

COUNCIL OF THE CITY OF ABERDEEN
Ordinance No. 23-O-10

Date Introduced: August 14, 2023

Sponsored By: Council President Hiob, Councilwoman Landbeck
Councilman Lindecamp, Councilwoman Ridgley

Public Hearing: August 28, 2023

Date Adopted: September 11, 2023

Date Effective: October 2, 2023

AN ORDINANCE concerning

22 N. Howard Street Property Purchase

FOR the purpose of authorizing and approving a certain Agreement of Sale for the City's purchase of 4,521 square feet of land, more or less, as improved, known as 22 N. Howard Street in the City of Aberdeen; ratifying, confirming and validating the Mayor's execution and delivery of the Agreement of Sale and authorizing the Mayor to execute other closing documents on behalf of the City; ratifying, confirming and validating the acquisition of such property; and generally related to the City's acquisition of property on N. Howard Street.

EXPLANATORY STATEMENT: The City has the opportunity to purchase, for the sum of Two Hundred Twenty Thousand Dollars (\$220,000.00), the improved real property located in the Second Election District of Harford County, Maryland, known as 22 N. Howard Street, Aberdeen, Maryland, comprising 4,521 square feet of land, more or less, identified as Parcel 1022 on Tax Map 205 (Property Tax Account No. 02-019016), and more particularly described in a Deed dated July 7, 2022, recorded among the Land Records of Harford County, Maryland, in Liber 15587, folio 165 (the "Property").

The owner of the Property, Commercial Building BEHB Holdings LLC, presented the City with a signed Agreement of Sale ("Agreement of Sale"), a copy of which is attached to this Ordinance as Exhibit 1 and incorporated by reference, which Agreement of Sale was signed by the Mayor on April 26, 2023. Settlement on the purchase of the Property is pending approval of the purchase by the adoption of this Ordinance.

The City Council has determined that there is a public purpose for the purchase of the Property, the primary purpose being for the rehabilitation and redevelopment of a vacant and deteriorating commercial structure; that the terms and conditions of the Agreement of Sale are fair and reasonable; and that the acquisition of the Property will be in the public interest. Now, therefore,

1 **SECTION 1. BE IT ENACTED BY THE COUNCIL OF THE CITY OF**
2 **ABERDEEN**, that it hereby approves the Agreement of Sale and ratifies, confirms and validates
3 the Mayor's execution of the Agreement of Sale and authorizes the Mayor to execute all closing
4 documents reasonably necessary to effectuate the purchase of the Property by the City, and further
5 ratifies, confirms and validates the City's purchase of the Property.
6

7 **SECTION 2. BE IT FURTHER ENACTED BY THE COUNCIL OF THE CITY OF**
8 **ABERDEEN**, that this Ordinance shall become effective at the expiration of twenty (20) calendar
9 days following its adoption by the Council.

COUNCIL OF THE CITY OF ABERDEEN



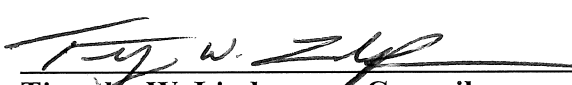
Patrick L. McGrady, Mayor



Adam M. Hiob, Council President



Sandra J. Landbeck, Councilwoman



Timothy W. Lindecamp, Councilman



Tandra A. Ridgley, Councilwoman

ATTEST:

SEAL:



Monica A. Correll, City Clerk

Date September 11, 2023

EXHIBIT 1
Agreement of Sale

DocuSign Envelope ID: 51391386-E5B6-4798-910A-8E537E0B09D1

AGREEMENT OF SALE

THIS AGREEMENT OF SALE ("Agreement") is made by and between COMMERCIAL BUILDING BEHB HOLDINGS, LLC, a Maryland limited liability company (collectively "Seller") and the CITY OF ABERDEEN, MARYLAND ("Buyer"). This Agreement is effective as of the latest date set forth under the signatures of Buyer and Seller below (the "Effective Date").

WITNESSETH:

For and in consideration of the mutual covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **SALE AND PURCHASE; INTENDED USE.** Subject to all terms, conditions, and covenants herein contained, Seller hereby agrees to sell to Buyer and Buyer hereby agrees to purchase from Seller all the improved real property known as 22 N. Howard Street, located in the City of Aberdeen, Harford County (the "County"), Maryland, and more particularly described as follows:

BEGINNING for the same at a point on the westerly side of Howard Street distant 167 feet northerly from the corner formed by the intersection of the westerly side of Howard Street and the northerly side of Walnut Alley; and running thence westerly parallel with Walnut Alley 143 feet and 10 inches to the center line of Cypress Alley; thence northerly parallel with Howard Street and binding on the center line of Cypress Alley 33 feet, thence easterly parallel with Walnut Alley 163 feet and 10 inches to the center line of Howard Street 33 feet; thence westerly 20 feet to the place of beginning. Being a part of Lot No. 22 in Block No. 1 as shown on a plat of the Lands of the Aberdeen Land and Improvement Company recorded among the Land Records of Harford County in Liber W.S.F. No. 88, folio 499. The improvements thereon being known as No. 22 N. Howard Street, Aberdeen, MD 21001 (Tax I.D. No. 02-019086); together with all rights of way or use, riparian rights, water rights, mineral rights, servitudes, easements, tenements, hereditaments, and appurtenances benefitting or belonging to the real property or in any way appertaining thereto (the "Property").

2. **PURCHASE PRICE FOR PROPERTY.**

2.1. **Purchase Price.** The purchase price ("Purchase Price") for the Property shall be Two Hundred Twenty Thousand Dollars (\$220,000.00).

2.2. **Deposit.** Within three (3) business days after the Effective Date, Buyer shall deliver to Liberty Real Estate Services ("Escrow Agent"), in certified or wired funds, as a good faith deposit securing performance of its obligations hereunder, the amount of Twenty Thousand Dollars (\$20,000.00), which amount is hereinafter referred to as the "Deposit". The Deposit shall be refundable if the Conditions precedent herein are not satisfied or waived in writing by the Buyer, subject, however, to provisions of Section 3.2 hereinafter set forth.

2.3. **Payment of Purchase Price.** At Closing hereunder, the Deposit shall be credited against the Purchase Price and Buyer shall pay the balance of the Purchase Price to Seller.

3. **DUE DILIGENCE PERIOD AND RIGHT OF ENTRY.**

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3.1. Due Diligence Period. Commencing on the Effective Date and continuing for a period of sixty (60) days (the "Due Diligence Period"), Buyer shall have the right to conduct a comprehensive investigation and evaluation all aspects of the Property and its suitability for Buyer's purposes, in such scope and detail as may be required by Buyer, in its sole opinion and at its sole expense, including, without limitation, (a) a study of the physical condition of the Property, (b) a determination as to the compliance of the Property with all applicable zoning, subdivision, environmental, and other governmental laws, rules and regulations, (c) an inspection to determine the presence or absence of hazardous materials on the Property or any other environmental problem, (d) the making of a survey of the Property, and (e) such other inspections and tests as Buyer may deem necessary or appropriate, (e) receipt and review of the Seller's documentation and profit and loss statements regarding the Property, and (f) a study and review of all costs related to any necessary remediation or rehabilitation to the Property.

3.2. Due Diligence Extension. In the event the Buyer determines it needs to extend the Due Diligence Period another thirty (30) days, then the sum of Five Thousand Dollars (\$5,000.00) of the Deposit paid shall become non-refundable, and the balance of the Deposit shall remain refundable in accordance with the terms and conditions hereof.

3.3. Right of Entry. Commencing on the Effective Date and continuing until Closing or the termination of this Agreement, Buyer shall have the right to enter the Property with personnel and materials at any time, and from time to time, to make such inspections, surveys, engineering studies, tests, and other studies as Buyer may deem reasonably necessary or appropriate. Buyer shall give Seller at least two (2) business days prior notice of any test Buyer intends to conduct and Seller shall have the right to have a representative on site during all such tests. Buyer may discuss the Property with such representatives and third parties, including tenants, lenders, and contractors, on a "need to know" basis only. If Closing does not occur for any reason, Buyer shall restore the Property to substantially the same condition as existed immediately before any test that result in a material alteration to the Property. Buyer shall indemnify, defend, and hold Seller harmless from and against any claim for personal injury or damage to property arising or resulting, directly or indirectly, from Buyer's entry onto the Property, excluding, however, pre-existing environmental claims or claims arising from the sole negligence or misconduct of Seller. Furthermore, Buyer shall keep the Property free and clear of any and all mechanics' liens or other third-party claims arising or resulting, directly or indirectly, from Buyer's entry onto the Property. Notwithstanding any other provision of this Agreement, (a) Buyer's indemnification obligation under this Section 3.2 shall survive Closing or termination of this Agreement, as applicable, and (b) Buyer's restoration obligations under this Section shall survive termination of this Agreement.

3.4. Continuation or Termination of Agreement. Unless Buyer gives Seller written notice of its election to terminate this Agreement on or before the expiration date of the Due Diligence Period, upon the expiration of the Due Diligence Period Buyer shall be deemed to have elected to continue with this Agreement and the Deposit shall be non-refundable except as otherwise expressly provided in this Agreement. If, however, Buyer delivers written notice of its election to terminate this Agreement on or before the expiration date of the Due Diligence Period, the Deposit shall be returned to the Buyer and this Agreement shall terminate with no further action by either party hereto, and the parties shall have no further obligations to each other except for those that expressly survive termination.

4. REPRESENTATIONS AND WARRANTIES OF SELLER AND BUYER.

4.1. Seller's Representations. Seller makes the following representations and warranties as of the Effective Date and as of the Closing Date (defined below):

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4.1.1. Title. Seller owns and has good and marketable fee simple title to the Property, free and clear of all liens and encumbrances, except for those matters recorded among the Land Records of the County prior to the Effective Date.

4.1.2. Violations. To the best of Seller's knowledge, there are no violations of any zoning, subdivision, health, land use or other laws, codes or regulations applicable to the Property.

4.2. Buyer's Representations. Buyer makes the following representations and warranties as of the Effective Date and as of the Closing Date:

4.2.1. Power and Authority. Buyer has the power and authority to enter into this Agreement. Should the Buyer assign its interest in and to this Agreement to a limited liability company then said company shall be a limited liability company, duly organized, validly existing, and in good standing under the laws of the State of Maryland and have the power and authority to enter into this Agreement and to purchase the Property. The persons who will execute the closing documents will have full power and authority to act on behalf of and to bind Buyer. Buyer will provide evidence of the power and authority of the person(s) acting on its behalf promptly upon request therefor from Seller.

4.2.2. Bankruptcy. No petition of bankruptcy or for the appointment of a receiver or trustee has been filed by or against Buyer, no insolvency proceeding has been commenced against Buyer, and Buyer has not failed generally to pay its debts as they come due.

4.2.3. Financial Capacity. Buyer has the financial capacity to obtain financing and purchase the Property.

5. TITLE.

5.1. Title to be Conveyed. Seller shall convey to Buyer at Closing good and marketable fee simple title to the Property, free and clear of all liens and encumbrances, except for Permitted Encumbrances (defined below).

5.2. Title and Survey Review. During the Due Diligence Period, Buyer shall have the right to obtain a report regarding the status of title to the Property from a licensed title insurance company of its choice and a survey of the Property from a licensed surveyor. If Buyer's title company reports title matters that are objectionable to Buyer, then Buyer shall give Seller written notice thereof no later than the expiration of the Due Diligence Period setting forth Buyer's objection to the condition of the title ("Buyer's Title Objections"). Seller shall then have five (5) days in which to give Buyer written notice of whether Seller will attempt to cure Buyer's Title Objections. If Seller elects to cure or remove any of Buyer's Title Objections, Seller shall have up to thirty (30) days after Seller's election to do so in which to cure such Title Objection. In the event Seller is unable to cure such Title Objection by the Closing Date, Buyer's sole remedy shall be to either terminate this Agreement or proceed to Closing and accept title to the Property with such Title Objections being deemed Permitted Encumbrances. In the event, after receipt of Buyer's Title Objections, the parties are unable to agree upon the Permitted Encumbrances, Buyer shall have the right to terminate this Agreement on or before the expiration date of the Due Diligence Period. If Buyer terminates this Agreement then, within five (5) days after the date of termination, Buyer shall deliver the Due Diligence Materials to Seller, which obligation shall survive termination of this Agreement. If Buyer elects to proceed to Closing under this Agreement then Buyer shall accept title to the Property subject to the Permitted Encumbrances. For purposes of this Agreement, the "Permitted Encumbrances" shall mean all instruments of record, including, without limitation, those exceptions listed in Buyer's title insurance commitment, excluding mortgages or deeds of trust or other liens securing indebtedness or evidencing judgments against Seller.

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6. CONDITIONS TO CLOSING.

6.1. Conditions to Buyer's Obligations. Buyer's obligation hereunder to complete Closing shall be conditioned upon the satisfaction (or Buyer's written waiver thereof) of each of the following conditions precedent (the "Buyer's Conditions to Closing"):

6.1.1. Title. Title to the Property shall be as set forth in Section 5, hereof, subject only to the Permitted Encumbrances.

6.1.2. Representations. Each of Seller's representations under the provisions of Section 4.1 shall be true and accurate as of the Closing Date in all material respects.

6.2. Conditions to Seller's Obligations. Seller's obligation hereunder to complete Closing shall be conditioned upon the satisfaction (or Seller's written waiver thereof) of each of the following conditions precedent (the "Seller's Conditions to Closing"):

6.2.1. Representations. Each of Buyer's representations under the provisions of Section 4.2 shall be true and accurate as of the Closing Date in all material respects.

6.2.2. Performance of Buyer's Obligations. Buyer shall have fully performed its obligations under this Agreement.

7. CLOSING. Subject to the conditions herein, settlement on the purchase of the Property ("Closing") shall occur within thirty (30) days after the latter to occur of (a) the expiration of the Due Diligence Period, or (b) the satisfaction of the Buyer's Conditions to Closing (the "Closing Date"). Buyer shall give Seller ten (10) days prior written notice of the date, time, and location of Closing which shall be held at the Offices of Getz Title Group, LLC, in Bel Air, MD.

7.1. Deliveries by Seller. At Closing, upon Buyer's payment of the Purchase Price for the Property, Seller shall execute and deliver the following to Buyer:

7.1.1. A special warranty deed with covenants against encumbrances and covenants of further assurances conveying to Buyer all of Seller's right, title and interest in and to the Property to Buyer or its designee, in fee simple in accordance with this Agreement;

7.1.2. A FIRPTA non-foreign person affidavit in a form acceptable to Buyer;

7.1.3. A Statement of Resident Entity in a form acceptable to Buyer;

7.1.4. Any other documents as are reasonably required to consummate the Closing.

7.2. Adjustments, Taxes, and Closing Costs.

7.2.1. Transfer and Recordation Taxes. All transfer and recordation taxes imposed upon the recordation of the deed to the Property, whether federal, state, county, or municipal taxes, shall be paid by Buyer.

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7.2.2. Real Estate Taxes and Water/Sewer Charges. All real estate taxes and water/sewer charges shall be apportioned as of the date of Closing and assumed and paid thereafter by Buyer.

7.2.3. Public or Private Charge Adjustments. All public, governmental, or private charges or assessments, general or special, against the Property which are or may be payable on an annual basis (including front foot benefit charges, assessments, liens or encumbrances for public or private improvements completed or commenced on or prior to the Effective Date, or subsequent thereto) shall be adjusted as of the date of Closing and assumed and paid thereafter by Buyer, whether assessments have been levied or not as of such date.

7.2.4. Rents and Security Deposits. All rents shall be apportioned as of the date of Closing. All Security Deposits shall be turned over to Buyer or credited to Buyer at Closing.

7.3. Buyers' Expenses of Closing. The cost of examination of the title, the title insurance covering the Buyer's interest in the Property as owner, or any lender's title insurance for the benefit of Buyer's lender, the tax or lien certificates, conveyance, notary fees and recording charges, and any other fees or charges assessed by Buyer's title insurance company, including, without limitation, settlement fees, shall be paid by Buyer, at its sole cost and expense.

8. CONDEMNATION. If, at or prior to Closing, all or a portion of the Property (i) shall be subject to or the object of a condemnation proceeding, or (ii) written notice of any such contemplated proceeding or offer is issued, or (iii) a proceeding is instituted by any governmental authority having the power of eminent domain, or (iv) an offer to purchase in lieu of condemnation is made to Seller, then, and in any of such events, Buyer shall have the right, at its sole option, to terminate this Agreement by written notice to Seller within ten (10) days after the date on which Seller notifies Buyer of any such event. If such notice is given within ten (10) days prior to the date designated for Closing, the Closing Date shall be extended so that Buyer will have the full ten (10) day period in which to make its election. If Buyer elects to terminate this Agreement, then provided Buyer delivers the Due Diligence Materials to Seller, the Escrow Agent shall return the Deposit to Buyer, whereupon the parties shall have no further obligations to each other except for those that expressly survive termination. If Buyer elects not to terminate this Agreement within such ten (10) day period, then the parties shall proceed to Closing without reduction of the Purchase Price and all proceeds (or Seller's right to such proceeds) with respect to such condemnation, notice, proceeding or offer shall be assigned to Buyer at Closing. Seller shall give Buyer prompt written notice of any such condemnation, notice, proceeding or offer.

9. RISK OF LOSS. The Seller assumes the risk of loss or damage to the Property by fire or other casualty prior to Closing. In the event of any destruction or damage to the Property prior to Closing, this Contract shall remain in full force and effect, in which case the Seller's interest in any insurance award relating to such destruction or damage shall be assigned to the Buyer.

10. DEFAULT.

10.1. Default by Buyer. In the event Buyer fails to perform or breaches any of its obligations hereunder, Seller shall be entitled to retain as fixed, agreed and liquidated damages and as Seller's sole remedy, the Deposit paid (or to be paid) by Buyer hereunder, whereupon this Agreement shall terminate and neither party shall have any further liability hereunder, except for any indemnities contained herein. The parties hereto agree that in the event of a default by Buyer, the actual damages thereby incurred by Seller would be difficult to measure and that the receipt of the Deposit by Seller would represent reasonable compensation to Seller on account of such default.

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10.2. Default by Seller. In the event Seller fails to perform or breaches any of its representations, warranties, covenants, or other obligations hereunder, Buyer's sole remedies shall be either to (i) terminate this Agreement and receive back its Deposit, or (ii) bring an action for specific performance. In the event Buyer does not file an action for specific performance with the Circuit Court of the County within sixty (60) days following the failure of Seller to cure the default within the cure period set forth in Section 10.3 below, Buyer shall be deemed to have waived its right to sue for specific performance and to have elected termination of this Agreement. In the event of a successful specific performance action by Buyer, the Purchase Price shall be paid to Seller at the time of the Closing as required herein, less a credit for the Deposit (if applicable) and all reasonable costs, fees and expenses to pursue the specific performance action. In the event of an unsuccessful specific performance action by Buyer, Seller shall be entitled to receive from Buyer its court costs and reasonable attorney's fees incurred in connection with its defense against such action. In no event whatsoever shall Seller be liable for compensatory, consequential, punitive or special damages.

10.3. Cure Period. Notwithstanding the provisions of Sections 10.1 and 10.2 above, no default by either party shall result in a termination or limitation of any rights of such party hereunder (and the other party shall not initiate any action or seek any remedies under this Agreement) unless and until the other party shall have notified the defaulting party in writing of said default, and the defaulting party shall have failed to cure said default within ten (10) business days after the receipt of said written notice.

11. AS-IS.

11.1. ACKNOWLEDGING BUYER'S OPPORTUNITY TO INSPECT THE PROPERTY, BUYER AGREES TO TAKE THE PROPERTY "AS IS", "WHERE IS", WITH ALL FAULTS AND CONDITIONS THEREON EXCEPT AS OTHERWISE PROVIDED HEREIN. ANY INFORMATION, REPORTS, STATEMENTS, DOCUMENTS OR RECORDS ("DISCLOSURES") PROVIDED OR MADE TO BUYER OR ITS CONSTITUENTS BY SELLER, ITS AGENTS OR EMPLOYEES CONCERNING THE CONDITION (INCLUDING, BUT NOT LIMITED TO, THE ENVIRONMENTAL CONDITION) OF THE PROPERTY SHALL NOT BE REPRESENTATIONS OR WARRANTIES, UNLESS SPECIFICALLY SET FORTH IN THIS AGREEMENT. BUYER SHALL NOT RELY ON SUCH DISCLOSURES, BUT RATHER, BUYER SHALL RELY ONLY ON ITS OWN INSPECTION OF THE PROPERTY. SUBJECT TO THE OTHER PROVISIONS OF THIS AGREEMENT, BUYER ACKNOWLEDGES THAT THE PURCHASE PRICE REFLECTS AND TAKES INTO ACCOUNT THAT THE PROPERTY IS BEING SOLD "AS IS".

11.2. BUYER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO (I) THE NATURE, QUALITY OR CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY, (II) THE INCOME TO BE DERIVED FROM THE PROPERTY, (III) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH BUYER MAY CONDUCT THEREON, (IV) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, (V) THE HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY, OR (VI) ANY OTHER MATTER WITH RESPECT TO THE PROPERTY. BUYER, ITS SUCCESSORS AND AUTHORIZED ASSIGNS, HEREBY WAIVE, RELEASE AND AGREE NOT TO MAKE ANY CLAIM OR BRING ANY COST RECOVERY ACTION OR CLAIM FOR CONTRIBUTION OR

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OTHER ACTION OR CLAIM AGAINST SELLER OR ITS AFFILIATES, DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, ATTORNEYS, OR ASSIGNS (COLLECTIVELY, "SELLER AND ITS AFFILIATES") BASED ON (1) ANY FEDERAL, STATE, OR LOCAL ENVIRONMENTAL OR HEALTH AND SAFETY LAW OR REGULATION, INCLUDING CERCLA OR ANY STATE EQUIVALENT, OR ANY SIMILAR LAW NOW EXISTING OR HEREAFTER ENACTED, (2) ANY DISCHARGE, DISPOSAL, RELEASE, OR ESCAPE OF ANY CHEMICAL, OR ANY MATERIAL WHATSOEVER, ON, AT, TO, OR FROM THE PROPERTY; OR (3) ANY ENVIRONMENTAL CONDITIONS WHATSOEVER ON, UNDER, OR IN THE VICINITY OF THE PROPERTY, EXCEPT THAT SUCH WAIVER SHALL NOT APPLY TO ANY INFORMATION INTENTIONALLY WITHHELD BY SELLER. NOTHING HEREIN, HOWEVER, SHALL CONSTITUTE A WAIVER OF SELLER'S REPRESENTATIONS OR WARRANTIES CONTAINED IN THIS AGREEMENT OR OF BUYER'S RIGHT TO REQUIRE THAT ALL CONDITIONS PRECEDENT BE SATISFIED AS A CONDITION TO BUYER'S OBLIGATION TO PROCEED TO ANY CLOSING HEREUNDER, UNLESS SUCH CONDITIONS PRECEDENT ARE WAIVED BY BUYER PROCEEDING TO CLOSING HEREUNDER.

11.3. BUYER REPRESENTS TO SELLER THAT BUYER HAS CONDUCTED, OR WILL CONDUCT PRIOR TO CLOSING, SUCH INVESTIGATIONS OF THE PROPERTY BEING PURCHASED AT SUCH CLOSING, INCLUDING, BUT NOT LIMITED TO, THE PHYSICAL AND ENVIRONMENTAL CONDITIONS THEREOF, AS BUYER 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 HAZARDOUS OR TOXIC SUBSTANCES ON OR DISCHARGED FROM THE PROPERTY, AND WILL RELY SOLELY UPON SAME AND NOT UPON ANY INFORMATION PROVIDED BY OR ON BEHALF OF SELLER OR ITS AGENTS OR EMPLOYEES WITH RESPECT THERETO. UPON CLOSING, BUYER SHALL ASSUME THE RISK THAT ADVERSE MATTERS, INCLUDING BUT NOT LIMITED TO, CONSTRUCTION DEFECTS AND ADVERSE PHYSICAL AND ENVIRONMENTAL CONDITIONS, MAY NOT HAVE BEEN REVEALED BY BUYER'S INVESTIGATIONS, AND BUYER, UPON CLOSING, SHALL BE DEEMED TO HAVE WAIVED, RELINQUISHED AND RELEASED SELLER (AND SELLER'S OFFICERS, DIRECTORS, OWNERS, EMPLOYEES AND AGENTS) FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, CAUSES OF ACTION (INCLUDING CAUSES OF ACTION IN TORT), LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES (INCLUDING ATTORNEYS' FEES) OF ANY AND EVERY KIND OR CHARACTER, WHICH BUYER MIGHT HAVE ASSERTED OR ALLEGED AGAINST SELLER (AND SELLER'S OFFICERS, DIRECTORS, OWNERS, EMPLOYEES AND AGENTS) AT ANY TIME BY REASON OF OR ARISING OUT OF ANY LATENT OR PATENT CONSTRUCTION DEFECTS OR PHYSICAL CONDITIONS, VIOLATIONS OF ANY APPLICABLE LAWS AND ANY AND ALL OTHER ACTS, OMISSIONS, EVENTS, CIRCUMSTANCES OR MATTERS REGARDING THE PORTION OF THE PROPERTY PURCHASED AT SUCH CLOSING.

11.4. BUYER, WITH BUYER'S COUNSEL, HAS FULLY REVIEWED THE DISCLAIMERS AND WAIVERS SET FORTH IN THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, IN THIS SECTION 12, AND UNDERSTANDS THEIR SIGNIFICANCE AND EFFECT. BUYER ACKNOWLEDGES AND AGREES THAT THE DISCLAIMERS AND OTHER AGREEMENTS SET FORTH IN THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, IN THIS SECTION 12, ARE AN INTEGRAL PART OF THIS AGREEMENT, AND THAT SELLER WOULD NOT HAVE AGREED TO SELL THE PROPERTY TO BUYER FOR THE PURCHASE PRICE WITHOUT THE DISCLAIMERS AND OTHER AGREEMENTS SET FORTH IN THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, IN THIS SECTION 12. THE TERMS AND CONDITIONS OF THIS SECTION 12 WILL EXPRESSLY SURVIVE THE CLOSING OR ANY

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TERMINATION OF THIS AGREEMENT AND WILL NOT MERGE WITH THE PROVISIONS OF THE DEED OR ANY CLOSING DOCUMENTS.

12. GENERAL PROVISIONS.

12.1. Entire Agreement. This Agreement constitutes the sole, final and entire agreement and understanding of the parties hereto and they shall not be bound by any terms, conditions, statements or representations, oral or written, not contained herein. This Agreement may not be changed orally, but only by an agreement in writing signed and executed by both parties to this Agreement.

12.2. Waivers. No exercise or waiver, in whole or in part, of any right or remedy provided for in this Agreement shall operate as a waiver of any other right or remedy, except as otherwise herein provided. No delay on the part of any party in the exercise of any right or remedy shall operate as a waiver thereof.

12.3. Notices. All notices required or permitted to be provided or furnished by either party to the other party shall be in writing and shall be delivered in person with signed receipt, by hand, by commercial overnight service delivery, or by United States certified mail, postage prepaid, return receipt requested. Notices may also be sent by facsimile or e-mail provided that a copy of such notice is sent by a commercial overnight delivery service on the date the e-mail or facsimile is sent, including a copy of the evidence of delivery of the e-mail or facsimile, whereupon such notice shall be deemed to have been given and received on the date sent. All notices shall be deemed to have been given and received on the date sent, if sent by hand; on the first business day after the date sent, if sent by a commercial overnight delivery service; and three (3) days after the date sent, if sent by United States certified mail, postage prepaid, return receipt requested. Notices to Seller shall be delivered to 214 N. Union Avenue, Havre de Grace, MD 21078. Notices to Buyer shall be delivered to 60 N. Parke Street, Aberdeen, MD 21001. Notices to Escrow Agent shall be delivered to _____.

12.4. Broker Fees and Commissions. Seller and Buyer hereby covenant and warrant to each other that neither has dealt with a broker or any other person who may be entitled to a commission or finder's fee arising out of the sale of the Property contemplated by this Agreement, except for A.J. Billig & Co. Auctioneers and Liberty Real Estate Services, who shall evenly split the total commission of Five Percent (5%) of the Purchase Price which shall be paid by Buyer (Buyer's Premium). Each party does hereby indemnify and hold harmless the other from and against any loss, claim, damage or liability, including court costs and reasonable attorney's fees, which the other may suffer, incur, or expend arising out of or in any way related to a claim by any person or entity other than these Brokers for commissions or fees in breach of this warranty.

12.5. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, all of which taken together, shall be deemed to be a single agreement.

12.6. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns. Buyer shall have the right to assign this Agreement, either directly or indirectly, to any other person or entity with Seller's consent, which consent may not be unreasonably withheld.

12.7. Time. Time is of the essence in the performance of all terms in this Agreement. If any time period designated herein expires on a Saturday, Sunday, or holiday, defined to mean a day when federal banks are not required to be open for business in Baltimore, Maryland, then such time period shall be extended to the next day that is not a Saturday, Sunday or holiday. The term "business

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day" as used herein shall mean any weekday on which federally insured banks are required to be open for business in Baltimore, Maryland.

12.8. Governing Law; Venue; and Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland without regard to principles of conflicts of law. The parties consent to the exclusive jurisdiction of any state or federal court in the State of Maryland. The parties agree that such venue is the most convenient forum for all parties and each party waives any objection to venue and any objection based on a more convenient forum in any action instituted pursuant to this Agreement.

12.9. WAIVER OF JURY TRIAL. THE PARTIES HERETO, FOR THEMSELVES AND THEIR RESPECTIVE HEIRS, PERSONAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS, HEREBY IRREVOCABLY WAIVE ANY AND ALL RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY LAWSUIT, ACTION, PROCEEDING, COUNTER-CLAIM OR OTHER LITIGATION BASED UPON OR ARISING OUT OF OR OTHERWISE RELATING TO THIS AGREEMENT AND THE TRANSACTIONS DESCRIBED HEREIN. THE PARTIES FURTHER AGREE THAT THEY SHALL NOT SEEK TO CONSOLIDATE ANY SUCH LAWSUIT, ACTION, PROCEEDING, COUNTER-CLAIM OR OTHER LITIGATION PROCEDURE ARISING WITH RESPECT TO THIS AGREEMENT OR THE TRANSACTIONS DESCRIBED HEREIN WITH ANY PROCEEDING IN WHICH TRIAL BY JURY HAS NOT BEEN WAIVED.

12.10. Headings. The headings set forth at the beginning of each of the sections of this Agreement are inserted for convenience of reference only, and do not form a part of this Agreement or limit, expand, or otherwise change the meaning of any provision of this Agreement.

12.11. Representation by Counsel. Both parties to this Agreement have been represented by counsel or have had an opportunity to be represented and all provisions of this Agreement have been fully negotiated. No provision shall be interpreted against either party merely because such provision was drafted by such party or such party's counsel.

12.12. Partial Invalidity. If any provision of this Agreement shall for any reason be held invalid or unenforceable by any court, governmental agency or arbitrator of competent jurisdiction, such invalidity or unenforceability shall not affect any other provision, and this Agreement shall be construed as if such invalid or unenforceable provision had never been contained herein.

12.13. Survival. All representation and warranties contained in this Agreement shall not survive Closing and delivery of a deed to the Property.

12.14. Prevailing Party. In addition to the remedies set forth in this Agreement, in the event suit is brought by either party for a breach of any provision of this Agreement, then the prevailing party in the suit is entitled to recover from the other party all costs and expenses incurred, including attorneys' fees.

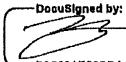
12.15. Escrow Agent. By its execution of this Agreement below, Escrow Agent agrees to perform its obligations contained in this Agreement. If a dispute arises between Seller and Buyer as to whether, when or to whom the Deposit is to be disbursed by Escrow Agent, Escrow Agent may, in the exercise of its sole discretion, in lieu of disbursing the Deposit to a party hereto, deliver the Deposit to the Clerk of the Circuit Court for the County or any other court having jurisdiction over disputes between the parties hereto with respect to this Agreement, under such interpleader action or other legal or equitable proceeding as Escrow Agent deems appropriate, pending a resolution of such dispute by such Court, in which event Escrow Agent shall have no further obligation hereunder with respect to the Deposit or

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otherwise. Escrow Agent shall have no personal liability on account of its duties hereunder in the absence of negligence, fraud or willful misconduct on its part. Buyer and Seller shall share equally the cost, if any, incurred by Escrow Agent in performing its duties hereunder (except that if any such interpleader or other proceeding is initiated in any such court by Escrow Agent or any party hereto to determine, *inter alia*, to whom Escrow Agent is to deliver the Deposit, then all of the attorneys' fees and other costs incurred by Escrow Agent in connection with such suit shall be paid (a) by Seller, if such court determines that Buyer is entitled to the Deposit, or (b) by Buyer, if such court determines that Seller is entitled to the Deposit). Escrow Agent shall not be entitled to a fee for such performance.

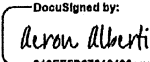
IN WITNESS WHEREOF, the parties have executed this Agreement of Sale, intending to create a binding agreement as of the Effective Date.

WITNESS:

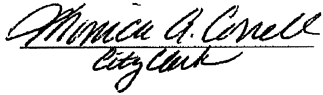
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SELLER:

COMMERCIAL BUILDING BEHB HOLDINGS, LLC

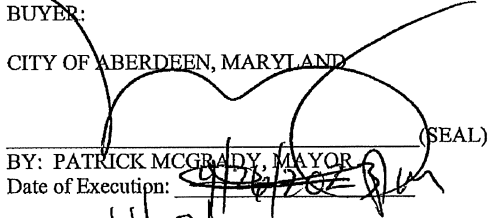
DocuSigned by:
 (SEAL)
BY: Aeron Alberti
Title: Member
Date of Execution: 4/25/2023

WITNESS:


City Clerk

BUYER:

CITY OF ABERDEEN, MARYLAND

 (SEAL)
BY: PATRICK MCGRADY, MAYOR
Date of Execution: 4/27/2023

JOINDER OF ESCROW AGENT

Escrow Agent joins in the execution of this Agreement to acknowledge and evidence its agreement to serve as Escrow Agent hereunder and to comply with the provisions of this Agreement as they apply to Escrow Agent. The signature of the Escrow Agent to this Joinder is not required to make this Agreement effective as between the parties.

WITNESS:

ESCROW AGENT:
LIBERTY REAL ESTATE SERVICES

By: _____ (SEAL)
Name: Daniel Lambros
Title: _____
Date: _____