



BERLIN MAYOR AND COUNCIL
Meeting Agenda

Berlin Town Hall
10 William Street
Monday, October 28, 2019

~~6:00 PM Updated Councilmember Dais Photo~~

6:30 PM EXECUTIVE SESSION – Conference Room

- a. Pursuant to Section §3-305(b)(14) Before a contract is awarded or bids are opened, to discuss a matter directly related to a negotiating strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process.

7:00 PM REGULAR SESSION – Council Chambers

1. Approval of the Minutes for:
 - a. Executive Session of 10/15/19
 - b. Statement of Closure for Executive Session of 10/15/19
 - c. Regular Session of 10/15/19
 - d. Executive Session of 10/23/19
 - e. Statement of Closure for Executive Session of 10/23/19
2. **A) Berlin Fire Company Presentation – President David Fitzgerald**

B) Application for Special Sunday Permit – Boggs Disharoon American Legion Post 123 for November 24, 2019
3. Stormwater Presentation – EA Engineering, Science, and Technology, Inc., PBC Darl Kolar, P.E., BCEE, MBA and Water Resources Director Jamey Latchum
4. Resolution 2019-07: I.G. Burton Annexation Agreement – William McAllister Esq., and Director of Operations Peter Renzi
 - a. Public Hearing
 - b. Action on Resolution 2019-07
5. Motion 2019-33 – Motion approving the contract to replace the Power Plant’s number two generator – Electric Utility Director Tim Lawrence
6. Departmental Reports
7. Town Administrator’s Report
8. Comments from the Mayor
9. Comments from the Council
10. Comments from the Public
11. Comments from the Press
12. Adjournment

Anyone having questions about the meetings mentioned above or needing special accommodations should contact Jeffrey Fleetwood, Managing Director at (410) 641-4002. Written materials in alternate formats for persons with disabilities are made available upon request. *TTY users dial 7-1-1 in the State of Maryland. TTY users outside Maryland dial 1-800-735-2258*



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BERLIN MAYOR AND COUNCIL
 Meeting Minutes
 Tuesday, October 15, 2019

7:00 PM REGULAR SESSION – Berlin Town Hall Council Chambers

Present: Mayor Gee Williams, Vice-President Elroy Brittingham, Councilmembers Zackery Tyndall, and Dean Burrell.

Absent: Councilmembers Thom Gulyas and Troy Purnell.

Staff Present: Acting Town Administrator/Managing Director/Public Works Director Jeff Fleetwood, Administrative Services Director Mary Bohlen, Finance Director Natalie Saleh, Water Resources Director Jamey Latchum, Police Chief Arnold Downing, Electric Utility Director Tim Lawrence, Economic and Community Development Director Ivy Wells, Town Attorney David Gaskill, and Town Clerk Kelsey Jensen.

Following the Lord’s Prayer and Pledge of Allegiance, Mayor Williams called the meeting to order at approximately 7:00 PM.

1. Approval of the Minutes for:

a. Executive Session of 09/23/19:

On the motion of Vice-President Brittingham, the Executive Session minutes of September 23, 2019 were approved by the following vote:

Name	Counted toward Quorum			Recused	Absent
	Aye	No	Abstain		
Elroy Brittingham, VP	X				
Dean Burrell	X				
Troy Purnell					X
Thom Gulyas					X
Zackery Tyndall	X				
<i>Voting Tally</i>	3				2

b. Statement of Closure for Executive Session of 09/23/19:

Mayor Williams read the Statement of Closure.

c. Regular Session of 09/23/19:

On the motion of Councilmember Tyndall, the Regular Session Minutes of September 23, 2019 were approved by the following vote:

Name	Counted toward Quorum			Recused	Absent
	Aye	No	Abstain		
Elroy Brittingham, VP	X				
Dean Burrell	X				
Troy Purnell					X
Thom Gulyas					X
Zackery Tyndall	X				
<i>Voting Tally</i>	3				2

2. Berlin Electric Department – American Municipal Power Transmission/Distribution Safety Commendation

Mayor Williams presented the award and congratulated the Electric Utility Director Tim Lawrence and the Electric Department on their safety efforts.

3. Special Event Request: Burley Street Party and Yard Sale, October 27, 2019 from 3pm-7pm

Resident Alyssa Maloof presented the information on her request. Residents of Burley Street Andrea Cannon and Nate Reister came in support of the request. Acting Town Administrator Jeffrey Fleetwood asked if they would only be needing barricades and trash cans; she said yes, along with recycling. Councilmember Burrell asked if all of the residents were in support of this event, she said she had about half of their signatures, but received a lot of verbal support as well. On the motion of Councilmember Tyndall, the Special Event Request was approved by the following vote:

Name	Counted toward Quorum			Recused	Absent
	Aye	No	Abstain		
Elroy Brittingham, VP	X				
Dean Burrell	X				
Troy Purnell					X
Thom Gulyas					X
Zackery Tyndall	X				
<i>Voting Tally</i>	3				2

4. Motions to Approve:

- a. Motion 2019-28: Motion approving the Agreement with Edward Hammond III to review all options cited in the Army Corps report and consult with him prior to project design as it affects his property

Mayor Williams explained the purpose of the Motion and the Memorandum of Understanding (MOU) with Mr. Hammond. Mr. Hammond said he hopes that the MOU will serve as a means of being a good neighbor and working together to address issues that need addressed in regard to the Bottle Branch waterway and easements on his property. Mayor Williams thanked him for his cooperation and said they hope to work together to create minimal environmental impacts.

On the motion of Vice-President Brittingham, Motion 2019-28 was approved by the following vote:

Name	Counted toward Quorum			Recused	Absent
	Aye	No	Abstain		
Elroy Brittingham, VP	X				
Dean Burrell	X				
Troy Purnell					X
Thom Gulyas					X
Zackery Tyndall	X				
<i>Voting Tally</i>	3				2

- b. Motion 2019-29: Motion approving park events and accepting the 2020 event schedule
 Economic and Community Development Director Ivy Wells went through the event dates and noted that Spring Celebration should be changed to 04/11/20 and they still do not have a date for Reggae Play Day, but it will be a Friday in May.

On the motion of Vice-President Brittingham, Motion 2019-29 was approved by the following vote:

Name	Counted toward Quorum	

	Aye	No	Abstain	Recused	Absent
Elroy Brittingham, VP	X				
Dean Burrell	X				
Troy Purnell					X
Thom Gulyas					X
Zackery Tyndall	X				
<i>Voting Tally</i>	3				2

- c. Motion 2019-30: Motion approving an exception to Ordinance 2011-11, Chapter 30-1 to allow the consumption of alcohol in non-glass containers within the designated areas during six specified 2020 special events

Economic and Community Development Director Ivy Wells explained the six alcohol permitted events and said they have not changed from the prior year.

On the motion of Vice-President Brittingham, Motion 2019-30 was approved by the following vote:

Name	Counted toward Quorum				
	Aye	No	Abstain	Recused	Absent
Elroy Brittingham, VP	X				
Dean Burrell	X				
Troy Purnell					X
Thom Gulyas					X
Zackery Tyndall	X				
<i>Voting Tally</i>	3				2

Ms. Wells also mentioned that the stage will be moving to run parallel to Main Street to allow access to the 11 businesses on South Main Street. She said the alcohol permit from the County has a boarder of the Welcome Center.

- d. Motion 2019-31: Motion approving the Mayor and Council Meetings and Town Holidays for calendar year 2020

Administrative Services Director Mary Bohlen said the dates are unchanged from the prior year holidays. Mayor Williams said they will likely cancel the second December meeting when it is closer; Councilmember Tyndall said he though they always removed that meeting so staff can spend time with their families around the holidays. Town Clerk Kelsey Jensen said she listened to last year's audio and Mayor Williams said they will always be cancelled if they fall between December 23rd and December 25th. Councilmember Tyndall said he believes the second meeting should be cancelled.

On the motion of Councilmember Tyndall, Motion 2019-31, with the exception of the second meeting in December, was approved by the following vote:

Name	Counted toward Quorum				
	Aye	No	Abstain	Recused	Absent
Elroy Brittingham, VP	X				
Dean Burrell	X				
Troy Purnell					X
Thom Gulyas					X
Zackery Tyndall	X				
<i>Voting Tally</i>	3				2

- e. Motion 2019-32: Motion approving the Police Chief's Recommendations to Limit Parking on Washington Street

Mayor Williams explained the fire situation on Washington Street this summer. He asked Chief Downing to assess the roadways and make a recommendation on parking. Chief Downing said SHA suggests having 12 feet of navigable roadway and Washington Street only has seven feet when vehicles are parked there. Chief Downing recommended that there be no parking enforced on the southside of Washington Street and no parking at all on Grace Street. Councilmember Tyndall asked how it would be enforced. Chief Downing said with signage and red curbing. Councilmember Tyndall said he would like the corners of the adjacent streets to be no parking as well to allow for more turning radius.

On the motion of Councilmember Tyndall, Motion 2019-32 was approved by the following vote:

Name	Counted toward Quorum			Recused	Absent
	Aye	No	Abstain		
Elroy Brittingham, VP	X				
Dean Burrell	X				
Troy Purnell					X
Thom Gulyas					X
Zackery Tyndall	X				
<i>Voting Tally</i>	3				2

5. Departmental Reports:

a. Finance Director – Natalie Saleh

Ms. Saleh said she has the draft financial reports and is trying to set up a meeting time with PKS to go over them. She is hoping they will be able to make their audit presentation by the last meeting in November. She also said they will be doing their annual energy assistance mailings which are matched by the Town up to \$10,000, then given to ShoreUp to distribute back to those applicants in need who live in Berlin. Vice-President Brittingham thanked the Town on behalf of ShoreUp for their involvement in the program.

b. Administrative Services Director – Mary Bohlen

Ms. Bohlen said they will be shifting districts three and fours polling place from the Multipurpose Building to the Police Department for the 2020 election.

c. Water Resources Director – Jamey Latchum

Mr. Latchum said they are hoping to begin the Graham Avenue Submerged Gravel Wetlands Project by next week and should finish within a week. Acting Town Administrator Jeff Fleetwood said they have a 90-day completion window.

d. Electric Utility Director – Tim Lawrence

Mr. Lawrence thanked everyone for their participation with Touch-a-truck, it was a success. He said they have been doing some maintenance in the shop, but the main thing has been working on the generator. The temporary generator should be here by the end of November and will be installed at no cost to the Town.

e. Economic and Community Development Director – Ivy Wells

Ms. Wells said she received a \$10,000 non-matching grant for new trashcans, recycling bins, and cigarette butt containers on Main Street. Una Bella Salute received a grant to purchase a portable ADA accessible ramp. They are still hunting for a Christmas tree and are looking for one that is larger than 14ft tall. Lastly, she reminded everyone about Oktoberfest this weekend.

f. Police Chief – Arnold Downing

Chief Downing said they have been busy with events. Touch-a-truck was on the same day as Seagull Century and both were a huge success. He thanked SonRise Church for cleaning the Police

Department area and the faith based community for all they do in supporting the community. Mayor Williams asked if the Chief would be able to send them a letter thanking them; he said he would. Lastly, he thanked Larnet for a successful cruisers event.

6. Acting Town Administrator/ Managing Director/ Public Works Director’s Report:

Mr. Fleetwood reported that the previous Town Administrator’s contract ran from January 2017 through June 2021. Her severance package included three months pay and payout for vacation and sick leave which came out to \$68,048.89. Mayor Williams said there have been a lot of calls inquiring about this and rumors about how much was paid out so they wanted to be open with the public. He stated that Heron Park is still temporarily closed, but there is a Request for Proposal out for a scaled down clean up and they hope to move forward on that by the end of November. He also mentioned that the Purchase Power Agreement has been signed and will go into effect on January 1, 2021 and gave examples of how it would affect residents and businesses. Mayor Williams said it has gone down each time we have signed which is a huge plus for the Town. He reported that the controlled burn on Flower Street is still set to take place by the end of the month. Lastly, Mike Williams is retiring and there will be a retirement celebration for him on Thursday, October 24, 2019 in Town Hall, all are welcomed.

7. Comments from the Mayor: none.

8. Comments from the Council: Vice-President Brittingham thanked Mr. Lawrence for a great Touch-a-truck event.

9. Comments from the Public: Resident and Business Owner Ruth Koontz asked why the request to move the stage to be across from the Welcome Center cannot be approved. Mayor Williams said they discussed it with the Police Chief, and it would require the street to be closed to Tripoli which would majorly impact traffic in the area. He suggested trying it the way Ms. Wells has suggested and seeing if that helps the South-end businesses. Ms. Koontz Said she does not want to see it moved back after Oktoberfest, she hopes the new layout remains for all events.

10. Comments from the Press: none.

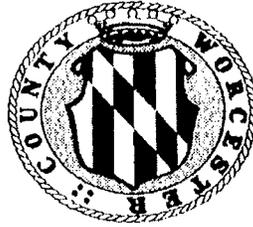
11. Adjournment:

On the motion of Councilmember Burrell, the Mayor and Council meeting was adjourned at approximately 8:00PM.

Name	Counted toward Quorum			Recused	Absent
	Aye	No	Abstain		
Elroy Brittingham, VP	X				
Dean Burrell	X				
Troy Purnell					X
Thom Gulyas					X
Zackery Tyndall	X				
<i>Voting Tally</i>	3				2

Respectfully Submitted,

 Kelsey Jensen
 Town Clerk



BOARD OF LICENSE COMMISSIONERS
FOR WORCESTER COUNTY

ATTN: APRIL PAYNE, LIQUOR LICENSE ADMINISTRATOR
WORCESTER COUNTY GOVERNMENT CENTER
ONE WEST MARKET STREET - ROOM 1201
SNOW HILL, MARYLAND 21863
PHONE: 410-632-1908, EXTENSION 1120
e-mail: apayne@co.worcester.md.us

APPLICATION FOR SPECIAL SUNDAY PERMIT

TO BONA FIDE CONVENTIONS AND SUCH OTHER SPECIAL GROUPS
UNDER THE PROVISIONS OF THE ACTS OF THE GENERAL ASSEMBLY OF
MARYLAND AT ITS 1967 SESSION

Date of Application: _____

Name of Applicant: Boggs Disharoon American Legion Post 123

Address of Applicant: 10111 Old Ocean City Blvd. Berlin, Md.

Telephone: 410-641-3760 E-Mail: _____

Class and Number of License now held: One Class C

Location for which Permit is sought: Same address

Election District No.: Six

Convention or Group for which Permit sought: District Meeting

Date for which Permit sought: 11-24-19

If within incorporated town, has Mayor & Council approved issuance of Permit? Yes

FEE: \$100 per day

APPROVAL MAYOR & CITY COUNCIL

SIGNATURE OF APPLICANT

Vincent J. Holloway Jr.

ANNEXATION AND DEVELOPMENT AGREEMENT

THIS ANNEXATION AND DEVELOPMENT AGREEMENT (this "Agreement") is made on this _____ day of _____, 2019, by the MAYOR AND COUNCIL OF BERLIN, a Maryland Municipal Corporation (hereinafter, the "Town") and ACORN BERLIN LOT, LLC, a Delaware limited liability company ("Acorn Lot"), and ACORN BERLIN CHEVY, LLC, a Delaware limited liability company ("Acorn Chevy")(collectively, Acorn Lot and Acorn Chevy are referred to herein as the "Owners").

RECITALS

WHEREAS, the Town is a Municipal Corporation authorized to enter into this Agreement pursuant to the Charter and Code of the Town and the Local Government Article of the Annotated Code of Maryland.

WHEREAS, the Owners are the fee simple owners of those certain parcels of land identified as Worcester County Tax Map 25, Parcel 395 ("Parcel 395") and Parcel 86, Lots 3-13 ("Parcel 86"; Parcel 395 and Parcel 86 are collectively referred to herein as the "Annexation Property") and will further acquire as a condition of this Annexation title to the portion of Barrett Road contiguous to the Annexation Property, which parcels and road are depicted on the plat entitled "IG Burton Dealership Berlin, Maryland", prepared by Davis, Bowen & Friedel, Inc., and dated September 24, 2018 (the "Annexation Plat"), attached hereto as **Exhibit A** and incorporated herein by reference, which said Plat is recorded among the Land Records of Worcester County, Maryland in Plat Book _____, page _____ and which said Annexation Property contains 6.095 acres of land, more or less.

WHEREAS, the Annexation Property is contiguous with and adjacent to the boundary of the Town. No registered voters reside within the Annexation Property.

WHEREAS, the Annexation Property is currently designated as a "Growth Area 2" pursuant to the Town of Berlin Comprehensive Plan (the "Plan"). The Plan specifies that the Town should seek to annex properties located in Growth Area 2. The annexation of the Annexation Property by the Town will not result in any enclaves of unincorporated land.

WHEREAS, the Town desires that its growth be in accordance with the goals and guiding principles outlined in the Town's Plan, all ordinances and regulations consistent therewith, and further desires that the impact of such growth be managed for the benefit of the Town and its citizens.

WHEREAS, Owners have petitioned the Town to annex the Annexation Property pursuant to an Annexation Petition (the "Petition") filed with the Town contemporaneously herewith, provided, however, that the Town shall agree to the future extension of public utilities and certain services to the Annexation Property, including access to the Town's water and sewer systems, all pursuant to the terms of this Agreement.

WHEREAS, Owners intend to continue to own and operate the automobile dealership currently located on the Annexation Property.

WHEREAS, the Town is willing to accomplish the annexation process and to submit the Annexation Resolution (the "Resolution") submitted with the Petition to a vote by the Town's Council (the "Council") and to a referendum of the Town's citizens if requested pursuant to applicable law, provided that the Owner agrees to adhere to the goals and guiding principles of the Town's Plan and the Town's lawful ordinances and regulations.

WHEREAS, Worcester County has conditioned its approval of the Annexation on the conveyance by the County of all right, title and interest in and responsibility for maintenance of the portion of Barrett Road contiguous to and located within the Annexation Property.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties do hereby agree as follows:

1. Recitals. The Recitals are hereby incorporated into this Agreement and form a part hereof, and such provisions accurately reflect the facts therein recited and the intention of the parties.

2. Petition. To effectuate the annexation of the Annexation Property, the Owners have executed and submitted the Petition to the Mayor of the Town. The Owners, with respect to their separate parcels constituting the Annexation Property, are the persons eligible to sign the Petition. Acorn Lot owns One Hundred Percent (100%) of the assessed value of Parcel 395; Acorn Chevy owns One Hundred Percent (100%) of the assessed value of Parcel 86.

3. Annexation. Upon the execution of this Agreement (the Petition and all other required documents having been submitted prior to or contemporaneously herewith), the Town will introduce the Annexation Resolution for public hearing and consideration in accordance with the procedures set forth under the Annotated Code of Maryland and the Town Code.

4. Zoning Upon Annexation.

4.1. The Annexation Property is currently zoned C-2 commercial under the Worcester County, Maryland zoning ordinance. Upon annexation into the Town and with the consent of the Worcester County, Maryland Commissioners, to the extent required by applicable law, the Annexation Property shall be zoned B-2 Shopping District pursuant to Chapter 108, "Zoning" of the Town Code. The Annexation Property shall not be included in the Town's Enterprise Zone.

4.2 The parties agree that all existing land uses within the Annexation Property, whether permitted uses, accessory uses, non-conforming uses, or special exception uses, currently made in, or upon the Annexation Property, may continue subject to appropriate zoning regulations and the parties agree to cooperate to ensure that the operations on the Annexation Property as currently conducted shall not be affected by the annexation.

5. Development of the Annexation Property. The Owners intend to use, maintain and operate an automobile dealership as currently located on the Annexation Property. The Owners further intend to continue to utilize the same general size, configuration and location of improvements as currently exist on the Annexation Property. The Owners do not intend to

initiate further or different development of the Annexation Property upon annexation by the Town. Any future development of the Annexation Property shall be subject to any necessary approvals, building permits, Town construction standards required by the Town and its Planning and Zoning Commission, and shall be undertaken in accordance with applicable law, including any requirements imposed by the Maryland State Highway Administration. The Owners shall be responsible for the costs associated with any upgrades required to the Town services necessary to accommodate extension to and service on the Annexation Property, and agree to establish and maintain an escrow account with the Town to pay engineering and staff review fees, as necessary and directed by the Town.

6. Development Design.

6.1. Owners agree to comply with any SHA requirements;

6.2. Owners will be sensitive to the Town's Victorian style and, when reasonably possible in the context of an automotive business, try to complement the architectural elements of the downtown area.

6.3. The Annexation Parcel is fully improved and operated by the Owners as an automobile dealership with uses ancillary to that business, and there are no existing current or future plans to convert the on-going business to a shopping center or any other non-automotive use.

7. Interior Facilities. All facilities located on or within the Annexation Property will be private:

- a. Water
- b. Sewer
- c. Stormwater
- d. Streets
- e. Sidewalks
- f. Lighting

8. Further Conditions upon Annexation. The annexation of the Annexation Property shall be made subject to the following terms and conditions:

8.1. Wastewater Service and Water; Stormwater. The Town has sufficient water and wastewater services available to serve the Annexed Property. Upon annexation, the Annexation Property shall be served with wastewater from the Town and treated water from the Town, provided, however, that the costs of connecting the Annexation Property to the foregoing Town services shall be paid for by the Owners.

8.1.1 The Town will assess and the Owners commit to pay "ready to serve" fees upon execution of this Agreement for treated water and seven (7) equivalent dwelling units ("EDUs") shall be allocated to the Annexation Property pursuant to this Agreement, the costs of which shall be assessed to Owners and allocated to the respective parcels of the Annexation Property based upon square footage of the existing commercial improvements

thereon. Owners may request and receive from the Town, if available and subject to approval of an allocation agreement with the Town, additional EDUs. The Owners agree for three (3) years not to request to transfer EDUs from other property they own.

8.1.2 The Annexation Property shall be subject to the Town's ordinances and regulations with respect to stormwater management and shall not use stormwater for irrigation or any unlawful purpose.

8.2. Wells and Septic. Upon satisfactorily connecting to the Town wastewater and treated water services, Owners shall abandon the septic systems and cap wells currently serving the Annexation Property in accordance with federal, state, county and Town laws and ordinances, including the Town's Wellhead Protection program as set forth under Article V, Chapter 30 of the Town Code.

8.3. User Fees. Upon annexation, Owners shall be charged all ordinary and standard user fees for water, stormwater, front foot assessments, impact fees and building permits.

8.4. Property Taxes. The Annexation Property shall, upon annexation, be subject to the payment of taxes, real and personal, and shall further be subject to a lien for the nonpayment thereof, in the same manner and at the same rate as properties now within the existing Town limits. Such taxes shall become due and payable within ninety (90) days from the effective date of the annexation. Commencing with the fiscal year beginning July 1, 2019, all such taxes shall be billed and collected in the same manner as all other taxes in the Town of Berlin. The real estate property taxes generated from the Annexation Property shall be consistent with and calculated based upon the applicable State Department of Assessments and Taxation assessments related to the Annexation Property, copies of which are attached.

8.5. Other Rights and Services. The Annexation Property shall benefit from police services of the Berlin Police Department. If in the future any part of the Annexation Property is used for residential purposes, persons residing thereon shall have the right to vote in all general and special Town elections, subject to the same requirements applicable to all voters, in the Town.

8.6. Limitation on Services. Upon annexation, the Town shall not be obligated to provide garbage services or snow removal to or for the benefit of the Annexation Property. Owners shall be obligated to pay for and provide regular trash collection in a manner consistent with the Town Code.

8.7. Barrett Road. The Owners agree to accept from Worcester County all of Worcester County's right, title and interest in the portion of Barrett Road contiguous to and located within the Annexation Property, as more particularly described in Exhibit B.

9. Conditions Precedent to Annexation. This Annexation Agreement is contingent in its entirety upon the following conditions precedent: (i) zoning approval as set forth in Section 4 hereof; and, (ii) the successful and final annexation of the Annexation Property into the Town. The annexation will not become effective until the referendum period has expired, and if

applicable, all referenda have been resolved in favor of the annexation. If the foregoing conditions precedent are not timely satisfied, this Agreement shall automatically be deemed null and void and of no further force or effect.

10. Public Works Agreement and bonding. Owners acknowledge their obligation to construct any public infrastructure on-site as well as off-site, as necessary to accommodate the development of the Annexation Property. Owners recognize upgrades to conveyance, distribution and transmission systems may be required and agree to pay for such improvements, if any, necessitated by the development as specified in the Public Works Agreement. Owner shall be bound by a Town of Berlin Public Works Agreement and agrees that all public utilities shall be installed within a right of way or dedicated easement and constructed in accordance with Town standards and applicable regulations.

11. Mutual Assistance. The parties shall do all things reasonably necessary or appropriate to carry out and to expedite the terms and provisions of this Agreement and to aid and assist each other in carrying out the terms and provisions hereof and the intentions of the parties as reflected by said terms including, without limitation, the giving of such notices, the holding of such public hearings, the enactment by the Town of such resolutions and ordinances and the taking of such other actions as may be necessary to enable the parties' compliance with the terms and provisions of this Agreement and as may be necessary to give effect to the terms and objectives of this Agreement and the intentions of the parties as reflected by said terms.

12. Miscellaneous.

12.1 Unless lawfully terminated or cancelled, the Agreement shall be enforceable by either party to the Agreement or any party's successors in interest, in any court of competent jurisdiction, by any appropriate action or suit at law or in equity, to secure the performance of the covenants herein contained.

12.2 This Agreement and the rights and obligations of the parties hereunder shall be governed by the laws of the State of Maryland.

12.3 This Agreement and the provisions hereof may not be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

12.4 The terms of this Agreement shall be binding upon and shall inure to the benefit of the parties, any successor municipal authorities of the Town, successor owners of record of the Annexation Property, and the successors and assigns of the Owners. It is expressly understood and agreed that the Owners may assign their benefits, rights, duties and obligations hereunder either as part of the conveyance of the Annexation Property as an entirety or severally as part of the conveyances of portions of the Annexation Property. No provisions of this Agreement shall create any third-party beneficiary rights or other rights in any person or entity not a party hereto.

12.5 This Agreement shall be recorded among the Land Records of Worcester County, Maryland at the expense of the recording party. IN WITNESS WHEREOF, the parties have executed and sealed this Agreement as of the day and year first above written.

WITNESS/ATTEST:

MAYOR AND COUNCIL OF BERLIN

Elroy Brittingham, Vice President of Council

By: W. Gee Williams, III
Title: Mayor

ACORN BERLIN LOT, LLC

By: Peter Renzi
Title: Director

ACORN BERLIN CHEVY, LLC

By: Peter Renzi
Title: Director

STATE OF MARYLAND, WORCESTER COUNTY, to wit:

I HEREBY CERTIFY that on this ____ day of _____, 2019, before me, the undersigned Notary Public of the aforesaid State, personally appeared Elroy Brittingham, Vice President of Council and W.G. Williams, III, Mayor of the Town of Berlin, Maryland, known to me or satisfactorily proven to be the persons whose names are subscribed to the within instrument and acknowledged that they executed the same for the purposes therein contained and in the capacities therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

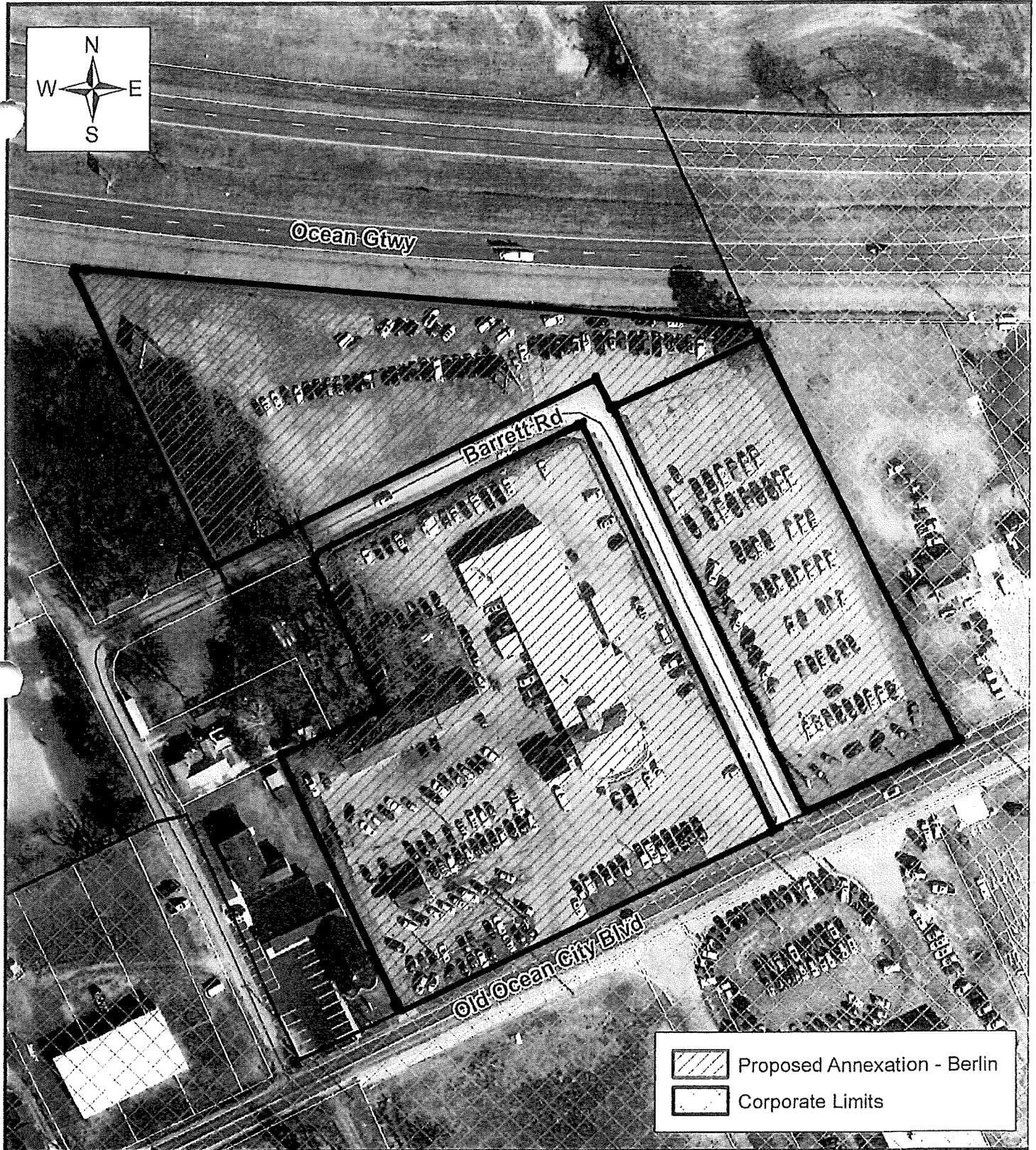
_____(SEAL)
Notary Public

STATE OF _____, CITY/COUNTY OF _____, to wit:

I HEREBY CERTIFY that on this ____ day of _____, 2019, before me, the undersigned Notary Public of the aforesaid State, personally appeared Pete Renzi, who acknowledged that he is the Authorized Director of Acorn Berlin Lot, LLC, a Delaware limited liability company and Acorn Berlin Chevy, LLC, a Delaware limited liability company, and that he, in the capacities as aforesaid and being authorized so to do, acknowledged that he signed, sealed and delivered this Annexation and Development Agreement as the authorized act of the Owners as set forth therein for the uses and purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

_____(SEAL)
Notary Public

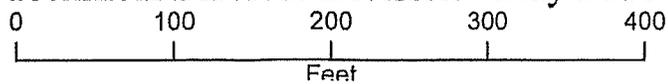


PROPOSED ANNEXATION - TOWN OF BERLIN

Tax Map 25, Parcel 395 and Parcel 86, Lots 3-13

DEPARTMENT OF DEVELOPMENT REVIEW & PERMITTING

Technical Services Division - May 2018



46

ANNEXATION RESOLUTION 2019-07

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF BERLIN, A MUNICIPAL CORPORATION OF THE STATE OF MARYLAND, PROPOSING THE ANNEXATION TO THE TOWN OF A CERTAIN AREA OF LAND SITUATE AND CONTIGUOUS TO AND ADJOINING UPON THE CORPORATE LIMITS OF THE TOWN OF BERLIN AND PROVIDING FOR THE CONDITIONS AND CIRCUMSTANCES APPLICABLE TO THE PROPOSED CHANGES IN THE BOUNDARY OF THE TOWN OF BERLIN.

WHEREAS, the Town of Berlin has received, in accordance with Section 4-401, *et seq.* of the Local Government Article of the Annotated Code of Maryland (the Code”), as amended, consent of the property owner of the land to be annexed, being contiguous to and adjoining upon the corporate limits of the Town of Berlin; and

WHEREAS, the Town of Berlin has furnished the affected property owner with its proposed “Terms and Conditions” of annexation as reflected in the Annexation and Development Agreement attached hereto as Exhibit “1” and incorporated herein by reference, which includes among other things the proposed provisions for the extension of municipal services to that area; and

WHEREAS, it is the intent of the Town of Berlin to comply with existing State law and to ensure there are no enclaves created with the current annexation; and

WHEREAS, it appears that the consents received meet all requirements of Maryland State Law under the Code, as amended;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Town of Berlin as follows:

SECTION A: It is hereby proposed and recommended that the boundaries of the Town of Berlin be changed so as to annex to, and include within said municipality, all that certain area of land, together with the improvements thereto, the property, contiguous to and adjoining upon the corporate limits of the Town of Berlin and more particularly described as follows:

Description of lands owned by Acorn Berlin Lot, LLC and Acorn Berlin Chevy LLC comprising a total of 6.0975 acres of land, more or less (“Annexation Property”) comprised of (i) Parcel 395 of Worcester County Tax Map 25 and (ii) Parcel 86, Lots 3-13 of Worcester County Tax Map 25 as shown on a plat entitled “IG BURTON DEALERSHIP BERLIN, MARYLAND” prepared

by Davis, Bowen & Friedel, Inc., and dated September 24, 2018 (“Annexation Plat”), which is Exhibit “A” to this Resolution.

SECTION B: Upon the effective date of annexation, all of the provisions of the Charter of the Town of Berlin and all Ordinances, Resolutions, Rules and Regulations of the Town of Berlin in effect on said date shall apply to the property in the area to be annexed except as herein modified.

SECTION C: The annexation of said area is made subject to the terms and conditions of the Annexation and Development Agreement and this Resolution as follows:

1. POLICE PROTECTION – Police services of the Berlin Police Department shall be extended into the annexed area immediately upon the effective date of annexation.
2. TRASH COLLECTION – Owner acknowledges its obligation to pay for and provide regular trash collection in a manner consistent with Berlin Maryland Code of Ordinance. Trash collection is available from commercial solid waste management providers.
3. WATER SERVICE – Town of Berlin currently has water service available to the area to be annexed.
 - (a) The property owner will be allocated and pay “ready to serve fees” for seven (7) EDU’s for the annexed property. Owner acknowledges that the payment of “ready to serve fees” guarantees access to that capacity. Owners may request and receive from the Town, if available and subject to approval of an allocation agreement with the Town, additional EDUs.
 - (b) All wells on the property must be abandoned and capped in accordance with the Town’s Wellhead Protection Program within six (6) months of annexation.
4. WASTEWATER SERVICE – The Town of Berlin currently has wastewater service available to the area to be annexed.
 - (a) The property owner will be allocated and pay “ready to serve fees” for seven (7) EDU’s the annexed property. Owner acknowledges that the payment of “ready to serve fees” guarantees access to that capacity. Owners may request and receive from the Town, if available and subject to approval of an allocation agreement with the Town, additional EDUs.

5. PAYMENT FOR EDU's – The property owner's payment for the cost of the equivalent Dwelling Units (EDU's) shall be subject to an Allocation Agreement(s) entered into between the Mayor and Council of the Town of Berlin and the Owner.

6. ZONING – The Annexed Property shall be zoned B-2 Shopping District under the Town of Berlin Zoning Ordinance, as identified on Exhibit "C" of the Annexation Agreement, and made a part of this document, with the consent of the Worcester County Commissioners.

7. VOTING RIGHTS – In the event that in the future, persons would reside in the annexed area, upon the effective date of annexation, those persons shall have the right to vote in all general and special elections of the Town of Berlin, subject to the same requirements applicable to all voters in the Town of Berlin.

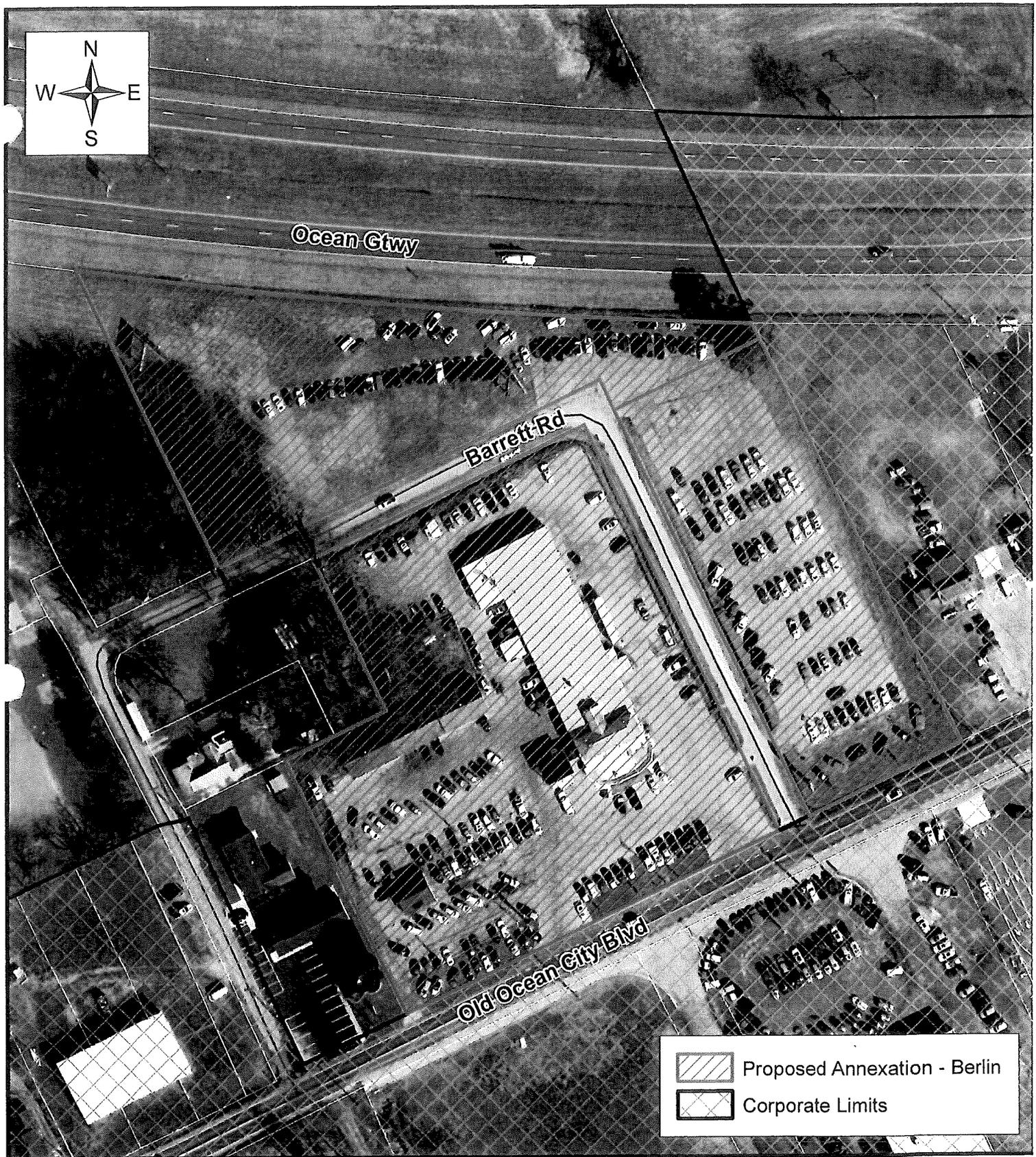
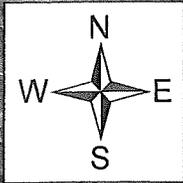
8. PROPERTY TAXES – All property in the newly annexed area shall upon the effective date of annexation be subject to the payments of taxes, real and personal, and shall further be subject to a lien for the nonpayment thereof, in the same manner and at the same rate as properties now within the existing Town limits are subject as of the effective date of this resolution. Such taxes shall become due and payable within ninety (90) days of annexation. Commencing with the fiscal year beginning July 1, 2019, all such taxes shall be billed and collected in the same manner as all other taxes in the Town of Berlin.

Adopted this ____ day of _____, 2019, by the Mayor and the Town of Berlin, Maryland, by affirmative vote of ____ to ____ opposed, with ____ abstaining.

Elroy Brittingham, Vice President of
Council

Adopted this ____ day of _____, 2019, by the Mayor and the Town of Berlin.

Wm. Gee Williams, III, Mayor

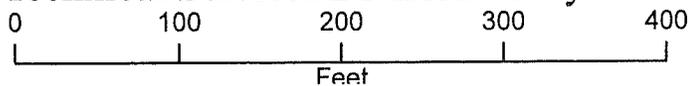


PROPOSED ANNEXATION - TOWN OF BERLIN

Tax Map 25, Parcel 395 and Parcel 86, Lots 3-13

DEPARTMENT OF DEVELOPMENT REVIEW & PERMITTING

Technical Services Division - May 2018



46

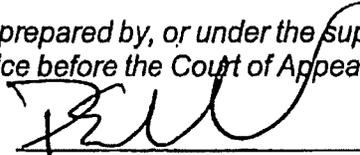
WORCESTER COUNTY CIRCUIT COURT (Land Records) SRB 7240, p. 0115, MSA_CE31_7416. Date available 06/29/2018. Printed 06/28/2019.

40
20
13,200
10,000

AFTER RECORDING, PLEASE RETURN TO:
Douglas S. Walker
McAllister, DeTar, Showalter & Walker, LLC
100 N. West Street
Easton, MD 21601

Tax Account No. 03-014347
WORCESTER COUNTY, MD

THIS IS TO CERTIFY that the within Deed was prepared by, or under the supervision of the undersigned, an Attorney duly admitted to practice before the Court of Appeals of Maryland.



Douglas S. Walker, Attorney

THIS DEED, made this 25th day of June, 2018, by and between **Mill Creek Real Estate Management Group, LLC, a Maryland limited liability company**, party of the first part, "Grantor"; and **Acorn Berlin Chevy LLC, a Delaware limited liability company**, party of the second part, "Grantee".

- WITNESSETH -

THAT IN CONSIDERATION of the sum of **Two Million Dollars (\$2,000,000.00)**, and other good, valuable and sufficient consideration, in hand paid, the receipt of which is hereby acknowledged, the said Grantor does grant and convey unto the said **Acorn Berlin Chevy LLC, a Delaware limited liability company**, its successors and assigns, in fee simple, all of the property located in Worcester County, Maryland and more particularly described as follows:

ALL that certain tract, piece or parcel of land lying and being situated in the Third Election District of Worcester County, Maryland being located on the Northerly side of and binding upon Old Ocean City Boulevard (MD Rt. 346) and being shown and described as all of Item One, containing 4.4029 acres, more or less, on a plat entitled ALTA/ASCM Land Title Survey of the Lands of The Barrett Chevrolet, Inc. & Barrett Brothers, LLC" made by Solutions Integrated Planning Engineering & Management, LLC dated January 7, 2015 and recorded among the Plat Records of Worcester County, Maryland in Plat Cabinet S.R.B. No. 241, Folio 25.

BEING a portion of the property conveyed unto Mill Creek Real Estate Management Group, LLC, a Maryland limited liability company, by Deed from Barrett Chevrolet, Inc., formerly known as the The Barrett Chevrolet, Inc., a

Maryland corporation and Barrett Brothers, L.L.C., a Maryland limited liability company, by Deed dated March 16, 2015, filed for record on March 18, 2015 among the Land Records of Worcester County, Maryland in Liber 6527, folio 001.

TOGETHER with the buildings and improvements thereon erected, made or being; and all and every, the rights, alleys, ways, waters, privileges, appurtenances, and advantages thereto belonging, or in anywise appertaining; **SUBJECT, HOWEVER,** to any covenants, conditions, restrictions and easements of record.

TO HAVE AND TO HOLD the said tract of ground and premises above described and mentioned, and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining unto and to the proper use and benefit of the said **Acorn Berlin Chevy LLC, a Delaware limited liability company,** its successors and assigns, in fee simple, forever.

AND the said party of the first part hereby covenants that it will warrant specially the property hereby granted; and that it will execute such further assurances of the same as may be requisite.

SIGNATURES TO APPEAR ON FOLLOWING PAGE

LR - Deed (w Taxes)
Recording Fee no CT 20.00
Name: mill creek/acorn
Ref:
LR - Surcharge - linked 40.00
LR - Recordation Tax - linked 13,200.00
LR - State Transfer Tax - linked 10,000.00
LR - NR Tax - lkd 0.00

SubTotal: 23,260.00

Total: 23,260.00
06/27/2018 12:59
CC23-RH
#10587504 CC0104 -
Worcester
County/CC01.04.02 -
Register 02

WORCESTER COUNTY CIRCUIT COURT (Land Records) SRB 7240, p. 0116, MSA_CE31_7416, Date available 06/29/2018. Printed 06/28/2019.

IN WITNESS WHEREOF, Grantor has caused this Deed to be properly executed and sealed on the day and year first above written.

Witness:

MILL CREEK REAL ESTATE MANAGEMENT GROUP, LLC,
a Maryland limited liability company




By: James M. Ehrler
Title: Sole Member
KENT

STATE OF Delaware COUNTY OF Kent, TO WIT:

I hereby certify that on this 25th day of June, 2018, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared James M. Ehrler, who acknowledged himself to be the (i) Sole Member of Mill Creek Real Estate Management Group, LLC, a Maryland limited liability company (the "LLC"), (ii) as such Sole Member, being authorized to do so, executed the same for and on behalf of the LLC in the capacity therein stated and for the purposes therein contained, and (iii) said instrument is the act of the LLC, giving oath under the penalties of perjury that the consideration recited herein is correct.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.


Notary Public
My commission expires:

Emmanuel G. Fournaris, Esquire
Delaware Attorney at Law
Notarial Officer - 29 Del.C. § 4323

TRANSFER TAX PAID
FINANCE OFFICER
WORCESTER COUNTY MARYLAND
By SH Date 6/27/18
Tax \$ 10,000.00

TAXES FOR WHICH ASSESSMENTS
HAVE BEEN RECEIVED HAVE BEEN
PAID AS OF THIS DATE. 6/27/18
Worcester County Finance Officer
By SH
EXCEPT PERSONAL PROPERTY

Worcester County
Water & Wastewater
NO ASSESSMENT
Date 6/27/18 BY SM

WORCESTER COUNTY CIRCUIT COURT (Land Records) SRB 7240, p. 0117, MSA_CE31_7416. Date available 06/29/2018. Printed 06/28/2019.

MARYLAND FORM WH-AR Certification of Exemption from Withholding Upon Disposition of Maryland Real Estate Affidavit of Residence or Principal Residence

2018

Based on the certification below, Transferor claims exemption from the tax withholding requirements of §10-912 of the Tax-General Article, Annotated Code of Maryland. Section 10-912 provides that certain tax payments must be withheld and paid when a deed or other instrument that effects a change

in ownership of real property is presented for recordation. The requirements of §10-912 do not apply when a transferor provides a certification of Maryland residence or certification that the transferred property is the transferor's principal residence.

1. Transferor Information

Name of Transferor Mill Creek Real Estate Management Group, LLC

2. Reasons for Exemption

Resident Status [] As of the date this form is signed, I, Transferor, am a resident of the State of Maryland.

[x] Transferor is a resident entity as defined in Code of Maryland Regulations (COMAR)03.04.12.02B(11), I am an agent of Transferor, and I have authority to sign this document on Transferor's behalf.

Principal Residence [] Although I am no longer a resident of the State of Maryland, the Property is my principal residence as defined in IRC 121 (principal residence for 2 (two) of the last 5 (five) years) and is currently recorded as such with the State Department of Assessments and Taxation.

Under penalty of perjury, I certify that I have examined this declaration and that, to the best of my knowledge, it is true, correct, and complete.

3a. Individual Transferors

Witness

Name **Date

Signature

3b. Entity Transferors

Witness/Attest

Mill Creek Real Estate Management Group, LLC

Name of Entity

James M. Ehrler 6-25-18

Name **Date

Sole Member

Title

** Form must be dated to be valid.

Note: Form is only valid if recordation occurs within 60 days of execution of this form.

JUN 27 2018 The foregoing instrument filed for record and is accordingly recorded among the land records of Worcester County, Maryland.

Signature Clerk

WORCESTER COUNTY CIRCUIT COURT (Land Records) SRB 7240, p. 0118, MSA_CE31_7416. Date available 06/29/2018. Printed 06/28/2019.

WORCESTER COUNTY CIRCUIT COURT (Land Records) SRB: 7240, p. 0119, MSA: CE331, 7-410, Date available: 06/28/2018, Printed: 06/28/2018

State of Maryland Land Instrument Intake Sheet
 Baltimore City County: 00223064
Information provided is for the use of the Clerk's Office, State Department of Assessments and Taxation, and County Finance Office Only.
 (Type or Print in Black Ink Only - All Copies Must Be Legible)

Check Box(es) of Instrument(s) Check Box(es) of Instrument(s) Form(s) Attached

1	Type(s) of Instrument(s)	<input checked="" type="checkbox"/> Deed <input type="checkbox"/> Deed of Trust <input type="checkbox"/> Mortgage <input type="checkbox"/> Lease <input type="checkbox"/> Other	<input type="checkbox"/> Other	<input type="checkbox"/> Other		
2	Conveyance Type Check Box	<input checked="" type="checkbox"/> Improved Site Area Length <i>11'</i>	<input type="checkbox"/> Unimproved Site Area Length <i>11'</i>	<input type="checkbox"/> Multiple Accounts Area Length <i>11'</i>	<input type="checkbox"/> Not an Area Length <i>11'</i>	
3	Tax Exemptions (if applicable) Cite or Explain Authority	Recodation	State Transfer	County Transfer		
4	Consideration and Tax Calculations	Consideration Amount		Finance Office Use Only Transfer and Recodation Tax Consideration		
		Purchase Price/Consideration	\$ 2,000,000.00	Transfer Tax Consideration	\$	
5	Fees	Any New Mortgage	\$	X() % =	\$	
		Balance of Existing Mortgage	\$	Less Exemption Amount	\$	
		Other	\$	Total Transfer Tax	\$	
		Full Cash Value	\$	Recodation Tax Consideration	\$	
		Amount of Fees	Doc. 1	Doc. 2	Agent	
		Recording Charge	\$ 23.00	\$	Tax Ref.	
		Notary	\$ 43.00	\$	C.B. Credit	
		State Recodation Tax	\$	\$	Ag. Transfer	
		State Transfer Tax	\$	\$		
		County Transfer Tax	\$	\$		
Other	\$	\$				
6	Description of Property SCAT requires submission of all applicable information. A maximum of 40 characters will be used in accordance with the property cited in Real Property Article Section 3-104ig(3)(f).	Parcel ID No. (H)	Grantor Lot/Parcel	Map	Parcel No.	Vir. LOG
		01447	5927/1	6025	0038	() (f)
		Sub-division Name	Lot (S)	Block (H)	Section (A)	Plat Ref.
					21025	1.40 Acres
		Location/Address of Property Being Conveyed (H)				
		1613 Old Ocean City Blvd., Berlin, MD 21811				
		Other Property Identifiers (if applicable)				
		Lots 3-13 & Back Lot H E. de P. 316 above CD. Parcel No. LD Sur.				
		Water Meter Account No.				
		Residential () For Non-Residential (X) Free Simple () or Ground Rent () Amount:				
		Partial Conveyance () Yes (X) No () Duplicates (Area of SFPA) Average Transferred				
7	Transferred From	Doc. 1 - Grantor(s) Name(s)		Doc. 2 - Grantor(s) Name(s)		
		W I Creek Real Estate Management Group, LLC				
		Doc. 1 - Owner(s) of Recvd. If Different from Grantor(s)		Doc. 2 - Owner(s) of Record, if Different from Grantor(s)		
8	Transferred To	Doc. 1 - Grantor(s) Name(s)		Doc. 2 - Grantor(s) Name(s)		
		Acorn Birch Cove, LLC				
		New Owner's (Grantee) Mailing Address				
		793 Bay Rd, Millwood, DE				
9	Other Names to Be Indexed	Doc. 1 - Additional Names to be Indexed (Optional)		Doc. 2 - Additional Names to be Indexed (Optional)		
10	Contact/Mail Information	Instrument submitted by or Contact Person				
		Name: David S. Walker, Esq. <input checked="" type="checkbox"/> Return to Contact Person				
		Firm: MSA Title, DeTor, Shearman & Sterling, LLC <input type="checkbox"/> H. 401 P. 343				
		Address: 162 N. West Street, Easton, MD 21601 <input type="checkbox"/> Return Address Provided				
		Phone: (410) 820-0224				
11	IMPORTANT: BOTH THE ORIGINAL DEED AND A PHOTOCOPY MUST ACCOMPANY EACH TRANSFER					
	Assessment Information	Was the property being conveyed by the grantor(s) principal residence? Yes () No (X)				
		Does transfer include partial property? If yes, identify Yes () No (X)				
		Was property surveyed? If yes, attach copy of survey (if recodation survey required) Yes () No (X)				
Assessment Use Only - Do Not Write Below This Line						
Terminal Verification		Agricultural Verification		Whole		Trans. Process Verification
Transfer Number	Date Received	Doc. Reference	Map	Sub	Block	Assigned Property No.
Year	20	Doc. 1	Zone	Parcel	Section	Lot
Land		Use	Town Cd	Ex. St	Er. Cd	
Building						
Total						
REMARKS						

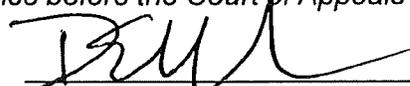
Space Reserved for County Verification

40-
50-
20-
1650-
1250-

AFTER RECORDING, PLEASE RETURN TO:
Douglas S. Walker
McAllister, DeTar, Showalter & Walker, LLC
100 N. West Street
Easton, MD 21601

Tax Account No. 03-014355
WORCESTER COUNTY, MD

THIS IS TO CERTIFY that the within Deed was prepared by, or under the supervision of the undersigned, an Attorney duly admitted to practice before the Court of Appeals of Maryland.



Douglas S. Walker, Attorney

THIS DEED, made this 25th day of June, 2018, by and between **Mill Creek Real Estate Management Group, LLC, a Maryland limited liability company**, party of the first part, "Grantor"; and **Acorn Berlin Lot LLC, a Delaware limited liability company**, party of the second part, "Grantee".

- WITNESSETH -

THAT IN CONSIDERATION of the sum of **Two Hundred Fifty Thousand Dollars (\$250,000.00)**, and other good, valuable and sufficient consideration, in hand paid, the receipt of which is hereby acknowledged, the said Grantor does grant and convey unto the said **Acorn Berlin Lot LLC, a Delaware limited liability company**, its successors and assigns, in fee simple, all of the property located in Worcester County, Maryland and more particularly described as follows:

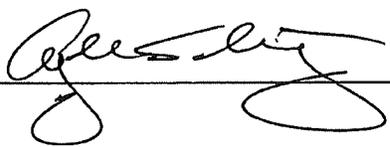
All that certain tract, piece or parcel of land lying and being situated in the Third Election District of Worcester County, Maryland being located on the North side of and binding upon Barrett Road, and being shown and described as Item Three, containing 1.6946 acres, more or less on the plat entitled "ALTA/ACSM LAND TITLE SURVEY OF THE LANDS OF THE BARRETT CHEVROLET, INC. & BARRETT BROTHERS, L.L.C.," prepared by Solutions Integrated Planning Engineering & Management, LLC, dated March 10, 2015 and recorded among the Plat Records of Worcester County, Maryland in Plat Book SRB 241, page 25.

BEING a portion of the property conveyed unto Mill Creek Real Estate Management Group, LLC, a Maryland limited liability company, by Deed from Barrett Chevrolet, Inc., formerly known as the The Barrett Chevrolet, Inc., a

IN WITNESS WHEREOF, Grantor has caused this Deed to be properly executed and sealed on the day and year first above written.

Witness:

MILL CREEK REAL ESTATE MANAGEMENT GROUP, LLC, a Maryland limited liability company

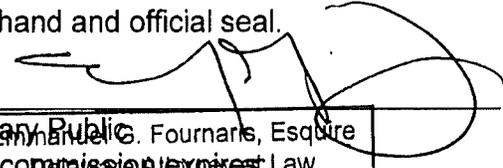



By: James M. Ehrler
Title: Sole Member

STATE OF Delaware, COUNTY OF KENT ~~SASSET~~, TO WIT:

I hereby certify that on this 25th day of June, 2018, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared James M. Ehrler, who acknowledged himself to be the (i) Sole Member of Mill Creek Real Estate Management Group, LLC, a Maryland limited liability company (the "LLC"), (ii) as such Sole Member, being authorized to do so, executed the same for and on behalf of the LLC in the capacity therein stated and for the purposes therein contained, and (iii) said instrument is the act of the LLC, giving oath under the penalties of perjury that the consideration recited herein is correct.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.


Notary Public, Fournaris, Esquire
My commission expires _____
Notarial Officer - 29 Del.C. § 4323

TRANSFER TAX PAID
FINANCE OFFICER
WORCESTER COUNTY MARYLAND
By SH Date 6/27/18
Tax \$1,250.00

Worcester County
Water & Wastewater
NO ASSESSMENT
Date BY

6/27/18 SM

TAXES FOR WHICH ASSESSMENTS
HAVE BEEN RECEIVED HAVE BEEN
PAID AS OF THIS DATE. 6/27/18
Worcester County Finance Officer
By SH
EXCEPT PERSONAL PROPERTY

Maryland corporation and Barrett Brothers, L.L.C., a Maryland limited liability company, by Deed dated March 16, 2015, filed for record on March 18, 2015 among the Land Records of Worcester County, Maryland in Liber 6527, folio 001.

~~TOGETHER~~ with the buildings and improvements thereon erected, made or being; and all and every, the rights, alleys, ways, waters, privileges, appurtenances, and advantages thereto belonging, or in anywise appertaining; SUBJECT, HOWEVER, to any covenants, conditions, restrictions and easements of record.

~~TO HAVE AND TO HOLD~~ the said tract of ground and premises above described and mentioned, and hereby intended to be conveyed, together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining unto and to the proper use and benefit of the said **Acorn Berlin Lot LLC, a Delaware limited liability company**, its successors and assigns, in fee simple, forever.

~~AND~~ the said party of the first part hereby covenants that it will warrant specially the property hereby granted; and that it will execute such further assurances of the same as may be requisite.

SIGNATURES TO APPEAR ON FOLLOWING PAGE

LR - Deed (w Taxes)
Recording Fee no CT
20.00
Name: mill creek/acorn
Ref:
LR - Surcharge -
linked 40.00
LR - Recordation Tax -
linked 1,650.00
LR - State Transfer
Tax - linked 1,250.00
LR - NR Tax - lkd 0.00
=====

SubTotal:	2,960.00
=====	
Total:	2,960.00
06/27/2018	01:01
	CC23-EH
#10587523	CC0104 -
Worcester	
County/CC01.04.02	-
Register 02	

WORCESTER COUNTY CIRCUIT COURT (Land Records) SRB 7240, p. 0127, MSA_CE31_7416. Date available 06/29/2018. Printed 10/08/2019.

MARYLAND
FORM
WH-AR

**Certification of Exemption from Withholding Upon
Disposition of Maryland Real Estate Affidavit of
Residence or Principal Residence**

2018

Based on the certification below, Transferor claims exemption from the tax withholding requirements of §10-912 of the Tax-General Article, Annotated Code of Maryland. Section 10-912 provides that certain tax payments must be withheld and paid when a deed or other instrument that effects a change

in ownership of real property is presented for recordation. The requirements of §10-912 do not apply when a transferor provides a certification of Maryland residence or certification that the transferred property is the transferor's principal residence.

1. Transferor Information

Name of Transferor Mill Creek Real Estate Management Group, LLC

2. Reasons for Exemption

Resident Status As of the date this form is signed, I, Transferor, am a resident of the State of Maryland.

Transferor is a resident entity as defined in Code of Maryland Regulations (COMAR)03.04.12.02B(11), I am an agent of Transferor, and I have authority to sign this document on Transferor's behalf.

Principal Residence Although I am no longer a resident of the State of Maryland, the Property is my principal residence as defined in IRC 121 (principal residence for 2 (two) of the last 5 (five) years) and is currently recorded as such with the State Department of Assessments and Taxation.

Under penalty of perjury, I certify that I have examined this declaration and that, to the best of my knowledge, it is true, correct, and complete.

3a. Individual Transferors

Witness

Name

**Date

Signature

3b. Entity Transferors

Witness/Attest

Mill Creek Real Estate Management Group, LLC

Name of Entity

By

James M. Ehrler

Name

**Date

Sole Member

Title

** Form must be dated to be valid.

Note: Form is only valid if recordation occurs within 60 days of execution of this form.

JUN 27 2018

The foregoing instrument filed for record and is accordingly recorded among the land records of Worcester County, Maryland.

Sharon Provencher Clerk

WORCESTER COUNTY CIRCUIT COURT (Land Records) SRB 7240, p. 0129, MSA_CE31_7416, Date available 06/29/2018. Printed 10/08/2019.

State of Maryland Land Instrument Intake Sheet									
<input type="checkbox"/> Baltimore City <input checked="" type="checkbox"/> County, <u>Worcester</u> Information provided is for the use of the Clerk's Office, State Department of Assessments and Taxation, and County Finance Office Only. (Type or Print in Black Ink Only - All Copies Must Be Legible)									
1	Type(s) of Instruments	<input type="checkbox"/> Check Box if addendum Intake Form is Attached							
		<input checked="" type="checkbox"/> Deed <input type="checkbox"/> Deed of Trust	<input type="checkbox"/> Mortgage <input type="checkbox"/> Lease	<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____				
2	Conveyance Type Check Box	<input checked="" type="checkbox"/> Improved Sale Arms-Length [1]	<input type="checkbox"/> Unimproved Sale Arms-Length [2]	<input type="checkbox"/> Multiple Accounts Arms-Length [3]	<input type="checkbox"/> Not an Arms-Length Sale [2]				
3	Tax Exemptions (If applicable) Cite or Explain Authority	Recordation State Transfer County Transfer							
4	Consideration and Tax Calculations	Consideration Amount			Finance Office Use Only Transfer and Recordation Tax Consideration				
		Purchase Price/Consideration	\$ 250,000.00		Transfer Tax Consideration	\$			
		Any New Mortgage	\$		X () %	= \$			
		Balance of Existing Mortgage	\$		Less Exemption Amount	= \$			
		Other:	\$		Total Transfer Tax	= \$			
5	Fees	Full Cash Value:		TOTAL DUE					
		\$		\$					
		Amount of Fees			Doc. 1				
		Recording Charge	\$ 20.00			Doc. 2			
		Surcharge	\$ 40.00			Agent:			
		State Recordation Tax	\$ 1,650.00			Tax Bill:			
		State Transfer Tax	\$ 1,250.00			C.B. Credit:			
		County Transfer Tax	\$ 1,250.00			Ag Tax/Other:			
		Other	\$						
		Other	\$						
6	Description of Property SDAT requires submission of all applicable information. A maximum of 40 characters will be indexed in accordance with the priority cited in Real Property Article Section 3-104(g)(3)(i).	District	Property Tax ID No. (1)	Grantor Liber/ Folio	Map	Parcel No.	Var. LOG		
		03	014355	6527/1	0025	0395		(5)	
		Subdivision Name		Lot (3a)	Block (3b)	Sec/AR (3c)	Plat Ref.	SqFt/Acreage (4)	
								1.69 Acres	
		Location/Address of Property Being Conveyed (2)							
		Ocean Gateway Hwy, Berlin, MD 21811							
		Other Property Identifiers (If applicable)							
		Water Meter Account No.							
		1.69 ACS SW Side R-50 Barrell Brothers LLC LD SUR							
		Residential <input type="checkbox"/> or Non-Residential <input checked="" type="checkbox"/> Fee Simple <input checked="" type="checkbox"/> or Ground Rent <input type="checkbox"/> Amount:							
Partial Conveyance? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Description/Ami of SqFt/Acreage Transferred:									
If Partial Conveyance, List Improvements Conveyed:									
7	Transferred From	Doc. 1 - Grantor(s) Name(s)			Doc. 2 - Grantor(s) Name(s)				
		Mill Creek Real Estate Management Group, LLC							
		Doc. 1 - Owner(s) of Record, if Different from Grantor(s)			Doc. 2 - Owner(s) of Record, if Different from Grantor(s)				
8	Transferred To	Doc. 1 - Grantee(s) Name(s)			Doc. 2 - Grantee(s) Name(s)				
		Acorn Berlin Lot LLC							
		New Owner's (Grantee) Mailing Address							
793 Bay Rd, Milford DE									
9	Other Names to Be Indexed	Doc. 1 - Additional Names to be Indexed (Optional)			Doc. 2 - Additional Names to be Indexed (Optional)				
10	Contact/Mail Information	Instrument Submitted By or Contact Person				<input checked="" type="checkbox"/> Return to Contact Person			
		Name: Douglas S. Walker, Esquire				<input type="checkbox"/> Hold for Pickup			
		Firm: McAllister, DeTar, Showalter & Walker LLC				<input type="checkbox"/> Return Address Provided			
		Address: 100 N. West Street, Easton, MD 21601				Phone: (410) 820-0264			
11	Assessment Information	IMPORTANT: BOTH THE ORIGINAL DEED AND A PHOTOCOPY MUST ACCOMPANY EACH TRANSFER							
		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Will the property being conveyed be the grantee's principal residence?						
		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Does transfer include personal property? If yes, identify:						
		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Was property surveyed? If yes, attach copy of survey (if recorded, no copy required).						
Assessment Use Only - Do Not Write Below This Line									
Terminal Verification		Agricultural Verification		Whole		Part	Tran. Process Verification		
Transfer Number		Date Received:		Deed Reference:		Assigned Property No.:			
Year	20	20		Geo.	Map	Sub	Block		
Land				Zoning	Grid	Plat	Lot		
Buildings				Use	Parcel	Section	Occ. Cd.		
Total				Town Cd.	Ex. Sl.	Ex. Cd.			
REMARKS:									



Policy No.: 135123-1-1106.099B-2019.7230720-216452172

LOAN POLICY OF TITLE INSURANCE
Issued by
CHICAGO TITLE INSURANCE COMPANY

Any notice of claim and any other notice or statement in writing required to be given to the Company under this Policy must be given to the Company at the address shown in Section 17 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, CHICAGO TITLE INSURANCE COMPANY, a Florida corporation, (the "Company") insures as of Date of Policy and, to the extent stated in Covered Risks 11, 13, and 14, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
 - (a) A defect in the Title caused by
 - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
 - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
 - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
 - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
 - (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
 - (vii) a defective judicial or administrative proceeding.
 - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
 - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (a) the occupancy, use, or enjoyment of the Land;
 - (b) the character, dimensions, or location of any improvement erected on the Land;
 - (c) the subdivision of land; or
 - (d) environmental protection
 if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without knowledge.
9. The invalidity or unenforceability of the lien of the Insured Mortgage upon the Title. This Covered Risk includes but is not limited to insurance against loss from any of the following impairing the lien of the Insured Mortgage
 - (a) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
 - (b) failure of any person or Entity to have authorized a transfer or conveyance;
 - (c) the Insured Mortgage not being properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
 - (d) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (e) a document executed under a falsified, expired, or otherwise invalid power of attorney;
 - (f) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or



- (g) a defective judicial or administrative proceeding.
- 10. The lack of priority of the lien of the Insured Mortgage upon the Title over any other lien or encumbrance.
- 11. The lack of priority of the lien of the Insured Mortgage upon the Title
 - (a) as security for each and every advance of proceeds of the loan secured by the Insured Mortgage over any statutory lien for services, labor, or material arising from construction of an improvement or work related to the Land when the improvement or work is either
 - (i) contracted for or commenced on or before Date of Policy; or
 - (ii) contracted for, commenced or continued after Date of Policy if the construction is financed, in whole or in part, by proceeds of the loan secured by the Insured Mortgage that the Insured has advanced or is obligated on Date of Policy to advance; and
 - (b) over the lien of any assessments for street improvements under construction or completed at Date of Policy.
- 12. The invalidity or unenforceability of any assignment of the Insured Mortgage, provided the assignment is shown in Schedule A, or the failure of the assignment shown in Schedule A to vest title to the Insured Mortgage in the named Insured assignee free and clear of all liens.
- 13. The invalidity, unenforceability, lack of priority, or avoidance of the lien of the Insured Mortgage upon the Title:
 - (a) resulting from the avoidance in whole or in part, or from a court order providing an alternative remedy, of any transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction creating the lien of the Insured Mortgage because that prior transfer a constituted fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
 - (b) because the Insured Mortgage constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
 - (i) to be timely, or
 - (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
- 14. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 13 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the Insured Mortgage in the Public Records.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

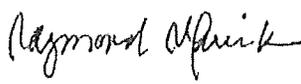
IN WITNESS WHEREOF, CHICAGO TITLE INSURANCE COMPANY has caused this policy to be signed and sealed by its duly authorized officers.

CHICAGO TITLE INSURANCE COMPANY

Countersigned:

By: 
 Authorized Officer or Agent
 Douglas S. Walker
 McAllister, DeTar, Showalter & Walker, LLC
 100 N West St
 Easton, MD 21601-2710
 Tel: 410-820-0222
 Fax:



By: 

President

Attest: 

Secretary

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

- 1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
- 2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- 3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and



not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;

- (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
 5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
 6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
 7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

(a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b) or decreased by Section 10 of these Conditions.

(b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.

(c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.

(d) "Indebtedness": The obligation secured by the Insured Mortgage including one evidenced by electronic means authorized by law, and that obligation is the payment of a debt, the Indebtedness is the sum of

(i) the amount of the principal disbursed as of Date of Policy;

(ii) the amount of the principal disbursed subsequent to Date of Policy;

(iii) the construction loan advances made subsequent to Date of Policy for the purpose of financing in whole or in part the construction of an improvement to the Land or related to the Land that the Insured was and continued to be obligated to advance at Date of Policy and at the date of the advance;

(iv) interest on the loan;

(v) the prepayment premiums, exit fees, and other similar fees or penalties allowed by law;

(vi) the expenses of foreclosure and any other costs of enforcement;

(vii) the amounts advanced to assure compliance with laws or to protect the lien or the priority of the lien of the Insured Mortgage before the acquisition of the estate or interest in the Title;

(viii) the amounts to pay taxes and insurance; and

(ix) the reasonable amounts expended to prevent deterioration of improvements;

but the Indebtedness is reduced by the total of all payments and by any amount forgiven by an Insured.

(e) "Insured": The Insured named in Schedule A.

(i) The term "Insured" also includes

(A) the owner of the Indebtedness and each successor in ownership of the Indebtedness, whether the owner or successor owns the Indebtedness for its own account or as a trustee or other fiduciary, except a successor who is an

obligor under the provisions of Section 12(c) of these Conditions;

(B) the person or Entity who has "control" of the "transferable record," if the Indebtedness is evidenced by a "transferable record," as these terms are defined by applicable electronic transactions law;

(C) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;

(D) successors to an Insured by its conversion to another kind of Entity;

(E) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title

(1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,

(2) if the grantee wholly owns the named Insured, or

(3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity;

(F) any government agency or instrumentality that is an insurer or guarantor under an insurance contract or guaranty insuring or guaranteeing the Indebtedness secured by the Insured Mortgage, or any part of it, whether named as an Insured or not;

(ii) With regard to (A), (B), (C), (D), and (E) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured, unless the successor acquired the Indebtedness as a purchaser for value without knowledge of the asserted defect, lien, encumbrance, or other matter insured against by this policy.

(f) "Insured Claimant": An Insured claiming loss or damage.

(g) "Insured Mortgage": The Mortgage described in paragraph 4 of Schedule A.

(h) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.

(i) "Land": The land described in Schedule A, and affixed

improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.

(j) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.

(k) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.

(l) "Title": The estate or interest described in Schedule A.

(m) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title or a prospective purchaser of the Insured Mortgage to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured after acquisition of the Title by an Insured or after conveyance by an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured of any claim of title or interest that is adverse to the Title or the lien of the Insured Mortgage, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title or the lien of the Insured Mortgage, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS

(a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy

adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.

(b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title or the lien of the Insured Mortgage, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

(c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE

(a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title, the lien of the Insured Mortgage, or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

(b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable



judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance or to Purchase the Indebtedness.

(i) To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay; or

(ii) To purchase the Indebtedness for the amount of the Indebtedness on the date of purchase, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of purchase and that the Company is obligated to pay.

When the Company purchases the Indebtedness, the Insured shall transfer, assign, and convey to the Company the Indebtedness and the Insured Mortgage, together with any collateral security.

Upon the exercise by the Company of either of the options provided for in subsections (a)(i) or (ii), all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in those subsections, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

(b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or

(ii) to pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

(a) The extent of liability of the Company for loss or damage under this policy shall not exceed the least of

(i) the Amount of Insurance,

(ii) the Indebtedness,

(iii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured

against by this policy, or

(iv) If a government agency or instrumentality is the Insured Claimant, the amount it paid in the acquisition of the Title or the Insured Mortgage in satisfaction of its insurance contract or guaranty.

(b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title or the lien of the Insured Mortgage, as insured,

(i) the Amount of Insurance shall be increased by 10%, and

(ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.

(c) In the event the Insured has acquired the Title in the manner described in Section 2 of these Conditions or has conveyed the Title, then the extent of liability of the Company shall continue as set forth in Section 8(a) of these Conditions.

(d) In addition to the extent of liability under (a), (b), and (c), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY

(a) If the Company establishes the Title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, or establishes the lien of the Insured Mortgage, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title or to the lien of the Insured Mortgage, as insured.

(c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY

(a) All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment.

However, any payments made prior to the acquisition of Title as provided in Section 2 of these Conditions shall not reduce the Amount of Insurance afforded under this policy except to the extent that the payments reduce the Indebtedness.

(b) The voluntary satisfaction or release of the Insured Mortgage shall terminate all liability of the Company except as provided in Section 2 of these Conditions.

11. PAYMENT OF LOSS

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

12. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT

(a) The Company's Right to Recover

Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title or Insured Mortgage and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to



the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies. If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

(b) The Insured's Rights and Limitations

(i) The owner of the Indebtedness may release or substitute the personal liability of any debtor or guarantor, extend or otherwise modify the terms of payment, release a portion of the Title from the lien of the Insured Mortgage, or release any collateral security for the Indebtedness, if it does not affect the enforceability or priority of the lien of the Insured Mortgage.

(ii) If the Insured exercises a right provided in (b)(i), but has Knowledge of any claim adverse to the Title or the Lien of the Insured Mortgage insured against by this policy, the Company shall be required to pay only that part of any losses insured against by this policy that shall exceed the amount, if any, lost to the Company by reason of the impairment by the Insured Claimant of the Company's right of subrogation.

(c) The Company's Rights Against Noninsured Obligors

The Company's right of subrogation includes the Insured's rights against non-insured obligors including the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those Instruments that address subrogation rights.

The Company's right of subrogation shall not be avoided by acquisition of the Insured Mortgage by an obligor (except an obligor described in Section 1(e)(i)(F) of these Conditions) who acquires the Insured Mortgage as a result of an indemnity, guarantee, other policy of insurance, or bond, and the obligor will not be an Insured under this policy.

13. THIS PARAGRAPH INTENTIONALLY DELETED.

14. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

(a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract

between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage that arises out of the status of the Title or Lien of the Insured Mortgage or by any action asserting such claim shall be restricted to this policy.

(c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.

(d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

15. SEVERABILITY

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

16. CHOICE OF LAW; FORUM

(a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located.

Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title or the Lien of the Insured Mortgage that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.

(b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

17. NOTICES, WHERE SENT

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at CHICAGO TITLE INSURANCE COMPANY, Attn: Claims Department, P.O. Box 45023, Jacksonville, FL 32232-5023.



**CHICAGO TITLE INSURANCE COMPANY
LOAN POLICY OF TITLE INSURANCE**

SCHEDULE A

Amount of Insurance: \$ 1,912,500.00

Policy No.: 7230720-216452172

Premium: \$ 2,737.45

File No.: 1106.099B

Date of Policy: December 21, 2018

1. Name of Insured:
JPMorgan Chase Bank, N.A., its successors and/or assigns as their respective interests may appear.
2. The estate or interest in the land which is encumbered by the insured mortgage is:
Fee Simple
3. Title to the estate or interest in the land is vested in:
As to 10419 Old Ocean City Blvd. Berlin, MD 21811:

Acorn Berlin Chevy LLC, a Delaware limited liability company

As to 1.69 Acres, Ocean Gateway Highway, Belrin, MD 21811:

Acorn Berlin Lot LLC, a Delaware limited liability company
4. The insured mortgage and assignments thereof, if any, are described as follows:
Indemnity Deed of Trust, Assignment of Leases and Rents, Security Agreement and Financing Statement from Acorn Berlin Chevy LLC and Acorn Berlin Lot LLC to Thomas Pinney, Esq. Trustee for JPMorgan Chase Bank, N.A., dated December 19, 2018, filed for record on December 21, 2018 among the Land Records of Worcester County, Maryland in Book 7342, Page 303, in the principal sum of \$1,912,500.00.
5. The land referred to in this policy is described as follows:
SEE LEGAL DESCRIPTION ATTACHED HERETO

CHICAGO TITLE INSURANCE COMPANY

By:



MCALLISTER, DETAR, SHOWALTER &
WALKER LLC

This Policy valid only if Schedule B is attached.

LOAN POLICY OF TITLE INSURANCE

SCHEDULE B - PART I

File No. 1106.099B

Policy No. 7230720-216452172

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys fees or expenses) which arise by reason of:

1. Real estate taxes, other public charges (including, but not limited to, assessments by any county, municipality, Metropolitan District or Commission) and the balance of any such charges payable on an annual basis which are not yet due and payable.
2. This policy specifically guarantees that any past, present or future violations of the restrictions, covenants, building setback lines, easement areas, widening strips, partition walls or other limitations and restrictions relating to the property insured herein will not work a forfeiture or reversion of the title or result in a lien or charge superior to the interest of the Mortgage / Deed of Trust to be insured herein, and that the same have not been violated as of the date of this policy. (LENDER'S POLICY ONLY)
3. The Loan Policy to be issued pursuant hereto will be issued together with and subject to the terms of the following endorsements, as applicable, attached hereto and made a part hereof:

ALTA 25-06 (Same as Survey)

ALTA 8.2-06 (Commercial Environmental Protection Lien)

ALTA 17-06 (Access and Entry) as to parcel 1 herein

ALTA 17-06 (Access and Entry) as to parcel 2 herein

ALTA 9-06 (Restrictions, Encroachments, Minerals - Loan Policy)

ALTA 6-06 (Variable Rate Mortgage)

ALTA 3-06 (Zoning)

ALTA 18-06 (Single Tax Parcel)

As to 10419 Old Ocean City Blvd. Berlin, MD 21811 only:

4. Any and all conditions, covenants, requirements, notes, easements, rights-of-way, utility lines, restrictions, shared access ways, and/or building restriction areas and/or lines as shown on Plats recorded among the Plat Records of Worcester County, Maryland in Liber SRB 241, folio 25, Liber JEB 1, folio 26, Liber ODC 2, folio 18, Liber JEB 10, folio 44, and Liber FWH 55, folio 48.
5. Terms, conditions, obligations and easements in a Right of Way Deed to County Commissioners of Worcester County recorded in the Land Records of Worcester County, Maryland in Liber FWH 558, folio 602.
6. Declaration of Consolidation recorded among the Land Records of Worcester County, Maryland in Liber RHO 1996, folio 494.
7. Any effect of Deed of Storm Water Management Easement between Barrett Brother, LLC & Mill Creek Real Estate Management Group, LLC dated March 16, 2015 recorded in Liber SRB 6527, Folio 43.
8. Right of Way Set out in Deed dated November 8, 1948 recorded among the Land Records of Worcester County, Maryland in Liber CWN 24, Folio 304.
9. Any conditions, covenants, notes, easements, rights-of-way, facilities for utilities, minor fencing offsets, shared access ways, and/or building restriction areas, and/or lines as shown on an ALTA/ACSM Land Title Survey on the Lands of Mill Creek Real Estate Management Group, LLC, dated May 29, 2018, Job No. 2014-069, prepared by Fuller Hall & Associates, Inc.
As to 1.69 Acres, Ocean Gateway Highway, Berlin, MD 21811 only:
10. Any and all conditions, covenants, requirements, notes, easements, rights-of-way, utility lines, restrictions, shared access ways, and/or building restriction areas and/or lines as shown on Plats recorded among the Plat Records of Worcester County, Maryland in Liber SRB 241, folio 25, Liber JEB 1, folio 26, Liber FWH 55, folio 48, and Liber ODC 2, folio 18.

LOAN POLICY OF TITLE INSURANCE

SCHEDULE B - PART I

(Continued)

File No. 1106.099B

Policy No. 7230720-216452172

11. Right of Way Deed from Barrett Chevrolet Olds, Inc., f/k/a Barrett Chevrolet, Inc., and Jack L. Babock, Joy Esham Todd and Robert W. Todd dated December 16, 1976 recorded in Liber FWH 558, folio 602, as to public road.
12. Utility Easement Agreement to Delmarva Power & Light Company dated October 18, 2006 recorded in Liber SVH 4826, Folio 685.
13. Right of Way to E.S.P.S.Co. dated September 18, 1947 recorded in Liber CWN 17, Folio 177.
14. Deed to State Roads Commission dated May 2, 1958 recorded in Liber FWH 111, Folio 24.
15. Right of Way set out in Deed dated April 26, 1946 recorded in Liber CWN 9, Folio 525.
16. Right of Way Set out in Deed dated November 8, 1948 recorded in Liber CWN 24, Folio 304.
17. Subject to Leases by and between Revere National Corporation and Barrett Chevrolet, Inc. dated April 23, 1997.

NOTE: Any reference herein made as to restrictions and/or restrictive covenants is intended to include, as if said language was set forth after each exception "omitting any covenant or restriction based on race, color, religion, sex, handicap, familial status or national origin", unless and only to the extent that said covenant: (A) is exempt under Chapter 42, Section 3607 of the United States Code, or (B) relates to handicap but does not discriminate against handicapped persons.

NOTE: Unless Schedule B Part II is attached, there are no subordinate matters that affect the title to the estate or interest referred to in Schedule A.

LOAN POLICY OF TITLE INSURANCE

SCHEDULE B - PART II

File No. 1106.099B

Policy No. 7230720-216452172

In addition to the matters set forth in Part I of this Schedule, the title to the estate or interest in the land described or referred to in Schedule A is subject to the following matters, if any be shown, but the Company insures that these matters are subordinate to the lien or charge of the insured mortgage upon the estate of interest:

a) Indemnity Assignment of Rents and Leases from Acorn Berlin Chevy LLC, a Delaware limited liability company and Acorn Berlin Lot LLC, a Delaware limited liability company in favor of JPMorgan Chase Bank, N.A. dated December 19, 2018, filed for record on December 21, 2018 among the Land Records of Worcester County, Maryland in Book 7342, page 323.

b) Financing Statement in favor of JPMorgan Chase Bank, N.A. filed for record among the Land Records of Worcester County, Maryland in Book 7342, page 341.

AS TO 10419 OLD OCEAN CITY BLVD. BERLIN, MD 21811 ONLY:

c) Lease Agreement dated June 1, 2018, by and between Acorn Berlin Chevy LLC and IG Burton of Berlin, Inc., as subordinated by a Subordination and Attornment Agreement dated December 19, 2018 by and between I.G. Burton of Berlin, Inc., a Maryland corporation, JPMorgan Chase Bank, N.A., and Acorn Berlin Chevy LLC, a Delaware limited liability company.

AS TO 1.69 ACRES, OCEAN GATEWAY HIGHWAY, BERLIN, MD 21811:

d) Lease Agreement dated June 1, 2018 by and between Acorn Berlin Lot LLC and IG Burton of Berlin, Inc., as subordinated by a Subordination and Attornment Agreement dated December 19, 2018 by and between I.G. Burton of Berlin, Inc., a Maryland corporation, JPMorgan Chase Bank, N.A., and Acorn Berlin Lot LLC, a Delaware limited liability company.

ENDORSEMENT

Attached to Policy No. 7230720-216452172

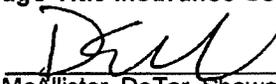
Issued by

CHICAGO TITLE INSURANCE COMPANY

The Company insures against loss or damage sustained by the Insured by reason of an environmental protection lien that, at Date of Policy, is recorded in the Public Records or filed in the records of the clerk of the United States district court for the district in which the Land is located, unless the environmental protection lien is set forth as an exception in Schedule B.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Chicago Title Insurance Company

By: 

McAllister, DeTar, Showalter & Walker LLC

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(1106.099B.PFD/1106.099B/24)

ENDORSEMENT

Attached to Policy No. 7230720-216452172

Issued by

CHICAGO TITLE INSURANCE COMPANY

The Company insures against loss or damage sustained by the Insured if, at Date of Policy (i) the Land does not abut and have both actual vehicular and pedestrian access to and from Old Ocean City Boulevard (the "Street"), (ii) the Street is not physically open and publicly maintained, or (iii) the Insured has no right to use existing curb cuts or entries along that portion of the Street abutting the Land.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements to it.

For purposes of this endorsement, the Land shall mean Parcel 1 on Exhibit A.

Chicago Title Insurance Company

By: 
McAllister, DeTar, Showalter & Walker LLC

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ENDORSEMENT

Attached to Policy No. 7230720-216452172

Issued by

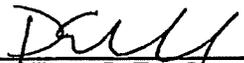
CHICAGO TITLE INSURANCE COMPANY

The Company insures against loss or damage sustained by the Insured if, at Date of Policy (i) the Land does not abut and have both actual vehicular and pedestrian access to and from Barrett Road (the "Street"), (ii) the Street is not physically open and publicly maintained, or (iii) the Insured has no right to use existing curb cuts or entries along that portion of the Street abutting the Land.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements to it.

For purposes of this Endorsement, the Land shall mean Parcel 2 on Exhibit A.

Chicago Title Insurance Company

By: 
McAllister, DeTar, Showalter & Walker LLC

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ENDORSEMENT

Attached to Policy No. 7230720-216452172

Issued by

CHICAGO TITLE INSURANCE COMPANY

The Company insures against loss or damage sustained by the Insured if, at Date of Policy (i) the Land does not abut and have both actual vehicular and pedestrian access to and from Old Ocean City Boulevard (the "Street"), (ii) the Street is not physically open and publicly maintained, or (iii) the Insured has no right to use existing curb cuts or entries along that portion of the Street abutting the Land.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements to it.

Chicago Title Insurance Company

By: 
McAllister, DeTar, Showalter & Walker LLC

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ENDORSEMENT

Attached to Policy No. 7230720-216452172

Issued by

CHICAGO TITLE INSURANCE COMPANY

1. The insurance provided by this endorsement is subject to the exclusions in Section 5 of this endorsement; and the Exclusions from Coverage, the Exceptions from Coverage contained in Schedule B, and the Conditions in the policy.
2. For the purposes of this endorsement only:
 - a. "Covenant" means a covenant, condition, limitation or restriction in a document or instrument in effect at Date of Policy.
 - b. "Improvement" means an improvement, including any lawn, shrubbery, or trees, affixed to either the Land or adjoining land at Date of Policy that by law constitutes real property.
3. The Company insures against loss or damage sustained by the Insured by reason of:
 - a. A violation of a Covenant that:
 - i. divests, subordinates, or extinguishes the lien of the Insured Mortgage,
 - ii. results in the invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage, or
 - iii. causes a loss of the Insured's Title acquired in satisfaction or partial satisfaction of the Indebtedness;
 - b. A violation on the Land at Date of Policy of an enforceable Covenant, unless an exception in Schedule B of the policy identifies the violation;
 - c. Enforced removal of an Improvement located on the Land as a result of a violation, at Date of Policy, of a building setback line shown on a plat of subdivision recorded or filed in the Public Records, unless an exception in Schedule B of the policy identifies the violation; or
 - d. A notice of a violation, recorded in the Public Records at Date of Policy, of an enforceable Covenant relating to environmental protection describing any part of the Land and referring to that Covenant, but only to the extent of the violation of the Covenant referred to in that notice, unless an exception in Schedule B of the policy identifies the notice of the violation.
4. The Company insures against loss or damage sustained by reason of:
 - a. An encroachment of:
 - i. an Improvement located on the Land, at Date of Policy, onto adjoining land or onto that portion of the Land subject to an easement; or
 - ii. an Improvement located on adjoining land onto the Land at Date of Policyunless an exception in Schedule B of the policy identifies the encroachment otherwise insured against in Sections 4.a.i. or 4.a.ii.;

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- b. A final court order or judgment requiring the removal from any land adjoining the Land of an encroachment identified in Schedule B; or
 - c. Damage to an Improvement located on the Land, at Date of Policy:
 - i. that is located on or encroaches onto that portion of the Land subject to an easement excepted in Schedule B, which damage results from the exercise of the right to maintain the easement for the purpose for which it was granted or reserved; or
 - ii. resulting from the future exercise of a right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances excepted from the description of the Land or excepted in Schedule B.
5. This endorsement does not insure against loss or damage (and the Company will not pay costs, attorneys' fees, or expenses) resulting from:
- a. any Covenant contained in an instrument creating a lease;
 - b. any Covenant relating to obligations of any type to perform maintenance, repair, or remediation on the Land;
 - c. except as provided in Section 3.d., any Covenant relating to environmental protection of any kind or nature, including hazardous or toxic matters, conditions, or substances;
 - d. contamination, explosion, fire, flooding, vibration, fracturing, earthquake or subsidence; or
 - e. negligence by a person or an Entity exercising a right to extract or develop minerals or other subsurface substances.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Chicago Title Insurance Company

By: 
McAllister, DeTar, Showalter & Walker LLC

ENDORSEMENT

Attached to Policy No. 7230720-216452172

Issued by

CHICAGO TITLE INSURANCE COMPANY

The Company insures against loss or damage sustained by the Insured by reason of:

1. The invalidity or unenforceability of the lien of the Insured Mortgage resulting from its provisions that provide for changes in the rate of interest.
2. Loss of priority of the lien of the Insured Mortgage as security for the unpaid principal balance of the loan, together with interest as changed in accordance with the provisions of the Insured Mortgage, which loss of priority is caused by the changes in the rate of interest.

"Changes in the rate of interest", as used in this endorsement, shall mean only those changes in the rate of interest calculated pursuant to the formula provided in the loan documents secured by the Insured Mortgage at Date of Policy.

This endorsement does not insure against loss or damage based upon:

1. usury, or
2. any consumer credit protection or truth in lending law.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Chicago Title Insurance Company

By: DSW
McAllister, DeTar, Showalter & Walker LLC

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ENDORSEMENT

Attached to Policy No. 7230720-216452172

Issued by

CHICAGO TITLE INSURANCE COMPANY

1. The Company insures against loss or damage sustained by the Insured in the event that, at Date of Policy,
 - a. According to applicable zoning ordinances and amendments, the Land is not classified Zone C-2 - General Commercial;
 - b. The following use or uses are not allowed under that classification:
automotive sales and service facility
2. There shall be no liability under this endorsement based on
 - a. Lack of compliance with any conditions, restrictions, or requirements contained in the zoning ordinances and amendments, including but not limited to the failure to secure necessary consents or authorizations as a prerequisite to the use or uses. This paragraph 2.a. does not modify or limit the coverage provided in Covered Risk 5.
 - b. The invalidity of the zoning ordinances and amendments until after a final decree of a court of competent jurisdiction adjudicating the invalidity, the effect of which is to prohibit the use or uses.
 - c. The refusal of any person to purchase, lease or lend money on the Title covered by this policy.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Chicago Title Insurance Company

By: 
McAllister, DeTar, Showalter & Walker LLC

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ENDORSEMENT

Attached to Policy No. 7230720-216452172

Issued by

CHICAGO TITLE INSURANCE COMPANY

The Company insures against loss or damage sustained by the Insured by reason of the Land being taxed as part of a larger parcel of land or failing to constitute a separate tax parcel for real estate taxes.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements to it.

Chicago Title Insurance Company

By: _____

D. DeTar
McAllister, DeTar, Showalter & Walker LLC

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(1106.099B.PFD/1106.099B/24)

QUITCLAIM DEED

THIS QUITCLAIM DEED made this ____ day of _____, 2019, by and between THE COUNTY COMMISSIONERS OF WORCESTER COUNTY, Grantor, and ACORN BERLIN CHEVY, LLC, Grantee.

WHEREAS, there is a 30' Right-of-Way Easement shown as Barrett Road on a plat entitled "ALTA/ASCM Land Title Survey of the lands of The Barrett Chevrolet, Inc. & Barrett Brothers, LLC.", prepared by Solutions IPEM, LLC. and recorded among the Land Records of Worcester County, Maryland in Plat Liber SRB 241, Folio 25; and,

WHEREAS, Grantee is the owner of Item One as shown on said plat, abutting and surrounding a portion of Barrett Road, pursuant to Deed dated June 25, 2018 and recorded among the Land Records of Worcester County, Maryland in Liber No. 7240, folio 115, et seq.;

WHEREAS, Grantee and Acorn Berlin Lot, LLC (the "Annexation Parties") have entered into an Annexation and Development Agreement whereby the Annexation Parties have agreed to have certain parcels of land more particularly described therein, annexed into the Town of Berlin;

WHEREAS, Grantor, as a condition precedent of such annexation, has required Grantee to take title to that portion of Barrett Road more particularly described herein on Exhibit A (the "Road");

WHEREAS, the Grantee has agreed take title to the Road in the Annexation Agreement.

NOW, THEREFORE, WITNESSETH, that for no form of consideration, the Grantor does hereby grant, convey, release, assign and quitclaim unto the Grantee, their successors and assigns, in fee simple, all its right, title, interest and estate, in common with others, in and to the property more particularly described on the attached Exhibit A, to the end and intent that such former Right of Way shall be closed and abandoned and all rights of the public thereover shall cease and terminate.

TOGETHER WITH the improvements thereon and all rights, ways, easements, privileges and appurtenances thereunto belonging.

TO HAVE AND TO HOLD the above described granted property unto the said Grantee, their successors and assigns, forever in fee simple. Subject however, to any private rights of way as may exist.

IN WITNESS WHEREOF, the Grantor has executed this Quitclaim Deed the day and year first above written.

THE COUNTY COMMISSIONERS OF WORCESTER COUNTY

By: _____(SEAL)
Joshua C. Nordstrom

By: _____(SEAL)
Diana Purnell

By: _____(SEAL)
James C. Church

By: _____(SEAL)
Anthony W. Bertino, Jr.

By: _____(SEAL)
Madison J. Bunting, Jr.

By: _____(SEAL)
Joseph M. Mitrecic

By: _____(SEAL)
Theodore L. Elder

STATE OF MARYLAND)
) ss:
COUNTY OF _____)

THIS IS TO CERTIFY that on this _____ day of _____, 2019, before me, a Notary Public in and for the State and County aforesaid, personally appeared Joshua C. Nordstrom, being personally well known to me or satisfactorily proven to be, and acknowledged his signature on the foregoing Quitclaim Deed to be his act and deed as Commissioner of Worcester County, Maryland, and that his signature was affixed to same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the year and day above written.

Notary Public

My Commission Expires: _____

STATE OF MARYLAND)
) ss:
COUNTY OF _____)

THIS IS TO CERTIFY that on this _____ day of _____, 2019, before me, a Notary Public in and for the State and County aforesaid, personally appeared Diana Purnell, being personally well known to me or satisfactorily proven to be, and acknowledged her signature on the foregoing Quitclaim Deed to be her act and deed as Commissioner of Worcester County, Maryland, and that his signature was affixed to same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the year and day above written.

Notary Public

My Commission Expires: _____

STATE OF MARYLAND)
) ss:
COUNTY OF _____)

THIS IS TO CERTIFY that on this _____ day of _____, 2019, before me, a Notary Public in and for the State and County aforesaid, personally appeared James C. Church, being personally well known to me or satisfactorily proven to be, and acknowledged his signature on the foregoing Quitclaim Deed to be his act and deed as Commissioner of Worcester County, Maryland, and that his signature was affixed to same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the year and day above written.

Notary Public

My Commission Expires: _____

STATE OF MARYLAND)
) ss:
COUNTY OF _____)

THIS IS TO CERTIFY that on this _____ day of _____, 2019, before me, a Notary Public in and for the State and County aforesaid, personally appeared Anthony W. Bertino, Jr., being personally well known to me or satisfactorily proven to be, and acknowledged his signature on the foregoing Quitclaim Deed to be his act and deed as Commissioner of Worcester County, Maryland, and that his signature was affixed to same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the year and day above written.

Notary Public

My Commission Expires: _____

STATE OF MARYLAND)
) ss:
COUNTY OF _____)

THIS IS TO CERTIFY that on this _____ day of _____, 2019, before me, a Notary Public in and for the State and County aforesaid, personally appeared Joseph M. Mitrecic, being personally well known to me or satisfactorily proven to be, and acknowledged his signature on the foregoing Quitclaim Deed to be his act and deed as Commissioner of Worcester County, Maryland, and that his signature was affixed to same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the year and day above written.

Notary Public

My Commission Expires: _____

STATE OF MARYLAND)
) ss:
COUNTY OF _____)

THIS IS TO CERTIFY that on this _____ day of _____, 2019, before me, a Notary Public in and for the State and County aforesaid, personally appeared Madison J. Bunting, Jr., being personally well known to me or satisfactorily proven to be, and acknowledged his signature on the foregoing Quitclaim Deed to be his act and deed as Commissioner of Worcester County, Maryland, and that his signature was affixed to same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the year and day above written.

Notary Public

My Commission Expires: _____

STATE OF MARYLAND)
) ss:
COUNTY OF _____)

THIS IS TO CERTIFY that on this _____ day of _____, 2019, before me, a Notary Public in and for the State and County aforesaid, personally appeared Theodore J. Elder, being personally well known to me or satisfactorily proven to be, and acknowledged his signature on the foregoing Quitclaim Deed to be his act and deed as Commissioner of Worcester County, Maryland, and that his signature was affixed to same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the year and day above written.

Notary Public

My Commission Expires: _____

Attorney Certification

THIS IS TO CERTIFY that the within Instrument was prepared by or under the supervision of the undersigned, an attorney duly admitted to practice before the Court of Appeals of Maryland.

Douglas S. Walker

EXHIBIT A

ALL of that certain tract, piece or parcel of land lying and being situated in the Third Election District of Worcester County, Maryland, as shown on a plat entitled "Plat of County Road" and recorded among the Land Records of Worcester County, Maryland in Plat Liber 55, Folio 48, said parcel of land being located on the southerly side, but not binding upon U.S. Route 50, and binding upon the northerly side of Old Ocean City Boulevard, also known as Maryland Route 346, and being more particularly described as follows, to wit:

BEGINNING at a point on the northerly right-of-way line of Old Ocean City Boulevard, said point being referenced South 64 degrees 13 minutes 04 seconds West 150.00 from a concrete monument found at the intersection of said northerly right-of-way of Old Ocean City Boulevard and the westerly line of said lands, now or formerly, of Acorn Berlin Chevy East, LLC., said point being further referenced as 0.08 feet westerly and 0.24 feet southerly from a concrete monument found, thence,

- 1) running by and with said Old Ocean City Boulevard, South 64 degrees 13 minutes 04 seconds West 30.00 feet to a point, thence running,
- 2) North 25 degrees 46 minutes 56 seconds West 400.00 feet to a point, thence running,
- 3) South 64 degrees 13 minutes 04 seconds West 350.00 feet to a point, thence running,
- 4) North 25 degrees 46 minutes 56 seconds West 30.00 feet to a concrete monument found, thence running,
- 5) North 64 degrees 13 minutes 04 seconds East 380.00 feet to a concrete monument found, thence running,
- 6) South 25 degrees 46 minutes 56 seconds West 430.00 feet to the point and place of beginning, CONTAINING 23,400 square feet, more or less.

BEING a portion of a 30' Right-of-Way Easement shown as BARRETT ROAD on a plat entitled "ALTA/ASCM Land Title Survey of the lands of The Barrett Chevrolet, Inc. & Barrett Brothers, LLC.", prepared by Solutions IPEM, LLC and recorded among the Land Records of Worcester County, Maryland in Plat Liber SRB 241, Folio 25.

ANNEXATION AND DEVELOPMENT AGREEMENT

THIS ANNEXATION AND DEVELOPMENT AGREEMENT (this "Agreement") is made on this _____ day of _____, 2019, by the MAYOR AND COUNCIL OF BERLIN, a Maryland Municipal Corporation (hereinafter, the "Town") and ACORN BERLIN LOT, LLC, a Delaware limited liability company ("Acorn Lot"), and ACORN BERLIN CHEVY, LLC, a Delaware limited liability company ("Acorn Chevy")(collectively, Acorn Lot and Acorn Chevy are referred to herein as the "Owners").

RECITALS

WHEREAS, the Town is a Municipal Corporation authorized to enter into this Agreement pursuant to the Charter and Code of the Town and the Local Government Article of the Annotated Code of Maryland.

WHEREAS, the Owners are the fee simple owners of those certain parcels of land identified as Worcester County Tax Map 25, Parcel 395 ("Parcel 395") and Parcel 86, Lots 3-13 ("Parcel 86"; Parcel 395 and Parcel 86 are collectively referred to herein as the "Annexation Property") and will further acquire as a condition of this Annexation title to the portion of Barrett Road contiguous to the Annexation Property, which parcels and road are depicted on the plat entitled "IG Burton Dealership Berlin, Maryland", prepared by Davis, Bowen & Friedel, Inc., and dated September 24, 2018 (the "Annexation Plat"), attached hereto as Exhibit A and incorporated herein by reference, which said Plat is recorded among the Land Records of Worcester County, Maryland in Plat Book _____, page _____ and which said Annexation Property contains 6.095 acres of land, more or less.

WHEREAS, the Annexation Property is contiguous with and adjacent to the boundary of the Town. No registered voters reside within the Annexation Property.

WHEREAS, the Annexation Property is currently designated as a "Growth Area 2" pursuant to the Town of Berlin Comprehensive Plan (the "Plan"). The Plan specifies that the Town should seek to annex properties located in Growth Area 2. The annexation of the Annexation Property by the Town will not result in any enclaves of unincorporated land.

WHEREAS, the Town desires that its growth be in accordance with the goals and guiding principles outlined in the Town's Plan, all ordinances and regulations consistent therewith, and further desires that the impact of such growth be managed for the benefit of the Town and its citizens.

WHEREAS, Owners have petitioned the Town to annex the Annexation Property pursuant to an Annexation Petition (the "Petition") filed with the Town contemporaneously herewith, provided, however, that the Town shall agree to the future extension of public utilities and certain services to the Annexation Property, including access to the Town's water and sewer systems, all pursuant to the terms of this Agreement.

WHEREAS, Owners intend to continue to own and operate the automobile dealership currently located on the Annexation Property.

WHEREAS, the Town is willing to accomplish the annexation process and to submit the Annexation Resolution (the "Resolution") submitted with the Petition to a vote by the Town's Council (the "Council") and to a referendum of the Town's citizens if requested pursuant to applicable law, provided that the Owner agrees to adhere to the goals and guiding principles of the Town's Plan and the Town's lawful ordinances and regulations.

WHEREAS, Worcester County has conditioned its approval of the Annexation on the conveyance by the County of all right, title and interest in and responsibility for maintenance of the portion of Barrett Road contiguous to and located within the Annexation Property.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties do hereby agree as follows:

1. Recitals. The Recitals are hereby incorporated into this Agreement and form a part hereof, and such provisions accurately reflect the facts therein recited and the intention of the parties.

2. Petition. To effectuate the annexation of the Annexation Property, the Owners have executed and submitted the Petition to the Mayor of the Town. The Owners, with respect to their separate parcels constituting the Annexation Property, are the persons eligible to sign the Petition. Acorn Lot owns One Hundred Percent (100%) of the assessed value of Parcel 395; Acorn Chevy owns One Hundred Percent (100%) of the assessed value of Parcel 86.

3. Annexation. Upon the execution of this Agreement (the Petition and all other required documents having been submitted prior to or contemporaneously herewith), the Town will introduce the Annexation Resolution for public hearing and consideration in accordance with the procedures set forth under the Annotated Code of Maryland and the Town Code.

4. Zoning Upon Annexation.

4.1. The Annexation Property is currently zoned C-2 commercial under the Worcester County, Maryland zoning ordinance. Upon annexation into the Town and with the consent of the Worcester County, Maryland Commissioners, to the extent required by applicable law, the Annexation Property shall be zoned B-2 Shopping District pursuant to Chapter 108, "Zoning" of the Town Code. The Annexation Property shall not be included in the Town's Enterprise Zone.

4.2 The parties agree that all existing land uses within the Annexation Property, whether permitted uses, accessory uses, non-conforming uses, or special exception uses, currently made in, or upon the Annexation Property, may continue subject to appropriate zoning regulations and the parties agree to cooperate to ensure that the operations on the Annexation Property as currently conducted shall not be affected by the annexation.

5. Development of the Annexation Property. The Owners intend to use, maintain and operate an automobile dealership as currently located on the Annexation Property. The Owners further intend to continue to utilize the same general size, configuration and location of improvements as currently exist on the Annexation Property. The Owners do not intend to

initiate further or different development of the Annexation Property upon annexation by the Town. Any future development of the Annexation Property shall be subject to any necessary approvals, building permits, Town construction standards required by the Town and its Planning and Zoning Commission, and shall be undertaken in accordance with applicable law, including any requirements imposed by the Maryland State Highway Administration. The Owners shall be responsible for the costs associated with any upgrades required to the Town services necessary to accommodate extension to and service on the Annexation Property, and agree to establish and maintain an escrow account with the Town to pay engineering and staff review fees, as necessary and directed by the Town.

6. Development Design.

6.1. Owners agree to comply with any SHA requirements;

6.2. Owners will be sensitive to the Town's Victorian style and, when reasonably possible in the context of an automotive business, try to complement the architectural elements of the downtown area.

6.3. The Annexation Parcel is fully improved and operated by the Owners as an automobile dealership with uses ancillary to that business, and there are no existing current or future plans to convert the on-going business to a shopping center or any other non-automotive use.

7. Interior Facilities. All facilities located on or within the Annexation Property will be private:

- a. Water
- b. Sewer
- c. Stormwater
- d. Streets
- e. Sidewalks
- f. Lighting

8. Further Conditions upon Annexation. The annexation of the Annexation Property shall be made subject to the following terms and conditions:

8.1. Wastewater Service and Water; Stormwater. The Town has sufficient water and wastewater services available to serve the Annexed Property. Upon annexation, the Annexation Property shall be served with wastewater from the Town and treated water from the Town, provided, however, that the costs of connecting the Annexation Property to the foregoing Town services shall be paid for by the Owners.

8.1.1 The Town will assess and the Owners commit to pay "ready to serve" fees upon execution of this Agreement for treated water and seven (7) equivalent dwelling units ("EDUs") shall be allocated to the Annexation Property pursuant to this Agreement, the costs of which shall be assessed to Owners and allocated to the respective parcels of the Annexation Property based upon square footage of the existing commercial improvements

thereon. Owners may request and receive from the Town, if available and subject to approval of an allocation agreement with the Town, additional EDUs. The Owners agree for three (3) years not to request to transfer EDUs from other property they own.

8.1.2 The Annexation Property shall be subject to the Town's ordinances and regulations with respect to stormwater management and shall not use stormwater for irrigation or any unlawful purpose.

8.2. Wells and Septic. Upon satisfactorily connecting to the Town wastewater and treated water services, Owners shall abandon the septic systems and cap wells currently serving the Annexation Property in accordance with federal, state, county and Town laws and ordinances, including the Town's Wellhead Protection program as set forth under Article V, Chapter 30 of the Town Code.

8.3. User Fees. Upon annexation, Owners shall be charged all ordinary and standard user fees for water, stormwater, front foot assessments, impact fees and building permits.

8.4. Property Taxes. The Annexation Property shall, upon annexation, be subject to the payment of taxes, real and personal, and shall further be subject to a lien for the nonpayment thereof, in the same manner and at the same rate as properties now within the existing Town limits. Such taxes shall become due and payable within ninety (90) days from the effective date of the annexation. Commencing with the fiscal year beginning July 1, 2019, all such taxes shall be billed and collected in the same manner as all other taxes in the Town of Berlin. The real estate property taxes generated from the Annexation Property shall be consistent with and calculated based upon the applicable State Department of Assessments and Taxation assessments related to the Annexation Property, copies of which are attached.

8.5. Other Rights and Services. The Annexation Property shall benefit from police services of the Berlin Police Department. If in the future any part of the Annexation Property is used for residential purposes, persons residing thereon shall have the right to vote in all general and special Town elections, subject to the same requirements applicable to all voters, in the Town.

8.6. Limitation on Services. Upon annexation, the Town shall not be obligated to provide garbage services or snow removal to or for the benefit of the Annexation Property. Owners shall be obligated to pay for and provide regular trash collection in a manner consistent with the Town Code.

8.7. Barrett Road. The Owners agree to accept from Worcester County all of Worcester County's right, title and interest in the portion of Barrett Road contiguous to and located within the Annexation Property, as more particularly described in Exhibit B.

9. Conditions Precedent to Annexation. This Annexation Agreement is contingent in its entirety upon the following conditions precedent: (i) zoning approval as set forth in Section 4 hereof; and, (ii) the successful and final annexation of the Annexation Property into the Town. The annexation will not become effective until the referendum period has expired, and if

applicable, all referenda have been resolved in favor of the annexation. If the foregoing conditions precedent are not timely satisfied, this Agreement shall automatically be deemed null and void and of no further force or effect.

10. Public Works Agreement and bonding. Owners acknowledge their obligation to construct any public infrastructure on-site as well as off-site, as necessary to accommodate the development of the Annexation Property. Owners recognize upgrades to conveyance, distribution and transmission systems may be required and agree to pay for such improvements, if any, necessitated by the development as specified in the Public Works Agreement. Owner shall be bound by a Town of Berlin Public Works Agreement and agrees that all public utilities shall be installed within a right of way or dedicated easement and constructed in accordance with Town standards and applicable regulations.

11. Mutual Assistance. The parties shall do all things reasonably necessary or appropriate to carry out and to expedite the terms and provisions of this Agreement and to aid and assist each other in carrying out the terms and provisions hereof and the intentions of the parties as reflected by said terms including, without limitation, the giving of such notices, the holding of such public hearings, the enactment by the Town of such resolutions and ordinances and the taking of such other actions as may be necessary to enable the parties' compliance with the terms and provisions of this Agreement and as may be necessary to give effect to the terms and objectives of this Agreement and the intentions of the parties as reflected by said terms.

12. Miscellaneous.

12.1 Unless lawfully terminated or cancelled, the Agreement shall be enforceable by either party to the Agreement or any party's successors in interest, in any court of competent jurisdiction, by any appropriate action or suit at law or in equity, to secure the performance of the covenants herein contained.

12.2 This Agreement and the rights and obligations of the parties hereunder shall be governed by the laws of the State of Maryland.

12.3 This Agreement and the provisions hereof may not be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

12.4 The terms of this Agreement shall be binding upon and shall inure to the benefit of the parties, any successor municipal authorities of the Town, successor owners of record of the Annexation Property, and the successors and assigns of the Owners. It is expressly understood and agreed that the Owners may assign their benefits, rights, duties and obligations hereunder either as part of the conveyance of the Annexation Property as an entirety or severally as part of the conveyances of portions of the Annexation Property. No provisions of this Agreement shall create any third-party beneficiary rights or other rights in any person or entity not a party hereto.

12.5 This Agreement shall be recorded among the Land Records of Worcester County, Maryland at the expense of the recording party.

IN WITNESS WHEREOF, the parties have executed and sealed this Agreement as of the day and year first above written.

WITNESS/ATTEST:

MAYOR AND COUNCIL OF BERLIN

Elroy Brittingham, Vice President of Council

By: W. Gee Williams, III
Title: Mayor

ACORN BERLIN LOT, LLC

By: Peter Renzi
Title: Director

ACORN BERLIN CHEVY, LLC

By: Peter Renzi
Title: Director

STATE OF MARYLAND, WORCESTER COUNTY, to wit:

I HEREBY CERTIFY that on this ____ day of _____, 2019, before me, the undersigned Notary Public of the aforesaid State, personally appeared Elroy Brittingham, Vice President of Council and W.G. Williams, III, Mayor of the Town of Berlin, Maryland, known to me or satisfactorily proven to be the persons whose names are subscribed to the within instrument and acknowledged that they executed the same for the purposes therein contained and in the capacities therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

_____(SEAL)
Notary Public

STATE OF _____, CITY/COUNTY OF _____, to wit:

I HEREBY CERTIFY that on this ____ day of _____, 2019, before me, the undersigned Notary Public of the aforesaid State, personally appeared Pete Renzi, who acknowledged that he is the Authorized Director of Acorn Berlin Lot, LLC, a Delaware limited liability company and Acorn Berlin Chevy, LLC, a Delaware limited liability company, and that he, in the capacities as aforesaid and being authorized so to do, acknowledged that he signed, sealed and delivered this Annexation and Development Agreement as the authorized act of the Owners as set forth therein for the uses and purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

_____(SEAL)
Notary Public

EXHIBIT A

EXHIBIT B

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ANNEXATION AND DEVELOPMENT AGREEMENT

THIS ANNEXATION AND DEVELOPMENT AGREEMENT (this "Agreement") is made on this _____ day of _____, 2019, by the MAYOR AND COUNCIL OF BERLIN, a Maryland Municipal Corporation (hereinafter, the "Town") and ACORN BERLIN LOT, LLC, a Delaware limited liability company ("Acorn Lot"), and ACORN BERLIN CHEVY, LLC, a Delaware limited liability company ("Acorn Chevy")(collectively, Acorn Lot and Acorn Chevy are referred to herein as the "Owners").

RECITALS

WHEREAS, the Town is a Municipal Corporation authorized to enter into this Agreement pursuant to the Charter and Code of the Town and the Local Government Article of the Annotated Code of Maryland.

WHEREAS, the Owners are the fee simple owners of those certain parcels of land identified as Worcester County Tax Map 25, Parcel 395 ("Parcel 395") and Parcel 86, Lots 3-13 ("Parcel 86"; Parcel 395 and Parcel 86 are collectively referred to herein as the "Annexation Property") and will further acquire as a condition of this Annexation title to the portion of Barrett Road contiguous to the Annexation Property, which parcels and road are depicted on the plat entitled "IG Burton Dealership Berlin, Maryland", prepared by Davis, Bowen & Friedel, Inc., and dated September 24, 2018 (the "Annexation Plat"), attached hereto as **Exhibit A** and incorporated herein by reference, which said Plat is recorded among the Land Records of Worcester County, Maryland in Plat Book _____, page _____ and which said Annexation Property contains 6.095 acres of land, more or less.

WHEREAS, the Annexation Property is contiguous with and adjacent to the boundary of the Town. No registered voters reside within the Annexation Property.

WHEREAS, the Annexation Property is currently designated as a "Growth Area 2" pursuant to the Town of Berlin Comprehensive Plan (the "Plan"). The Plan specifies that the Town should seek to annex properties located in Growth Area 2. The annexation of the Annexation Property by the Town will not result in any enclaves of unincorporated land.

WHEREAS, the Town desires that its growth be in accordance with the goals and guiding principles outlined in the Town's Plan, all ordinances and regulations consistent therewith, and further desires that the impact of such growth be managed for the benefit of the Town and its citizens.

WHEREAS, Owners have petitioned the Town to annex the Annexation Property pursuant to an Annexation Petition (the "Petition") filed with the Town contemporaneously herewith, provided, however, that the Town shall agree to the future extension of public utilities and certain services to the Annexation Property, including access to the Town's water and sewer systems, all pursuant to the terms of this Agreement.

WHEREAS, Owners intend to continue to own and operate the automobile dealership currently located on the Annexation Property.

WHEREAS, the Town is willing to accomplish the annexation process and to submit the Annexation Resolution (the "Resolution") submitted with the Petition to a vote by the Town's Council (the "Council") and to a referendum of the Town's citizens if requested pursuant to applicable law, provided that the Owner agrees to adhere to the goals and guiding principles of the Town's Plan and the Town's lawful ordinances and regulations.

WHEREAS, Worcester County has conditioned its approval of the Annexation on the conveyance by the County of all right, title and interest in and responsibility for maintenance of the portion of Barrett Road contiguous to and located within the Annexation Property.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties do hereby agree as follows:

1. Recitals. The Recitals are hereby incorporated into this Agreement and form a part hereof, and such provisions accurately reflect the facts therein recited and the intention of the parties.

2. Petition. To effectuate the annexation of the Annexation Property, the Owners have executed and submitted the Petition to the Mayor of the Town. The Owners, with respect to their separate parcels constituting the Annexation Property, are the persons eligible to sign the Petition. Acorn Lot owns One Hundred Percent (100%) of the assessed value of Parcel 395; Acorn Chevy owns One Hundred Percent (100%) of the assessed value of Parcel 86.

3. Annexation. Upon the execution of this Agreement (the Petition and all other required documents having been submitted prior to or contemporaneously herewith), the Town will introduce the Annexation Resolution for public hearing and consideration in accordance with the procedures set forth under the Annotated Code of Maryland and the Town Code.

4. Zoning Upon Annexation.

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4.2 The parties agree that all existing land uses within the Annexation Property, whether permitted uses, accessory uses, non-conforming uses, or special exception uses, currently made in, or upon the Annexation Property, may continue subject to appropriate zoning regulations and the parties agree to cooperate to ensure that the operations on the Annexation Property as currently conducted shall not be affected by the annexation.

5. Development of the Annexation Property. The Owners intend to use, maintain and operate an automobile dealership as currently located on the Annexation Property. The Owners further intend to continue to utilize the same general size, configuration and location of improvements as currently exist on the Annexation Property. The Owners do not intend to

initiate further or different development of the Annexation Property upon annexation by the Town. Any future development of the Annexation Property shall be subject to any necessary approvals, building permits, Town construction standards required by the Town and its Planning and Zoning Commission, and shall be undertaken in accordance with applicable law, including any requirements imposed by the Maryland State Highway Administration. The Owners shall be responsible for the costs associated with any upgrades required to the Town services necessary to accommodate extension to and service on the Annexation Property, and agree to establish and maintain an escrow account with the Town to pay engineering and staff review fees, as necessary and directed by the Town.

6. Development Design.

6.1. Owners agree to comply with any SHA requirements;

6.2. Owners will be sensitive to the Town's Victorian style and, when reasonably possible in the context of an automotive business, try to complement the architectural elements of the downtown area.

6.3. The Annexation Parcel is fully improved and operated by the Owners as an automobile dealership with uses ancillary to that business, and there are no existing current or future plans to convert the on-going business to a shopping center or any other non-automotive use.

7. Interior Facilities. All facilities located on or within the Annexation Property will be private:

- a. Water
- b. Sewer
- c. Stormwater
- d. Streets
- e. Sidewalks
- f. Lighting

8. Further Conditions upon Annexation. The annexation of the Annexation Property shall be made subject to the following terms and conditions:

8.1. Wastewater Service and Water; Stormwater. The Town has sufficient water and wastewater services available to serve the Annexed Property. Upon annexation, the Annexation Property shall be served with wastewater from the Town and treated water from the Town, provided, however, that the costs of connecting the Annexation Property to the foregoing Town services shall be paid for by the Owners.

8.1.1 The Town will assess and the Owners commit to pay "ready to serve" fees upon execution of this Agreement for treated water and seven (7) equivalent dwelling units ("EDUs") shall be allocated to the Annexation Property pursuant to this Agreement, the costs of which shall be assessed to Owners and allocated to the respective parcels of the Annexation Property based upon square footage of the existing commercial improvements

thereon. Owners may request and receive from the Town, if available and subject to approval of an allocation agreement with the Town, additional EDUs. The Owners agree for three (3) years not to request to transfer EDUs from other property they own.

8.1.2 The Annexation Property shall be subject to the Town's ordinances and regulations with respect to stormwater management and shall not use stormwater for irrigation or any unlawful purpose.

8.2. Wells and Septic. Upon satisfactorily connecting to the Town wastewater and treated water services, Owners shall abandon the septic systems and cap wells currently serving the Annexation Property in accordance with federal, state, county and Town laws and ordinances, including the Town's Wellhead Protection program as set forth under Article V, Chapter 30 of the Town Code.

8.3. User Fees. Upon annexation, Owners shall be charged all ordinary and standard user fees for water, stormwater, front foot assessments, impact fees and building permits.

8.4. Property Taxes. The Annexation Property shall, upon annexation, be subject to the payment of taxes, real and personal, and shall further be subject to a lien for the nonpayment thereof, in the same manner and at the same rate as properties now within the existing Town limits. Such taxes shall become due and payable within ninety (90) days from the effective date of the annexation. Commencing with the fiscal year beginning July 1, 2019, all such taxes shall be billed and collected in the same manner as all other taxes in the Town of Berlin. The real estate property taxes generated from the Annexation Property shall be consistent with and calculated based upon the applicable State Department of Assessments and Taxation assessments related to the Annexation Property, copies of which are attached.

8.5. Other Rights and Services. The Annexation Property shall benefit from police services of the Berlin Police Department. If in the future any part of the Annexation Property is used for residential purposes, persons residing thereon shall have the right to vote in all general and special Town elections, subject to the same requirements applicable to all voters, in the Town.

8.6. Limitation on Services. Upon annexation, the Town shall not be obligated to provide garbage services or snow removal to or for the benefit of the Annexation Property. Owners shall be obligated to pay for and provide regular trash collection in a manner consistent with the Town Code.

8.7. Barrett Road. The Owners agree to accept from Worcester County all of Worcester County's right, title and interest in the portion of Barrett Road contiguous to and located within the Annexation Property, as more particularly described in Exhibit B.

9. Conditions Precedent to Annexation. This Annexation Agreement is contingent in its entirety upon the following conditions precedent: (i) zoning approval as set forth in Section 4 hereof; and, (ii) the successful and final annexation of the Annexation Property into the Town. The annexation will not become effective until the referendum period has expired, and if

applicable, all referenda have been resolved in favor of the annexation. If the foregoing conditions precedent are not timely satisfied, this Agreement shall automatically be deemed null and void and of no further force or effect.

10. Public Works Agreement and bonding. Owners acknowledge their obligation to construct any public infrastructure on-site as well as off-site, as necessary to accommodate the development of the Annexation Property. Owners recognize upgrades to conveyance, distribution and transmission systems may be required and agree to pay for such improvements, if any, necessitated by the development as specified in the Public Works Agreement. Owner shall be bound by a Town of Berlin Public Works Agreement and agrees that all public utilities shall be installed within a right of way or dedicated easement and constructed in accordance with Town standards and applicable regulations.

11. Mutual Assistance. The parties shall do all things reasonably necessary or appropriate to carry out and to expedite the terms and provisions of this Agreement and to aid and assist each other in carrying out the terms and provisions hereof and the intentions of the parties as reflected by said terms including, without limitation, the giving of such notices, the holding of such public hearings, the enactment by the Town of such resolutions and ordinances and the taking of such other actions as may be necessary to enable the parties' compliance with the terms and provisions of this Agreement and as may be necessary to give effect to the terms and objectives of this Agreement and the intentions of the parties as reflected by said terms.

12. Miscellaneous.

12.1 Unless lawfully terminated or cancelled, the Agreement shall be enforceable by either party to the Agreement or any party's successors in interest, in any court of competent jurisdiction, by any appropriate action or suit at law or in equity, to secure the performance of the covenants herein contained.

12.2 This Agreement and the rights and obligations of the parties hereunder shall be governed by the laws of the State of Maryland.

12.3 This Agreement and the provisions hereof may not be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

12.4 The terms of this Agreement shall be binding upon and shall inure to the benefit of the parties, any successor municipal authorities of the Town, successor owners of record of the Annexation Property, and the successors and assigns of the Owners. It is expressly understood and agreed that the Owners may assign their benefits, rights, duties and obligations hereunder either as part of the conveyance of the Annexation Property as an entirety or severally as part of the conveyances of portions of the Annexation Property. No provisions of this Agreement shall create any third-party beneficiary rights or other rights in any person or entity not a party hereto.

12.5 This Agreement shall be recorded among the Land Records of Worcester County, Maryland at the expense of the recording party. IN WITNESS WHEREOF, the parties have executed and sealed this Agreement as of the day and year first above written.

WITNESS/ATTEST:

MAYOR AND COUNCIL OF BERLIN

Elroy Brittingham, Vice President of Council

By: W. Gee Williams, III
Title: Mayor

ACORN BERLIN LOT, LLC

By: Peter Renzi
Title: Director

ACORN BERLIN CHEVY, LLC

By: Peter Renzi
Title: Director

STATE OF MARYLAND, WORCESTER COUNTY, to wit:

I HEREBY CERTIFY that on this ____ day of _____, 2019, before me, the undersigned Notary Public of the aforesaid State, personally appeared Elroy Brittingham, Vice President of Council and W.G. Williams, III, Mayor of the Town of Berlin, Maryland, known to me or satisfactorily proven to be the persons whose names are subscribed to the within instrument and acknowledged that they executed the same for the purposes therein contained and in the capacities therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public (SEAL)

STATE OF _____, CITY/COUNTY OF _____, to wit:

I HEREBY CERTIFY that on this ____ day of _____, 2019, before me, the undersigned Notary Public of the aforesaid State, personally appeared Pete Renzi, who acknowledged that he is the Authorized Director of Acorn Berlin Lot, LLC, a Delaware limited liability company and Acorn Berlin Chevy, LLC, a Delaware limited liability company, and that he, in the capacities as aforesaid and being authorized so to do, acknowledged that he signed, sealed and delivered this Annexation and Development Agreement as the authorized act of the Owners as set forth therein for the uses and purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

_____(SEAL)
Notary Public

EXHIBIT A

EXHIBIT B



MOTION OF THE MAYOR AND COUNCIL 2019-33

A MOTION OF THE MAYOR AND COUNCIL OF THE TOWN OF BERLIN APPROVING THE CONTRACT TO REPLACE THE NUMBER TWO ENGINE AT THE POWER PLANT.

APPROVED THIS _____ DAY OF _____, 2019 BY AFFIRMATIVE VOTE OF _____ TO _____ OPPOSED, WITH _____ ABSTAINING AND _____ ABSENT.

Elroy Brittingham, Sr. Vice President

Wm. Gee Williams, III, Mayor

ATTEST: _____
Jeffrey Fleetwood
Managing Director

POWER PLANT ENGINE # 2 REPLACEMENT

CAT G3520 Natural Gas Engine Cost and Installation		\$ 1,443,830.00
LGIT Insurance Claim Check		\$ 1,290,230.00
LGIT Insurance Claim Check Received		\$ 15,000.00

Funds Needed **\$ 138,600.00**

Budgeted FY 20 Power Plant Engine #2 #4		\$ (125,000.00)
Electric Contingency ("Rainy Day Fund")		\$ (13,600.00)