TOWN OF MILLINGTON

RESOLUTION 2026-11 OF THE COUNCIL OF THE TOWN OF MILLINGTON APPROVING AN AMENDMENT TO THE REAL PROPERTY TRANSFER AGREEMENT AND DEED DATED NOVEMBER 1, 2022, BY AND BETWEEN THE KENT COUNTY COMMISSIONERS AND THE TOWN OF MILLINGTON REGARDING 172 SASSAFRAS STREET, MILLINGTON, MARYLAND

WHEREAS, the Town of Millington (the "Town") acquired certain real property from the Commissioners of Kent County, Maryland via deed dated the 1st day of November, 2022 recorded among the Land Records of Kent County, Maryland in Liber S.L.S. No. 1289, folio 63 (the "Deed"), which property included 6.505 acres of land known as parcels 1 and 3 on the Plat entitled "Subdivision of the Lands of the Town of Millington" recorded in the Land Record of Kent County, Maryland at Liber 1289, folio 63 (the "Property"); and

WHEREAS, the Property was transferred to the Town pursuant to the Deed and a Real Property Transfer Agreement recorded in the Registry in Liber S.L.S. No. 1289, folio 73 (the "Transfer Agreement"); and

WHEREAS, the Transfer Agreement and Deed contain a reversionary interest in favor of the Commissioners of Kent County stated in the Deed as a right of reversion if certain conditions regarding the construction of senior citizen housing ("Senior Citizen Housing") and a community center (the "Community Center") are not met (collectively with any related possibility of reverter, right of reentry, power of termination, right to exercise any of the foregoing before the fifth anniversary of the Deed, and right to require reconveyance or de-annexation of the Property, the "Right of Reentry"); and

WHEREAS, the parties desire to extinguish the Right of Reentry in the Deed and the Real Property Transfer Agreement to facilitate the construction of the project; and

WHEREAS, the Commissioners of Kent County and the Town further acknowledge that the proposed Community Center is no longer anticipated to be constructed as part of the proposed development and that the development of the Community Center shall no longer be required by the documents.

NOW, THEREFORE BE IT RESOLVED by the Council of the Town of Millington that:

1. The Council of the Town of Millington consents to the amendment of the Real Property Transfer Agreement and Deed referenced hereinabove as contained in the Attached Exhibit A, which includes the Addendum to Real Property Transfer Agreement and Supplemental Instrument.
2. Further, Council of the Town of Millington approves the Addendum to Real Property Transfer Agreement and Supplemental Instrument attached hereto as Exhibit A and

authorizes Mayor Kevin Hemstock to sign such documents on behalf of the Town of Millington.

PASSED BY THE COUNCIL OF THE TOWN OF MILLINGTON THIS 13 DAY OF OCTOBER, 2026.

ATTEST:

Elizabeth Jo Manning, Town Administrator

Seal

THE TOWN OF MILLINGTON

Kevin Hemstock, Mayor

John Amado, Jr., Council

ABSENT

Shweta Dutta Sethi, Council

Zita Seals, Council

Wayne Starkey, Council

PREPARED BY, AND
AFTER RECORDING, RETURN TO:
G. Robert Mowell
County Attorney for Kent County
400 High Street
Chestertown, Maryland 21620

ADDENDUM TO REAL PROPERTY TRANSFER AGREEMENT
The County Commissioners of Kent County
The Town of Millington, Maryland

This Addendum to Real Property Transfer Agreement (this "Addendum"), by and between the County Commissioners of Kent County, Maryland, a body politic and political subdivision of the State of Maryland (the "County") and the Town of Millington, Maryland, a municipal subdivision of the State of Maryland (the "Town") dated as of this [13] day of October, 2026.

The within instrument is a transfer among government bodies and, as such, is exempt from recording fees and transfer and recordation taxes.

WHEREAS, the County was the Owner of certain real property located at 172 Sassafras Street near the Town of Millington, which is known or formerly known as the Millington Elementary School Property, and more fully described in a deed recorded among the Land Records for Kent County in Liber S.L.S. No. 1007, folio 134 (the "Property");

WHEREAS, on November 1, 2022, the Property was transferred to the Town to utilize the Property as senior citizen housing ("Senior Citizen Housing") and a community center ("The Community Center", and together with the Senior Citizen Housing, the "Proposed Development") in furtherance of the public interest pursuant to a deed recorded among the Land Records for Kent County (the "Registry") in Liber S.L.S. No. 1289, folio 63 (the "Deed"), and a Real Property Transfer Agreement recorded in the Registry in Liber 1289, Folio 73 (the "Transfer Agreement");

WHEREAS, the Transfer Agreement and Deed contained a reversionary interest in favor of the County ("Right of Reentry"), stated in the Deed as a right of reversion if certain conditions are not met; and

WHEREAS, the Town has been working diligently to ensure the development of the Property in accordance with the Transfer Agreement. Accordingly, the parties desire to extinguish the Right of Reentry.

NOW, THEREFORE, in consideration of the covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The County shall extinguish the Right of Reentry by executing and recording in the Registry a Supplemental Instrument contemporaneously with this Addendum, the form of which is attached to this Addendum as Exhibit A (the "Supplemental Instrument").

2. The County further acknowledges and agrees that the proposed Community Center is no longer anticipated to be constructed as part of the Proposed Development and that the development of the Community Center shall no longer be required by the County.

3. Except as modified by this Addendum and the Supplemental Instrument, the provisions of the

Transfer Agreement and the Deed remain in full force and effect. If there is any conflict between this Addendum and the Transfer Agreement or the Deed, this Addendum shall control.

4. This Addendum may be executed in counterparts and shall be recorded in the Registry.

[signatures follow]

The Mayor and Council of Millington

Kevin Hemstock, Mayor

Wayne Starkey, Councilmember

Zita L. Seals, Councilmember

John J. Amado Jr., Councilmember

Attest:

Elizabeth Jo Manning, Town Administrator

The County Commissioners of Kent County, Maryland

Ronald H. Fithian, President

John F. Price, Member

Albert H. Nickerson, Member

Attest:

Shelley Heller, County Administrator

EXHIBIT A
SUPPLEMENTAL INSTRUMENT

After recording, return to:
G. Robert Mowell
County Attorney for Kent County
400 High Street
Chestertown, Maryland 21620

SUPPLEMENTAL INSTRUMENT

THIS SUPPLEMENTAL INSTRUMENT, dated as of this [___] day of October, 2026, by and between the County Commissioners of Kent County, Maryland, a body politic and political subdivision of the State of Maryland ("Grantor"), and the Town of Millington, a municipal corporation of the State of Maryland ("Grantee").

The within instrument is a transfer among government bodies and, as such, is exempt from recording fees and transfer and recordation taxes.

WHEREAS, real property located at 172 Sassafras Street near the Town of Millington, which is known or formerly known as the Millington Elementary School Property, and more fully described in a deed recorded among the Land Records for Kent County(the "Registry") in Liber S.L.S. No. 1289, folio 63 (the "Deed"), was transferred to the Grantee on November 1, 2022 pursuant to the Deed and a Real Property Transfer Agreement recorded in the Registry in Liber S.L.S. No. 1289, folio 73 (the "Transfer Agreement"); and

WHEREAS, the Transfer Agreement and Deed contain a reversionary interest in favor of the Grantor stated in the Deed as a right of reversion if certain conditions regarding the construction of senior citizen housing ("Senior Citizen Housing") and a community center (the "Community Center") are not met (collectively with any related possibility of reverter, right of reentry, power of termination, right to exercise any of the foregoing before the fifth anniversary of the Deed, and right

to require reconveyance or de-annexation of the Property, the "Right of Reentry"); and

WHEREAS, Grantee has been working diligently to ensure the development of the Property as Senior Citizen Housing in accordance with the Transfer Agreement. Accordingly, the parties desire to extinguish the Right of Reentry; and

WHEREAS, Grantor further acknowledges and agrees that the proposed Community Center is no longer anticipated to be constructed as part of the proposed development and that the development of the Community Center shall no longer be required by Grantor.

NOW, THEREFORE, that in consideration of the terms of the Addendum to Real Property Transfer Agreement dated October __, 2026 (the "Addendum"), and incorporated herein by reference, the receipt of which is hereby acknowledged, the said Grantor does hereby grant and convey unto the said Grantee, its successors and assigns, (a) the extinguishment of the Right of Reentry by way of (i) deleting the paragraph in its entirety at the bottom of page 6 of the Deed, and (ii) deleting Sections 7, 9, and 10 of the Transfer Agreement in their entirety, and (b) the extinguishment of the requirement that a Community Center be constructed by way of deleting all references to such Community Center in the Deed and Transfer Agreement.

Notwithstanding anything to the contrary in the Deed, the Transfer Agreement, or the Addendum, no provision of the Deed or the Transfer Agreement that remains in effect shall be construed to create or preserve any right of Grantor to terminate Grantee's estate, reenter the Property, or require reconveyance or de-annexation of the Property.

Grantor acknowledges and agrees that (i) the ground lease of a portion of the Property by Grantee to Millington Senior Village LLC, a Maryland limited liability company, (ii) the leasehold deeds of trust encumbering such leasehold estate in favor of the Community Development Administration, a unit of the Division of Development Finance of the Department of Housing and Community Development, a principal department of the State of Maryland, and

(iii) any transfer of such leasehold estate by foreclosure or deed in lieu thereof, are permitted under the Deed and the Transfer Agreement and are not subject to any Right of Reentry.

[signature follows]

WITNESS:

Lacey Townsend, County Clerk

Ronald H. Fithian, President

STATE OF MARYLAND, COUNTY OF KENT, to wit:

I HEREBY CERTIFY, that on October _____, 2026, before me, a Notary Public of the State and county aforesaid, personally appeared Ronald H. Fithian, President of the County Commissioners of Kent County, Maryland, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within Supplemental Instrument who acknowledged that he executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal.

My Commission Expires: _____

Notary Public

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

G. Robert Mowell, Esquire
County Attorney for Kent County