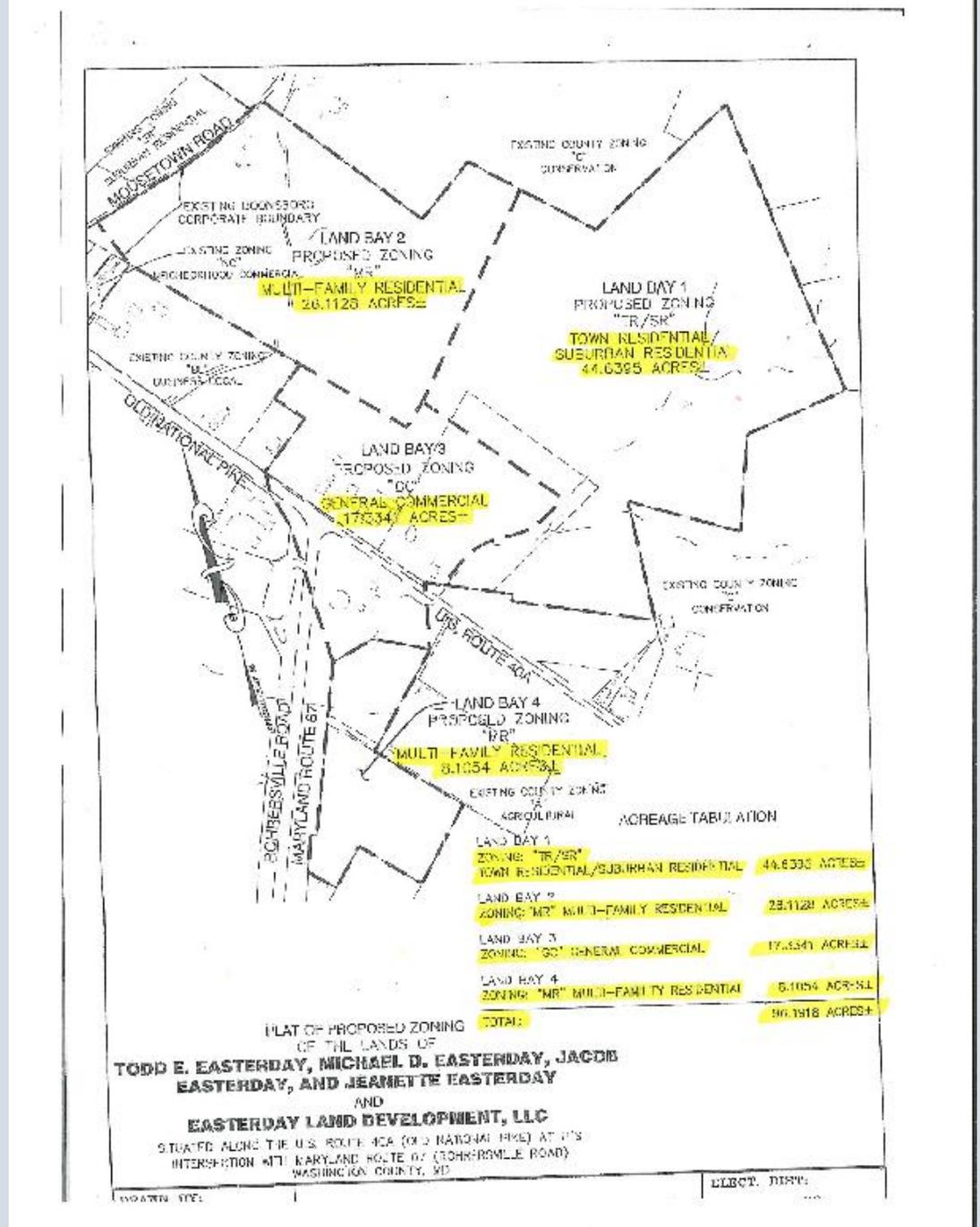


The Preserve at Fox Gap, LLC

Developer's Annexation Agreement, Amendment, and Second
Amendment – An Overview

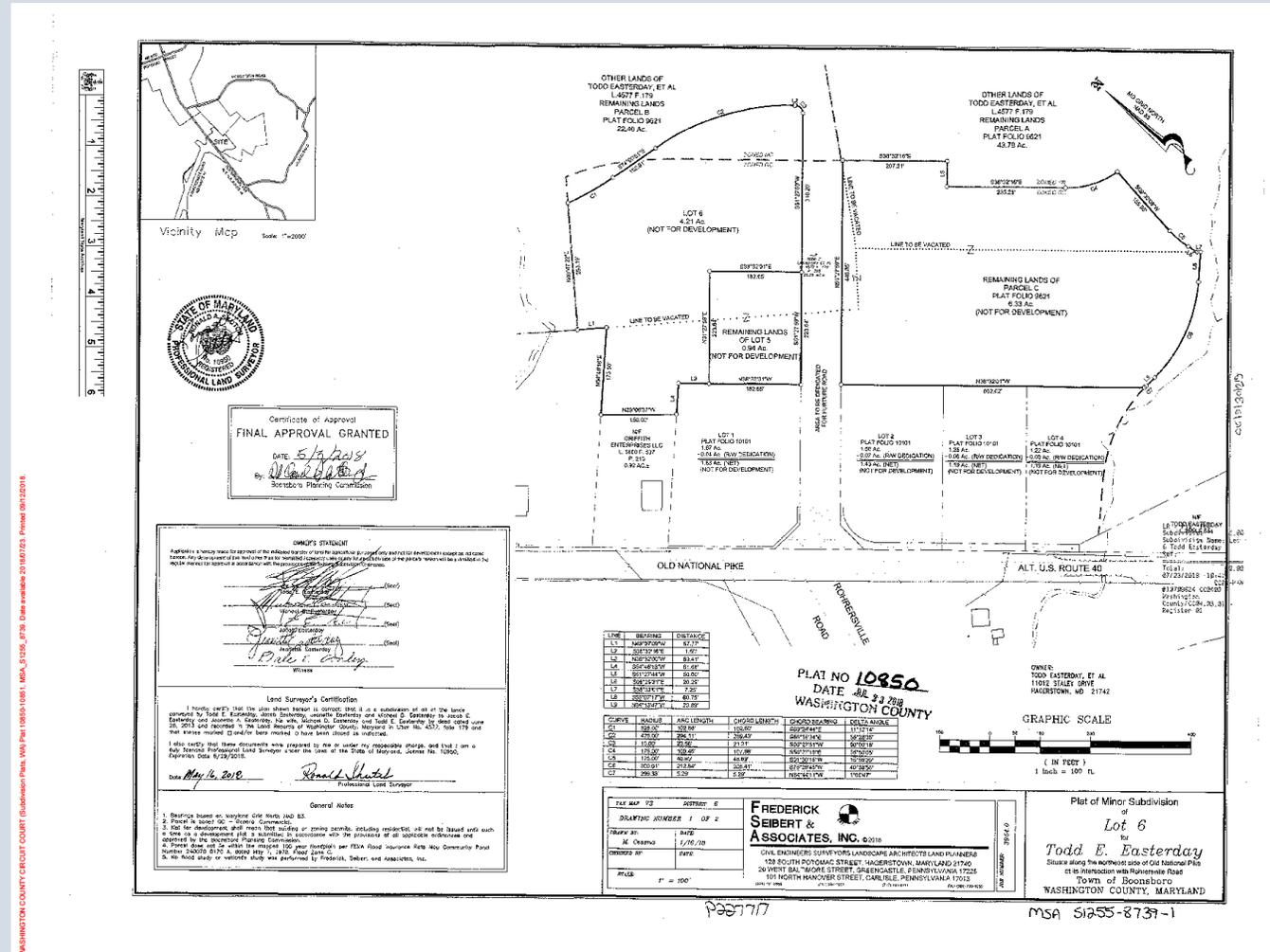
Resolution 2004-04

- Added 96.1918 acres to the Town
- Land, at that time, was owned by Todd E. Easterday, Michael D. Easterday, Jacob Easterday, Jeannette Easterday, and Easterday Land Development, LLC
- Annexed land was zoned TR, MR, and GC
- TR and SR were considered for Land Bay 1, part of which is subject to BNRZ18-01(rev)

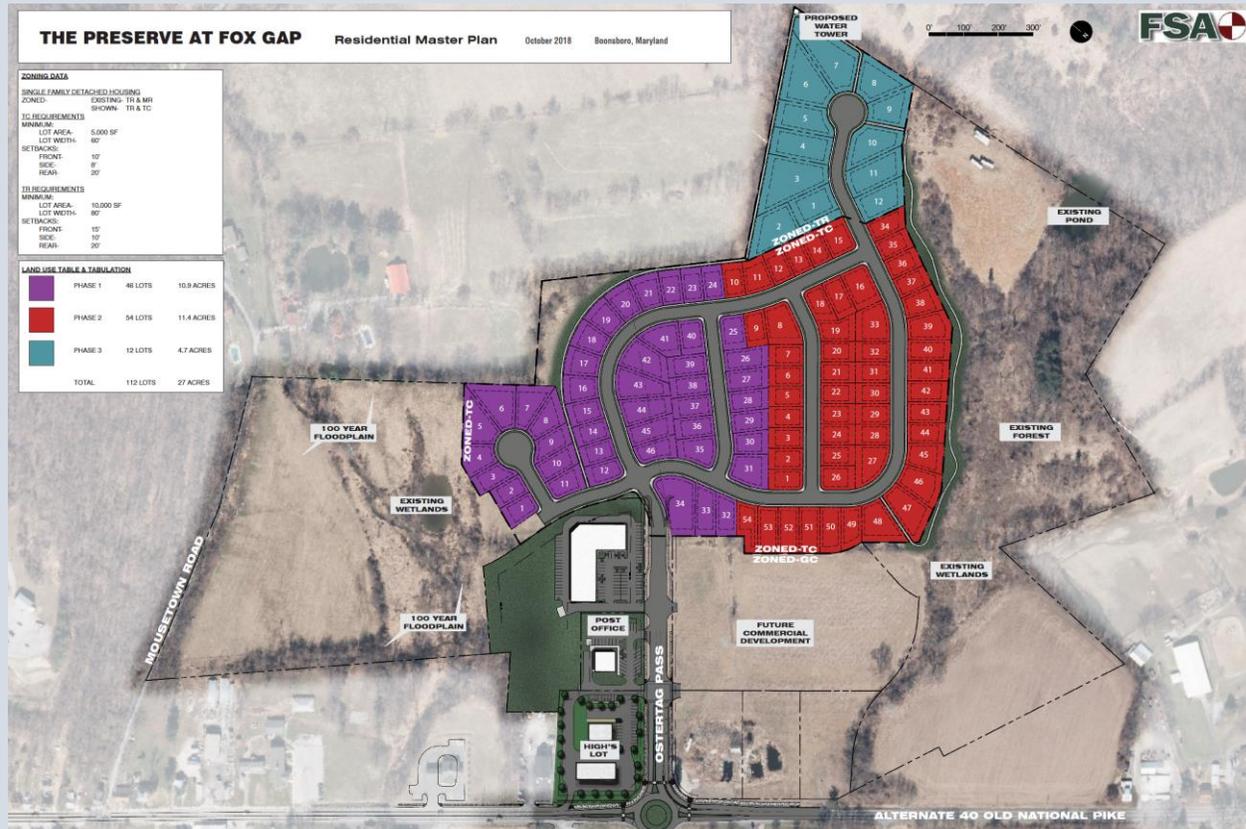


Annexation Agreement, December 28th, 2006

- Effective Date February 12th, 2007
- Gave the Town the right to “limit the uses and densities of development of the property.” (under 3. Zoning and Land Use)
- Includes the ability of the Mayor & Council to establish a phasing schedule a developer must follow for any residential development of the property (3. Zoning and Land Use)
- Portion of the property to be zoned General Commercial: must be developed in accordance with the usual requirements of the land use and other ordinances of the Town, as the same may be amended from time to time (NO ADDITIONAL CONDITIONS)

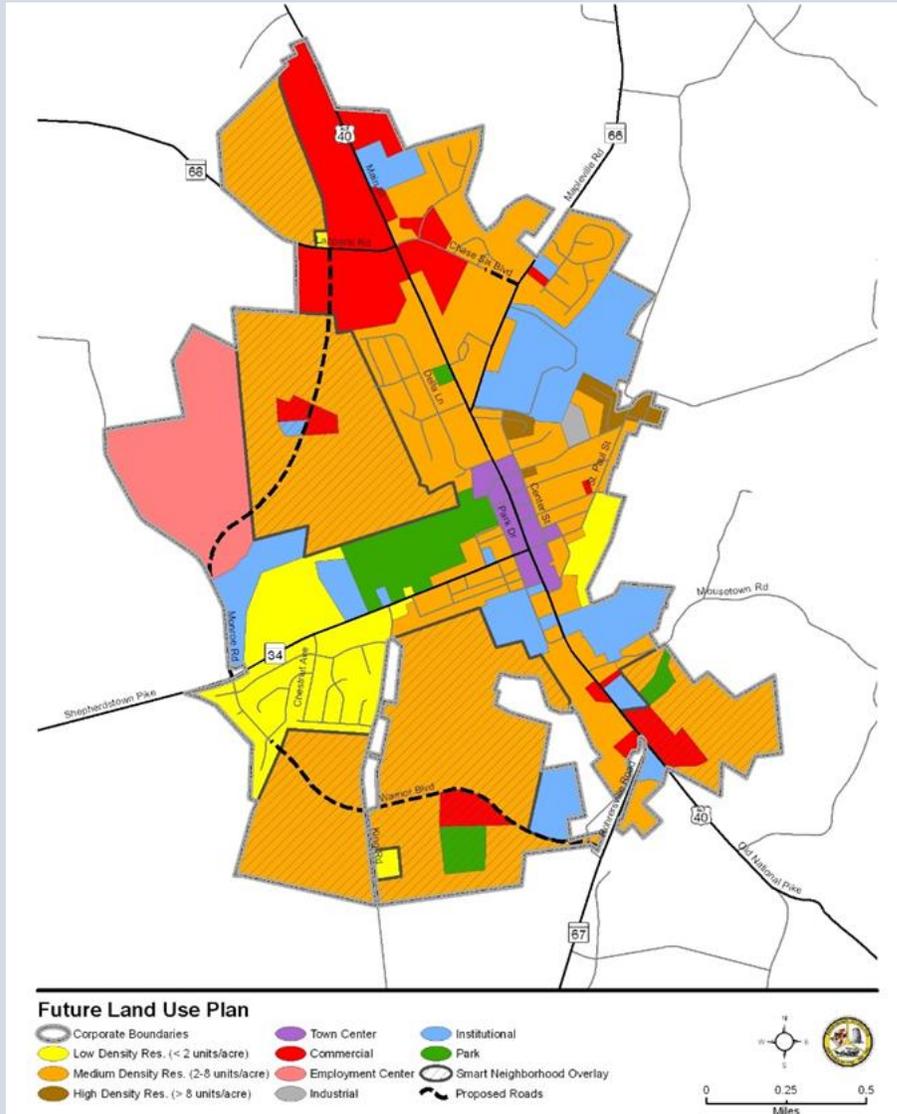


Annexation Agreement, December 28th, 2006



- Remaining Portion (excluding Commercial Parcel) *“shall not be developed, nor shall any development application be submitted as permitted by amendment to this Annexation Agreement.”*
- By Resolution, permission to submit any proposal for residential development of the property must be granted to the petitioner by the Mayor & Council.
- The property owner has the right to de-annex any part of the property should a moratorium be imposed on the property.

Annexation Agreement, December 28th, 2006



- “Density of permitted development on the property shall be restricted by the availability of public utility capacity.”
- The developer agrees not to commence development on the residential portion of the Property until traffic studies have been completed by the petitioner that are acceptable to the Mayor & Council.
- At the developer’s expense, additional traffic studies may be requested by either the Planning Commission or the Mayor & Council.
- By Amendment, The developer may be required, to make a monetary contribution toward the construction of Warrior Boulevard (5. Warrior Boulevard Extension).

Annexation Agreement, December 28th, 2006

- The developer shall not commence residential development until the Mayor & Council shall determine that schools serving the property are adequate.
- By Amendment, the Mayor & Council has the right to require contributions to the cost of public school facilities as a condition of development approval.
- The Town reserves the right to impose a moratorium on the development of the property (7. Moratorium, etc.).
- The Town may suspend or delay the issuance of building permits with respect to the construction of residential or other improvements on the property.
- By Resolution, the Mayor & Council may issue a stop work order with respect to any aspect of the development of the property.

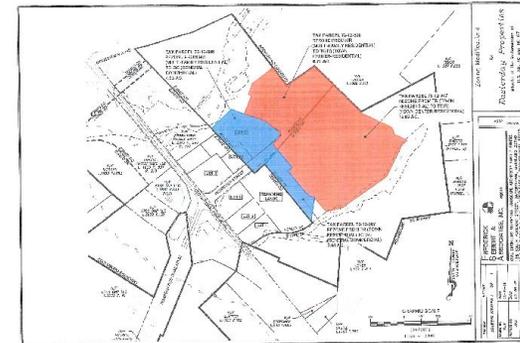
Annexation Agreement, December 28th, 2006

- Costs will be borne by the developer, should the Town engage outside engineering, permitting, or inspection services with regard to any aspect of the development of the property.
- The BMUC shall allocate water and sewer taps, not exceeding **40 EDUs**, for the **development of the commercial parcel** upon payment of the then prevailing monetary consideration for such taps, as established by the BMUC from time to time.
- In order for the BMUC to allocate EDUs to the developer, they also need **(1)** site plan approval from the Planning Commission, **(2)** completion of the State Highway Improvements (MD-67 and Alt-40), and **(3)** compliance with all other applicable requirements (ordinances, codes, specifications, etc.).
- Agreement is both severable and is intended to run with the lands of the original petitioner (11. Miscellaneous).

Amendment to Annexation Agreement, March 2nd, 2009

- Created as a result of (4. Utilities from) the original agreement, which reads, “...*the petitioner may be required to enter into an amendment to this agreement providing for a monetary contribution, which may be in the form of a utility tap fee purchase commitment or otherwise, to provide for the cost of design and construction of a municipal wastewater treatment plant, etc.*”
...”

- **1. Sewer Taps (20 residential sewer taps)** – Upon **(a.)** completion of the payment for the 20 sewer taps, and **(b.)** provided no default occurs under any agreements, the Town agrees to make available up to 113 additional sewer taps.
- Payment was never completed, and therefore Default occurred.



Amendment to Annexation Agreement, March 2nd, 2009

- Price per tap for Sewer Taps established at \$11,000.00.
- Purchased Sewer Taps shall continue in effect for a period of ten (10) years from date of agreement (March 2nd, 2019).
- EXCEPT in the event of a Default.
- Town consents to transfer purchased sewer taps to any potential purchaser of the property.
- **(1)** Default occurred and **(2)** purchased taps expire on March 2nd, 2019.
- In the event of a Default in Payment, the right to purchase sewer taps shall be suspended until the default is cured. (4. Default)
- If the Default is not cured within 30 days, the right to purchase sewer taps shall be revoked, and unless otherwise determined by the Town, the property owner shall have no further right or interest therein.
- If all or some of taps are so revoked, the Town shall have no further obligation to allocate or reserve sewer taps or utility capacity under the agreement.

Amendment to Annexation Agreement, March 2nd, 2009

DEVELOPER	Easterday		Easterday (2nd		Easterday's Amended	
DUE DATE	Payment	Status	Amend) Payment	Status	Total Payment	updated 8/23/2013 - DAS Status
01/01/09	\$5,487.07	paid	\$5,364.92	paid	\$10,851.99	paid
02/01/09	\$1,745.85	paid	\$1,706.98	paid	\$3,452.83	paid
03/01/09	\$1,895.20	paid	\$1,853.01	paid	\$3,748.21	paid
04/01/09	\$1,352.80	paid	\$1,322.69	paid	\$2,675.49	paid
05/01/09	\$2,179.93	paid	\$2,131.40	paid	\$4,311.33	paid
06/01/09	\$2,291.27	paid	\$2,240.26	due	\$4,531.53	2nd amend due
07/01/09	\$11,370.35	paid	\$11,117.22	due	\$22,487.57	2nd amend due
08/01/09	\$2,497.55	paid	\$2,441.95	due	\$4,939.50	2nd amend due
10/01/09	\$7,448.07	paid	\$7,282.26	due	\$14,730.33	2nd amend due
01/01/10	\$19,184.14	paid	\$18,757.05	due	\$37,941.19	2nd amend due
04/01/10	\$7,448.07	paid	\$7,282.26	due	\$14,730.33	2nd amend due
07/01/10	\$10,153.22	paid	\$9,927.18	due	\$20,080.40	2nd amend due
10/01/10	\$7,448.07	paid	\$7,282.26	due	\$14,730.33	2nd amend due
01/01/11	\$20,057.04	due	\$19,610.52	due	\$39,667.56	TOTAL DUE
04/01/11	\$7,448.07	due	\$7,282.26	due	\$14,730.33	TOTAL DUE
07/01/11	\$10,063.55	due	\$9,839.51	due	\$19,903.06	TOTAL DUE
10/01/11	\$7,448.07	due	\$7,282.26	due	\$14,730.33	TOTAL DUE
01/01/12	\$20,057.04	due	\$19,610.52	due	\$39,667.56	TOTAL DUE
04/01/12	\$7,448.07	due	\$7,282.26	due	\$14,730.33	TOTAL DUE
07/01/12	\$9,871.83	due	\$9,749.83	due	\$19,721.66	TOTAL DUE
10/01/12	\$7,448.07	due	\$7,282.26	due	\$14,730.33	TOTAL DUE
01/01/13	\$20,057.04	due	\$19,610.52	due	\$39,667.56	TOTAL DUE
04/01/13	\$7,448.07	due	\$7,282.26	due	\$14,730.33	TOTAL DUE
07/01/13	\$9,877.99	due	\$9,658.08	due	\$19,536.07	TOTAL DUE
10/01/13	\$7,448.07	due	\$7,282.26	due	\$14,730.33	TOTAL DUE
01/01/14	\$20,057.04		\$19,610.52		\$39,667.56	
PD to Date	\$80,501.59	7.318	\$12,379.00	1.125	\$92,880.59	
Delinquent	\$134,772.91	12.25	\$198,102.98	18.01	\$332,875.89	30.26144455
OW						
Balance	\$20,057.04		\$19,610.52		\$39,667.56	
Total	\$235,331.54		\$230,092.50		\$465,424.04	
Taps	20		20		40	

Amendment to Annexation Agreement, April 6th, 2009

- Same terms and conditions as March 2nd, 2009 Amendment to Annexation Agreement
- 20 Residential Sewer Taps (20 Additional Taps)
- The Town Agreed to reserve 20 additional water taps to correspond with the 20 additional sewer taps, provided no Default under the terms of either this amendment or the March 2nd, 2009 amendment.

