

Date: May 24, 2021

**CAMBRIDGE WATERFRONT
DEVELOPMENT, INC.**
5263 Bucktown Road
Cambridge, MD 21613

May 20, 2021

Mayor Andrew Bradshaw
Commissioner Brian Roche, Ward 1
Commissioner Lajan Cephas, Ward 2
Commissioner Jameson Harrington, Ward 3
Commissioner Sputty Cephas, Ward 4
Commissioner Chad Malkus, Ward 5

Dear Mayor and Commissioners,

Please find enclosed Cambridge Waterfront Development, Inc.'s (CWDI's) proposed Port Property and Gateway Property Transfer Agreements for your consideration. There are five (5) documents:

The Port Property Transfer Agreement plus:

Exhibit A: Waterfront Planning Envelope

Exhibit B: Draft Master Plan

Exhibit C: Additional Covenants which address the RFP Process and conditions for subdivisions.

The Gateway Property Transfer Agreement plus:

Exhibit A: Waterfront Planning Envelope

Exhibit B: Waterfront Planning Envelope

On May 20, 2021, the Board of CWDI approved submission of the Draft Master Plan and the proposed Port Property and Gateway Property Transfer Agreements with the following vote: Zeidman – aye; Narr – aye; Frenz – Aye; Lane – aye; Powell – abstain.

We look forward to completing discussions and decisions relative to increasing diversity of the CWDI Board and refining conflict of interest policies and procedures.

Thank you for the spirit of cooperation which has brought us to this point, and we look forward to your positive consideration the two property transfer agreements on May 24, 2021.

Sincerely,

Sandra Tripp-Jones
Executive Director

cc: Patrick Comiskey, City Manager
CWDI Board of Directors
Kenneth Holt, Secretary, Maryland Department of Housing and Community
Development
Owen McEvoy, Deputy Secretary, DHCD

encl.

TRANSFER AGREEMENT
(Cambridge Port Property)

THIS TRANSFER AGREEMENT (the “Agreement”), made effective as of the last date that this Agreement is signed and dated by a party hereto (the “Effective Date”), by and between **THE COMMISSIONERS OF CAMBRIDGE**, a body politic and political subdivision of the State of Maryland (the “Seller” or “City”) and **CAMBRIDGE WATERFRONT DEVELOPMENT, INC.**, a Maryland non-stock economic development corporation (the “Buyer” or “CWDI”) and/or assigns. Seller and Buyer (collectively the “Parties”) hereby covenant and agree as follows:

WITNESSETH

WHEREAS, by virtue of a Quitclaim Deed dated August 15, 2014, and recorded among the Land Records of Dorchester County, Maryland at Liber A.J.C. No. 1221, folio 309, the City is the fee simple owner of all that parcel of land situate, lying, and being in the City of Cambridge, Dorchester County, Maryland, Tax Map 301, Parcel 5150, consisting of 11.826 acres of land, more or less, which property is further shown on the plat entitled “ALTA/ACSM Land Title Survey Cambridge Maryland Port Administration - Dorchester County, Maryland” dated June 20, 2013 (the “Port Property”); and

WHEREAS, CWDI was formed in July 2018 by the filing of Articles of Incorporation in furtherance of that certain Memorandum of Understanding dated April 4, 2018 (the “MOU”), as amended, by and between the City and Dorchester County, Maryland for purposes of collaboration and cooperation in the comprehensive planning and redevelopment of certain properties along and adjacent to the Cambridge waterfront extending from the Choptank River Bridge Fishing Pier/Gateway to Cambridge Creek (the “Waterfront Planning Envelope”) for the betterment of Cambridge, Dorchester County, and the region; and

WHEREAS, the Board of Directors of CWDI is charged with planning, promoting, and facilitating the redevelopment and mixed utilization of those certain properties within and some adjacent to the Waterfront Planning Envelope, comprising roughly 40 acres, all such parcels of land situate, lying and being in Cambridge as shown on Exhibit A hereto, including the Port Property (Parcel 5150); and

WHEREAS, the comprehensive planning efforts undertaken by CWDI are reflected in the Concept Master Plan Draft prepared by BCT Design Group (the “Draft Master Plan”) attached and incorporated herein as Exhibit B; and

WHEREAS, the Port Property is an integral parcel within the Waterfront Planning Envelope so in November 2019 the City and CWDI entered into a Letter of Intent setting forth the intention of CWDI to accept the transfer of the Port Property from the City in furtherance of CWDI’s mission and subject to the approval of the State of Maryland (the “State”) pursuant the terms and conditions of the State’s prior transfer of the Port Property to the City in 2014;

(b) Approximately 7.3 acres of the Property being subject to a Lease Agreement between the City and Sailwinds West, Inc. (the “Governor’s Hall Lease”).

(c) Approximately 2.6 acres of the Property being subject to a Lease Agreement between the City and Yacht Maintenance Company, Inc./Cambridge Shipyard Facility, Inc. (the “Shipyard Lease”).

(d) Approximately 0.431 acres of the Property that was substantially improved by the City in 2015-2016 with upgrades to the deep-water wharf and adjacent promenade (the “Deep Wharf and Promenade”).

(e) The Property to be transferred to CWDI is:

(i) inclusive of the Deep Wharf and Promenade;

(ii) subject to the Governor’s Hall Lease and the Shipyard Lease, and

(iii) subject to certain State Mandates and Covenants (as hereinafter defined in Section 6).

(f) The Property includes:

(i) all and singular the rights, alleys, ways, tenements, hereditaments, easements, appurtenances, passages, waters, advantages and privileges now or hereafter appertaining to the Property or any part thereof;

(ii) all improvements, structures, and buildings including, fixtures and equipment, if any, located on the Property except as expressly provided herein; and

(iii) such other rights, interests, and properties as may be specified in this Agreement to be sold, transferred, assigned, or conveyed by Seller to Buyer.

3. **PURCHASE PRICE:** The purchase price (the “Purchase Price”) to be paid by Buyer to Seller for the Property is FIVE AND 00/100 DOLLARS (\$5.00). At the Closing, Buyer shall pay the Purchase Price by cash, certified funds, or electronic funds transfer. The Parties have agreed that the adequacy of the Purchase Price reflects CWDI’s agreement to abide by and be burdened by the terms and provisions of the State Mandates and Covenants and other conditions contained in this Agreement.

Recognizing the terms and conditions of the State Transfer Agreement and Covenants defined in Section 6 herein, the City and CWDI promise to cooperate in seeking the State’s waiver of the Provisions for Determining Fair Market Value of the Property as specified in Exhibit B of the State Transfer Agreement.

4. **DEPOSIT:** No deposit is required.

5. **PAYMENT OF THE PURCHASE PRICE:** The Purchase Price shall be paid by Buyer to Seller at the Closing as follows:

7. DUE DILIGENCE PERIOD:

(a) Seller hereby agrees that Buyer shall have a period of thirty (30) days from the Effective Date in which to undertake such studies and investigations of the Property as Buyer deems necessary or appropriate in its sole discretion and to obtain State approval of the Property transfer as agreed by the Parties (the "Due Diligence Period"). Seller hereby grants to Buyer and its affiliates, employees and agent's reasonable access to the Property during the Due Diligence Period to conduct such studies, tests and evaluations as Buyer may elect, provided, however, that such access shall not unreasonably interfere with the business activities of Seller's tenants. In the event Buyer determines that the Property is not suitable for any reason in Buyer's sole discretion or Buyer does not wish to proceed with the transaction described herein, Buyer shall have the right and option to terminate this Agreement upon written notice delivered to Seller prior to the expiration of the Due Diligence Period, in which case neither party shall have any further liability to the other.

(b) The Buyer agrees that all such tests and inspections conducted by Buyer and its agents shall be conducted at the expense of the Buyer. The Buyer agrees to indemnify and hold Seller harmless from and against any claim, suit, or damage arising out of the Buyer's or the Buyer's agents' entry, tests and inspections on or about the Property.

(c) Buyer may shorten or terminate the Due Diligence Period at any time in its sole discretion in order to accelerate the Closing Date as described in Section 14 hereof.

(d) Promptly after the Effective Date, the Seller shall deliver to the Buyer, at no cost to the Buyer, any of the following if in the possession of Seller: all plans and specifications, surveys, appraisals, agreements, including lease agreements, occupancy permits, licenses, zoning authorizations, environmental reports and other similar documents for the Property.

(e) During the Due Diligence Period, City and CWDI shall evaluate the assignment, assumption and/or refinancing of the outstanding bonds, loans or other financing agreements obligated by the City related to the Deep Wharf and Promenade in anticipation of CWDI assuming responsibility for such debt service.

8. COVENANTS OF SELLER: Seller hereby covenants and agrees as follows:

(a) Leases and Rents. Except as otherwise provided in this Agreement, from the Effective Date until the Closing Date, Seller shall not enter into any new leases of the Property, enter into any agreements applicable to the Property with any governmental authorities or grant any easements affecting the Property or impose any restrictions on the Property or otherwise encumber the Property, without the prior written consent of the Buyer.

(b) Notices. The Seller shall promptly give the Buyer copies of any written notices and correspondence received by Seller relating to the Property.

(c) Insurance. The Seller shall continue the insurance policies on the Property in force during the term of this Agreement. Buyer shall have the right, at the Buyer's option and expense, to obtain such insurance, or additional insurance, as shall be satisfactory to the Buyer.

(f) No Condemnation Pending. Seller has received no notice of any pending condemnation or similar proceeding affecting the Property, or any portion thereof, nor has Seller knowledge that any such action is threatened or contemplated.

(g) Pending Litigation. To the best of Seller's knowledge, there are no legal actions, suits, or other legal or administrative proceedings, including condemnation cases, pending or threatened against the Property.

(h) Utilities. All utility services necessary for the use of the improvements constructed on the Property for their current purposes are presently connected to the Property.

(i) Hazardous Materials. To Seller's knowledge, except for cleaning and maintenance supplies commonly used in connection with the operation of properties such as the Property, there has been no release, manufacture, storage, or disposal of any substance or material at the Property, the generation, storage or disposal of which is regulated under the Comprehensive Response, Compensation and Liability Act, 42 USC Section 9601 et seq., or any comparable law, regulation or order of any governmental body, and no previous owner has stored, generated or disposed of any such material at the Property. Seller has not received any complaint order, citation, or notice from any person, government, or entity which regard to environmental matters affecting the Property. To Seller's knowledge, no underground storage tanks of any kind or any nature are currently located within the boundaries of the Property.

(j) Boundary Lines. To the best of the Seller's knowledge, the improvements constructed on the Property are completely within the boundary lines of the Property and do not violate any setback requirements and no structures or improvements of any kind encroach on the Property.

(k) Mechanics' Liens. No work has been done or will be done, and no materials have been or will be supplied, to the Property by or for the benefit of the Seller that will enable or permit the filing of a mechanic's lien or any other lien against the Property.

(l) Survival. The representations and warranties made by Seller contained in this Agreement shall survive the Closing (as hereinafter defined) and shall not merge with the deed conveying the Property to Buyer, and acceptance of possession of the Property by Buyer at closing shall not be deemed a waiver of Seller's obligation to deliver the Property in the condition set forth herein.

10. REPRESENTATIONS AND WARRANTIES OF BUYER: Buyer represents and warrants to Seller as of the date hereof and as of the Closing Date as follows:

(a) Good Standing. Buyer (or, at Closing, its permitted assigns) is duly organized, validly existing, and in good standing under the laws of the state in which it was organized and the states in which it is authorized to do business.

(b) Authority. Buyer has full power and authority to enter into this Agreement and to carry out the transactions contemplated hereby and Buyer has taken all action necessary to authorize the execution, delivery and performance of this Agreement, the completion of the

(b) Satisfactory Completion of Due Diligence Period. Buyer did not give notice to Seller of its election to terminate this Agreement prior to the expiration of the Due Diligence Period.

(c) Debt Service re Deep Wharf and Promenade. Parties have a written agreement regarding the assignment, assumption and/or refinancing of the outstanding bonds, loans or other financing agreements obligated by the City related to the Deep Wharf and Promenade per Section 7(e).

(d) State Approval. Parties have written notification of State approval as specified in Section 6.

(e) Correctness of Representations and Warranties. The representations and warranties of the Parties set forth herein shall be true on and as of the Closing Date with the same force and effect as if such representations and warranties had been made on and as of the Closing Date. The Parties, by consummating the transaction contemplated hereby, shall be deemed conclusively to have certified at the Closing that all such representations and warranties were materially true on and as of the Closing Date.

(f) Condition of Property. The Property shall be in substantially the same condition on the Closing Date as existed on the Effective Date, normal wear and tear excepted.

(g) Time Period to Satisfy Conditions Precedent. If the conditions precedent set forth in this Section 11 have not been satisfied by the times specified herein, and no extension(s) has been agreed to by the Parties, this Agreement shall become null and void and there shall be no further liability by either of the Parties to the other hereunder.

12. CONDEMNATION: If after the date of this Agreement and prior to the Closing all or a part of the Property is taken by eminent domain or condemnation (or sale in lieu thereof), Buyer may by written notice to Seller elect to cancel this Agreement prior to the Closing whereupon Seller and Buyer shall have no further liability to the other hereunder. If no such election is made, this Agreement shall remain in full force and effect and the transactions contemplated herein, less any interest taken by eminent domain or condemnation, shall be consummated as herein provided, without reduction of the Purchase Price, but all condemnation awards or payments shall be paid or assigned to the Buyer at Closing.

13. RISK: The Property shall be held at the sole risk of Seller until legal title has passed to Buyer and Seller assumes all loss or damage to the Property until the Closing.

14. CLOSING: The consummation of the transaction contemplated by this Agreement (“Closing”) shall take place on or before June 30, 2021 (“Closing Date”) at a location mutually agreed to by the Parties, with MacLeod Law Group, LLC designated as the Closing agent (the “Closing/Escrow Agent”). The Closing/Escrow Agent is authorized to receive, deposit, and distribute funds for the Parties; prepare and obtain execution of escrow instructions, closing documents, and instruments evidencing the terms and conditions of this transaction as are required for the Closing; and conduct the Closing and provide for recording of the documents. The Closing Date is subject to extension for purposes of State Approval per Section 6.

rights and remedies as may be available at law or in equity, including without limitation, an action for specific performance of this Agreement. If either party defaults, the party committing the default, whether Buyer or Seller, shall reimburse the non-defaulting party for costs, including reasonable attorney's fees, incurred as a result of the default.

20. **ASSIGNMENT:** This Agreement may be assigned by CWDI with the approval of the City. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and assigns.

21. **BROKERS AND AGENTS:** Seller and Buyer represent and warrant to each other that no real estate agent or broker is entitled to a commission in connection with the transactions set forth herein. The Parties shall each defend and indemnify the other against all claims and liabilities for any commissions or other compensation in connection with this matter arising through the indemnifying party.

22. **NOTICES:** Any notice to be given or to be served upon any party hereto, in connection with this Agreement, must be in writing, and may be given by hand delivery, facsimile transmission or certified mail. In the case of certified mail, the notice shall be deemed to have been given and received when a certified letter containing such notice, properly addressed, with postage prepaid is deposited in the United States mails; and if given otherwise than by certified mail, it shall be deemed to have been given when delivered to and received by the party to whom it is addressed. Such notice shall be given to the Parties hereto at the following addresses:

SELLER: The Commissioners of Cambridge
c/o Mayor and City Manager
410 Academy Street
Cambridge, Maryland 21613

BUYER: Cambridge Waterfront Development, Inc.
c/o President and Executive Director
5263 Bucktown Road
Office No. 2 - Mailbox No. 5
Cambridge, Maryland 21613

Any party hereto may, at any time by giving five (5) business days written notice to the other party hereto, designate any other address in substitution of the foregoing address to which such notice shall be given and other parties to whom copies of all notices hereunder shall be sent.

23. **NOTICE CONCERNING THE CHESAPEAKE AND ATLANTIC COASTAL BAYS CRITICAL AREA:** Buyer is advised that all or a portion of the Property may be located in the "Critical Area" of the Chesapeake and Atlantic Coastal Bays, and that additional zoning, land use, and resource protection regulations apply in this area. The "Critical Area" generally consists of all land and water areas within 1,000 feet beyond the landward boundaries of state or private wetlands, the Chesapeake Bay, the Atlantic Coastal Bays, and all of their designated tidal tributaries. The "Critical Area" also includes the waters of and lands under the Chesapeake Bay, the Atlantic Coastal Bays, and all of their tidal tributaries to the head of tide. For information as

(k) Time of Essence. Time is of the essence of this Agreement.

(l) Scope of Agreement. Covenants of cooperation herein notwithstanding, this Agreement is not intended to limit the exercise of police powers of the City, to limit the operation of the City government, or to guarantee the outcome of any administrative process. Unless otherwise specifically provided in writing, this Agreement shall be subject to all duly enacted laws and properly adopted governmental regulations, now or hereafter existing and applicable.

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TRANSFER AGREEMENT
(Gateway Property)

THIS TRANSFER AGREEMENT (the “Agreement”) made effective as of the last date that this Agreement is signed and dated by a party hereto (the “Effective Date”), by and between **THE COMMISSIONERS OF CAMBRIDGE**, a body politic and political subdivision of the State of Maryland (the “Seller” or “City”) and **CAMBRIDGE WATERFRONT DEVELOPMENT, INC.**, a Maryland non-stock economic development corporation (the “Buyer” or “CWDI”) and/or assigns. Seller and Buyer (collectively the “Parties”) hereby covenant and agree as follows:

WITNESSETH

WHEREAS, by virtue of a Deed dated August 27, 2014, and recorded among the Land Records of Dorchester County, Maryland at Liber A.J.C. No. 1223, folio 148, the City is the fee simple owner of all those parts or parcels of land situate, lying, and being in the City of Cambridge, Dorchester County, Maryland, Tax Map 303, Parcels 5234, 5235 and 5236, together consisting of 50,021 square feet of land, more or less, (collectively the “Gateway Property”), the said Parcels 5235 and 5236 being shown and designated on the plat entitled, “Land of The Estate of Edward L. Meredith” dated December 1978, prepared by J. R. McCrone, Jr., Inc., registered professional engineers and land surveyors, and recorded among the Plat Records of Dorchester County at Plat Liber P.L.C. No. 22, folio 72; and

WHEREAS, the Gateway Property was acquired virtue of the combined efforts of the City and Sailwinds Park, Inc., and multiple State of Maryland grants for the purposes of designing and developing a signature gateway into the City; and

WHEREAS, CWDI was formed in July 2018 by the filing of Articles of Incorporation in furtherance of that certain Memorandum of Understanding dated April 4, 2018 (the “MOU”), as amended, by and between the City and Dorchester County, Maryland for purposes of collaboration and cooperation in the comprehensive planning and redevelopment of certain properties along and adjacent to the Cambridge waterfront extending from the Choptank River Bridge Fishing Pier/Gateway to Cambridge Creek (the “Waterfront Planning Envelope”) for the betterment of Cambridge, Dorchester County, and the region; and

WHEREAS, the Board of Directors of CWDI, which includes a representative of Sailwinds Park, Inc., is charged with planning, promoting, and facilitating the redevelopment and mixed utilization of those certain properties within and some adjacent to the Waterfront Planning Envelope, comprising roughly 40 acres, all such parcels of land situate, lying and being in Cambridge as shown on Exhibit A hereto, including the Gateway Property (Parcels 5234, 5235 and 5236); and

WHEREAS, the comprehensive planning efforts undertaken by CWDI are reflected in the Concept Master Plan Draft prepared by BCT Design Group (the “Draft Master Plan”) attached and incorporated herein as Exhibit B; and

(b) The Property is subject to certain Mandates and Covenants (as hereinafter defined in Section 6) and a certain agreement running with the land for an elevated four-panel billboard sign.

(c) The Property includes:

(i) all and singular the rights, alleys, ways, tenements, hereditaments, easements, appurtenances, passages, waters, advantages and privileges now or hereafter appertaining to the Property or any part thereof;

(ii) all improvements, structures, and buildings including, fixtures and equipment, if any, located on the Property except as expressly provided herein; and

(iii) such other rights, interests, and properties as may be specified in this Agreement to be sold, transferred, assigned, or conveyed by Seller to Buyer.

3. PURCHASE PRICE: The purchase price (the "Purchase Price") to be paid by Buyer to Seller for the Property is FIVE AND 00/100 DOLLARS (\$5.00). At the Closing, Buyer shall pay the Purchase Price by cash, certified funds, or electronic funds transfer. The Parties have agreed that the adequacy of the Purchase Price reflects CWDI's agreement to abide by and be burdened by the terms and provisions of the Mandates and Covenants and other conditions contained in this Agreement.

4. DEPOSIT: No deposit is required.

5. PAYMENT OF THE PURCHASE PRICE: The Purchase Price shall be paid by Buyer to Seller at the Closing as follows:

(a) Payment by Escrow Agent of the Deposit as Buyer may direct.

(b) A cashier's or title company check or wire transfer to Seller in an amount equal to the balance of the Purchase Price net of the adjustments as are provided for herein.

6. MANDATES AND COVENANTS: Pursuant to the terms and conditions of several agreements by and between the State and the City for grants related to the prior acquisition, cleanup, maintenance and development of the Gateway Property, the following restrictions are hereby mandated by such agreements (collectively the "Mandates and Covenants"). The Parties acknowledge that certain of the Mandates and Covenants have already been satisfied by the City and/or Sailwinds Park, Inc. and others will run with the land:

(a) Any deed or other instrument pursuant to which fee simple ownership of the Property, or any portion thereof, is transferred from the City to CWDI, and any subsequent development or use thereof, shall be expressly subject to the terms and conditions set forth in the following:

F. The redevelopment project must ensure any contractors and agents are bound by the terms of the Grant Agreement;

G. All necessary approvals must be obtained, including all applicable federal, State and local government approvals, licenses and permits; and

(iii) State SGIF Agreement by and between DHCD and Sailwinds Park, Inc. (State SDSGIF #14027), dated June 19, 2014, which includes without limitation, the following applicable restrictions:

A. The project will align with the City's Comprehensive Plan, local revitalization plan, economic development plan, transit-oriented development plan or an approved Sustainable Communities Action Plan;

B. The development of the Property shall not include projects of the following types of activities, including pawn shops, gun shops, tanning salons, massage parlors, adult video/book shops, adult entertainment facilities, check cashing facilities, gambling facilities, tattoo parlors or liquor stores;

C. Any cost savings and/or unspent grant funds upon completion of redevelopment of the Property shall be returned to the State;

D. The State must approve all changes in the project description, completion date, budget of any other item of the proposed project

E. The owner must maintain accurate financial and management and other records, including meeting minutes of bodies or boards for transactions relating to the administration of the redevelopment of the Property and receipt and expenditure of any grant funds;

F. The redevelopment project must ensure any contractors and agents are bound by the terms of the Grant Agreement;

G. All necessary approvals must be obtained, including all applicable federal, State and local government approvals, licenses and permits; and

(iv) State SGIF Agreement by and between DHCH and the City (SRP-SDSGIF-2015-Cambridge-00123), dated May 26, 2015, which includes without limitation, the following applicable restrictions:

A. The development of the Property shall not include projects of the following types of activities, including pawn shops, gun shops, tanning salons, massage parlors, adult video/book shops, adult entertainment facilities, check cashing facilities, gambling facilities, tattoo parlors or liquor stores;

G. Any owner may not attempt to recover capital costs of public improvements assisted in whole or in part with CDBG funds by assessing any amount against properties owned and occupied by low or moderate income persons (Grant Exhibit E, § 8);

H. Every building or facility designed, constructed or altered with CDBG funds must comply with handicap facility accessibility as stated in the American Standard Specification for Making Buildings and Facilities Accessible to and Usable by the Physically Handicapped, No. A-117.1 1980 (Grant Exhibit E, § 10); and

I. The Property is subject to certain subcontractor and agent agreement and qualification requirements (Grant Exhibit E-1).

(b) CWDI agrees to assume the risk and responsibility that the terms and conditions of any subsequent development, use or transfer of the Property, in whole or in part, complies with the terms and conditions of the applicable Mandates and Covenants.

(c) The Mandates and Covenants are incorporated herein by reference as if the terms and conditions were fully restated.

7. DUE DILIGENCE PERIOD:

(a) Seller hereby agrees that Buyer shall have a period of thirty (30) days from the Effective Date in which to undertake such studies and investigations of the Property as Buyer deems necessary or appropriate in its sole discretion and to obtain State approval of the Property transfer as agreed by the Parties (the "Due Diligence Period"). Seller hereby grants to Buyer and its affiliates, employees and agent's reasonable access to the Property during the Due Diligence Period to conduct such studies, tests and evaluations as Buyer may elect, provided, however, that such access shall not unreasonably interfere with the business activities of Seller's tenants. In the event Buyer determines that the Property is not suitable for any reason in Buyer's sole discretion or Buyer does not wish to proceed with the transaction described herein, Buyer shall have the right and option to terminate this Agreement upon written notice delivered to Seller prior to the expiration of the Due Diligence Period, in which case neither party shall have any further liability to the other.

(b) The Buyer agrees that all such tests and inspections conducted by Buyer and its agents shall be conducted at the expense of the Buyer. The Buyer agrees to indemnify and hold Seller harmless from and against any claim, suit, or damage arising out of the Buyer's or the Buyer's agents' entry, tests and inspections on or about the Property.

(c) Buyer may shorten or terminate the Due Diligence Period at any time in its sole discretion in order to accelerate the Closing Date as described in Section 14 hereof.

(d) Promptly after the Effective Date, the Seller shall deliver to the Buyer, at no cost to the Buyer, any of the following if in the possession of Seller: all plans and specifications, surveys, appraisals, agreements, including lease agreements, occupancy permits, licenses, zoning authorizations, environmental reports and other similar documents for the Property.

(d) No Conflicting Agreements. There is (i) no provision of any existing mortgage, indenture, contract or agreement binding on Seller or affecting its property, other than the Mandates and Covenants, and (ii) no order of court binding on Seller or affecting any of its property, which would conflict with, be breached by or in any way prevent the execution, delivery, or performance of the terms of this Agreement. No default or breach exists under any right-of-way, easement, covenant, restriction, condition, license, or other encumbrance affecting the Property, either as the servient or dominant estate.

(e) Leases or License Agreements. That certain agreement for an elevated four-panel billboard sign on the Property shall transfer or be assigned to CWDI and any future revenue from said agreement shall be collected by CWDI.

(f) No Condemnation Pending. Seller has received no notice of any pending condemnation or similar proceeding affecting the Property, or any portion thereof, nor has Seller knowledge that any such action is threatened or contemplated.

(g) Pending Litigation. To the best of Seller's knowledge, there are no legal actions, suits, or other legal or administrative proceedings, including condemnation cases, pending or threatened against the Property.

(h) Utilities. [reserved]

(i) Hazardous Materials. To Seller's knowledge, except for cleaning and maintenance supplies commonly used in connection with the operation of properties such as the Property, there has been no release, manufacture, storage, or disposal of any substance or material at the Property, the generation, storage or disposal of which is regulated under the Comprehensive Response, Compensation and Liability Act, 42 USC Section 9601 et seq., or any comparable law, regulation or order of any governmental body, and no previous owner has stored, generated or disposed of any such material at the Property. Seller has not received any complaint order, citation, or notice from any person, government, or entity which regard to environmental matters affecting the Property. To Seller's knowledge, no underground storage tanks of any kind or any nature are currently located within the boundaries of the Property.

(j) Boundary Lines. To the best of the Seller's knowledge, the improvements constructed on the Property are completely within the boundary lines of the Property and do not violate any setback requirements and no structures or improvements of any kind encroach on the Property.

(k) Mechanics' Liens. No work has been done or will be done, and no materials have been or will be supplied, to the Property by or for the benefit of the Seller that will enable or permit the filing of a mechanic's lien or any other lien against the Property.

(l) Survival. The representations and warranties made by Seller contained in this Agreement shall survive the Closing (as hereinafter defined) and shall not merge with the deed conveying the Property to Buyer, and acceptance of possession of the Property by Buyer at closing shall not be deemed a waiver of Seller's obligation to deliver the Property in the condition set forth herein.

(iv) subject to a right of way as set forth in a deed dated August 30, 1979 and recorded among the Land Records for Dorchester County, Maryland at Liber No. 211, folio 202;

(v) subject to a right of way for utilities to Delmarva Power & Light Co. dated November 26, 1979 and recorded among the aforesaid Land Records at Liber No. 216, folio 579;

(vi) subject to a deed to the State Highway Administration dated February 20, 1989 and recorded among the aforesaid Land Records at Liber No. 257, folio 314;

(vii) subject to a right of way easement to the Eastern Shore Public Service Company of Maryland dated January 28, 1947 and recorded among the Land Records for Dorchester County, Maryland in Liber No. 61, folio 193;

(viii) subject to a right of way easement to the Eastern Shore Public Service Company of Maryland dated June 25, 1949 and recorded among the Land Records for Dorchester County, Maryland in Liber No. 69, folio 431;

(ix) subject to a right of way easement to the Eastern Shore Public Service Company of Maryland dated November 28, 1950 and recorded among the Land Records for Dorchester County, Maryland in Liber No. 73, folio 592;

(x) subject to a right of way easement to the State Roads Commission of Maryland Board of Public Works dated November 18, 1952, and recorded among the aforesaid Land Records in Liber No. 79, folio 534;

(xi) subject to a right of way easement to the Eastern Shore Public Service Company of Maryland dated April 14, 1953 and recorded among the Land Records for Dorchester County, Maryland in Liber No. 83, folio 44;

(xii) subject to a deed to the State Highway Administration dated October 28, 1999 and recorded among the aforesaid Land Records in Liber No. 413, folio 485;

(xiii) subject to a utility easement to Delmarva Power & Light Company dated December 27, 2007 and recorded among the aforesaid Land Records in Liber No. 856, folio 417; and

(xiv) subject to that certain agreement that runs with land for an elevated four-panel billboard sign.

If Seller shall be unable to give title or to make conveyance as herein provided, then Seller shall utilize its best efforts and take such steps and actions, at Seller's expense, to remove any title defect and the time for the consummation of the transactions contemplated by this Agreement shall be extended thirty (30) days. If Seller is unable to remove such title defect within the above described thirty (30) day period, then, at the option of Buyer, this Agreement shall become null and void and the Deposit, shall be promptly refunded to Buyer and neither party shall have any further

RECORDATION TAX OR ANY STATE OR LOCAL TRANSFER TAX SHALL BE SHARED EQUALLY BETWEEN BUYER AND SELLER. Pursuant to negotiations, all transfer taxes and documentary stamps, to the extent applicable given the governmental and tax-exempt status of the Parties, shall be paid by Buyer, to the extent applicable to the transfer contemplated herein between tax-exempt entities.

All costs of title examination of the Property and the premiums payable for title insurance purchased by Buyer, if any, costs of preparation of the deeds and any other documents necessary or advisable to consummate the transaction contemplated hereunder and any recording fees, and notary fees shall be paid by Buyer.

16. FURTHER ASSURANCES. In addition to the obligations required to be performed hereunder by each party at Closing, the Parties agree to perform such other acts, and to execute, acknowledge, and/or deliver subsequent to the Closing such other instruments, documents, and other materials, as the other party may reasonably request in order to consummate the transactions contemplated hereunder.

17. PRORATION OF TAXES, UTILITIES AND RENT.

(a) Taxes. Annual real estate taxes shall be prorated and adjusted between the Parties as of the Closing Date. In the event that there are other real estate taxes, special and other assessments, pay-back agreements, and tax liens due and owing as of the Closing Date with respect to the Property, Seller shall pay such tax liabilities.

(b) Utility Charges. All charges for water, sewer service, gas, electricity, telephone service and other public utility services furnished to any or all of the Property for the Seller's account shall be adjusted between the Seller and the Buyer as of the date of Closing (the "Adjustment Date"). If there are meters on the Property measuring the consumption of water, gas or electric current, the Seller shall, not more than one (1) day before the Adjustment Date, cause such meters (for utilities for which the Seller, and not any tenant, is directly responsible to the provider thereof) to be read, and shall pay all utility bills for service rendered before such readings promptly on the Seller's receipt of such bills.

(c) Rent. Rent due under any lease or license agreement shall be adjusted and apportioned as of the Closing Date.

18. POSSESSION: Possession of the Property shall be given by Seller to Buyer upon completion of the Closing.

19. DEFAULT: The Parties are required and agree to make full Closing in accordance with the terms of this Agreement and acknowledge that failure to do so constitutes a breach hereof. If either party fails to make full Closing or is in default due to its failure to comply with the terms, covenants and conditions of this Agreement, the non-breaching party is entitled to pursue such rights and remedies as may be available at law or in equity, including without limitation, an action for specific performance of this Agreement. If either party defaults, the party committing the default, whether Buyer or Seller, shall reimburse the non-defaulting party for costs, including reasonable attorney's fees, incurred as a result of the default.

24. OTHER PROVISIONS:

(a) Applicable Law. It is the intention of the Parties hereof that all questions with respect to the construction of this Agreement and rights and liabilities of the Parties hereunder shall be determined in accordance with the laws of the State of Maryland.

(b) Entire Agreement. This Agreement embodies and constitutes the entire understanding among the Parties with respect to the transactions contemplated herein, and all prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged into this Agreement.

(c) Modification. Neither this Agreement nor any provision hereof may 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.

(d) Headings. Descriptive headings are for convenience only and shall not control or affect the meaning or construction of any provision of this Agreement.

(e) Binding Effect. The terms of this Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their successors and permitted assigns.

(f) Counterparts. This Agreement may be signed in counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same document.

(g) Interpretation. Whenever the context hereof shall so require the singular shall include the plural, the male gender shall include the female gender and the neuter, and vice versa.

(h) Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

(i) Joint and Several. The obligations, liabilities and representations of Buyer specified in this Agreement are the joint and several obligations, liabilities and representations of each such person or entity and the term "Buyer" means each as well as all of them.

(j) Representations. Any representation, warranty, covenant or agreement made herein shall be deemed to be material and to have been relied upon by the party to whom it is made.

(k) Time of Essence. Time is of the essence of this Agreement.

**WATERFRONT PLANNING
ENVELOPE - PROPERTY
BOUNDARY PLAT**

1 inch = 300 feet

Exhibit A

This exhibit is for illustrative purposes only.

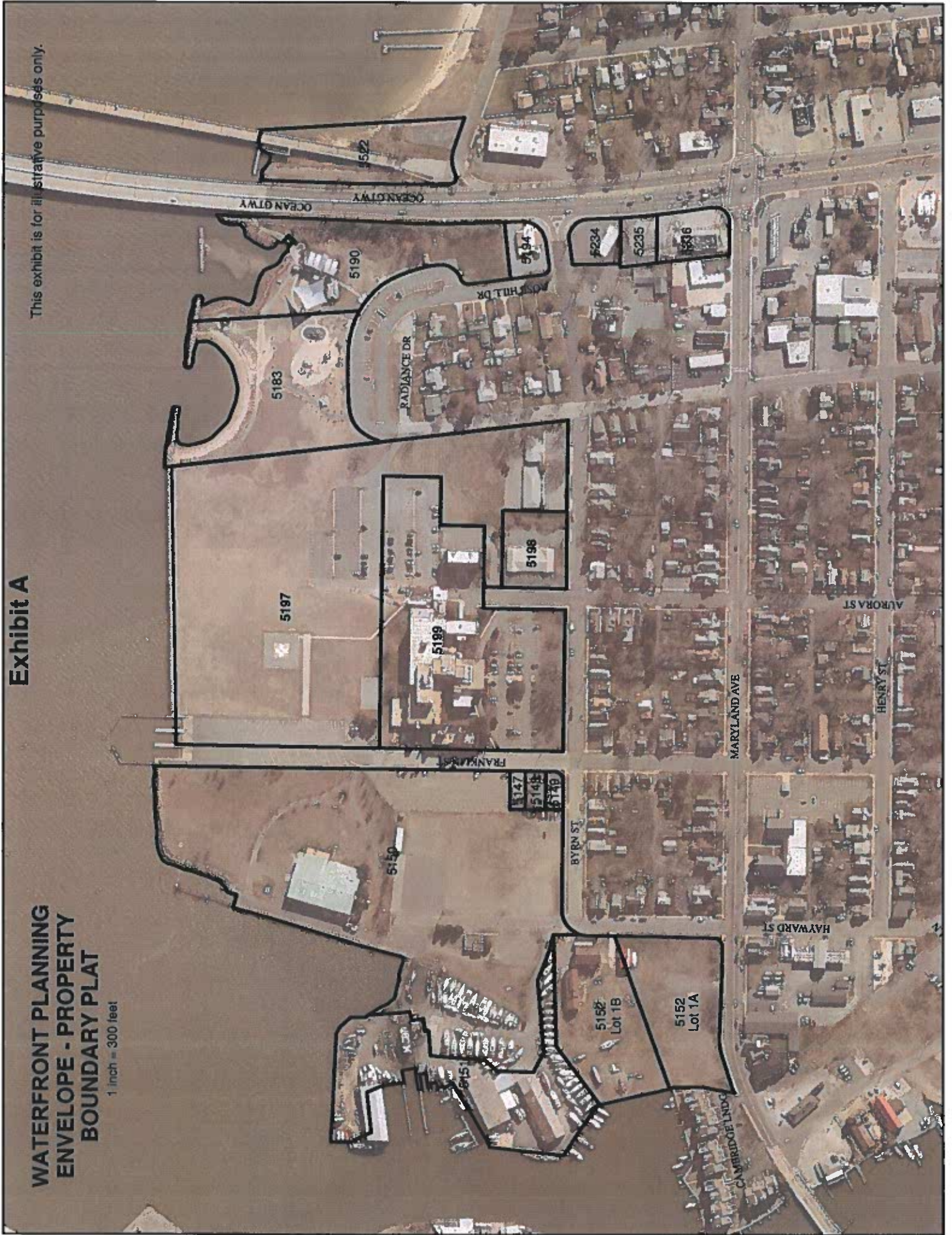
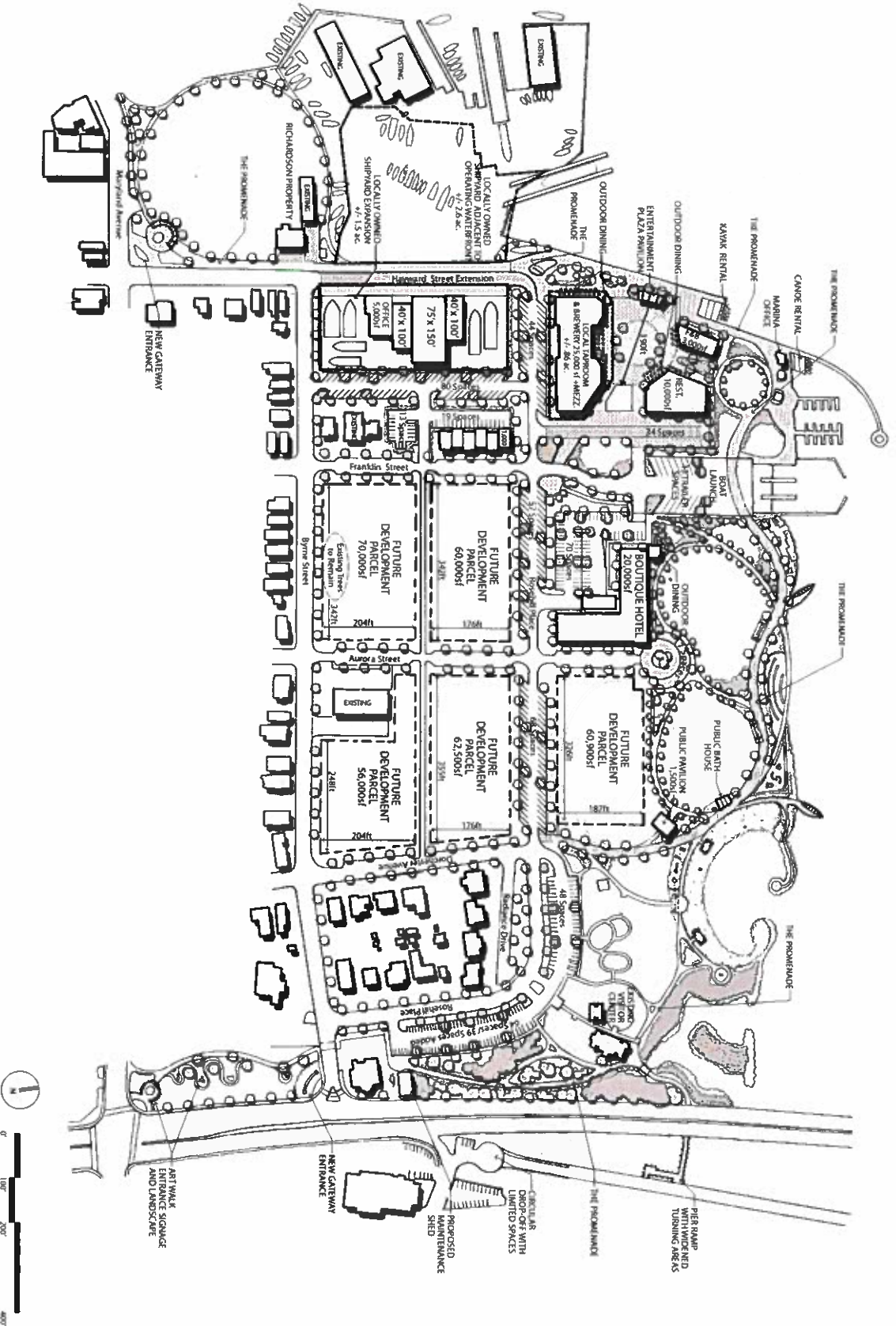


Exhibit B



TRANSFER AGREEMENT
(Cambridge Port Property)

Exhibit C

Additional Covenants of the Parties

IN ADDITION TO the covenants, restrictions and promises contained in the Agreement, and in furtherance of the MOU and Letter of Intent, the City and CWDI do hereby agree as follows:

1. Attached to and incorporated herein as Exhibit B is the Draft Master Plan for the development of the Waterfront Planning Envelope, which plan was approved by the City and CWDI and which shall be subject to final approval by CWDI provided that the final Master Plan substantially conforms to the approved Draft Master Plan.
2. The parcels within the Waterfront Planning Envelope will be subject to a Request for Proposals (“Developer RFP”) process seeking a master developer and/or combination of individual project developers for all or portions of the Waterfront Planning Envelope, exclusive of any portions dedicated to public use and amenities under the Master Plan.
3. CWDI will use its best efforts to prepare and issue said Developer RFP on or before Thursday, July 15, 2021 (the “RFP Issuance Date”). CWDI will administer the RFP process for a period of 120 days after the RFP Issuance Date and during such 120-day period CWDI shall have the right in its sole and absolute discretion to select a developer(s) and to negotiate in good faith a definitive agreement for all or such portion of the Waterfront Planning Envelope, provided that such selected developer(s) submission is substantially consistent with the approved Master Plan and the uses described therein. Once a developer(s) is selected (the “Developer Selection Date”), CWDI shall enter into negotiations for a definitive final agreement with the selected developer(s) for a period not to exceed sixty (60) days from the Developer Selection Date (the “Outside Date”). CWDI shall have the right to terminate any developer negotiation if a final definitive agreement is not reached on or before the Outside Date, as the same may be extended by CWDI. Any delay in the RFP Issuance Date shall automatically extend the Developer Selection Date.
4. CWDI will not transfer, subdivide or encumber all or any portion of the Property until a definitive agreement with the initial selected developer(s) resulting from the Developer RFP process is entered into or the Outside Date, whichever shall first occur.

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TRANSFER AGREEMENT
(Cambridge Port Property)

EXHIBIT C

Additional Covenants of the Parties

IN ADDITION TO the covenants, restrictions and promises contained in the Agreement, and in furtherance of the MOU and Letter of Intent, the City and CWDI do hereby agree as follows:

1. Attached to and incorporated herein as Exhibit B is the Draft Master Plan for ~~the development~~the development of the CWDI Planning Envelope, which plan was approved by the City and CWDI and ~~which~~ shall be subject to final approval by CWDI so long as the final Master Plan substantially conforms to the approved Draft Master Plan.
2. Development of The parcels within the CWDI Planning Envelope ~~shall will~~ be subject to a public Request for Proposals ("Developer RFP") seeking a master developer and/or combination of individual project developers for all or portions of the CWDI Planning Envelope. The Developer RFP shall incorporate citizen and community input, including but not limited to, the Cambridge R/UDAT, Waterfront 2020, and BCT Design studies. No deviation from such input shall be permitted without sufficient justification.
3. CWDI will use its best efforts to prepare and issue said Developer RFP on or before Thursday, July 15, 2021 (the "RFP Issuance Date"). CWDI will administer the RFP process for a period of 120 days after the RFP Issuance Date, and during such 120 day period, CWDI shall have the right in its sole and absolute discretion to select a developer(s) and to negotiate in good faith a definitive agreement for all or such portion of the CWDI Planning Envelope, provided that such selected developer(s) submission is substantially consistent with the ~~F~~final Master Plan and the uses described therein. Prior to selecting a developer(s), the public must be afforded an opportunity of not less than thirty (30) days for public comment and input regarding the developer(s) submission(s), with the developer(s) name(s) and other identifying information redacted. Once a developer(s) is selected (the "Developer Selection Date"), CWDI shall enter into negotiations for a definitive final agreement with the selected developer(s) for a period not to exceed sixty (60) days from the Developer Selection Date (the "Outside Date"). CWDI shall have the right to terminate and developer negotiation if a final definitive agreement is not reached on or before the Outside Date, as the same may be extended by CWDI. Any delay in the RFP Issuance Date shall automatically extend Developer Selection Date.
4. CWDI will not transfer, subdivide or encumber all or any portion of the Property until a definitive agreement with the initial selected developer(s) resulting from the

Developer RFP process is entered into or the Outside Date, whichever shall first occur.

~~CWDI shall work with the City and the State to secure public funding for infrastructure and public space improvements prior to seeking to monetize any portion of the Property, whether by sale or lease.~~

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- ~~The City, for itself and its agents, servants, employees, and contractors, shall retain control over the docking of vessels at the Promenade until such time as a developer(s) is engaged.~~

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Proposed