

PUBLIC WORKS AGREEMENT

THIS PUBLIC WORKS AGREEMENT, executed this 11 day of

Feb 1999, by and between the ST, MARY'S COUNTY

METROPOLITAN COMMISSION (hereinafter, the "Commission"),

Essex South Builders, Inc., (hereinafter, the "Developer"),

Thomas B. Watts, (hereinafter, the "Owner") and

Maryland Bank and Trust, (hereinafter, the "Lender #1", Letter of Credit holder),

RECORDING FEE 0.00
TOTAL 0.00
RES#SMB: RCFT#999999
EMA TLL 31K#177
Nov 01, 2002 02:24 PM

WITNESSETH

WHEREAS, the Commission is responsible for all water and sewerage projects in the Eighth (8th) Sanitary District of St. Mary's County, Maryland (the "County"); and,

WHEREAS, Owner is the owner in fee simple of all that lot, tract or parcel of land located in St. Mary's County, Maryland, subject to this Agreement, more particularly described at Exhibit D, attached hereto and incorporated herein, (hereinafter referred to as the "Property"); and,

WHEREAS, the Developer is developing the Property situated within said Sanitary District of St. Mary's County, Maryland, known and further described as Hunting Quarter, Phase 2, Section 2C, hereinafter referred to as the "Project"; and,

WHEREAS, the Developer, either by requirement of St. Mary's County or by choice, desires to construct certain central sewage facilities and/or central water facilities (the "Facilities"), to serve the Project; and,

WHEREAS, the Developer seeks the approval of the Commission for the construction of the Facilities; and,

of the Facilities; and,

LIBER 0014 FOLIO 002

WHEREAS, the Concept Plan for the development of the Project has been submitted to and approved by the Board of County Commissioner of St. Mary's County or their duly appointed agent; and,

WHEREAS, Developer has designed the Facilities in accordance with the St. Mary's County Standard Specifications for Water and Sewerage Construction, the Comprehensive Water and Sewerage Plans for St. Mary's County and any other rules, regulations, directives or special instructions issued by the Commission for the State of Maryland and the Federal Government; and,

WHEREAS, Developer has submitted a statement(s) included as Exhibit A _____ and/or Exhibit B _____, attached hereto and incorporated herein, setting forth a proposed phasing for the construction of the Facilities and a proposed schedule of completion for said phase or phases, said statement having been approved by the Commission. The Developer has also submitted an itemized engineer's estimate which has been approved by the Commission.

WHEREAS, Developer has furnished a Performance and Payment bond or Irrevocable Letter of Credit which has been approved by the Commission, a copy of which appears at Exhibit C _____, payable to the Commission, its successors and assigns, in an amount of \$ 181,302.00 conditioned that the Developer shall well and truly perform and fulfill the covenants, conditions and terms of this Agreement, and shall assure payment for all materials utilized and work performed, all of which shall remain in force until the expiration of the warranty period as set forth in Paragraph EIGHTH.

WHEREAS, Developer has conveyed unto the Commission any and all required interest in the real property subject to development of the Facilities within the Project, including necessary interest in fee, as well as easements, rights of entry and other rights of way, as required by the Commission, more particularly set forth in Exhibit D _____, hereinafter referred to as "Commission Property"; and,

WHEREAS, Lender #1 is the holder of a recorded security interest in the Property; and,

WHEREAS, Lender #2, if any, and Owner, if different from Developer, have joined in the execution of these presents to acknowledge the obligations of the Developer set forth herein;

NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

FIRST: The Commission shall grant unto Developer a right of entry onto the Commission Property for the purpose of construction and maintenance of the Facilities, provided, however, that Developer hold the Commission harmless for and indemnifies the Commission against any and all losses or damages incurred by the Commission during such time as Developer occupies such Commission Property, and further provided that Developer presents evidence of insurance coverage satisfactory to the Commission, including the naming the Commission as an additional insured, protecting all interests of the Commission.

SECOND: Developer shall construct all of the Facilities according to the schedule and in the phase or phases of construction as set forth herein, and in the case of multi-phased projects, no phase beyond the first shall be commenced until the Facilities under any of the previous phases have been approved and accepted by the Commission.

THIRD: Developer shall construct the Facilities in accordance with final plans and specifications, and amendments thereto, as approved by the Commission. In the event that final plans and specifications have not been approved at the time of execution of this Agreement, no work in connection with the construction of the Facilities shall be commenced prior to the approval by the Commission of such plans and specifications. Furthermore, within sixty (60) days after the construction of any phase of the Facilities is completed and approved, a completed set of "As-Built Mylar Drawings" shall be submitted to the Commission.

FOURTH: Developer shall maintain the Performance and Payment Bond or Letter of Credit provided in Exhibit C, for the period of construction of the Facilities, and for the period of the required warrantee as set forth herein.

FIFTH: Developer shall make available the Property to duly authorized representative of the Commission at all reasonable times for purposes of inspecting construction of the Facilities.

SIXTH: Developer shall pay the following fees and charges:

Inspection Charges: \$6,345.00 based upon 3.5% of the Performance and Payment Bond or Irrevocable Letter of Credit, payable upon execution of this Agreement. Said amount shall be placed in an account by the Commission and shall be drawn upon from time to time to reimburse the Commission for the direct and indirect cost of said Inspection service, and if said cost is less than the Inspection Charge initially collected, the remaining balance shall be returned to the Developer or, if the total Inspection cost is more than the Inspection Charge initially collected, the Developer shall

pay to the Commission the difference.

Connection Charges: \$3,224.00 based upon \$ 1 0 4 . 0 0
_____ per connection payable upon execution of this Agreement or at the time a connection permit is issued.

Debt Service Charge: \$521.22 per month based upon _____ per EDU per month, or \$2.04 per front foot per year based on 3066 _____ front feet, payment beginning at the time capacity allocation is made (Planning Commission approval or service is made available, whichever occurs first).

Sewer Impact Fees: \$1,860.00 based upon \$60.00
_____ per lot or EDU, applied for future upgrade of the Forest Run _____ Pump Station. This fee is levied because this section of the project lies entirely out of the designed service area for the above mentioned pump station.

Sewer Service Charge: \$485.15 per month based upon \$15.65 per month per EDU beginning when the service is utilized. This Service Charge reflects the currently approved rate and is subject to change.

Water Service Charge: \$310.62 per month based upon \$10.02 per month per meter for service and N/A per month per meter for Ready-to-Serve charge, beginning when the service is utilized. The meter will be read on a quarterly basis with an allowance of 18,000 gallons per quarter. \$1.67/1,000 gallons will be charged over the 18,000 gallon limit. This Service Charge reflects the currently approved rate and is subject to change.

Water Supply Fees: N/A per EDU for development without supply

(wells) that utilize the public water system, payable as set forth below:

1. Payment in full at the time this Public Works Agreement is executed;
or
2. Payment in full anytime between the date of this Agreement and up to 365 days thereafter with a deferment charge of 10% per annum pro rated per diem to the date of payment. Payment date not to exceed 365 days after date of execution of this agreement. *

Water Storage Fees: N/A per EDU for developments without storage facilities that utilize the public water system, payable as set forth below:

1. Payment in full at the time this Public Works Agreement is executed;
or
2. Payment in full anytime between the date of this Agreement and up to 365 days thereafter with a deferment charge of 10% per annum pro rated per diem to the date of payment. Payment date not to exceed 365 days after date of execution of this Agreement. *

SEVENTH: No premises within the Project to be connected to the Facilities shall be occupied or used for any purpose whatsoever prior to the Facilities being accepted by the Commission without the express written prior approval of the Commission.

EIGHTH: Developer shall warrantee all mechanical, electrical and control Facilities for a period of twelve (12) months and all earthwork and associated underground construction for a period of eighteen (18) months after approval and acceptance by the Commission. The warranties shall cover the cost of labor, equipment and materials

necessary to correct any problems with the Facilities.

NINTH: The Parties hereto expressly acknowledge that the following shall constitute events of Default of this Agreement:

1. Failure of Developer to construct the Facilities according to the schedule and in the phase or phases as set forth herein.
2. Failure of Developer to construct the Facilities in accordance with the approved plans and specifications approved by the Commission, as set forth herein.
3. Failure of Developer to provide a complete set of "Mylar Drawings" pursuant to ¶ **THIRD** above.
4. Failure of Developer to maintain the required bond for the period of construction and warranty of the Facilities.
5. Failure of Developer to prosecute work according to standard specifications.
6. Failure of Developer to respond to requests to honor warranties within a reasonable time schedule, such schedule to be established by the Commission.
7. Failure of Developer to perform any of the terms and conditions of this Agreement.

TENTH: The parties hereto acknowledge and agree that in an event of Default the Commission may take any or all of the following actions:

1. Notify Developer to Stop Work.
2. Demand that Developer vacate Commission Property.
3. Notify Developer of intention to call bond.

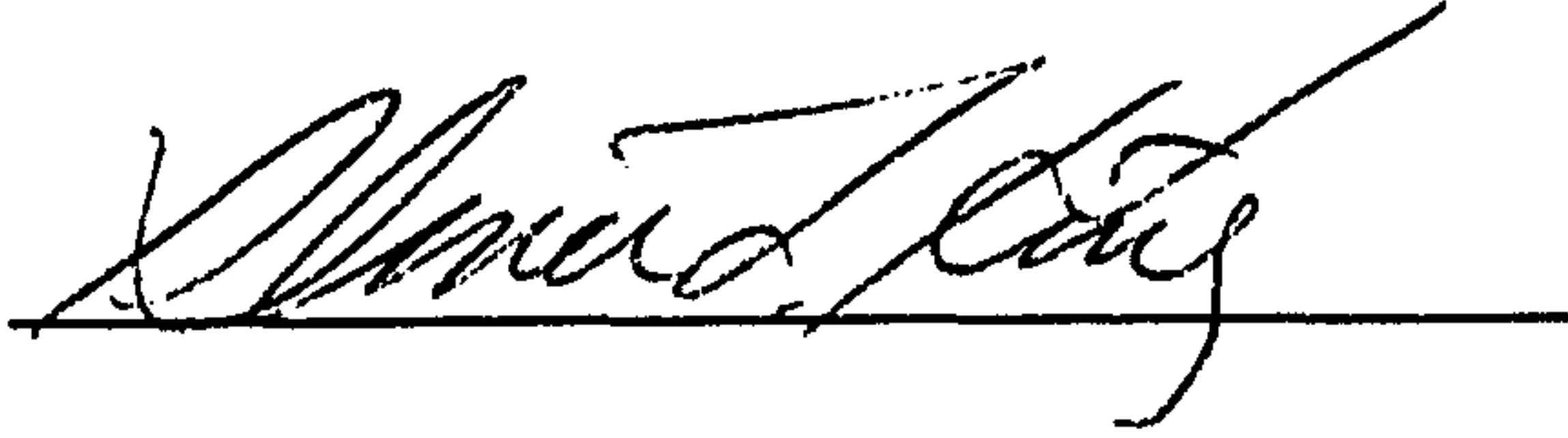
The Commission may, in its sole discretion and for the benefit of the project, give Developer a reasonable period to cure an event of Default. Failure of Developer to cure Default during such cure period shall constitute an event of continuing Default, with all remedies available to the Commission. Forbearance by the Commission shall not constitute a waiver of its rights to declare subsequent default.

ELEVENTH: This Agreement shall be binding upon and inure to the benefit of the heirs, successors, personal representatives and assigns of the parties hereto.

WITNESS THE HANDS AND SEALS OF THE PARTIES HERETO THE DAY AND YEAR FIRST ABOVE WRITTEN:

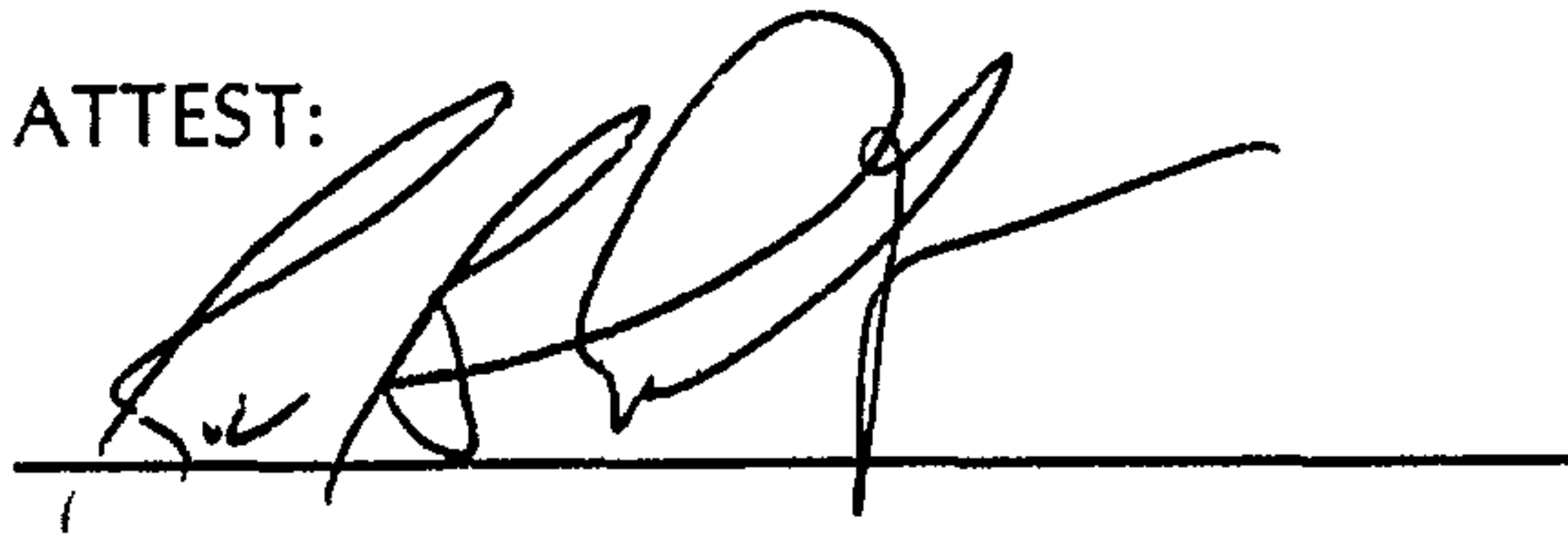
WITNESS the hands and seals of the parties hereto, this 11 day of Feb 19 99

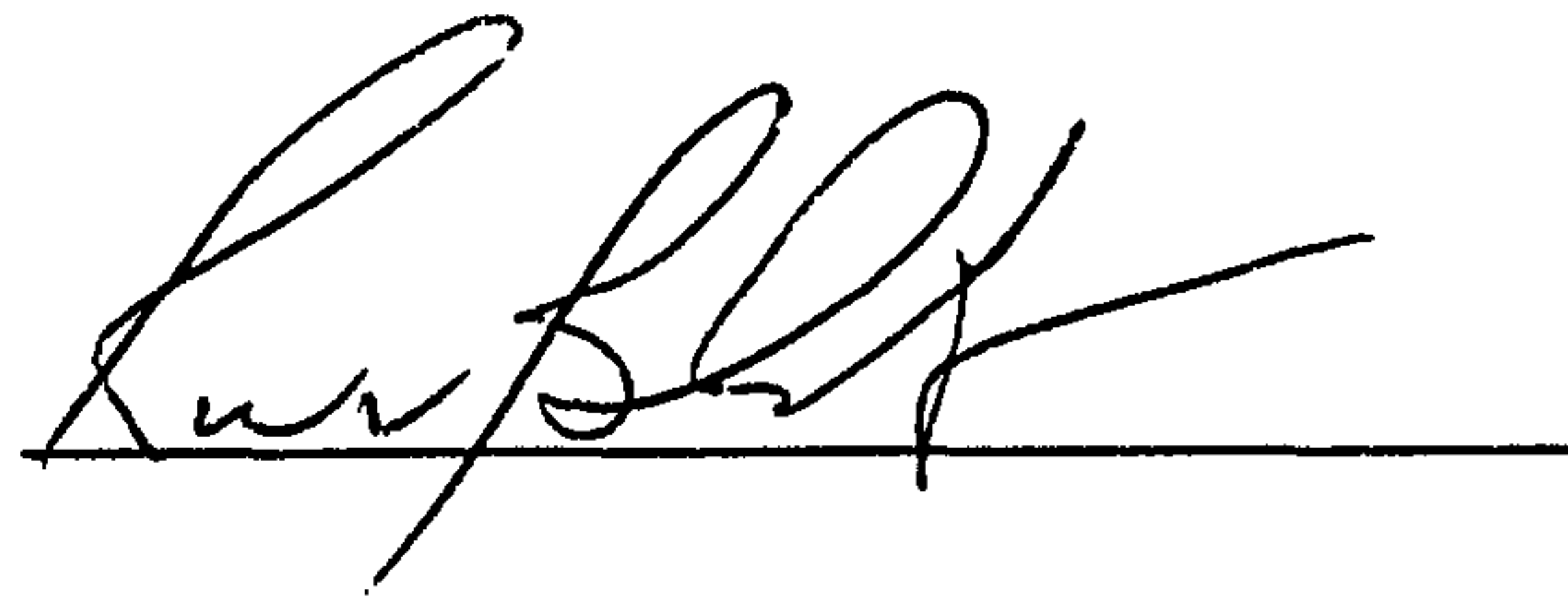
ATTEST:



Secretary

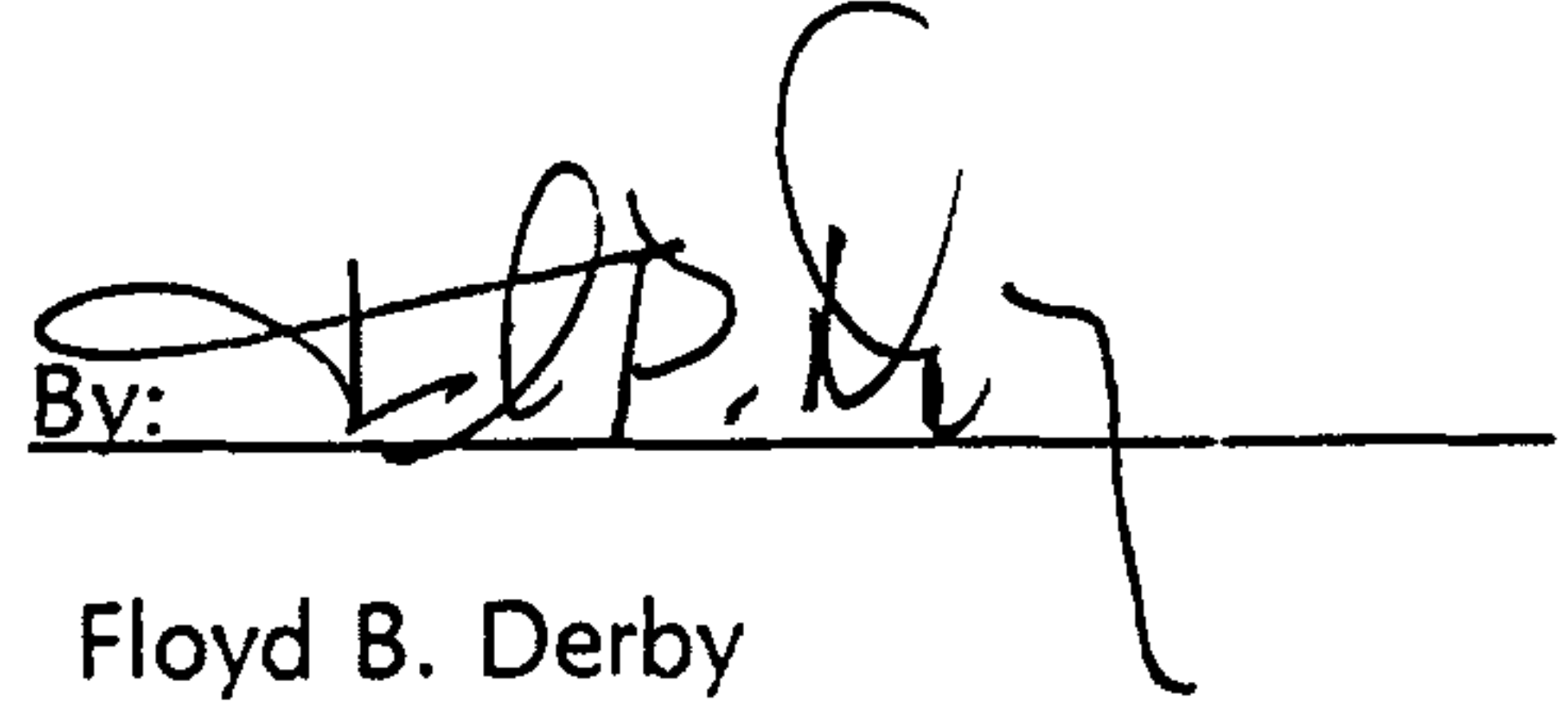
ATTEST:





EXHIBITS: _____

ST.MARY'S COUNTY METROPOLITAN COMMISSION

By: 

Floyd B. Derby
Chairman

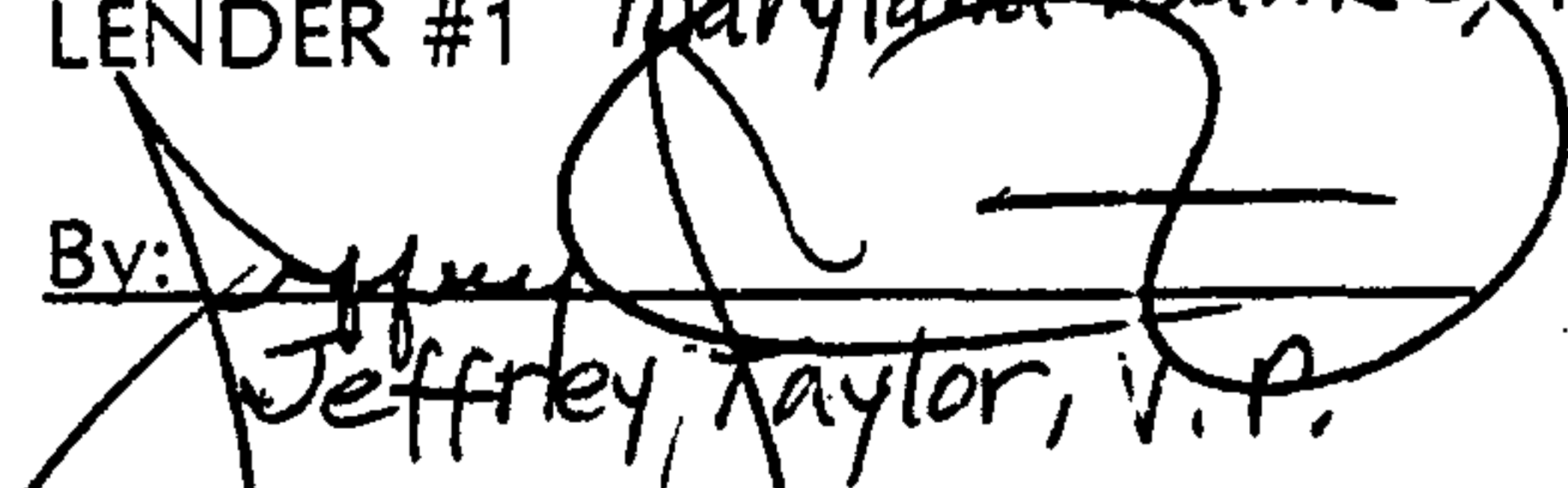
DEVELOPER *Essex South Builders, Inc.*

By: *Thomas B. Watts*
Thomas B. Watts, President

PROPERTY OWNER

By: *Thomas B. Watts*
Thomas B. Watts

LENDER #1 *Maryland Bank & Trust*

By: 
Jeffrey Taylor, V.P.

LENDER #2

By: _____

(COMMISSION)STATE OF MARYLAND

COUNTY OF ST. MARY'S,

to wit:

I HEREBY CERTIFY that on this 11th day of February 1999

before me a Notary Public in and for the County of St. Mary's aforesaid personally appeared

Floyd B. Derby Chairman of the St. Mary's

County Metropolitan Commission, and on behalf of said Commission did acknowledge the

foregoing instrument to be the act and deed of the St. Mary's County Metropolitan

Commission.

WITNESS my hand and Notarial Seal

Lillian G. Bryan Notary Public

My Commission Expires: 02/01/00.

(DEVELOPER)STATE OF

md

COUNTY OF

St Mary's to wit:

I HEREBY CERTIFY that on this 1 day of October, 1998 before me,

the subscriber, a Notary Public in the county aforesaid, personally appeared Thomas

B. Watts President and that he/she/they acknowledged the foregoing Public Works

Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Valerie L. Buchner Notary Public

My Commission Expires:

Valerie L. Buchner
Notary Public State of Maryland
My Commission Expires May 1, 2002

(OWNER)STATE OF md

COUNTY OF St Mary's to wit:

I HEREBY CERTIFY that on this 1 day of October, 1998 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared Thomas B. Watts and that he/she/they acknowledged the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Valerie L. Buchner, Notary Public

My Commission Expires: Valerie L. Buchner
Notary Public State of Maryland
My Commission Expires May 1, 2002

(LENDER #1)

STATE OF md

COUNTY OF St Mary's to wit:

I HEREBY CERTIFY that on this 1 day of October, 1998 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared Jeffrey Taylor and that he/she/they acknowledged the execution of the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Valerie L. Buchner, Notary Public

My Commission Expires: Valerie L. Buchner
Notary Public State of Maryland
My Commission Expires May 1, 2002

EXHIBIT A

STATEMENT OF
PROPOSED WATER FACILITIES
AND PHASING

PROJECT NAME: Hunting Quarter, Section II, Phase IIC

TOTAL # OF PHASES: One

DEVELOPER: Essex South Builders, Inc.

PHASE I:

PLAT REF: _____ # LOTS TO BE SERVED: 31

PROJECTED CONSTRUCTION START DATE: 10/01/98

PROJECTED CONSTRUCTION COMPLETION DATE: 10/01/99

FACILITIES TO BE CONSTRUCTED*: Water distribution system with all appropriate appurtenances in accordance with the definition below and per the approved construction plans as signed by the Metropolitan Commission's Chief Engineer on 02/24/98.

COMMISSION PARTICIPATION: NONE

*The facilities listed also include FOR WATER PUMPING STATION: Wells, pumps, controls, generators, chlorinators, compressors, meters, valves, interior and exterior piping and appurtenances, together with all sites on which they are situated and 20' access to the same; FOR WATER STORAGE TANKS: Elevated storage tanks, standpipes, ground storage tanks,

23/11

hydropneumatic tanks and surge tanks as required by the Commission, together with all sites on which they are situated and 20' access to the same: FOR DISTRIBUTION SYSTEMS: Mains, fire hydrants, valves and valve boxes, fittings, blow offs, water house connections, water house service lines, curb stops, curb stop boxes, water meter settings and appurtenances, together with 20' permanent easements over the same for maintenance and modifications of and connection to these facilities; along with any and all other facilities or appurtenances which in any way could be construed as part of the water system.

Commission: JK

(Initials)

Developer: ZBW

(Initials)

EXHIBIT B

STATEMENT OF

PROPOSED SEWER FACILITIES

AND PHASING

PROJECT NAME: Hunting Quarter, Section II, Phase IIC

TOTAL # OF PHASES: One

DEVELOPER: Essex South Builders, Inc.

PHASE I:

PLAT REF: _____ # LOTS TO BE SERVED: 31

PROJECTED CONSTRUCTION START DATE: 10/01/98

PROJECTED CONSTRUCTION COMPLETION DATE: 10/01/99

FACILITIES TO BE CONSTRUCTED*: Sewerage collection system with all appropriate appurtenances in accordance with the definition below and per the approved construction plans as signed by the Metropolitan Commission's Chief Engineer on 02/24/98

COMMISSION PARTICIPATION: NONE

*The facilities also include for WASTEWATER PUMPING STATIONS: pumps, wet wells, generators, compressors, meters, valves, interior and exterior piping and appurtenances, together with all sites on which they are situated and 20' access to the same. FOR

25/14

PUBLIC WORKS AGREEMENT

THIS PUBLIC WORKS AGREEMENT, executed this 11 day of

Feb-1999

by and between the ST, MARY'S COUNTY METROPOLITAN COMMISSION (hereinafter, the "Commission"),

Dr. Phillip Christie, (hereinafter, the "Developer"),

Dr. Phillip Christie, (hereinafter, the "Owner")

RECORDING FEE 0.00
TOTAL 0.00
Res#5402 Rpt#999999
SMA TLC 01k#177
Nov 01: 2002 02:25 PM

WITNESSETH

WHEREAS, the Commission is responsible for all water and sewerage projects in the Eighth (8th) Sanitary District of St. Mary's County, Maryland (the "County"); and,

WHEREAS, Owner is the owner in fee simple of all that lot, tract or parcel of land located in St. Mary's County, Maryland, subject to this Agreement, more particularly described at Exhibit B, attached hereto and incorporated herein, (hereinafter referred to as the "Property"); and,

WHEREAS, the Developer is developing the Property situated within said Sanitary District of St. Mary's County, Maryland, known and further described as Christie Dental Office, hereinafter referred to as the "Project"; and,

WHEREAS, the Developer, either by requirement of St. Mary's County or by choice, desires to connect to certain central sewage facilities and/or central water facilities (the "Facilities"), to serve the Project; and,

WHEREAS, the Developer seeks the approval of the Commission for the construction of the Facilities; and,

WHEREAS, the Concept Plan for the development of the Project has been submitted to and approved by the Board of County Commissioner of St. Mary's County or their duly appointed agent; and,

WHEREAS, Developer has designed the Facilities in accordance with the St. Mary's County Standard Specifications for Water and Sewerage Construction, the Comprehensive Water and Sewerage Plans for St. Mary's County and any other rules, regulations, directives or special instructions issued by the Commission for the State of Maryland and the Federal Government; and,

WHEREAS, Developer has submitted a statement(s) included as Exhibit A attached hereto and incorporated herein, setting forth a proposed phasing for the construction of the Facilities and a proposed schedule of completion for said phase or phases, said statement having been approved by the Commission. The Developer has also submitted an itemized engineer's estimate which has been approved by the Commission.

WHEREAS, Developer has furnished an Irrevocable Letter of Credit or cashiers check which has been approved by the Commission, a copy of which appears at Exhibit C, payable to the Commission, its successors and assigns, in an amount of \$ 5,000.00 conditioned that the Developer shall well and truly perform and fulfill the covenants, conditions and terms of this Agreement, and shall assure payment for all materials utilized and work performed, all of which shall remain in force until the expiration of the warranty period as set forth in Paragraph EIGHTH.

NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

FIRST: The Commission shall grant unto Developer a right of entry onto the Commission Property for the purpose of construction and maintenance of the Facilities, provided, however, that Developer hold the Commission harmless for and indemnifies the Commission against any and all losses or damages incurred by the Commission during such time as Developer occupies such Commission Property, and further provided that Developer presents evidence of insurance coverage satisfactory to the Commission, including the naming the Commission as an additional insured, protecting all interests of the Commission.

SECOND: Developer shall construct all of the Facilities according to the schedule and in the phase or phases of construction as set forth herein, and in the case of multi-phased projects, no phase beyond the first shall be commenced until the Facilities under any of the previous phases have been approved and accepted by the Commission.

THIRD: Developer shall construct the Facilities in accordance with final plans and specifications, and amendments thereto, as approved by the Commission. In the event that final plans and specifications have not been approved at the time of execution of this Agreement, no work in connection with the construction of the Facilities shall be commenced prior to the approval by the Commission of such plans and specifications. Furthermore, within sixty days after the construction of any phase of the Facilities is completed and approved, a completed set of as-built "Mylar Drawings" shall be submitted to the Commission.

FOURTH: Developer shall maintain the Cashiers Check or Letter of Credit provided in Exhibit C, for the period of construction of the Facilities, and for the period of the required warrantee as set forth herein.

FIFTH: Developer shall make available the Property to duly authorized representative of the Commission at all reasonable times for purposes of inspecting construction of the Facilities.

SIXTH: Developer shall pay the following fees and charges:

Inspection Charges: \$2,975.00 based upon 3.5% of the Engineer's Estimate for the construction of the facilities, payable upon execution of this Agreement. Said amount shall be placed in an account by the Commission and shall be drawn upon from time to time to reimburse the Commission for the direct and indirect cost of said Inspection service, and if said cost is less than the Inspection Charge initially collected, the remaining balance shall be returned to the Developer or, if the total Inspection cost is more than the Inspection Charge initially collected, the Developer shall pay to the Commission the difference.

Connection Charges: \$130.00 based upon \$130.00
 per connection payable upon execution of this Agreement or at the time a connection permit is issued.

Water Service Charge: \$10.02 per month based upon \$10.02 per month per meter for service and N/A per month per meter for Ready-to-Serve charge, beginning when the service is utilized. The meter will be read on a quarterly basis with an allowance of 18,000 gallons per quarter. \$1.67/1,000 gallons will be charged over the 18,000 gallon limit. This Service Charge reflects the currently approved rate and is subject to change.

Water Supply Fees: \$250.00 per EDU for development without supply (wells) that utilize the public water system, payable execution of this agreement.

Water Storage Fees: \$450.00 per EDU for developments without storage facilities that utilize the public water system, payable upon execution of this agreement.

SEVENTH: No premises within the Project to be connected to the Facilities shall be occupied or used for any purpose whatsoever prior to the Facilities being accepted by the Commission without the express written prior approval of the Commission.

EIGHTH: Developer shall warrantee all Facilities to be owned by the Commission for a period of eighteen (18) months after approval and acceptance by the Commission. The warranties shall cover the cost of labor, equipment and materials necessary to correct any problems with the Facilities.

NINTH: The Parties hereto expressly acknowledge that the following shall constitute events of Default of this Agreement:

1. Failure of Developer to construct the Facilities according to the schedule and in the phase or phases as set forth herein.

2. Failure of Developer to construct the Facilities in accordance with the approved plans and specifications approved by the Commission, as set forth herein.

3. Failure of Developer to provide a complete set of "Mylar Drawings" pursuant to ¶ **THIRD** above.

4. Failure of Developer to maintain the required bond for the period of construction and warranty of the Facilities.

5. Failure of Developer to prosecute work according to standard specifications.

6. Failure of Developer to respond to requests to honor warranties within a reasonable time schedule, such schedule to be established by the Commission.

7. Failure of Developer to perform any of the terms and conditions of this Agreement.

TENTH: The parties hereto acknowledge and agree that in an event of Default the Commission may take any or all of the following actions:

1. Notify Developer to Stop Work.
2. Demand that Developer vacate Commission Property.
3. Notify Developer of intention to call bond.

The Commission may, in its sole discretion and for the benefit of the project, give Developer a reasonable period to cure an event of Default. Failure of Developer to cure Default during such cure period shall constitute an event of continuing Default, with all remedies available to the Commission. Forbearance by the Commission shall not constitute a waiver of its rights to declare subsequent default.

ELEVENTH: This Agreement shall be binding upon and inure to the benefit of the heirs, successors, personal representatives and assigns of the parties hereto.

WITNESS THE HANDS AND SEALS OF THE PARTIES HERETO THE DAY AND YEAR FIRST ABOVE WRITTEN:

WITNESS the hands and seals of the parties hereto, this _____ day of _____ 19____

.ATTEST:

[Handwritten Signature]

Secretary

[Handwritten Signature]

ATTEST:
[Handwritten Signature]
SHIRLEY A. FOLEY

ST.MARY'S COUNTY METROPOLITAN

COMMISSION

By: *[Handwritten Signature]*

Floyd B. Derby

Chairman

DEVELOPER

By: *[Handwritten Signature]*

Dr. Phillip Christie

PROPERTY OWNER

By: *[Handwritten Signature]*

Dr. Phillip Christie

EXHIBITS: _____

(COMMISSION)

STATE OF MARYLAND

COUNTY OF ST. MARY'S,

to wit:

I HEREBY CERTIFY that on this 11th day of February 19 99 before me a Notary Public in and for the County of St. Mary's aforesaid personally appeared Floyd B. Derby Chairman of the St. Mary's County Metropolitan Commission, and on behalf of said Commission did acknowledge the foregoing instrument to be the act and deed of the St. Mary's County Metropolitan Commission.

WITNESS my hand and Notarial Seal

Lillian J. Bryan

Notary Public

my commission expires 02/01/00

(DEVELOPER)

STATE OF

MARYLAND

COUNTY OF

ST. MARY'S

to wit:

I HEREBY CERTIFY that on this 25TH day of JANUARY, 19 99 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared _____ DR. PHILLIP M. CHRISTIE and that he/she/they acknowledged the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Andrea L. Flint

ANDREA L. FLINT

Notary Public

My Commission Expires: OCTOBER 1st, 2000

ANDREA L. FLINT
Notary Public, State of Maryland
My Commission Expires October 1, 2000

(OWNER)

STATE OF MARYLAND

COUNTY OF ST. MARY'S to wit:

I HEREBY CERTIFY that on this 25TH day of JANUARY, 19 99 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared DR. PHILLIP M. CHRISTIE and that he/she/they acknowledged the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.



Notary Public

ANDREA L. FLINT

My Commission Expires: OCTOBER 1ST, 2000

ANDREA L. FLINT
Notary Public, State of Maryland
My Commission Expires October 1, 2000

EXHIBIT A
STATEMENT OF
PROPOSED WATER FACILITIES
AND PHASING

PROJECT NAME: Christie Dental Office
TOTAL # OF PHASES: One
DEVELOPER: Dr. Phillip Christie

PHASE I:

PLAT REF: _____ # LOTS TO BE SERVED: One
PROJECTED CONSTRUCTION START DATE: 08/15/98
PROJECTED CONSTRUCTION COMPLETION DATE: 12/30/98

FACILITIES TO BE CONSTRUCTED*: Water distribution system with all appropriate appurtenances in accordance with the definition below and per the approved construction plans as signed by the Metropolitan Commission's Chief Engineer on 07/23/98.

FACILITIES TO BE OWNED BY THE COMMISSION: 8" waterline running under and along Rt. 235, and fire hydrant. 2" sewer force main running under Rt. 235.

COMMISSION PARTICIPATION: The Commission agrees to pay the actual difference between the cost of installing a 1" water line under Rt. 235 and installing an 8" water line under Rt. 235. This cost difference is estimated at \$21,000.00. The actual cost difference will be verified by the Commission through review of certified invoices.

LIBER 0014; FOLIO 027

PUBLIC WORKS AGREEMENT

THIS PUBLIC WORKS AGREEMENT, executed this 11 day of

Feb 1999, by and between the ST, MARY'S COUNTY

METROPOLITAN COMMISSION (hereinafter, the "Commission"),

Millison Development, (hereinafter, the "Developer"),

Millison Development, (hereinafter, the "Owner") and

Maryland Bank and Trust, (hereinafter, the "Lender #1", Letter of Credit holder),

RECORDING FEE 0.00
TOTAL 0.00
Rest#MB2 Rpt#999999
EWA FLC 01/17
Nov 01, 2002 02:25 PM

WITNESSETH

WHEREAS, the Commission is responsible for all water and sewerage projects in the Eighth (8th) Sanitary District of St. Mary's County, Maryland (the "County"); and,

WHEREAS, Owner is the owner in fee simple of all that lot, tract or parcel of land located in St. Mary's County, Maryland, subject to this Agreement, more particularly described at Exhibit D, attached hereto and incorporated herein, (hereinafter referred to as the "Property"); and,

WHEREAS, the Developer is developing the Property situated within said Sanitary District of St. Mary's County, Maryland, known and further described as Greenbrier, Section 4, hereinafter referred to as the "Project"; and,

WHEREAS, the Developer, either by requirement of St. Mary's County or by choice, desires to construct certain central sewage facilities and/or central water facilities (the "Facilities"), to serve the Project; and,

WHEREAS, the Developer seeks the approval of the Commission for the construction of the Facilities; and,

LIBER 0011; FOLIO 28

WHEREAS, the Concept Plan for the development of the Project has been submitted to and approved by the Board of County Commissioner of St. Mary's County or their duly appointed agent; and,

WHEREAS, Developer has designed the Facilities in accordance with the St. Mary's County Standard Specifications for Water and Sewerage Construction, the Comprehensive Water and Sewerage Plans for St. Mary's County and any other rules, regulations, directives or special instructions issued by the Commission for the State of Maryland and the Federal Government; and,

WHEREAS, Developer has submitted a statement(s) included as Exhibit A and/or Exhibit B , attached hereto and incorporated herein, setting forth a proposed phasing for the construction of the Facilities and a proposed schedule of completion for said phase or phases, said statement having been approved by the Commission. The Developer has also submitted an itemized engineer's estimate which has been approved by the Commission.

WHEREAS, Developer has furnished a Performance and Payment bond or Irrevocable Letter of Credit which has been approved by the Commission, a copy of which appears at Exhibit C , payable to the Commission, its successors and assigns, in an amount of \$ 231,003.00 conditioned that the Developer shall well and truly perform and fulfill the covenants, conditions and terms of this Agreement, and shall assure payment for all materials utilized and work performed, all of which shall remain in force until the expiration of the warranty period as set forth in Paragraph EIGHTH.

WHEREAS, Developer has conveyed unto the Commission any and all required

LIBER 0014 FOLIO 29

interest in the real property subject to development of the Facilities within the Project, including necessary interest in fee, as well as easements, rights of entry and other rights of way, as required by the Commission, more particularly set forth in Exhibit N/A, hereinafter referred to as "Commission Property"; and,

WHEREAS, Lender #1 is the holder of a recorded security interest in the Property; and,

WHEREAS, Lender #2, if any, and Owner, if different from Developer, have joined in the execution of these presents to acknowledge the obligations of the Developer set forth herein;

NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

FIRST: The Commission shall grant unto Developer a right of entry onto the Commission Property for the purpose of construction and maintenance of the Facilities, provided, however, that Developer hold the Commission harmless for and indemnifies the Commission against any and all losses or damages incurred by the Commission during such time as Developer occupies such Commission Property, and further provided that Developer presents evidence of insurance coverage satisfactory to the Commission, including the naming the Commission as an additional insured, protecting all interests of the Commission.

SECOND: Developer shall construct all of the Facilities according to the schedule and in the phase or phases of construction as set forth herein, and in the case of multi-phased projects, no phase beyond the first shall be commenced until the Facilities under any of the previous phases have been approved and accepted by the Commission.

THIRD: Developer shall construct the Facilities in accordance with final plans and

LIBERO 014 FOLIO 30

specifications, and amendments thereto, as approved by the Commission. In the event that final plans and specifications have not been approved at the time of execution of this Agreement, no work in connection with the construction of the Facilities shall be commenced prior to the approval by the Commission of such plans and specifications. Furthermore, within sixty (60) days after the construction of any phase of the Facilities is completed and approved, a completed set of "As-Built Mylar Drawings" shall be submitted to the Commission.

FOURTH: Developer shall maintain the Performance and Payment Bond or Letter of Credit provided in Exhibit C, for the period of construction of the Facilities, and for the period of the required warrantee as set forth herein.

FIFTH: Developer shall make available the Property to duly authorized representative of the Commission at all reasonable times for purposes of inspecting construction of the Facilities.

SIXTH: Developer shall pay the following fees and charges:

Inspection Charges: \$8085.00 based upon 3.5% of the Performance and Payment Bond or Irrevocable Letter of Credit, payable upon execution of this Agreement. Said amount shall be placed in an account by the Commission and shall be drawn upon from time to time to reimburse the Commission for the direct and indirect cost of said Inspection service, and if said cost is less than the Inspection Charge initially collected, the remaining balance shall be returned to the Developer or, if the total Inspection cost is more than the Inspection Charge initially collected, the Developer shall pay to the Commission the difference.

LIBER 0014 FOLIO 031

Connection Charges: \$6,512.00 based upon \$88.00
 per connection payable upon execution of this Agreement or at the time a connection permit is issued.

Debt Service Charge: \$953.08 per month based upon N/A per EDU per month, or \$1.70 per front foot per year based on 6728 front feet, payment beginning at the time capacity allocation is made (Planning Commission approval or service is made available, whichever occurs first).

Sewer Service Charge: \$1,158.10 per month based upon \$15.65 per month per EDU beginning when the service is utilized. This Service Charge reflects the currently approved rate and is subject to change.

Water Service Charge: \$741.48 per month based upon \$10.02 per month per meter for service and N/A per month per meter for Ready-to-Serve charge, beginning when the service is utilized. The meter will be read on a quarterly basis with an allowance of 18,000 gallons per quarter. \$1.67/1,000 gallons will be charged over the 18,000 gallon limit. This Service Charge reflects the currently approved rate and is subject to change.

Water Supply Fees: N/A per EDU for development without supply (wells) that utilize the public water system, payable as set forth below:

1. Payment in full at the time this Public Works Agreement is executed;
or
2. Payment in full anytime between the date of this Agreement and up to 365 days thereafter with a deferment charge of 10% per annum pro

LIBER 0014; FOLIO 032

rated per diem to the date of payment. Payment date not to exceed 365 days after date of execution of this agreement. *

Water Storage Fees: N/A per EDU for developments without storage facilities that utilize the public water system, payable as set forth below:

1. Payment in full at the time this Public Works Agreement is executed;
or
2. Payment in full anytime between the date of this Agreement and up to 365 days thereafter with a deferment charge of 10% per annum pro rated per diem to the date of payment. Payment date not to exceed 365 days after date of execution of this Agreement. *

* If this option is selected, a bond in the amount of 110% of the amount due (N/A) will be required.

SEVENTH: No premises within the Project to be connected to the Facilities shall be occupied or used for any purpose whatsoever prior to the Facilities being accepted by the Commission without the express written prior approval of the Commission.

EIGHTH: Developer shall warrantee all mechanical, electrical and control Facilities for a period of twelve (12) months and all earthwork and associated underground construction for a period of eighteen (18) months after approval and acceptance by the Commission. The warranties shall cover the cost of labor, equipment and materials necessary to correct any problems with the Facilities.

NINTH: The Parties hereto expressly acknowledge that the following shall constitute

LIBER 0014; FOLIO 33

events of Default of this Agreement:

1. Failure of Developer to construct the Facilities according to the schedule and in the phase or phases as set forth herein.
2. Failure of Developer to construct the Facilities in accordance with the approved plans and specifications approved by the Commission, as set forth herein.
3. Failure of Developer to provide a complete set of "Mylar Drawings" pursuant to ¶ **THIRD** above.
4. Failure of Developer to maintain the required bond for the period of construction and warranty of the Facilities.
5. Failure of Developer to prosecute work according to standard specifications.
6. Failure of Developer to respond to requests to honor warranties within a reasonable time schedule, such schedule to be established by the Commission.
7. Failure of Developer to perform any of the terms and conditions of this Agreement.

TENTH: The parties hereto acknowledge and agree that in an event of Default the Commission may take any or all of the following actions:

1. Notify Developer to Stop Work.
2. Demand that Developer vacate Commission Property.
3. Notify Developer of intention to call bond.

The Commission may, in its sole discretion and for the benefit of the project, give Developer a reasonable period to cure an event of Default. Failure of Developer to cure

LIBER 0014; FOLIO 31;

Default during such cure period shall constitute an event of continuing Default, with all remedies available to the Commission. Forbearance by the Commission shall not constitute a waiver of its rights to declare subsequent default.

ELEVENTH: Upon completion and acceptance by the Commission of the facilities as set forth in paragraph SECOND above, the Developer when requested to do so by the Commission, agrees to convey all of the facilities with the appropriate sites, easements, and rights-of-way to the Commission for the nominal sum of One Dollar (\$1.00) and to provide all documentation and assurances of title as are requested by the Commission in connection with said proposed conveyances.

TWELFTH: This Agreement shall be binding upon and inure to the benefit of the heirs, successors, personal representatives and assigns of the parties hereto.

LIBER 0014 FOLIO 35

WITNESS THE HANDS AND SEALS OF THE PARTIES HERETO THE DAY AND YEAR FIRST ABOVE WRITTEN:

WITNESS the hands and seals of the parties hereto, this .day of 19

.ATTEST:

ST.MARY'S COUNTY METROPOLITAN COMMISSION

[Signature]

Secretary

By: [Signature]

Floyd B. Derby
Chairman

ATTEST:

[Signature]

DEVELOPER *Millison Development*
By: [Signature]

Rachelle Millison, President

PROPERTY OWNER *Millison Development*
By: [Signature]

Rachelle Millison, Owner

[Signature]

LENDER #1

By: [Signature]

Maryland Bank and Trust
ASSISTANT Vice President
Joseph B. Kittell

EXHIBITS: _____

LIBER 0014 FOLIO 36

(COMMISSION)STATE OF MARYLAND

COUNTY OF ST. MARY'S,

to wit: .

I HEREBY CERTIFY that on this 11th day of February 1999

before me a Notary Public in and for the County of St. Mary's aforesaid personally appeared

Floyd B. Derby Chairman of the St. Mary's

County Metropolitan Commission, and on behalf of said Commission did acknowledge the foregoing instrument to be the act and deed of the St. Mary's County Metropolitan Commission.

WITNESS my hand and Notarial Seal

Lucian G. Boyer Notary Public

My Commission Expires: 02/01/00

(DEVELOPER)STATE OF

Maryland

COUNTY OF

St. Marys

to wit:

I HEREBY CERTIFY that on this 25th day of January, 1999 before me,

the subscriber, a Notary Public in the county aforesaid, personally appeared _____

Rachelle Millison and that he/she/they acknowledged the foregoing Public Works

Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Ingrid R. Hill Notary Public

My Commission Expires: 5-1-2001

LIBER 0014; FOLIO 037

(OWNER) STATE OF

COUNTY OF

Maryland
St. Marys to wit:

I HEREBY CERTIFY that on this 25th day of January, 1999 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared Rachel Williams and that he/she/they acknowledged the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Angela R. Hill Notary Public

My Commission Expires: 5-1-2001

(LENDER #1)

STATE OF

COUNTY OF

Maryland
St. Marys to wit:

I HEREBY CERTIFY that on this 1st day of Feb., 1999 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared Joseph B. Kittell and that he/she/they acknowledged the execution of the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Orakana Harris Notary Public

My Commission Expires: 5.01.2002

LIBER 0014 FOLIO 038

EXHIBIT A
STATEMENT OF
PROPOSED WATER FACILITIES
AND PHASING

PROJECT NAME: Greenbrier, Section 4
TOTAL # OF PHASES: One
DEVELOPER: Millison Development

PHASE I:

PLAT REF: _____ # LOTS TO BE SERVED: 74

PROJECTED CONSTRUCTION START DATE: 09/01/99

PROJECTED CONSTRUCTION COMPLETION DATE: 09/01/2001

FACILITIES TO BE CONSTRUCTED*: Water distribution system with all appropriate appurtenances in accordance with the definition below and per the approved construction plans as signed by the Metropolitan Commission's Chief Engineer on 01/25/99

COMMISSION PARTICIPATION: NONE

*The facilities listed also include FOR WATER PUMPING STATION: Wells, pumps, controls, generators, chlorinators, compressors, meters, valves, interior and exterior piping and appurtenances, together will all sites on which they are situated and 20' access to the same;
FOR WATER STORAGE TANKS: Elevated storage tanks, standpipes, ground storage tanks,

13/12

LIBER 0 0 1 1; FOLIO 0 4 0

EXHIBIT B

STATEMENT OF
PROPOSED SEWER FACILITIES
AND PHASING

PROJECT NAME: Greenbrier, Section 4
TOTAL # OF PHASES: One
DEVELOPER: Millison Development

PHASE I:

PLAT REF: _____ # LOTS TO BE SERVED: 74

PROJECTED CONSTRUCTION START DATE: 02/01/99

PROJECTED CONSTRUCTION COMPLETION DATE: 02/01/2001

FACILITIES TO BE CONSTRUCTED*: Sewerage collection system with all appropriate appurtenances in accordance with the definition below and per the approved construction plans as signed by the Metropolitan Commission's Chief Engineer on 01/25/99

COMMISSION PARTICIPATION: NONE

*The facilities also include for WASTEWATER PUMPING STATIONS: pumps, wet wells, generators, compressors, meters, valves, interior and exterior piping and appurtenances, together with all sites on which they are situated and 20' access to the same. FOR

1514

LIBER 0011; FOLIO 41

WASTEWATER TREATMENT PLANTS: Storage lagoons, physical plants influent and effluent lines, lift stations, generators, together with all sites on which they are situated and 20' access to the same; FOR COLLECTION SYSTEMS: Collector and lateral sewers, force mains, sewer house service lines, air release valves, together with 20' permanent easements over the same for maintenance and modifications of connection to these facilities, along with any and all other facilities or appurtenances which in any way could be construed as part of the sewerage system.

Commission:



(Initials)

Developer:



(Initials)

PUBLIC WORKS AGREEMENT

THIS PUBLIC WORKS AGREEMENT, executed this 24 day of

April 1996, by and between the ST, MARY'S COUNTY METROPOLITAN COMMISSION (hereinafter, the "Commission"),

Glengariff Limited Liability Partnership, (hereinafter, the "Developer"),

R. Welch, (hereinafter, the "Owner") and

the FIRST NATIONAL BANK OF ST MARY'S, (hereinafter, the "Lender #1"),

The First National Bank Of St. Mary's, (hereinafter, the "Lender #2", Letter of Credit holder),

RECORDING FE: 0.00
TOTAL 0.00
RestSMB2 No: 1999999
EMA TLC BIR#179
Nov 01, 2002 08:40 PM

WITNESSETH

WHEREAS, the Commission is responsible for all water and sewerage projects in the First (1st) Sanitary District of St. Mary's County, Maryland (the "County"); and,

WHEREAS, Owner is the owner in fee simple of all that lot, tract or parcel of land located in St. Mary's County, Maryland, subject to this Agreement, more particularly described at Exhibit B, attached hereto and incorporated herein, (hereinafter referred to as the "Property"); and,

WHEREAS, the Developer is developing the Property situated within said Sanitary District of St. Mary's County, Maryland, known and further described as Shannon Run Subdivision, hereinafter referred to as the "Project"; and,

WHEREAS, the Developer, either by requirement of St. Mary's County or by choice, desires to construct certain central sewage facilities and/or central water facilities (the "Facilities"), to serve the Project; and,

WHEREAS, the Developer seeks the approval of the Commission for the construction of the Facilities; and,

WHEREAS, the Concept Plan for the development of the Project has been submitted to and approved by the Board of County Commissioner of St. Mary's County or their duly appointed agent; and,

WHEREAS, Developer has designed the Facilities in accordance with the St. Mary's County Standard Specifications for Water and Sewerage Construction, the Comprehensive

Water and Sewerage Plans for St. Mary's County and any other rules, regulations, directives or special instructions issued by the Commission for the State of Maryland and the Federal Government; and,

WHEREAS, Developer has submitted a statement(s) included as Exhibit A attached hereto and incorporated herein, setting forth a proposed phasing for the construction of the Facilities and a proposed schedule of completion for said phase or phases, said statement having been approved by the Commission. The Developer has also submitted an itemized engineer's estimate which has been approved by the Commission.

WHEREAS, Developer has furnished a Performance and Payment bond or Irrevocable Letter of Credit which has been approved by the Commission, a copy of which appears at Exhibit C , payable to the Commission, its successors and assigns, in an amount of \$ 372,075.00 conditioned that the Developer shall well and truly perform and fulfill the covenants, conditions and terms of this Agreement, and shall assure payment for all materials utilized and work performed, all of which shall remain in force until the expiration of the warranty period as set forth in Paragraph EIGHTH.

WHEREAS, Developer has conveyed unto the Commission any and all required interest in the real property subject to development of the Facilities within the Project, including necessary interest in fee, as well as easements, rights of entry and other rights of way, as required by the Commission, more particularly set forth in Exhibit N/A , hereinafter referred to as "Commission Property"; and,

WHEREAS, Lender #1 is the holder of a recorded security interest in the Property; and,

WHEREAS, Lender #2, if any, and Owner, if different from Developer, have joined in the execution of these presents to acknowledge the obligations of the Developer set forth herein;

NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

FIRST: The Commission shall grant unto Developer a right of entry onto the Commission Property for the purpose of construction and maintenance of the Facilities, provided, however, that Developer hold the Commission harmless for and indemnifies the Commission against any and all losses or damages incurred by the Commission during such

time as Developer occupies such Commission Property, and further provided that Developer presents evidence of insurance coverage satisfactory to the Commission, including the naming the Commission as an additional insured, protecting all interests of the Commission.

SECOND: Developer shall construct all of the Facilities according to the schedule and in the phase or phases of construction as set forth herein, and in the case of multi-phased projects, no phase beyond the first shall be commenced until the Facilities under any of the previous phases have been approved and accepted by the Commission.

THIRD: Developer shall construct the Facilities in accordance with final plans and specifications, and amendments thereto, as approved by the Commission. In the event that final plans and specifications have not been approved at the time of execution of this Agreement, no work in connection with the construction of the Facilities shall be commenced prior to the approval by the Commission of such plans and specifications. Furthermore, within sixty (60) days after the construction of any phase of the Facilities is completed and approved, a completed set of "Mylar Drawings" shall be submitted to the Commission.

FOURTH: Developer shall maintain the Performance and Payment Bond or Letter of Credit provided in Exhibit C, for the period of construction of the Facilities, and for the period of the required warrantee as set forth herein.

FIFTH: Developer shall make available the Property to duly authorized representative of the Commission at all reasonable times for purposes of inspecting construction of the Facilities.

SIXTH: Developer shall pay the following fees and charges:

Inspection Charges: \$13,022.63 based upon 3.5% of the Performance and Payment Bond or Irrevocable Letter of Credit, payable upon execution of this Agreement. Said amount shall be placed in an account by the Commission and shall be drawn upon from time to time to reimburse the Commission for the direct and indirect cost of said Inspection service, and if said cost is less than the Inspection Charge initially collected, the remaining balance shall be returned to the Developer or, if the total Inspection cost is more than the Inspection Charge initially collected, the Developer shall

pay to the Commission the difference.

Connection Charges: \$5772.00 based upon \$78.00
 per connection payable upon execution of this Agreement or at the time a connection permit is issued.

Water Service Charge: \$745.92 per month based upon \$10.08 per month per meter for service and N/A per month per meter for Ready-to-Serve charge, beginning when the service is utilized. The meter will be read on a quarterly basis with an allowance of 18,000 gallons per quarter. **\$1.68/1,000** gallons will be charged over the 18,000 gallon limit. This Service Charge reflects the currently approved rate and is subject to change.

Water Supply Fees: \$250.00 per EDU for development without supply (wells) that utilize the public water system, payable upon the first of the following to occur:

1. Issuance of a Connection Permit, or
2. Sale of an individual lot or lots, or
3. 365th day after the execution of this Agreement.

Water Storage Fees: \$450.00 per EDU for developments without storage facilities that utilize the public water system, payable upon the first of the following to occur:

1. Issuance of a Connection Permit, or
2. Sale of an individual lot or lots, or
3. 365th day after the execution of this Agreement.

SEVENTH: No premises within the Project to be connected to the Facilities shall be occupied or used for any purpose whatsoever prior to the Facilities being accepted by the Commission without the express written prior approval of the Commission.

EIGHTH: Developer shall warrantee all mechanical, electrical and control Facilities for a period of twelve (12) months and all earthwork and associated underground construction for a period of eighteen (18) months after approval and acceptance by the Commission. The warranties shall cover the cost of labor, equipment and materials

necessary to correct any problems with the Facilities.

NINTH: The Parties hereto expressly acknowledge that the following shall constitute events of Default of this Agreement:

1. Failure of Developer to construct the Facilities according to the schedule and in the phase or phases as set forth herein.
2. Failure of Developer to construct the Facilities in accordance with the approved plans and specifications approved by the Commission, as set forth herein.
3. Failure of Developer to provide a complete set of "Mylar Drawings" pursuant to ¶ **THIRD** above.
4. Failure of Developer to maintain the required bond for the period of construction and warranty of the Facilities.
5. Failure of Developer to prosecute work according to standard specifications.
6. Failure of Developer to respond to requests to honor warranties within a reasonable time schedule, such schedule to be established by the Commission.
7. Failure of Developer to perform any of the terms and conditions of this Agreement.

TENTH: The parties hereto acknowledge and agree that in an event of Default the Commission may take any or all of the following actions:

1. Notify Developer to Stop Work.
2. Demand that Developer vacate Commission Property.
3. Notify Developer of intention to call bond.

The Commission may, in its sole discretion and for the benefit of the project, give Developer a reasonable period to cure an event of Default. Failure of Developer to cure Default during such cure period shall constitute an event of continuing Default, with all remedies available to the Commission. Forbearance by the Commission shall not constitute a waiver of its rights to declare subsequent default.

ELEVENTH: This Agreement shall be binding upon and inure to the benefit of the heirs, successors, personal representatives and assigns of the parties hereto.

WITNESS THE HANDS AND SEALS OF THE PARTIES HERETO THE DAY AND

YEAR FIRST ABOVE WRITTEN:

WITNESS the hands and seals of the parties hereto, this 24 day of April 1996

ATTEST:

[Signature]

Secretary

ATTEST:

[Signature]

[Signature]

[Signature]

EXHIBITS: A
B
C

ST. MARY'S COUNTY METROPOLITAN
COMMISSION

By: [Signature]

Joseph I. Russell

Chairman

DEVELOPER [Signature] glenariff limited
Liability Partnership

R. Welch

PROPERTY OWNER

By: [Signature]

R. Welch

LENDER #1

[Signature] First National Bank of
St Mary's

By: [Signature]

LENDER #2

[Signature] First National Bank
of St Mary's

By: [Signature]

L. Grey

(COMMISSION)

STATE OF MARYLAND

COUNTY OF ST. MARY'S,

to wit:

I HEREBY CERTIFY that on this 24th day of April, 1996,

before me a Notary Public in and for the County of St. Mary's aforesaid personally appeared

Joseph I. Russell Chairman of the St. Mary's

County Metropolitan Commission, and on behalf of said Commission did acknowledge the foregoing instrument to be the act and deed of the St. Mary's County Metropolitan Commission.

WITNESS my hand and Notarial Seal

Lillian J. Bryan

Notary Public

my Commission expires 2/1/00

(DEVELOPER)

STATE OF

Maryland

COUNTY OF

St. Mary's

to wit:

I HEREBY CERTIFY that on this 19 day of April, 1996 before me,

the subscriber, a Notary Public in the county aforesaid, personally appeared _____

Robert L. Welch and that he/she/they acknowledged the foregoing Public Works

Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Violet Ann Bailey

Notary Public

My Commission Expires: 10-1-99

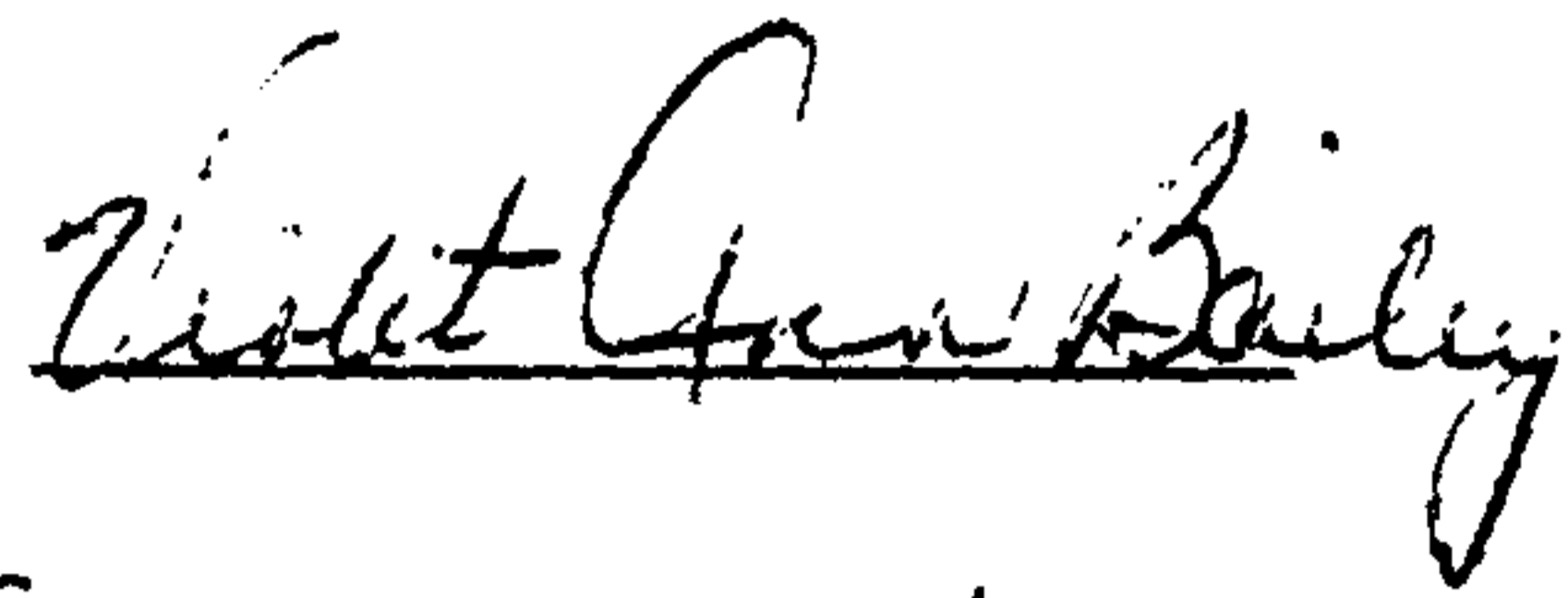
(OWNER)

STATE OF Maryland

COUNTY OF St. Mary's to wit:

I HEREBY CERTIFY that on this 19 day of April, 19 96 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared Robert L. Welch and that he/she/they acknowledged the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.



Notary Public

My Commission Expires: 10-1-99

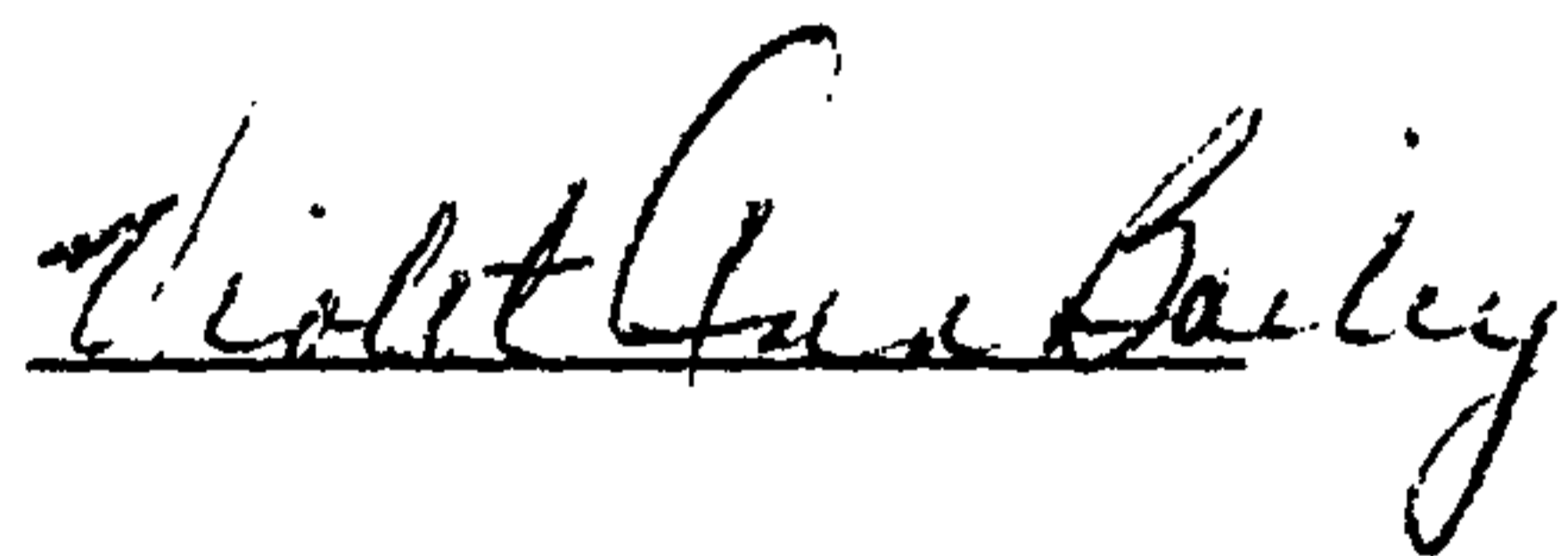
(LENDER #1)

STATE OF Maryland

COUNTY OF St. Mary's to wit:

I HEREBY CERTIFY that on this 19 day of April, 19 96 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared L. E. Gray, Jr. and that he/she/they acknowledged the execution of the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.



Notary Public

My Commission Expires: 10-1-99

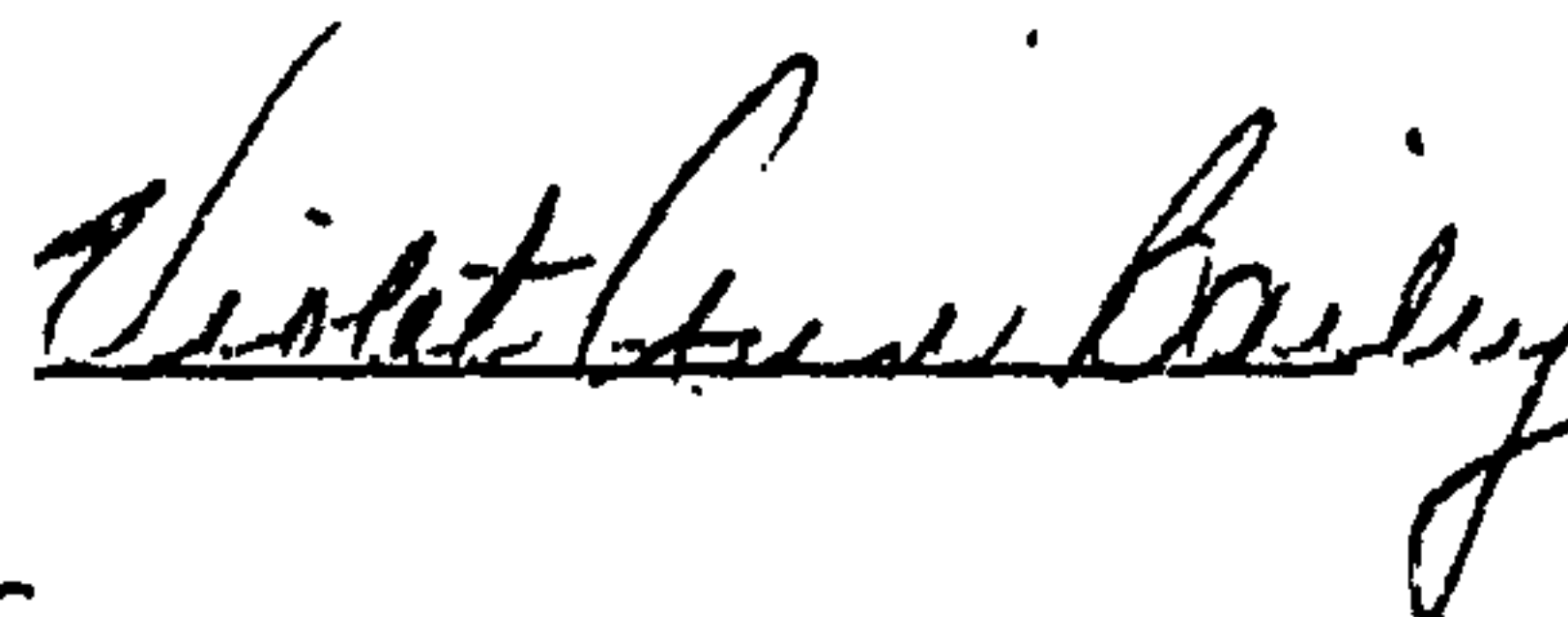
(LENDER #2)

STATE OF Maryland

COUNTY OF St. Mary's to wit:

I HEREBY CERTIFY that on this 19 day of April, 19 96 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared L. F. Gray, Jr. and that he/she/they acknowledged the execution of the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.



Notary Public

My Commission Expires: 10-1-99

EXHIBIT A
STATEMENT OF
PROPOSED WATER FACILITIES
AND PHASING

PROJECT NAME: Shannon Run
TOTAL # OF PHASES: One
DEVELOPER: Clinton Properties Limited Partnership

PHASE I:

PLAT REF: MRB 116/196 # LOTS TO BE SERVED: 74

PROJECTED CONSTRUCTION START DATE: 03/30/96

PROJECTED CONSTRUCTION COMPLETION DATE: 12/30/96

FACILITIES TO BE CONSTRUCTED*: Water distribution system with all appropriate appurtenances in accordance with the definition below and per the approved construction plans as signed by the Metropolitan Commission's Chief Engineer on 12/14/95

COMMISSION PARTICIPATION: The actual cost not to exceed \$137,250.00, without authorization, for the connection of 12" dia. force main and associated appurtenances from Cox Dr. along the Chaptico Mechanicsville Rd. to the proposed Carpenter Dr. Provide the Commission with a copy of the contractor's bid prior to award. The Commission shall pay \$65,000.00 upon completion of 50% of the above connection, with the remainder paid upon 100% completion.

*The facilities listed also include FOR WATER PUMPING STATION: Wells, pumps, controls, generators, chlorinators, compressors, meters, valves, interior and exterior piping and appurtenances, together with all sites on which they are situated and 20' access to the same; FOR WATER STORAGE TANKS: Elevated storage tanks, standpipes, ground storage tanks, hydropneumatic tanks and surge tanks as required by the Commission, together with all sites on which they are situated and 20' access to the same; FOR DISTRIBUTION SYSTEMS: Mains, fire hydrants, valves and valve boxes, fittings, blow offs, water house connections, water house service lines, curb stops, curb stop boxes, water meter settings and

appurtenances, together with 20' permanent easements over the same for maintenance and modifications of and connection to these facilities; along with any and all other facilities or appurtenances which in any way could be construed as part of the water system.

Commission: JK
(Initials)

Developer: RLW
(Initials)

Exhibit B

MP FEE	\$ 5.00
RECORDING FEE	20.00
RECORDATION	2,735.78
TR TAX COUNTY	4,144.00
TR TAX STATE	2,872.00
TOTAL	8,976.78
Reg#	SM83 Rcpt#1720
EMA	BB FIK#1893
Dec 29	1994 12:58 pm

FEE SIMPLE DEED - CODE - CITY OR COUNTY.

This Deed, Made this 28 day of December,

in the year one thousand nine hundred and ninety four, by and between HOWARD FRANCIS CARPENTER and ROSALIE CARPENTER, his wife, Parties of the first part, GRANTORS, and ROBERT L. WELCH and KATHERINE G. WELCH, his wife, and MIKE CASEY ASSOCIATES, Parties of the second part, GRANTEEES.

NOW, THEREFORE, THIS DEED WITNESSETH, that for and in consideration of the premises and of the sum of \$414,400.00, and other good and valuable considerations, the receipt of all of which is hereby acknowledged, the said Howard Francis Carpenter and Rosalie Carpenter, his wife, do hereby grant and convey unto the said Robert L. Welch and Katherine G. Welch, his wife, an undivided one half interest, in and to the hereinbelow described property, as tenants by the entireties, their assigns, the survivor of them and the heirs and assigns of said survivor, in fee simple, and unto Mike Casey Associates, its successors or assigns, an undivided one half interest in and to the hereinbelow property, in fee simple, being all those lots, tracts or parcels of land situate, lying and being in the Fourth Election District of St. Mary's County, Maryland, and being described as follows:

PARCEL ONE: All that portion of those tracts or parcels of land called and known as "Part of Great and Little St. Thomas", "Part of Piles Discovery", "Part of St. Barbara", "Part of Birch Hanger", containing fifty (50) acres, more or less.

PARCEL TWO: Being a portion of the tract or parcel of land called and known as "Ingaboth Re-Surveyed", "Birch Hanger", and part of "Hillalee" containing two hundred three and four-tenths acres of land, more or less.

SAVING AND EXCEPTING THEREFROM the following listed out conveyances:
1) Parcel conveyed by deed dated 10/23/87 to Timothy Carpenter, containing 11.8 acres, which deed is recorded among the land records of St. Mary's County, Maryland, at Liber 381, folio 241; 2) Parcel conveyed to Dale F. Carpenter by deed dated 3/22/89 containing 11 acres, by deed recorded at Liber 464, folio 59; 3) Parcel to be conveyed to Randy Carpenter, containing 10 acres, more or less; the location of same to be shown on a boundary survey of the entire property being prepared by William Higgs, Registered land surveyor. The above parcels being all and the remaining land conveyed to the within Grantors by deed dated January 6, 1980 by Charlotte Hall Lumber Company, Inc., which deed is recorded among the land records aforesaid at Liber MRB No. 116, folio 196.

PARCEL THREE: That parcel of land containing 3.455 acres, which is being conveyed to the within Grantors by a Confirmatory deed of even date herewith, which deed is intended to be recorded among the land records of St. Mary's County, Maryland, immediately prior to these presents.

SUBJECT to restrictions, rights of way, easements and other conditions contained in deeds and instruments forming the chain of title to the captioned property. With the out conveyances as hereinabove set forth, it leaves the acreage to be conveyed by these presents as 224.06 acres.

LIBERO 14 FOLIO 53

RECEIVED FOR TRANSFER
State Department of
Assessments & Taxation
for St. Mary's County

Sharon L. Lake

PAID TO COUNTY TAX ALL TAXES ON
THIS LAND...
1994 TAX \$ 2,003.78

with the buildings and improvements thereon erected, made or being; and all and every, the rights, alleys, ways, waters, privileges, appurtenances and advantages, to the same belonging, or in any wise appertaining.

To have and to hold the land 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 Robert L. Welch and Katherine G. Welch, his wife, as tenants by the entireties, their assigns, the survivor of them and the heirs and assigns of said survivor, in fee simple, as to an undivided one half interest, and unto Mike Casey Associates, its successors or assigns, in fee simple, an undivided one half interest.

And the said Howard Francis Carpenter and Rosalie Carpenter, his wife,

hereby covenant that they will warrant specially the property hereby granted and conveyed, and that they will execute such further assurances of said land & premises as may be requisite.

Witness the hand & seal of said grantor:

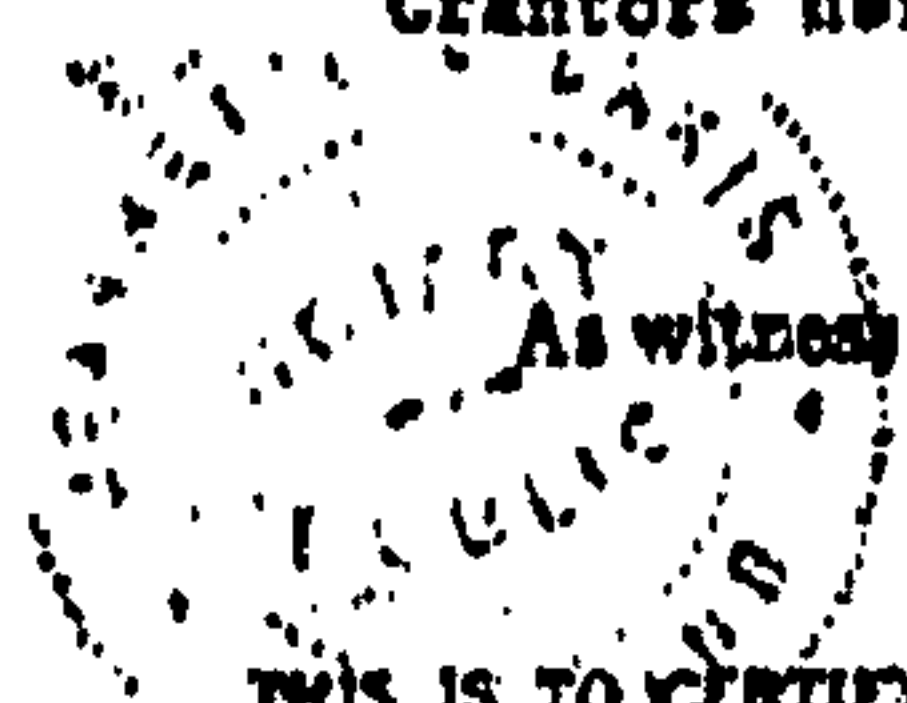
TEST:

[Signature]

[Signature] (SEAL)
HOWARD FRANCIS CARPENTER
[Signature] (SEAL)
ROSALIE CARPENTER

State of Maryland, Saint Mary's County is wit:
I HEREBY CERTIFY, that on this 28th day of December in the year one thousand nine hundred and 94, before me, the subscriber a Notary Public of the State of Maryland, in and for the County aforesaid, personally appeared Howard Francis Carpenter and Rosalie Carpenter, his wife, Grantors herein,

and they acknowledged the foregoing Deed to be their act. As witness my hand and Notarial Seal.



[Signature]
Notary Public.
MY COMMISSION EXPIRES
6-1-96

THIS IS TO CERTIFY THAT THE WITHIN INSTRUMENT WAS PREPARED BY THE UNDERSIGNED ATTORNEY, DULY ADMITTED TO PRACTICE BEFORE THE COURT OF APPEALS OF MARYLAND, OR BY AN EMPLOYEE OF SUCH ATTORNEY.

[Signature]
ATTORNEY AT LAW

LIBERO 114 FOLIO 514

LIBERO 014 FOLIO 55



372,075.00

Exhibit C

THE FIRST NATIONAL BANK OF ST. MARY'S

April 19, 1996

IRREVOCABLE LETTER OF CREDIT

St. Mary's County Metropolitan Commission
191-B Shangri-La Drive
Lexington Park, MD 20653

Letter of Credit Number: A2-04-19-96
Expiration Date: 4/19/97

Gentlemen

We hereby authorize you to draw on The First National Bank of St. Mary's, P. O. Box 655, Leonardtown, MD 20650 for the account of Glengariff, LLP ("the Developer"), up to an aggregate amount, not in excess of Three Hundred Seventy Two Thousand Seventy Five Dollars and 00/100 (\$372,075.00) available by your drafts at sight.

Each draft must state that it is drawn under The First National Bank of St. Mary's Letter of Credit #A2-04-19-96. The amount thereof must be endorsed by us on this Letter of Credit. This Letter of Credit is irrevocable.

Each draft must be accompanied by a written statement signed by an official of St. Mary's County Metropolitan Commission (METCOMM) specifying that: The Developer has failed to perform and fulfill a material covenant, condition, stipulation or term, under the Public Works Agreement dated April 19, 1996 between the Developer and METCOMM.

We hereby agree with the drawer, endorsers, and bonafide holders of all such drafts under and in compliance with the terms of this Letter of Credit that such drafts will be duly honored, upon presentation to the drawee.

Very truly yours,

A handwritten signature in cursive script that reads 'L. F. Gray, Jr.' with a long horizontal flourish extending to the right.
L. F. Gray, Jr.
Assistant Vice President

PUBLIC WORKS AGREEMENT

THIS PUBLIC WORKS AGREEMENT, executed this 4 day of February 2000, by and between the ST, MARY'S COUNTY METROPOLITAN COMMISSION (hereinafter, the "Commission"),

David D. Horstick, (hereinafter, the "Developer"),

David D. Horstick, (hereinafter, the "Owner") and

Norris Pyles, (hereinafter, the "Lender #1"),

Maryland Bank and Trust, (hereinafter, the "Lender #2", Letter of Credit holder),

RECORDING FEE 0.00
TOTAL 0.00
RestSMBE Ref: #999999
EWA TLC 81K#179
Nov 01, 2002 02:41 PM

WITNESSETH

WHEREAS, the Commission is responsible for all water and sewerage projects in the First (1st) Sanitary District of St. Mary's County, Maryland (the "County"); and,

WHEREAS, Owner is the owner in fee simple of all that lot, tract or parcel of land located in St. Mary's County, Maryland, subject to this Agreement, more particularly described at Exhibit C, attached hereto and incorporated herein, (hereinafter referred to as the "Property"); and,

WHEREAS, the Developer is developing the Property situated within said Sanitary District of St. Mary's County, Maryland, known and further described as Country Lakes Lots 500-7A through 500-7E, hereinafter referred to as the "Project"; and,

WHEREAS, the Developer, either by requirement of St. Mary's County or by choice, desires to construct certain central sewage facilities and/or central water facilities (the "Facilities"), to serve the Project; and,

WHEREAS, the Developer seeks the approval of the Commission for the construction

of the Facilities; and,

WHEREAS, the Concept Plan for the development of the Project has been submitted to and approved by the Board of County Commissioner of St. Mary's County or their duly appointed agent; and,

WHEREAS, Developer has designed the Facilities in accordance with the St. Mary's County Standard Specifications for Water and Sewerage Construction, the Comprehensive Water and Sewerage Plans for St. Mary's County and any other rules, regulations, directives or special instructions issued by the Commission for the State of Maryland and the Federal Government; and,

WHEREAS, Developer has submitted a statement(s) included as Exhibit A _____, attached hereto and incorporated herein, setting forth a proposed phasing for the construction of the Facilities and a proposed schedule of completion for said phase or phases, said statement having been approved by the Commission. The Developer has also submitted an itemized engineer's estimate which has been approved by the Commission.

WHEREAS, Developer has furnished a Performance and Payment bond or Irrevocable Letter of Credit which has been approved by the Commission, a copy of which appears at Exhibit B _____, payable to the Commission, its successors and assigns, in an amount of \$ 15,283.00 _____ conditioned that the Developer shall well and truly perform and fulfill the covenants, conditions and terms of this Agreement, and shall assure payment for all materials utilized and work performed, all of which shall remain in force until the expiration of the warranty period as set forth in Paragraph EIGHTH.

WHEREAS, Developer has conveyed unto the Commission any and all required

interest in the real property subject to development of the Facilities within the Project, including necessary interest in fee, as well as easements, rights of entry and other rights of way, as required by the Commission, more particularly set forth in Exhibit N/A _____, hereinafter referred to as "Commission Property"; and,

WHEREAS, Lender #1 is the holder of a recorded security interest in the Property; and,

WHEREAS, Lender #2, if any, and Owner, if different from Developer, have joined in the execution of these presents to acknowledge the obligations of the Developer set forth herein;

NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

FIRST: The Commission shall grant unto Developer a right of entry onto the Commission Property for the purpose of construction and maintenance of the Facilities, provided, however, that Developer hold the Commission harmless for and indemnifies the Commission against any and all losses or damages incurred by the Commission during such time as Developer occupies such Commission Property, and further provided that Developer presents evidence of insurance coverage satisfactory to the Commission, including the naming the Commission as an additional insured, protecting all interests of the Commission.

SECOND: Developer shall construct all of the Facilities according to the schedule and in the phase or phases of construction as set forth herein, and in the case of multi-phased projects, no phase beyond the first shall be commenced until the Facilities under any of the previous phases have been approved and accepted by the Commission.

THIRD: Developer shall construct the Facilities in accordance with final plans and

specifications, and amendments thereto, as approved by the Commission. In the event that final plans and specifications have not been approved at the time of execution of this Agreement, no work in connection with the construction of the Facilities shall be commenced prior to the approval by the Commission of such plans and specifications. Furthermore, within sixty (60) days after the construction of any phase of the Facilities is completed and approved, a completed set of "As-Built Mylar Drawings" shall be submitted to the Commission.

FOURTH: Developer shall maintain the Performance and Payment Bond or Letter of Credit provided in Exhibit **B**, for the period of construction of the Facilities, and for the period of the required warrantee as set forth herein.

FIFTH: Developer shall make available the Property to duly authorized representative of the Commission at all reasonable times for purposes of inspecting construction of the Facilities.

SIXTH: Developer shall pay the following fees and charges:

Review Fees: \$225.00 based upon \$45.00 per residential lot, or EDU and N/A per commercial lot or EDU, payable upon execution of this Agreement. This Charge reflects the currently approved rate and is subject to change.

Inspection Charges: \$535.00 based upon 3.5% of the Performance and Payment Bond or Irrevocable Letter of Credit, payable upon execution of this Agreement. Said amount shall be placed in an account by the Commission and shall be drawn upon from time to time to reimburse the Commission for the direct and indirect cost of said Inspection service, and if said cost is less than the Inspection Charge initially

reflects the currently approved rate and is subject to change.

Water Storage Fees: \$450.00 _____ per EDU for developments without storage facilities that utilize the public water system, payable as set forth below:

1. Payment in full at the time this Public Works Agreement is executed;
or
2. Payment in full anytime between the date of this Agreement and up to 365 days thereafter with a deferment charge of 10% per annum pro rated per diem to the date of payment. Payment date not to exceed 365 days after date of execution of this Agreement.* This Charge

reflects the currently approved rate and is subject to change.

* If this option is selected, a bond in the amount of 110% of the amount due (\$3,850.00) will be required.

SEVENTH: No premises within the Project to be connected to the Facilities shall be occupied or used for any purpose whatsoever prior to the Facilities being accepted by the Commission without the express written prior approval of the Commission.

EIGHTH: Developer shall warrantee all mechanical, electrical and control Facilities for a period of twelve (12) months and all earthwork and associated underground construction for a period of eighteen (18) months after approval and acceptance by the Commission. The warranties shall cover the cost of labor, equipment and materials necessary to correct any problems with the Facilities.

NINTH: The Parties hereto expressly acknowledge that the following shall constitute events of Default of this Agreement:

1. Failure of Developer to construct the Facilities according to the schedule and in the phase or phases as set forth herein.
2. Failure of Developer to construct the Facilities in accordance with the approved plans and specifications approved by the Commission, as set forth herein.
3. Failure of Developer to provide a complete set of "Mylar Drawings" pursuant to ¶ **THIRD** above.
4. Failure of Developer to maintain the required bond for the period of construction and warranty of the Facilities.
5. Failure of Developer to prosecute work according to standard specifications.
6. Failure of Developer to respond to requests to honor warranties within a reasonable time schedule, such schedule to be established by the Commission.
7. Failure of Developer to perform any of the terms and conditions of this Agreement.

TENTH: The parties hereto acknowledge and agree that in an event of Default the Commission may take any or all of the following actions:

1. Notify Developer to Stop Work.
2. Demand that Developer vacate Commission Property.
3. Notify Developer of intention to call bond.

The Commission may, in its sole discretion and for the benefit of the project, give Developer a reasonable period to cure an event of Default. Failure of Developer to cure Default during such cure period shall constitute an event of continuing Default, with all

remedies available to the Commission. Forbearance by the Commission shall not constitute a waiver of its rights to declare subsequent default.

ELEVENTH: Upon completion and acceptance by the Commission of the facilities as set forth in paragraph SECOND above, the Developer when requested to do so by the Commission, agrees to convey all of the facilities with the appropriate sites, easements, and rights-of-way to the Commission for the nominal sum of One Dollar (\$1.00) and to provide all documentation and assurances of title as are requested by the Commission in connection with said proposed conveyances.

TWELFTH: This Agreement shall be binding upon and inure to the benefit of the heirs, successors, personal representatives and assigns of the parties hereto.

WITNESS THE HANDS AND SEALS OF THE PARTIES HERETO THE DAY AND YEAR FIRST ABOVE WRITTEN:

WITNESS the hands and seals of the parties hereto, this 4 day of February 19²⁰⁰⁰

.ATTEST:

ST.MARY'S COUNTY METROPOLITAN COMMISSION

Lucian G. Bryan

Secretary

By: Floyd B. Derby

Floyd B. Derby
Chairman

ATTEST:

Christine Balderson

DEVELOPER: David D. Horstick

By: David D. Horstick
David D. Horstick

PROPERTY OWNER

By: David D. Horstick
David D. Horstick

Christine Balderson

LENDER #1: Norris Pyles

By: Norris Pyles
Norris Pyles

LENDER #2: Maryland Bank & Trust

By: Joseph B. Kittell
Maryland Bank and Trust
Joseph B Kittell

EXHIBITS: A

(COMMISSION)STATE OF MARYLAND

COUNTY OF ST. MARY'S,

to wit:

I HEREBY CERTIFY that on this 13th day of April 192000

before me a Notary Public in and for the County of St. Mary's aforesaid personally appeared

Floyd B. Derby Chairman of the St. Mary's

County Metropolitan Commission, and on behalf of said Commission did acknowledge the foregoing instrument to be the act and deed of the St. Mary's County Metropolitan Commission.

WITNESS my hand and Notarial Seal

Lillian G. Byers Notary Public

My Commission Expires: 02/01/02

(DEVELOPER)STATE OF

Maryland

COUNTY OF

Charles

to wit:

I HEREBY CERTIFY that on this 4th day of February, 2000 before me,

the subscriber, a Notary Public in the county aforesaid, personally appeared _____

DAVID D HORSTICK and that he/she/they acknowledged the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Christine Calderon Notary Public

My Commission Expires: Aug. 01 - 2003

(OWNER)STATE OF Maryland
COUNTY OF Charles to wit:

I HEREBY CERTIFY that on this 4th day of February, 2000 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared DAVID Horstick and that he/she/they acknowledged the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Christine Balderson Notary Public

My Commission Expires: Aug 01, 2003

(LENDER #1)
STATE OF Maryland
COUNTY OF Charles to wit:

I HEREBY CERTIFY that on this 4th day of February, 2000 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared Norris Pyles and that he/she/they acknowledged the execution of the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Christine Balderson Notary Public

My Commission Expires: Aug 02, 2003

(LENDER #2)

STATE OF Maryland

COUNTY OF St Marys to wit:

I HEREBY CERTIFY that on this 4th day of February 2000 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared Joseph B Kittell and that he/she/they acknowledged the execution of the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Marlene Harris Notary Public

My Commission Expires: 5/1/02

EXHIBIT A

STATEMENT OF

PROPOSED WATER FACILITIES

AND PHASING

PROJECT NAME: Country Lakes Lots 500-7A through 500-7E

TOTAL # OF PHASES: ONE

DEVELOPER: David D. Horstick

PHASE I:

PLAT REF: _____ # LOTS TO BE SERVED: 5

PROJECTED CONSTRUCTION START DATE: 02/01/00

PROJECTED CONSTRUCTION COMPLETION DATE: 03/01/00

FACILITIES TO BE CONSTRUCTED*: Water distribution system with all appropriate appurtenances in accordance with the definition below and per the approved construction plans as signed by the Metropolitan Commission's Chief Engineer on

COMMISSION PARTICIPATION: NONE

*The facilities listed also include FOR WATER PUMPING STATION: Wells, pumps, controls, generators, chlorinators, compressors, meters, valves, interior and exterior piping and appurtenances, together with all sites on which they are situated and 20' access to the same; FOR WATER STORAGE TANKS: Elevated storage tanks, standpipes, ground storage tanks,

PUBLIC WORKS AGREEMENT

THIS PUBLIC WORKS AGREEMENT, executed this 13 day of April 2000, by and between the ST, MARY'S COUNTY METROPOLITAN COMMISSION (hereinafter, the "Commission"), Greenview West Townhomes, L.P., (hereinafter, the "Developer"), Greenview West Townhomes, L.P., (hereinafter, the "Owner") and Banc One Capital Funding Corporation, (hereinafter, the "Lender #1"), Frontier Insurance Company, (hereinafter, the "Lender #2" Letter of Credit holder),

RECORDING FEE 0.00
 TOTAL 0.00
 Rest#002 Rcpt#999999
 LMA LLC Bk#173
 Nov 01, 2002 02:42 PM

WITNESSETH

WHEREAS, the Commission is responsible for all water and sewerage projects in the Eighth (8th) Sanitary District of St. Mary's County, Maryland (the "County"); and,

WHEREAS, Owner is the owner in fee simple of all that lot, tract or parcel of land located in St. Mary's County, Maryland, subject to this Agreement, more particularly described at Exhibit D, attached hereto and incorporated herein, (hereinafter referred to as the "Property"); and,

WHEREAS, the Developer is developing the Property situated within said Sanitary District of St. Mary's County, Maryland, known and further described as Greenview West PUD, Townhouses, hereinafter referred to as the "Project"; and,

WHEREAS, the Developer, either by requirement of St. Mary's County or by choice, desires to construct certain central sewage facilities and/or central water facilities (the "Facilities"), to serve the Project; and,

WHEREAS, the Developer seeks the approval of the Commission for the construction of the Facilities; and,

WHEREAS, the Concept Plan for the development of the Project has been submitted to and approved by the Board of County Commissioner of St. Mary's County or their duly appointed agent; and,

WHEREAS, Developer has designed the Facilities in accordance with the St. Mary's County Standard Specifications for Water and Sewerage Construction, the Comprehensive Water and Sewerage Plans for St. Mary's County and any other rules, regulations, directives or special instructions issued by the Commission for the State of Maryland and the Federal Government; and,

WHEREAS, Developer has submitted a statement(s) included as Exhibit A and/or Exhibit B , attached hereto and incorporated herein, setting forth a proposed phasing for the construction of the Facilities and a proposed schedule of completion for said phase or phases, said statement having been approved by the Commission. The Developer has also submitted an itemized engineer's estimate which has been approved by the Commission.

WHEREAS, Developer has furnished a Performance and Payment bond or Irrevocable Letter of Credit which has been approved by the Commission, a copy of which appears at Exhibit C , payable to the Commission, its successors and assigns, in an amount of \$ 570,359.00 conditioned that the Developer shall well and truly perform and fulfill the covenants, conditions and terms of this Agreement, and shall assure payment for all materials utilized and work performed, all of which shall remain in force until the expiration

of the warranty period as set forth in Paragraph EIGHTH.

WHEREAS, Developer has conveyed unto the Commission any and all required interest in the real property subject to development of the Facilities within the Project, including necessary interest in fee, as well as easements, rights of entry and other rights of way, as required by the Commission, more particularly set forth in Exhibit N/A, hereinafter referred to as "Commission Property"; and,

WHEREAS, Lender #1 is the holder of a recorded security interest in the Property; and,

WHEREAS, Lender #2, if any, and Owner, if different from Developer, have joined in the execution of these presents to acknowledge the obligations of the Developer set forth herein;

NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

FIRST: The Commission shall grant unto Developer a right of entry onto the Commission Property for the purpose of construction and maintenance of the Facilities, provided, however, that Developer hold the Commission harmless for and indemnifies the Commission against any and all losses or damages incurred by the Commission during such time as Developer occupies such Commission Property, and further provided that Developer presents evidence of insurance coverage satisfactory to the Commission, including the naming the Commission as an additional insured, protecting all interests of the Commission.

SECOND: Developer shall construct all of the Facilities according to the schedule and in the phase or phases of construction as set forth herein, and in the case of multi-phased projects, no phase beyond the first shall be commenced until the Facilities under any

of the previous phases have been approved and accepted by the Commission.

THIRD: Developer shall construct the Facilities in accordance with final plans and specifications, and amendments thereto, as approved by the Commission. In the event that final plans and specifications have not been approved at the time of execution of this Agreement, no work in connection with the construction of the Facilities shall be commenced prior to the approval by the Commission of such plans and specifications. Furthermore, within sixty (60) days after the construction of any phase of the Facilities is completed and approved, a completed set of "As-Built Mylar Drawings" shall be submitted to the Commission.

FOURTH: Developer shall maintain the Performance and Payment Bond or Letter of Credit provided in Exhibit C, for the period of construction of the Facilities, and for the period of the required warrantee as set forth herein.

FIFTH: Developer shall make available the Property to duly authorized representative of the Commission at all reasonable times for purposes of inspecting construction of the Facilities.

SIXTH: Developer shall pay the following fees and charges:

Inspection Charges: \$19,963.00 based upon 3.5% of the Performance and Payment Bond or Irrevocable Letter of Credit, payable upon execution of this Agreement. Said amount shall be placed in an account by the Commission and shall be drawn upon from time to time to reimburse the Commission for the direct and indirect cost of said Inspection service, and if said cost is less than the Inspection Charge initially collected, the remaining balance shall be returned to the Developer or, if the total

Inspection cost is more than the Inspection Charge initially collected, the Developer shall pay to the Commission the difference.

Connection Charges: \$14,168.00 based upon \$88.00 per connection payable upon execution of this Agreement or at the time a connection permit is issued.

Sewer Benefit Assessment Charge: \$1,368.50 per month based upon _____ per EDU per month, or \$2.04 per front foot per year based on 8,050 front feet, payment beginning at the time capacity allocation is made (Planning Commission approval or service is made available, whichever occurs first).

Sewer Service Charge: \$2,519.65 per month based upon \$15.65 per month per EDU beginning when the service is utilized. This Service Charge reflects the currently approved rate and is subject to change.

Water Service Charge: \$1,613.22 per month based upon \$10.02 per month per meter for service and N/A per month per meter for Ready-to-Serve charge, beginning when the service is utilized. The meter will be read on a quarterly basis with an allowance of 18,000 gallons per quarter. \$1.67/1,000 gallons will be charged over the 18,000 gallon limit. This Service Charge reflects the currently approved rate and is subject to change.

Water Supply Fees: \$250.00 per EDU for development without supply (wells) that utilize the public water system, payable as set forth below:

1. Payment in full at the time this Public Works Agreement is executed;
- or

2. Payment in full anytime between the date of this Agreement and up to 365 days thereafter with a deferment charge of 10% per annum pro rated per diem to the date of payment. Payment date not to exceed 365 days after date of execution of this agreement. *

Water Storage Fees: \$250.00 per EDU for developments without storage facilities that utilize the public water system, payable as set forth below:

1. Payment in full at the time this Public Works Agreement is executed;
or
2. Payment in full anytime between the date of this Agreement and up to 365 days thereafter with a deferment charge of 10% per annum pro rated per diem to the date of payment. Payment date not to exceed 365 days after date of execution of this Agreement. *

Treatment Capacity Charge: \$500.00 per EDU for the allocation of capacity at the Pine Hill Run Waste Water Treatment Plant, payable as set forth below:

1. Payment in full at the time this Public Works Agreement is executed;
or
2. Payment in full anytime between the date of this Agreement and up to 365 days thereafter with a deferment charge of 10% per annum pro rated per diem to the date of payment. Payment date not to exceed 365 days after date of execution of this Agreement. *

* If this option is selected, a bond in the amount of 110% of the amount due (\$177,100.00) will be required.

SEVENTH: No premises within the Project to be connected to the Facilities shall be occupied or used for any purpose whatsoever prior to the Facilities being accepted by the Commission without the express written prior approval of the Commission.

EIGHTH: Developer shall warrantee all mechanical, electrical and control Facilities for a period of twelve (12) months and all earthwork and associated underground construction for a period of eighteen (18) months after approval and acceptance by the Commission. The warranties shall cover the cost of labor, equipment and materials necessary to correct any problems with the Facilities.

NINTH: The Parties hereto expressly acknowledge that the following shall constitute events of Default of this Agreement:

1. Failure of Developer to construct the Facilities according to the schedule and in the phase or phases as set forth herein.
2. Failure of Developer to construct the Facilities in accordance with the approved plans and specifications approved by the Commission, as set forth herein.
3. Failure of Developer to provide a complete set of "Mylar Drawings" pursuant to ¶ **THIRD** above.
4. Failure of Developer to maintain the required bond for the period of construction and warranty of the Facilities.
5. Failure of Developer to prosecute work according to standard specifications.
6. Failure of Developer to respond to requests to honor warranties within a reasonable time schedule, such schedule to be established by the Commission.

7. Failure of Developer to perform any of the terms and conditions of this Agreement.

TENTH: The parties hereto acknowledge and agree that in an event of Default the Commission may take any or all of the following actions:

1. Notify Developer to Stop Work.
2. Demand that Developer vacate Commission Property.
3. Notify Developer of intention to call bond.

The Commission may, in its sole discretion and for the benefit of the project, give Developer a reasonable period to cure an event of Default. Failure of Developer to cure Default during such cure period shall constitute an event of continuing Default, with all remedies available to the Commission. Forbearance by the Commission shall not constitute a waiver of its rights to declare subsequent default.

ELEVENTH: Upon completion and acceptance by the Commission of the facilities as set forth in paragraph SECOND above, the Developer when requested to do so by the Commission, agrees to convey all of the facilities with the appropriate sites, easements, and rights-of-way to the Commission for the nominal sum of One Dollar (\$1.00) and to provide all documentation and assurances of title as are requested by the Commission in connection with said proposed conveyances.

TWELFTH: This Agreement shall be binding upon and inure to the benefit of the heirs, successors, personal representatives and assigns of the parties hereto.

WITNESS THE HANDS AND SEALS OF THE PARTIES HERETO THE DAY AND YEAR FIRST ABOVE WRITTEN:

WITNESS the hands and seals of the parties hereto, this 13th day of April 2000

ATTEST:

ST.MARY'S COUNTY METROPOLITAN COMMISSION

Lillian G. Bryan

Secretary

By: Floyd B. Derby

Floyd B. Derby
Chairman

ATTEST:

DEVELOPER: Greenview West Townhomes, LP

Sean D. Dill

By: Robert O. Copeland
Robert O. Copeland, General Partner

PROPERTY OWNER: Greenview West Townhomes, LP

By: Robert O. Copeland
Robert O. Copeland, General Partner

Edward K. DeLong

LENDER #1: Banc One
By: Mark C. Beisler
Mark C. Beisler, Managing Director

Robert N. Russell

LENDER #2: Frontier Ins Co
Frontier Insurance Company
By: Eugene P. Dessureau
Eugene P. Dessureau, Vice President

EXHIBITS: A
B

(COMMISSION)STATE OF MARYLAND

COUNTY OF ST. MARY'S,

to wit:

I HEREBY CERTIFY that on this 13th day of April 2000 1900

before me a Notary Public in and for the County of St. Mary's aforesaid personally appeared Floyd B. Derby Chairman of the St. Mary's County Metropolitan Commission, and on behalf of said Commission did acknowledge the foregoing instrument to be the act and deed of the St. Mary's County Metropolitan Commission.

WITNESS my hand and Notarial Seal

Lillian G. Byers Notary Public

My Commission Expires: 12/01/02

(DEVELOPER)STATE OF

VIRGINIA

^{CITY}
COUNTY OF

VA BEACH

to wit:

I HEREBY CERTIFY that on this 1st day of DECEMBER, 19 99 before me,

the subscriber, a Notary Public in the county aforesaid, personally appeared ROBERT D. COPELAND and that he/she/they acknowledged the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Anita S. Joulson Notary Public

My Commission Expires: 1/31/2002

(OWNER) STATE OF VIRGINIA

COUNTY OF VIRGINIA BEACH to wit:

I HEREBY CERTIFY that on this 1ST day of DECEMBER 1999 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared ROBERT D. COPELAND and that he/she/they acknowledged the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Quita S. Tolson Notary Public

My Commission Expires: 1/31/2002

(LENDER #1)

STATE OF VIRGINIA

COUNTY OF FAIRFAX to wit:

I HEREBY CERTIFY that on this 30 day of NOVEMBER 1999 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared MARK C. BEISLER and that he/she/they acknowledged the execution of the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Bethanne Berdine Perreault Notary Public

My Commission Expires: 10/31/03

(LENDER #2)

STATE OF Maryland

COUNTY OF Montgomery to wit:

I HEREBY CERTIFY that on this 29th day of November, 19 99 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared Eugene P. Dessureaux and that he/she/they acknowledged the execution of the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

ROBIN V. RUSSELL
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires October 15, 2001

Robin V. Russell Notary Public

My Commission Expires: _____

EXHIBIT A
STATEMENT OF
PROPOSED WATER FACILITIES
AND PHASING

PROJECT NAME: Greenview West PUD, Townhouses
TOTAL # OF PHASES: One
DEVELOPER: Greenview West Townhomes, L.P.

PHASE I:

PLAT REF: _____ # LOTS TO BE SERVED: 161

PROJECTED CONSTRUCTION START DATE: 01/15/00

PROJECTED CONSTRUCTION COMPLETION DATE: 03/01/01

FACILITIES TO BE CONSTRUCTED*: Water distribution system with all appropriate appurtenances in accordance with the definition below and per the approved construction plans as signed by the Metropolitan Commission's Chief Engineer on

COMMISSION PARTICIPATION: NONE

*The facilities listed also include FOR WATER PUMPING STATION: Wells, pumps, controls, generators, chlorinators, compressors, meters, valves, interior and exterior piping and appurtenances, together with all sites on which they are situated and 20' access to the same; FOR WATER STORAGE TANKS: Elevated storage tanks, standpipes, ground storage tanks,

hydropneumatic tanks and surge tanks as required by the Commission, together with all sites on which they are situated and 20' access to the same: FOR DISTRIBUTION SYSTEMS: Mains, fire hydrants, valves and valve boxes, fittings, blow offs, water house connections, water house service lines, curb stops, curb stop boxes, water meter settings and appurtenances, together with 20' permanent easements over the same for maintenance and modifications of and connection to these facilities; along with any and all other facilities or appurtenances which in any way could be construed as part of the water system.

Commission:  _____

(Initials)

Developer:  _____

(Initials)

EXHIBIT B

STATEMENT OF
PROPOSED SEWER FACILITIES
AND PHASING

PROJECT NAME: Greenview West PUD, Townhouses
TOTAL # OF PHASES: One
DEVELOPER: Greenview West Townhomes, L.P.

PHASE I:

PLAT REF: _____ # LOTS TO BE SERVED: 161

PROJECTED CONSTRUCTION START DATE: 01/15/00

PROJECTED CONSTRUCTION COMPLETION DATE: 03/01/01

FACILITIES TO BE CONSTRUCTED*: Sewerage collection system with all appropriate appurtenances in accordance with the definition below and per the approved construction plans as signed by the Metropolitan Commission's Chief Engineer on

COMMISSION PARTICIPATION: NONE

*The facilities also include for WASTEWATER PUMPING STATIONS: pumps, wet wells, generators, compressors, meters, valves, interior and exterior piping and appurtenances, together with all sites on which they are situated and 20' access to the same. FOR

POWER OF ATTORNEY

Know All Men By These Presents: That FRONTIER INSURANCE COMPANY, a New York Corporation, having its principal office in Rock Hill, New York, pursuant to the following resolution, adopted by the Board of Directors of the Corporation on the 4th day of November, 1985:

"RESOLVED, that the Chairman of the Board, the President, or any Vice President be, and hereby is, authorized to appoint Attorneys-in-Fact to represent and act for and on behalf of the Company to execute bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, and to attach thereto the corporate seal of the Company, in the transaction of its surety business;

"RESOLVED, that the signatures and attestations of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company when so affixed with respect to any bond, undertaking, recognizance or other contract of indemnity or writing obligatory in the nature thereof;

"RESOLVED, that any such Attorney-in-Fact delivering a secretarial certification that the foregoing resolutions still be in effect may insert in such certification the date thereof, said date to be not later than the date of delivery thereof by such Attorney-in-Fact."

This Power of Attorney is signed and sealed in facsimile under and by the authority of the above Resolution.

DOES HEREBY MAKE, CONSTITUTE AND APPOINT:

Edward F. Egan Eugene P. Dessureau April O. Compton

Edward T. Egan Stephen W. Freeman Michael M. Tracy Phyllis J. Willey Julia B. Taylor Robert E. Walsh

of **Chevy Chase** in the State of **Maryland**

its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred in its name, place and stead to sign, execute, acknowledge and deliver in its behalf, and as its act and deed, without power of redelegation, as follows:

Bonds guaranteeing the fidelity of persons holding places of public or private trust; guaranteeing the performance of contracts other than insurance policies; and executing or guaranteeing bonds and undertakings required or permitted in all actions or proceedings or by law allowed; IN AN AMOUNT NOT TO EXCEED THREE MILLION FIVE HUNDRED THOUSAND (\$3,500,000.00) DOLLARS; and to bind FRONTIER INSURANCE COMPANY thereby as fully and to the same extent as if such bond or undertaking was signed by the duly authorized officers of FRONTIER INSURANCE COMPANY, and all the acts of said Attorney(s)-in-Fact pursuant to the authority herein given are hereby ratified and confirmed.

In Witness Whereof, FRONTIER INSURANCE COMPANY of Rock Hill, New York, has caused this Power of Attorney to be signed by its President and its Corporate seal to be affixed this **29th** day of **April**, 19 **97**.

FRONTIER INSURANCE COMPANY



[Handwritten Signature]

BY: **HARRY W. RHULEN, President**

State of New York
County of Sullivan ss.:

On this **29th** day of **April**, 19 **97**, before the subscriber, a Notary Public of the State of New York in and for the County of Sullivan, duly commissioned and qualified, came **HARRY W. RHULEN** of FRONTIER INSURANCE COMPANY to me personally known to be the individual and officer described herein, and who executed the preceding instrument, and acknowledged the execution of the same, and being by me duly sworn, deposed and said, that he is the officer of the Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of the Company, and the Corporate Seal and signature as an officer were duly affixed and subscribed to the said instrument by the authority and direction of the Corporation, and that the resolution of the Company, referred to in the preceding instrument, is now in force.

In Testimony Whereof, I have hereunto set my hand, and affixed my official seal at Rock Hill, New York, the day and year above written.



[Handwritten Signature]

NANCY V. PIERRO
Notary Public State of New York
Sullivan County Clerk's No. 2395
Commission Expires July 8, 1998

CERTIFICATION

I, **JOSEPH P. LOUGHLIN**, Secretary of FRONTIER INSURANCE COMPANY of Rock Hill, New York, do hereby certify that the foregoing Resolution adopted by the Board of Directors of this Corporation and the Powers of Attorney issued pursuant thereto, are true and correct, and that both the Resolution and the Powers of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the facsimile seal of the corporation this **19** day of **19**.



[Handwritten Signature]
JOSEPH P. LOUGHLIN, Secretary

PUBLIC WORKS AGREEMENT

THIS PUBLIC WORKS AGREEMENT, executed this 30 day of

April 2000, by and between the ST, MARY'S COUNTY METROPOLITAN COMMISSION (hereinafter, the "Commission"),

Estate of J. L. Millison, (hereinafter, the "Developer"),

Estate of J. L. Millison, (hereinafter, the "Owner") and

Maryland Bank and Trust, (hereinafter, the "Lender #1", Letter of Credit holder),

RECORDING FEE 0.00
TOTAL 0.00
Rest#582 Rcpt#999999
EMA TLC 81k#179
Nov 01: 2002 02:43 PM

WITNESSETH

WHEREAS, the Commission is responsible for all water and sewerage projects in the Eighth (8th) Sanitary District of St. Mary's County, Maryland (the "County"); and,

WHEREAS, Owner is the owner in fee simple of all that lot, tract or parcel of land located in St. Mary's County, Maryland, subject to this Agreement, more particularly described at Exhibit D, attached hereto and incorporated herein, (hereinafter referred to as the "Property"); and,

WHEREAS, the Developer is developing the Property situated within said Sanitary District of St. Mary's County, Maryland, known and further described as Patuxent Corporate Center, hereinafter referred to as the "Project"; and,

WHEREAS, the Developer, either by requirement of St. Mary's County or by choice, desires to construct certain central sewage facilities and/or central water facilities (the "Facilities"), to serve the Project; and,

WHEREAS, the Developer seeks the approval of the Commission for the construction of the Facilities; and,

WHEREAS, the Concept Plan for the development of the Project has been submitted to and approved by the Board of County Commissioner of St. Mary's County or their duly appointed agent; and,

WHEREAS, Developer has designed the Facilities in accordance with the St. Mary's County Standard Specifications for Water and Sewerage Construction, the Comprehensive Water and Sewerage Plans for St. Mary's County and any other rules, regulations, directives or special instructions issued by the Commission for the State of Maryland and the Federal Government; and,

WHEREAS, Developer has submitted a statement(s) included as Exhibit A _____ and/or Exhibit B _____, attached hereto and incorporated herein, setting forth a proposed phasing for the construction of the Facilities and a proposed schedule of completion for said phase or phases, said statement having been approved by the Commission. The Developer has also submitted an itemized engineer's estimate which has been approved by the Commission.

WHEREAS, Developer has furnished a Performance and Payment bond or Irrevocable Letter of Credit which has been approved by the Commission, a copy of which appears at Exhibit C _____, payable to the Commission, its successors and assigns, in an amount of \$ 103,186.50 conditioned that the Developer shall well and truly perform and fulfill the covenants, conditions and terms of this Agreement, and shall assure payment for all materials utilized and work performed, all of which shall remain in force until the expiration of the warranty period as set forth in Paragraph EIGHTH.

WHEREAS, Developer has conveyed unto the Commission any and all required

interest in the real property subject to development of the Facilities within the Project, including necessary interest in fee, as well as easements, rights of entry and other rights of way, as required by the Commission, more particularly set forth in Exhibit N/A, hereinafter referred to as "Commission Property"; and,

WHEREAS, Lender #1 is the holder of a recorded security interest in the Property; and,

WHEREAS, Lender #2, if any, and Owner, if different from Developer, have joined in the execution of these presents to acknowledge the obligations of the Developer set forth herein;

NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

FIRST: The Commission shall grant unto Developer a right of entry onto the Commission Property for the purpose of construction and maintenance of the Facilities, provided, however, that Developer hold the Commission harmless for and indemnifies the Commission against any and all losses or damages incurred by the Commission during such time as Developer occupies such Commission Property, and further provided that Developer presents evidence of insurance coverage satisfactory to the Commission, including the naming the Commission as an additional insured, protecting all interests of the Commission.

SECOND: Developer shall construct all of the Facilities according to the schedule and in the phase or phases of construction as set forth herein, and in the case of multi-phased projects, no phase beyond the first shall be commenced until the Facilities under any of the previous phases have been approved and accepted by the Commission.

THIRD: Developer shall construct the Facilities in accordance with final plans and

specifications, and amendments thereto, as approved by the Commission. In the event that final plans and specifications have not been approved at the time of execution of this Agreement, no work in connection with the construction of the Facilities shall be commenced prior to the approval by the Commission of such plans and specifications. Furthermore, within sixty (60) days after the construction of any phase of the Facilities is completed and approved, a completed set of "As-Built Mylar Drawings" shall be submitted to the Commission.

FOURTH: Developer shall maintain the Performance and Payment Bond or Letter of Credit provided in Exhibit C, for the period of construction of the Facilities, and for the period of the required warrantee as set forth herein.

FIFTH: Developer shall make available the Property to duly authorized representative of the Commission at all reasonable times for purposes of inspecting construction of the Facilities.

SIXTH: Developer shall pay the following fees and charges:

Inspection Charges: \$3,612.00 based upon 3.5% of the Performance and Payment Bond or Irrevocable Letter of Credit, payable upon execution of this Agreement. Said amount shall be placed in an account by the Commission and shall be drawn upon from time to time to reimburse the Commission for the direct and indirect cost of said Inspection service, and if said cost is less than the Inspection Charge initially collected, the remaining balance shall be returned to the Developer or, if the total Inspection cost is more than the Inspection Charge initially collected, the Developer shall pay to the Commission the difference.

approved rate and is subject to change.

Water Supply Fees: TBD per EDU for development without supply (wells) that utilize the public water system, payable as set forth below:

1. Payment in full at the time this Public Works Agreement is executed;
or
2. Payment in full anytime between the date of this Agreement and up to 365 days thereafter with a deferment charge of 10% per annum pro rated per diem to the date of payment. Payment date not to exceed 365 days after date of execution of this agreement. *

Water Storage Fees: TBD per EDU for developments without storage facilities that utilize the public water system, payable as set forth below:

1. Payment in full at the time this Public Works Agreement is executed;
or
2. Payment in full anytime between the date of this Agreement and up to 365 days thereafter with a deferment charge of 10% per annum pro rated per diem to the date of payment. Payment date not to exceed 365 days after date of execution of this Agreement. *

Treatment Capacity Charge: TBD per EDU for the allocation of capacity at the Pine Hill Run Waste Water Treatment Plant, payable as set forth below:

1. Payment in full at the time this Public Works Agreement is executed;
or
2. Payment in full anytime between the date of this Agreement and up to

365 days thereafter with a deferment charge of 10% per annum pro rated per diem to the date of payment. Payment date not to exceed 365 days after date of execution of this Agreement. *

* If this option is selected, a bond in the amount of 110% of the amount due (N/A) will be required.

SEVENTH: No premises within the Project to be connected to the Facilities shall be occupied or used for any purpose whatsoever prior to the Facilities being accepted by the Commission without the express written prior approval of the Commission.

EIGHTH: Developer shall warrantee all mechanical, electrical and control Facilities for a period of twelve (12) months and all earthwork and associated underground construction for a period of eighteen (18) months after approval and acceptance by the Commission. The warranties shall cover the cost of labor, equipment and materials necessary to correct any problems with the Facilities.

NINTH: The Parties hereto expressly acknowledge that the following shall constitute events of Default of this Agreement:

1. Failure of Developer to construct the Facilities according to the schedule and in the phase or phases as set forth herein.
2. Failure of Developer to construct the Facilities in accordance with the approved plans and specifications approved by the Commission, as set forth herein.
3. Failure of Developer to provide a complete set of "Mylar Drawings" pursuant to ¶ **THIRD** above.
4. Failure of Developer to maintain the required bond for the period of

construction and warranty of the Facilities.

5. Failure of Developer to prosecute work according to standard specifications.

6. Failure of Developer to respond to requests to honor warranties within a reasonable time schedule, such schedule to be established by the Commission.

7. Failure of Developer to perform any of the terms and conditions of this Agreement.

TENTH: The parties hereto acknowledge and agree that in an event of Default the Commission may take any or all of the following actions:

1. Notify Developer to Stop Work.
2. Demand that Developer vacate Commission Property.
3. Notify Developer of intention to call bond.

The Commission may, in its sole discretion and for the benefit of the project, give Developer a reasonable period to cure an event of Default. Failure of Developer to cure Default during such cure period shall constitute an event of continuing Default, with all remedies available to the Commission. Forbearance by the Commission shall not constitute a waiver of its rights to declare subsequent default.

ELEVENTH: Upon completion and acceptance by the Commission of the facilities as set forth in paragraph SECOND above, the Developer when requested to do so by the Commission, agrees to convey all of the facilities with the appropriate sites, easements, and rights-of-way to the Commission for the nominal sum of One Dollar (\$1.00) and to provide all documentation and assurances of title as are requested by the Commission in connection

with said proposed conveyances.

TWELFTH: This Agreement shall be binding upon and inure to the benefit of the heirs, successors, personal representatives and assigns of the parties hereto.

WITNESS THE HANDS AND SEALS OF THE PARTIES HERETO THE DAY AND YEAR FIRST ABOVE WRITTEN:

WITNESS the hands and seals of the parties hereto, this 20 day of April 2000

.ATTEST:

ST.MARY'S COUNTY METROPOLITAN
COMMISSION

Lillian G. Bryan

Secretary

By: Valentino L. Johnson, Sr.
Valentino L. Johnson, Sr.
Chairman

ATTEST:

[Signature]

DEVELOPER: Estate of J.L. Millison

By: Rachelle Millison
Rachelle Millison, Personal Representative

PROPERTY OWNER: Estate of J.L. Millison

By: Rachelle Millison
Rachelle Millison, Personal Representative

LENDER #1: Maryland Bank & Trust

By: Jeffery T. Taylor, VP
Jeffery T. Taylor, VP

(COMMISSION)STATE OF MARYLAND

COUNTY OF ST. MARY'S,

to wit:

I HEREBY CERTIFY that on this 9th day of June, 2000

before me a Notary Public in and for the County of St. Mary's aforesaid personally appeared Valentino L. Johnson, Sr. Chairman of the St. Mary's County Metropolitan Commission, and on behalf of said Commission did acknowledge the foregoing instrument to be the act and deed of the St. Mary's County Metropolitan Commission.

WITNESS my hand and Notarial Seal

Lillian G. Bryan Notary Public

My Commission Expires: 2/01/04

(DEVELOPER)STATE OF

Maryland

COUNTY OF

St. Mary's

to wit:

I HEREBY CERTIFY that on this 17th day of April, 2000 before me,

the subscriber, a Notary Public in the county aforesaid, personally appeared Rachelle Miller and that he/she/they acknowledged the foregoing Public Works

Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Angela L. Hill Notary Public

My Commission Expires: 5-01-2001

(OWNER) STATE OF

Maryland

COUNTY OF

St. Marys

to wit:

I HEREBY CERTIFY that on this 17th day of April, 2000 before me, the

subscriber, a Notary Public in the county aforesaid, personally appeared Rachelle Miller and that he/she/they acknowledged the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

[Signature]

Notary Public

My Commission Expires: 5-01-2001

(LENDER #1)

STATE OF

Md

COUNTY OF

St Marys

to wit:

I HEREBY CERTIFY that on this 20 day of April, 2000 before me, the

subscriber, a Notary Public in the county aforesaid, personally appeared Jeffrey Taylor and that he/she/they acknowledged the execution of the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

[Signature]

Notary Public

My Commission Expires:

Valerie L. Buchner
Notary Public State of Maryland
My Commission Expires May 1, 2002

(LENDER #2)

STATE OF _____

COUNTY OF _____ to wit:

I HEREBY CERTIFY that on this ____ day of _____, 20__ before me, the subscriber, a Notary Public in the county aforesaid, personally appeared _____ and that he/she/they acknowledged the execution of the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Notary Public

My Commission Expires: _____

EXHIBIT A
STATEMENT OF
PROPOSED WATER FACILITIES
AND PHASING

PROJECT NAME: Patuxent Corporate Center
TOTAL # OF PHASES: ONE
DEVELOPER: Estate of J. L. Millison

PHASE I:

PLAT REF: _____ # LOTS TO BE SERVED: 6
PROJECTED CONSTRUCTION START DATE: 09/01/2000
PROJECTED CONSTRUCTION COMPLETION DATE: 06/01/2001

FACILITIES TO BE CONSTRUCTED*: Water distribution system with all appropriate appurtenances in accordance with the definition below and per the approved construction plans as signed by the Metropolitan Commission's Chief Engineer on

COMMISSION PARTICIPATION: NONE

*The facilities listed also include FOR WATER PUMPING STATION: Wells, pumps, controls, generators, chlorinators, compressors, meters, valves, interior and exterior piping and appurtenances, together will all sites on which they are situated and 20' access to the same;
FOR WATER STORAGE TANKS: Elevated storage tanks, standpipes, ground storage tanks,

hydropneumatic tanks and surge tanks as required by the Commission, together with all sites on which they are situated and 20' access to the same: FOR DISTRIBUTION SYSTEMS: Mains, fire hydrants, valves and valve boxes, fittings, blow offs, water house connections, water house service lines, curb stops, curb stop boxes, water meter settings and appurtenances, together with 20' permanent easements over the same for maintenance and modifications of and connection to these facilities; along with any and all other facilities or appurtenances which in any way could be construed as part of the water system.

Commission: _____
(Initials)

Developer: _____
(Initials)

EXHIBIT B

STATEMENT OF
PROPOSED SEWER FACILITIES
AND PHASING

PROJECT NAME: Patuxent Corporate Center

TOTAL # OF PHASES: ONE

DEVELOPER: Estate of J. L. Millison

PHASE I:

PLAT REF: _____ # LOTS TO BE SERVED: 6

PROJECTED CONSTRUCTION START DATE: 09/01/2000

PROJECTED CONSTRUCTION COMPLETION DATE: 06/01/2001

FACILITIES TO BE CONSTRUCTED*: Sewerage collection system with all appropriate appurtenances in accordance with the definition below and per the approved construction plans as signed by the Metropolitan Commission's Chief Engineer on

COMMISSION PARTICIPATION: _____ NONE _____

*The facilities also include for WASTEWATER PUMPING STATIONS: pumps, wet wells, generators, compressors, meters, valves, interior and exterior piping and appurtenances, together with all sites on which they are situated and 20' access to the same. FOR

*Maryland Bank & Trust
Company, N.A.*

POST OFFICE BOX 248 WALDORF, MARYLAND 20604-0248

TELEPHONE (301) 645-5644
<http://www.mdbank.com>

April 20, 2000

St. Mary's County Metropolitan Commission
21801 North Shangri-La Drive Suite F
Lexington Park MD 20653

Re: IRREVOCABLE LETTER OF CREDIT NO 609
Water & Sewer Construction
Patuxent Corporate Center
Estate of J L Millison

Dear Sir:

We hereby authorize you or your transferee to draw on us at sight up to an aggregate amount of One Hundred Three Thousand One Hundred Eighty Six and 50/100 dollars (US\$103,186.50) to insure compliance with the Water & Sewer Construction Agreement by and between The Estate of J L Millison and the St. Mary's County Metropolitan Commission.


This Letter of Credit is irrevocable and transferable. It may be transferred without charge one or more times upon receipt of your written instructions. It will expire, unless renewed upon your written request, on April 20, 2002.

This Letter of Credit sets forth in full the terms of our obligation to you and such undertakings shall not in any way be modified or amplified by any agreement to which this letter relates, and any such reference shall not be deemed to incorporate herein by reference, any agreement.

We engage with you that drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation.

Very truly yours,

MARYLAND BANK & TRUST COMPANY

By: 

Joseph B. Kittell
Vice President

JBK/mh

EXHIBIT D

Property Description

Being all the property more particularly described on a subdivision plat Titled “Plat of Property Exchange Lands of J. Laurence Millison and National Mobile Home Park Partnership” and recorded among the Land Records of St. Mary’s County, Maryland in Liber M.R.B. 26, Folio 072.