maryland

By: _____
Larry Hushour, Mayor, the Town of Mount Airy

EXHIBIT A

Description/Depiction of the Property – 0.1515 acres +/-

EXHIBIT A



HORIZONTAL AND VERTICAL COORDINATES				
PT	NORTHING	EASTING	ELEVATION	DESCRIPTION
101	625136.170	127067.160	756.040	SOUTH CORNER OF BUILDING
102	625164.530	1272076.030	757.040	NORTH CORNER OF BUILDING
103	625183.560	1272069.440	757.980	NORTH CORNER OF CONCRETE PAD
104	625231.830	1272062.540	759.670	FENCE CORNER
105	625215.160	1272093.550	760.180	FENCE CORNER
106	625179.850	1272108.850	758.740	FENCE CORNER
107	625123.880	1272071.290	754.610	FENCE CORNER
108	625155.950	1272023.200	756.770	FENCE CORNER

6,600 +/- SF SUBDIVIDED AREA (PROPOSED) TO BE DEDICATED TO THE TOWN OF MOUNT AIRY.

EXISTING SITE PLAN
SCALE: 1" = 10'

AS BUILT

THE ORIGINAL MYLAR HAS BEEN REPLACED WITH THIS AS-BUILT MYLAR

UTILITY LOCATION
BY: A/I/DATA
DATE: MARCH 10, 2013

SURVEY INFORMATION
BY: RUMMEL, KLEPPER & KAHL, LLP.
DATE: MARCH 23, 2013

MARYLAND COORDINATE SYSTEM:
NAD 83 (NSRS 2007)
NAVD 88



NO.	REVISION	DATE	BY	APP.
8	SITE / PAVING / ELECTRICAL REV	04/24/15	WJG	JCM
7	MECHANICAL / ELECTRICAL REV	02/05/15	WJG	JCM
6	ISSUED FOR CONSTRUCTION - REVISED	01/09/15	WJG	JCM
5	ISSUED FOR PERMIT	11/19/14	WJG	JCM
4	ISSUED FOR CONSTRUCTION	09/19/14	WJG	JCM
3	ADDENDUM NO. 3	08/19/14	WJG	JCM
2	ADDENDUM NO. 2	08/13/14	WJG	JCM
1	ADDENDUM NO. 1	08/05/14	WJG	JCM
0	ISSUED FOR BID	07/22/14	WJG	JCM

MICHAEL W. MYERS, P.E.		
DESIGN	WJG	
CHECKED	JCM	
DATE	JULY, 2014	
P.E. NAME	DATE	

PROFESSIONAL CERTIFICATION
I HEREBY CERTIFY THAT THESE DOCUMENTS WERE PREPARED OR APPROVED BY ME, AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MARYLAND.
LICENSE NO. 19546
EXPIRATION DATE: 2/18/2016

RK&K
RUMMEL, KLEPPER & KAHL, LLP
81 MOSHER ST. • BALTIMORE, MARYLAND 21217 • 410.728.2900

CLIENT & PROJECT
TOWN OF MOUNT AIRY
110 SOUTH MAIN STREET
MOUNT AIRY, MARYLAND 21771
WATER STATION No. 2 UPGRADE
MOUNT AIRY, CARROLL COUNTY, MARYLAND
CONTRACT NO. 2014-MA-W-020

TITLE EXISTING SITE PLAN		DRG. NO. V-101
SCALE 1" = 10'		
PROJECT NO. 11043.08	SHEET NO. 003 OF 024	REV.

DRILL HOLES
 Plot Scale 1"=1' 100'-0" 100'-0" 100'-0"
 R04A525D84ND07.CTB
 Mar 17, 2016 - 8:13am
 AS-BUILT (Perma-Shell File) 003_11043_08-W-020.dwg
 Contractor AS-BUILT (Perma-Shell File) 003_11043_08-W-020.dwg
 Station Water Station 2 Upgrade