

## AGREEMENT OF SALE

THIS AGREEMENT OF SALE (the “**Agreement**”) made this \_\_\_\_\_ day of \_\_\_\_\_ 2022 is by and between **BOROUGH OF KENNETT SQUARE**, a Pennsylvania Borough, with an address of 600 S Broad Street, Suite 110, Kennett Square, PA 19348 (the “**Seller**”) and **RIVERWARDS GENERAL LLC**, a Pennsylvania Limited Liability Company with an address of 421 Brentford Road, Kennett Square, PA 19348 (the “**Buyer**”). In this Agreement, Seller and Buyer are collectively referred to herein as the “**Parties**” and each, a “**Party**”.

### W I T N E S S E T H:

Seller is the owner of a parcel of land located in the Borough of Kennett Square, Chester County, Pennsylvania, consisting of approximately 0.39 acres and identified as Tax Parcel # 3-3-144 with a street address of 120 Marshall Street, Kennett Square, Chester County, PA (the “**Property**”), as generally shown on the aerial photograph and the Deed to the Borough for the Property recorded at Chester County Recorder of Deeds Book 6045, Page 430, both of which are attached hereto as **Exhibit “A”** and incorporated herein by reference. Buyer desires to purchase the Property and Seller desires to transfer and convey to Buyer the Property pursuant to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, the undersigned, with the intention to be legally bound hereby, and in consideration of the mutual promises herein, agree as follows:

1. Purchase Price. The agreed-upon total consideration for the Property shall be **THREE HUNDRED SEVENTY FIVE THOUSAND DOLLARS (\$375,000)** (“**Purchase Price**”), payable as follows:

(a) **ELEVEN THOUSAND TWO HUNDRED FIFTY DOLLARS (\$11,250)** (the “**Deposit**”) upon execution of this Agreement, payable to an Escrow Agent mutually agreeable to the Parties, to be held by Escrow Agent in escrow as hereinafter provided. The Deposit will be held in escrow by Escrow Agent until Closing (as hereinafter defined) or sooner cancellation or termination of this Agreement in an interest bearing account in a financial institution whose deposits are insured by the Federal Deposit Insurance Corporation. All interest earned thereon shall constitute additional deposit monies hereunder and shall be paid to Seller at Closing and applied towards the Purchase Price. Interest earned on the Deposit shall be paid or credited to which party is entitled to the Deposit at Closing or otherwise upon cancellation or termination of this Agreement. Any reference herein to the Deposit shall be deemed to include any interest earned thereon at the relevant time.

(b) At Closing, Buyer shall pay to Seller the balance of the Purchase Price (less the Deposit), subject to the positive or negative net effect of the apportionments for real estate taxes, statutory penalties against the Property, encumbrances against the Property and other apportionable items pursuant to this Agreement, by bank treasurer’s or cashier’s check, or by wire transfer of immediately available federal funds at Closing.

(c) At or prior to Closing, Buyer shall provide proof to Seller of Buyer's financial ability to fund repairs, improvements and associated approvals for the Property in the amount of \$500,000, consistent with the Proposal to Purchase 120 Marshall Street dated September 30, 2022, and, following the conveyance of the Property, shall take all necessary steps to proceed with the same within a timely, diligent manner.

2. Conditions Precedent to Buyer's Obligation. Buyer's obligation to proceed to Closing under the terms of this Agreement is expressly conditioned upon the following conditions:

(a) Buyer obtaining formal approval by the Kennett Square Borough Council of the approval of the Buyer's bid for the proposed purchase of the Property within 60 days of the date of this Agreement, through an approval of the purchase and of a Resolution for acceptance of the same to Buyer from Seller.

(b) Buyer receiving a qualified appraisal of the Property (the "Appraisal") within the Due Diligence Period. The appraisal must be performed in compliance with the act of July 10, 1990, known as the Real Estate Appraisers Certification Act, and must establish the fair market value of the Property at an amount equal to or greater than the Purchase Price, pursuant to the requirements of the Pennsylvania Borough Code. If the Purchase Price is determined to be less than the fair market value of the Property, the Seller may terminate this Agreement within thirty (30) days after receipt of the Appraisal pursuant to the Pennsylvania Borough Code.

(c) Buyer shall have a period of 30 days ("Due Diligence Period") within which to conduct, at Buyer's expense, such inspections and investigations of the physical condition of the Property for the purpose of determining, without limitation, its compliance with all applicable laws, the suitability of the site for any purposes contemplated by the Buyer, the suitability of the site for sewer and/or water facilities (including perc testing related to the same), and whether or not there is any evidence of contamination of the Property by hazardous or toxic substances that may require remediation or clean up under applicable environmental laws ("Buyer's Investigation"), noting that such Buyer's Inspection may include a Phase I or II environmental study or other environmental impact statement or any other inspections or studies as determined appropriate by Buyer. Seller shall permit Buyer and its agents and contractors to have access to the Property at reasonable times for purposes of conducting Buyer's Investigation. If Buyer is dissatisfied with the results of Buyer's Investigation, in its sole discretion, and for any reason whatsoever, it has the right to terminate this Agreement by giving written notice dated on or before the end of Due Diligence Period.

(d) Seller must not cause or permit any material change to the natural features of the Property between the date of this Agreement and Closing.

(e) Notwithstanding anything else herein contained, Buyer's obligation to proceed to Closing hereunder is contingent upon Seller's warranties and representations herein

being true and correct in all material respects as of the Closing Date, and Seller having complied in all material respects with all its obligations under this Agreement.

Upon failure of any such condition, Buyer may terminate this Agreement by written notice dated on or before the deadline for satisfaction of the applicable condition. In the event of timely termination of this Agreement pursuant to this paragraph 2, paragraph 3, or paragraph 6 hereof or otherwise, this Agreement shall be null and void, and the Deposit and any other monies theretofore paid by Buyer on account of the Purchase Price, if any, shall be returned to Buyer and neither party shall have any further liability or obligation to the other hereunder. In the event of such termination, however, each party shall remain responsible for its own respective transaction costs, including attorneys' fees and other costs incurred in connection with the negotiation and performance of this Agreement. Buyer may waive the benefit of any of the following conditions, in whole or in part, in writing, and shall be deemed to have waived any unsatisfied or unfulfilled condition if Buyer in fact completes Closing and pays the balance of the Purchase Price.

### 3. Quality of Title.

(a) Title to the Property shall be good and marketable and free and clear of all liens, restrictions, easements and other encumbrances and title objections, except for the Permitted Title Exceptions (as hereinafter defined) and shall be insurable as such at ordinary rates by any reputable title insurance company selected by Buyer.

(b) Within 15 days after satisfaction of the funding contingency in paragraph 2(b) above, Buyer shall have the right to order an ALTA title insurance commitment with respect to the Property ("Title Report"), together with copies of all instruments listed as exceptions therein. To the extent that Buyer does so, Buyer may notify Seller of any objections Buyer may have with respect to the Exceptions (as hereinafter defined) disclosed by the Title Report. "Exceptions" shall mean all restrictions, reservations, outstanding mineral rights, leases, easements, rights-of-way, encroachments, encumbrances, title exceptions or defects and other matters affecting title to the Property and all exceptions, printed or typed, which are disclosed in the Title Report. Notwithstanding the preceding, the term "Exceptions" shall not include the following: (i) standard pre-printed exceptions that are customarily removed by a standard seller's title affidavit at settlement or upon completion of a pre-settlement "bring-down" of title prior to settlement, and are in fact so removed, (ii) standard exceptions that can only be removed by special endorsement that Buyer does not elect to purchase, (iii) riparian rights of others in any stream or body of water passing through or abutting the Property, (v) rights of the public with respect to any public road or road right of way passing through or bounding the Property, and (vi) easements in favor of public utility companies located within or immediately outside the legal right of way of existing public roads passing through or abutting the Property.

(c) If Buyer does not so notify Seller of any objections to the Exceptions on or before the end of the Due Diligence Period or within thirty (30) days after receipt of the Title Report, whichever is later, then Buyer shall be deemed to have waived any objections to the Exceptions disclosed in the Title Report, and such Exceptions shall be "Permitted Title Exceptions," and Buyer shall purchase the property subject to such Permitted Title Exceptions. If Buyer timely notifies Seller within such period of any objections, the Exceptions as to which Buyer has not objected shall be "Permitted Title Exceptions." Notwithstanding anything to the contrary contained herein, if, prior to Closing, any new Exception is recorded after the effective date of Buyer's first Title Report, upon Buyer's written objection to such Exception prior to Closing, such Exception shall not be a Permitted Title Exception. Any mortgages, judgments, tax liens, support liens and other liens evidencing or securing a monetary obligation in a fixed, liquidated or otherwise readily ascertainable amount (each, a "Monetary Lien") shall not be deemed to be Permitted Title Exceptions and shall be satisfied, released, bonded against or discharged by Seller at or prior to Closing. Upon the failure of Seller to remove any such Exception, Buyer shall have the options as provided in paragraph 3(d) below.

(d) If Buyer objects to an Exception, Seller shall have the right, but not the obligation, to cure or remove such Exception, provided that Seller shall pay, discharge or otherwise secure the release of the Property from or bond against any Monetary Lien to the extent of the Purchase Price. If Seller has not cured all Exceptions that are not Permitted Title Exceptions, Buyer shall have the option of either (i) taking such title as Seller can convey, without abatement in the Purchase Price other than the application thereof to the payment and discharge of Monetary Liens which Seller has failed to discharge, or (ii) of terminating this Agreement. In the latter event, the Deposit and any accrued interest, and any other monies theretofore paid on account, if any, shall be returned promptly to Buyer, and Seller shall reimburse Buyer for the cost of title search with respect to the Property, but otherwise neither party shall have any further rights, obligations or liability to the other.

4. Seller's Representations and Warranties. As a material inducement to cause Buyer to enter into this Agreement, Seller hereby represents, warrants, and agrees as follows:

(a) Seller's Ownership Interest and Authorization to Enter Into Agreement. Seller is the legal owner of the Property, with full, unfettered and unconditional authority to: sell the Property; to convey title to the Property; and to execute this Agreement. Seller further covenants that no other party has any legal or equitable interest in the Property (including leasehold interests, except as explicitly disclosed to and approved in writing by the Buyer).

(b) Enforceability. This Agreement has been duly authorized, executed and delivered by Seller and constitutes the valid and legally binding obligation of Seller, enforceable against Seller in accordance with its terms.

(c) Consents; Proceedings; Bankruptcy.

(i) No consent, approval or other authorization of or by any Governmental Authority other than the Borough of Kennett Square is required in connection with Seller's (a) execution and delivery of this Agreement, (b) compliance with the terms of this Agreement, or (c) completion of the transactions contemplated by this Agreement. The term "Governmental Authority" means any federal, state, county or municipal government, or political subdivision thereof, any governmental or quasi-governmental agency, authority, board, bureau, commission, department, instrumentality, or public body, or any court or administrative tribunal.

(ii) No proceedings or actions are pending or, to the best of Seller's knowledge, threatened, which do or might limit or impair Seller's power, authority or right to (a) execute and deliver this Agreement, (b) comply with the terms of this Agreement, or (c) complete the transactions contemplated by this Agreement.

(iii) Without limiting the generality of sub-paragraphs 4(c)(i) or 4(c)(ii): (a) there has not been filed by or against Seller a petition in bankruptcy or insolvency proceedings or for reorganization or for the appointment of a receiver or trustee, under state or Federal law; (b) Seller has not made an assignment for the benefit of creditors or filed a petition for an arrangement or entered into an arrangement with creditors which petition, proceedings, assignment, or arrangement was not dismissed by final, unappealable order of the court or body having jurisdiction over the matter; and (c) Seller is not insolvent, nor has Seller admitted in writing the inability to pay its debts as they become due.

(d) Conflicts; Other Agreements.

(i) Seller's execution and delivery of this Agreement, compliance with the terms of this Agreement, and completion of the transactions contemplated by this Agreement, will not conflict with, or result in a breach of any mortgage, lease, agreement or other instrument, or any applicable law, judgment, order, writ, injunction, decree, rule or regulation of any Governmental Authority to which Seller is a party or by which it or its properties is bound.

(ii) There are no rights, options, or other agreements of any kind to purchase or otherwise acquire or sell or otherwise dispose of any portion of the Property.

(e) Regulatory Compliance.

(i) The Property and its operation comply with all applicable Federal, state and local laws, regulations, codes, orders, ordinances, rules and statutes and any restrictive covenants applicable to the Property.

(ii) Seller has received no notice from any Governmental Authority of a violation of any Federal, state or local law, regulation or ordinance affecting any portion of the Property.

(iii) Seller has obtained all permits, approvals and licenses necessary for the Property and the use and occupancy of the Property, and all such permits, approvals and licenses can be and shall be validly assigned to Buyer at Closing.

(iv) The current use of the Property is legal under applicable zoning and use ordinances.

(f) Notices from Insurers. Seller has received no notice from any insurance company or Board of Fire Underwriters that the condition of the Property is unsatisfactory or that any work or repairs must be undertaken.

(g) Tax Liens. No lien exists or can be asserted against the Property because of the failure of Seller to file any tax return or report or pay any Federal, state or local taxes of any kind. Seller has paid all taxes, license fees and other charges levied, assessed or imposed upon the Property or upon Seller except those which are not yet due and payable.

(h) Other Notices. Seller has received no written notice of, nor does it have any knowledge of, any pending or threatened action or governmental proceeding relating to (a) zoning changes, (b) rent control, or (c) increase in tax assessment.

(i) Utilities.

(i) All public utilities required for the operation of the Property either enter the Property through adjoining dedicated public streets or, if they pass through adjoining lands, do so in accordance with valid public or private easements.

(ii) All public utilities are installed and operating and are adequate to service the Property and to permit full compliance with all requirements of law and normal usage of the Property by the tenants thereof, their licensees and invitees.

(iii) All installation, connection and tap-in charges have been paid for in full. There are no unpaid charges due to any utility company or supplier except for ongoing services.

(j) Boundary Matters. There are no encroachments onto, overlaps, boundary line disputes or other similar matters with respect to the Property, nor do any of the Improvements encroach upon any adjacent property or any easement or right-of-way.

(k) Environmental Matters.

(i) The Property is in compliance with all Environmental Laws. The term "Environmental Laws" means all Federal, state and local laws, statutes, ordinances, codes, rules, regulations and other requirements respecting the environment, including but not limited to those respecting: (a) the generation, use, handling, processing, storage, treatment, transportation, or disposal of any solid or hazardous wastes, or any hazardous, toxic or regulated substances or materials; (b) pollution or contamination of land, improvements, air (including indoor air), or water (including groundwater); (c) emissions, spills, releases, or discharges of any substance onto or into the land, improvements, air (including indoor air), or water (including groundwater), or any sewer or septic system; (d) protection of wetlands; (e) aboveground or underground storage tanks; (f) air quality (including indoor air quality) or water quality (including groundwater quality); and (g) protection of endangered species. Without limiting the generality of the foregoing, the term "Environmental Laws" includes the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C., Sec. 9601, et seq.; the Resource Conservation and Recovery Act, as amended, 42 U.S.C., Sec. 6901, et seq., and the Toxic Substance Control Act of 1976, as amended, 15 U.S.C., Sec. 2601, et seq., the Pennsylvania Hazardous Sites Cleanup Act, 35 P.S. § 6020.101 et seq., the Pennsylvania Land Recycling and Environmental Remediation Standards Act, 35 P.S. §6026.101 et seq. ("Act 2"), the Pennsylvania Solid Waste Management, 35 P.S. § 6018.101 et seq., and the Pennsylvania Clean Streams Law, 35 P.S. 691.1 et seq.

(ii) No part of the Property has ever been used by any person or entity to refine, produce, use, store, handle, transfer, process, transport or dispose of any Hazardous Substances. The term "Hazardous Substance(s)" means any substance, material or waste defined as a pollutant or contaminant, or as a hazardous, toxic or dangerous substance, material or waste, under any Environmental Law, including, without limitation, petroleum, petroleum products, PCBs, CFCs and asbestos.

(iii) There has been no emission, spill, release or discharge on, at, under or about the Property into or upon (a) the air, (b) soils or improvements, (c) surface water or groundwater, or (d) the sewer, septic system or waste treatment, storage or disposal system servicing the Property, of any Hazardous Substance.

(iv) There are not now, nor, to the best of Seller's knowledge, have there ever been, any underground or aboveground storage tanks at, on or under the Property.

(v) There has been no complaint, order, directive, claim, citation or notice by any Governmental Authority or any other person or entity with respect to any of the following in connection with the Property: (a) air emissions, (b) spills, releases or discharges to soils or any improvements located thereon, surface water, groundwater, sewer, or septic systems or waste treatment, storage or disposal systems, (c) solid or liquid waste disposal, (d) the generation, use, processing, storage, transportation or disposal of Hazardous Substances, or (e) other environmental, health or safety matters affecting Seller, the Property, or any business thereon conducted.

(vi) There are no regulated substances within the meaning of Act 2 on the Property in concentrations exceeding statewide health standards for residential use.

(vii) No friable asbestos, or any substance containing any type of asbestos, is in or on the Property.

(viii) There are no polychlorinated biphenyls ("PCBs") and no substances, materials, equipment or containers containing PCBs in or on the Property.

(ix) There are no Class I or Class II chlorofluorocarbons, as listed at 42 U.S.C. § 7671a ("CFCs"), and no substances, materials, equipment or containers containing CFCs in or on the Property.

(x) No part of the Property has ever been painted with lead-based paint.

(l) Leases.

(i) There are no leases, tenancies, licenses or other rights of occupancy or use for any portion of the Property.

(m) Accuracy of Documents. Copies of all documents delivered or made available to Buyer pursuant to this Agreement shall be true, correct and complete, and shall accurately reflect the matters contained therein.

(n) Patriot Act; Executive Order 13224; Anti-Money Laundering Act.

(i) No Benefited Party (as hereafter defined) is a Prohibited Person. No Benefited Party (as hereafter defined) is in violation of the Executive Order, the Patriot Act, the Anti-Money Laundering Act, or any order, rule, regulation or recommendation promulgated under or in connection with the Executive Order, the Patriot Act or the Anti-Money Laundering Act.



(ii) “Benefited Party” means and includes any and all of the following: Seller; any officer, director, shareholder, partner or member of Seller; any direct or indirect holder of any equity interest in Seller; and any affiliate of Seller. “Prohibited Person” means and includes any person or entity with whom US persons or entities are prohibited or restricted from doing business pursuant to any of the following: the Executive Order and the Annex thereto; the regulations of the Office of Foreign Asset Control of the Department of the Treasury (including the Specially Designated Nationals and Blocked Persons List, as updated from time to time; and, any other statute, law, executive order, rule, regulation or other governmental action. “Executive Order” means Executive Order 13224 signed on September 24, 2001 and titled “Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism.” “Patriot Act” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001. “Anti-Money Laundering Act” means the International Money Laundering Abatement and Financial Anti-Terrorism Act of 2001.

(o) Additional Facts or Circumstances. Seller knows of no facts or circumstances which would hinder or prevent the use or operation of the Property following Closing in substantially the same manner as they are presently used and operated.

(r) Assessments. No assessments for public improvements have been made against the Property which remain unpaid for any street paving, curbing, water or sewer lines or other public improvements which might have been installed prior to the date hereof.

(s) Condemnation. Seller has no knowledge of any pending or threatened condemnation or eminent domain proceedings which would affect the Property.

(t) Foreign Person. Seller represents and warrants that it is not a foreign person as defined in Section 1445 (f)(3) of the Internal Revenue Code of 1986, as amended. Seller will deliver to Buyer at Closing a Certificate of Nonforeign Status, certifying under penalty of perjury the correctness of this subparagraph and providing Seller’s taxpayer identification or Social Security number.

(u) No Representation of Tax Benefits.

(i) Seller has not relied upon any advice, information or analyses furnished by Buyer with respect either to the availability, amount, or effect of any deduction, credit, or other benefit to Seller under the Internal Revenue Code, the Treasury Regulations, or other applicable law; or the value of the Property.

(ii) Seller has relied solely upon its own judgment and/or professional advice furnished by the appraiser and legal, financial, and accounting professionals engaged by Seller. If any person providing services in connection with this Property was recommended by Buyer, Seller acknowledges that Buyer is not responsible in any way for the performance of services by these persons.

(iii) The sale or full or partial donation of this Property is not conditioned upon the availability or amount of any deduction, credit, or other benefit under the Internal Revenue Code, Treasury Regulations, or other applicable law.

(v) Reestablishment of Apple Alley and Restriping of Marshall Street. All Parties understand that Seller intends to reestablish Apple Alley along the boundary of the Property, and, in doing so, intends to re-stripe Marshall Street to provide for six (6) parking spaces attributable to the Property.

#### 5. Survival of Warranties.

(a) Notwithstanding any legal presumption to the contrary, all covenants, conditions, representations and warranties contained in this Agreement shall survive Closing for a period of one year. Any inspection of the Property, or of Seller's records, by Buyer or its representatives shall not be construed as a waiver of any warranty contained herein.

(b) In the event of the breach, in any material respect, of any representation or warranty by the Seller in this Agreement, the Seller will indemnify the Buyer and save the Buyer harmless from any and all liabilities, losses, costs or expenses (including reasonable attorneys' fees) arising out of such breach, and without limitation, this indemnity and hold harmless clause shall include any and all claims, fines, costs of investigation and remediation, and legal fees and expenses arising by reason of or in connection with any violation by Seller of any representation or warranty in this Agreement, and this indemnity and hold harmless clause shall survive Closing.

#### 6. Eminent Domain and Casualty.

(a) In the event Seller receives any notice of any condemnation proceedings, or other proceedings in the nature of eminent domain relating to the Property, it will forthwith send a copy of such notice to Buyer. If all or any part of the Property is taken by eminent domain prior to Closing, Buyer may, upon written notice to Seller, elect to cancel this Agreement. In the event of any such taking or notice thereof, unless Buyer completes Closing and pays the Purchase Price, all awards and just compensation payable as a result of such taking shall be the property of Seller.

(b) If all or any portion of the Property is destroyed or damaged by Fire or other casualty materially and adversely affecting the conservation values of the Property, Buyer may terminate this Agreement by notice to Seller within thirty (30) days after receipt of Seller's notice of the casualty. In that event, all insurance proceeds and other claims for damage shall be the property of Seller. Unless Buyer terminates this Agreement as provided in the second preceding sentence, Buyer shall complete Closing and pay the full Purchase Price to Seller without abatement, and Seller shall assign all rights to insurance proceeds to Buyer. Seller shall bear the risk of loss associated with the Property until Closing and shall maintain insurance on such Property for the full value of the Purchase Price.

## 7. Default; Remedies.

(a) Except as otherwise provided in Sections 2, 3 or 6 above, in the event Buyer fails to consummate the Closing in accordance with the terms of this Agreement, the Deposit and any accrued interest shall be paid to Seller as liquidated damages. With respect to all provisions of this Agreement, the parties agree that the amount of actual damages which Seller would suffer as a result of Buyer's default would be extremely difficult to determine and have agreed, after specific negotiation relating thereto, that the amount of the Deposit is a reasonable estimate of Seller's damages and is intended to constitute a fixed amount of liquidated damages in lieu of other remedies available to Seller and is not intended to constitute a penalty. This shall be Seller's sole remedy in the event of Buyer's default.

(b) In the event Seller fails to consummate the Closing in accordance with the terms of this Agreement, each party recognizes and agrees that Buyer's remedy at law would be inadequate and agrees that for breach of such obligation, Buyer shall, in addition to such other remedies as may be available to it at law or in equity, be entitled to injunctive relief and to enforce its rights by an action for specific performance to the extent permitted by applicable law. The parties hereby waive any requirement for security or the posting of any bond or other surety in connection with any temporary or permanent award of injunctive, mandatory or other equitable relief. Nothing herein contained shall be construed as prohibiting Buyer from pursuing any other remedies available to it pursuant to the provisions of this Agreement or applicable law for such breach or threatened breach, including without limitation the recovery of damages and the recovery of Buyer's transaction costs up to the time of the breach (including without limitation, any title, survey, environmental investigation, allocated staff time, and counsel fees incurred).

8. Assignment. The rights and obligations of Buyer and Seller under this Agreement are not assignable without the written consent of the other party. Subject to this provision, this Agreement is binding upon and inures to the benefit of the Buyer and the Seller and each of their respective heirs, personal representatives, successors and assigns. Nothing herein shall be construed to limit the ability of the Buyer to use, lease, restrict or convey the Property after the Closing herein.

9. Closing Date. Closing under this Agreement (the "Closing") is to take place at the offices of the title company insuring Buyer's interest in the Property or at another location that is mutually agreeable to Buyer and Seller. Unless otherwise agreed by Buyer and Seller in writing, Closing shall occur on or before February 13, 2023, provided that neither the Buyer nor the Seller has exercised any right it may have to terminate, void or rescind this Agreement.

10. Closing Documents. At Closing, Seller must sign the deed and deliver it to Buyer in proper form for recording in the public records.

11. Costs and Expenses.

(a) Buyer shall provide any affidavits required by the public records to claim exemption of the purchase of the Property from realty transfer tax.

(b) If Buyer chooses to obtain a survey, it shall pay for the new survey.

(c) Buyer shall pay for the costs of the title report, title insurance premiums, and recording fees for the Property.

(d) Seller shall pay recording fees for documents to be produced or removed by Seller.

(e) Each party will pay for its own attorney, counsel and accountant fees.

(f) Buyer shall pay for costs of appraisals.

(g) In no event shall Buyer be responsible for payment of any Act 319 roll-back taxes that might be assessed because of the purchase.

(h) Real Estate Taxes; Apportionments. To the extent that any real estate taxes are imposed for the conveyance, they shall be adjusted pro rata as of the date of Closing, and will be borne equally by the Buyer and Seller.

12. Waiver of Tender. Formal tender of a deed and purchase money is hereby waived.

13. Notices. All notices required or permitted to be given hereunder shall be in writing and sent by (i) registered or certified mail, (ii) personal delivery, (iii) recognized overnight delivery service (e.g., FedEx or UPS), or (iv) sent by facsimile or electronic mail and also sent by any of the methods provided in clauses (i) through (iii) of this sentence, addressed as follows:

If to Buyer:

Riverwards General LLC  
421 Brentford Road  
Kennett Square, PA 19348  
Attn: Megan Helmuth  
megan@riverwardsgeneral.com

If to Seller:

Borough of Kennett Square  
600 S. Broad Street  
Kennett Square, PA 19348  
Attn: Borough Manager, Kyle Coleman

kcoleman@kennettsq.org

with a copy to:

Michael G. Crotty, Esquire  
Siana Law, LLP  
941 Pottstown Pike, Suite 200  
Chester Springs, PA 19425  
mgcrotty@sianalaw.com

If to Escrow Agent:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Or to such other person or address as the party to be charged with such notice may designate by written notice given in the aforesaid manner.

14. Brokerage. Buyer and Seller represent and warrant that they have had no dealings, negotiations or consultations with respect to the Property or this transaction with any broker or intermediary, and that no broker or intermediary is entitled to a fee or commission in connection with this Agreement.

15. Escrow Agent. The Escrow Agent shall hold the Deposit under the terms of this Agreement. The Escrow Agent shall apply the Deposit as provided in this Agreement. Any action of the Escrow agent shall be requested in writing by the respective parties hereto with copies of such requests sent as provided in paragraph 13 of this Agreement. Unless the Escrow Agent receives a written notice of objection from the other party to this Agreement within five days of any request for action, the Escrow Agent shall act in accordance with the request and this Agreement. If the Escrow Agent receives written objection to any request, the Escrow Agent shall advise both parties thereof. If the parties fail to resolve or compromise the conflicting claims as to the instructions given to Escrow Agent within thirty (30) days after the mailing of any notice of objection, the Escrow Agent of its own initiative or at the request of either party may pay the Deposit into court for decision with respect to the requested action. Upon payment of the Deposit into court, the Escrow Agent shall have no responsibility to Buyer or Seller except as specifically provided in this Agreement and shall not be responsible for the performance by Buyer or Seller of any obligation set forth in this Agreement. The Escrow Agent shall be liable solely for its own negligence or default. The Escrow Agent shall be entitled to rely conclusively on the genuineness of any notice, authorization, instructions or other documents delivered to it under this Agreement which purports to have been signed by Buyer or Seller.

16. Parties Bound. This Agreement shall be binding upon the parties hereto and their respective heirs, administrators, executors, and assigns.

17. Captions. The captions contained herein are not a part of this Agreement. They are only for the convenience of the parties and do not in any way modify, amplify, or give full notice of any of the terms, covenants or conditions of this Agreement.

18. Number and Gender. For purpose of this Agreement, the masculine shall be deemed to include the feminine and the neuter, and the singular shall be deemed to include the plural, and the plural the singular, as the context may require.

19. No Recording. Neither this Agreement nor any document referring to this Agreement shall be recorded by Buyer, or by anyone acting on its behalf, in any public office, at Seller's option, any such recording shall be a default by Buyer hereunder.

20. Entire Agreement – Amendment. This Agreement contains the entire agreement between Seller and Buyer with respect to the Property; there are no other terms, covenants, obligations or representations, oral or written, of any kind whatsoever related to the subject matter of this transaction. This Agreement may be amended only by a written instrument executed by both parties.

21. Governing Law. This Agreement is being executed, delivered and is intended to be performed in Chester County, Pennsylvania, and the substantive laws of the Commonwealth of Pennsylvania will govern the validity, construction and enforcement of this Agreement. The parties consent to the venue and jurisdiction of any federal or state courts of Chester County, Pennsylvania or the Eastern District of Pennsylvania in any action brought to enforce the terms of this Agreement. The parties irrevocably and unconditionally submit to the jurisdiction (both subject matter and personal) of any such court and irrevocably and unconditionally waive: (a) any objection any party might now or hereafter have to the venue in any such court; and (b) any claim that any action or proceeding brought in any such court has been brought in an inconvenient forum.

22. Effective Date Counterparts. This Agreement shall be effective on the later of the date signed by Buyer or the date signed by Seller, and in either case delivered to the other party. If Seller does not execute this Agreement and deliver two (2) fully executed counterparts hereof to Buyer within three (3) business days after the date this Agreement is signed by Buyer and delivered to Seller, this Agreement shall be null and void, and in such event the provisions of paragraph 2 shall apply.

***INTENDING TO BE LEGALLY BOUND***, the Seller and Buyer, by their respective duly authorized representatives, have signed and delivered this Agreement the day and year first above written.

Buyer:  
**RIVERWINDS GENERAL LLC**

By: \_\_\_\_\_  
Name: Megan Helmuth

Title:

Attest:

Seller:

**BOROUGH OF KENNETT SQUARE**

By: \_\_\_\_\_

Name: J. Douglas Doerfler

Title: Borough Council President

Joinder by Escrow Agent

The undersigned Escrow Agent, with the intention to be legally bound hereby, joins in the foregoing Agreement solely for the purpose of agreeing to be bound by paragraph 15 thereof.

\_\_\_\_\_ Title Insurance Company

By: \_\_\_\_\_

Title:

Date: \_\_\_\_\_

COMMONWEALTH OF PENNSYLVANIA:

COUNTY OF CHESTER:

ON THIS DAY \_\_\_\_\_, before me, the undersigned officer, personally appeared \_\_\_\_\_, known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within instrument, and acknowledged that they executed the same for the purposes therein contained.

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

\_\_\_\_\_, Notary Public

Print Name:

COMMONWEALTH OF PENNSYLVANIA:

COUNTY OF CHESTER:

ON THIS DAY \_\_\_\_\_ before me, the undersigned officer, personally appeared J. Douglas Doerfler, who acknowledged himself to be the President of the Kennett Square Borough Council, and that he, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as such officer.

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

\_\_\_\_\_, Notary Public

Print Name:



# **PROPOSAL TO PURCHASE**

120 MARSHALL STREET

PREPARED FOR :

**BOROUGH OF KENNETT SQUARE**

# COMPANY INFORMATION

**Potential User / Purchaser Company Name:**

Riverwards General (transferable to an entity of choice owned in part by Megan Helmuth).

**Primary Contact Name:**

Megan Helmuth

**Current Address:**

421 Brentford Road, Kennett Square, PA 19348

**Phone Number:**

302-690-2300

**Email Address:**

Megan@RiverwardsGeneral.com

**Submission Date:**

September 30th, 2022

**Applicant desires to be:**

Purchaser

# Project Description

My proposed project is to purchase the former Borough Hall (at 120 Marshall Street) and renovate the building into a five or six bedroom boutique hotel set right in the heart of Kennett Square. I believe that visitors to Kennett Square value design, the feeling of home, and experiencing the sense of place and belonging that comes from our town and that it would be an opportunity for them to live like the locals do. Within Kennett Square, I also see an opportunity to fill a void in the market for a small scale hotel that is within walking distance of the many wonderful shops and restaurants on Kennett's main street. As for the design approach, I would design the space to feel warm and welcoming, celebrating both the rich history of Kennett Square and the charm of the building's architecture.

The grounds of the property would also be used for small micro-events for up to 40 people. The lawn around the property would be transformed into a beautiful garden space for these small events.

*See attached mood board for my general aesthetic vision for the property.*

---

# Community Benefit

Kennett Square needs more short term rental accommodations for visitors. Longwood Gardens receives over 1.5 million visitors each year and is currently undergoing a \$200 million renovation to attract more visitors. Kennett Square doesn't have adequate accommodations for these visitors. I believe the best way for the town to bring these visitors into Kennett is by creating a diversity of uniquely branded experiences. This invisible-service boutique hotel would provide one more option to visitors to Kennett Square to complement the existing Airbnb's and other smaller hotels that may open in the future, such as the Birch Inn. By bringing these visitors into the heart of Kennett, we will be able to send more people to patronize our shops and restaurants.

There is currently a lack of rentable space for smaller outdoor events in Kennett Square. My proposed use would create a beautifully curated space for these small outdoor events and would allow for guest accommodations on site for these events. I would also love to create boutique guest experiences by partnering with other local businesses; this could be a catering agreement for events hosted at the hotel with food provided by one of the local restaurants or even birthday /celebration / anniversary packages that include spa treatments, meals or activities planned with other local businesses. This kind of engagement and promotion of other small businesses and services in Kennett would hopefully help drive additional business and commerce to them.

---

# PRICE & TERMS

## Offer Terms:

- **Offer Price:** \$400,000
- **Deposit:** 3% of the Offer Price, to be deposited in escrow within five days of a mutually-executed purchase and sale agreement.
- **Due Diligence:** The later of 45 days and securing final approvals for the change of use.
  - Note: I do not believe this will require a zoning change, only approvals from the Historic Architecture Review Board (HARB) for the change of use.
- **Closing:** No later than 45 days following the end of the Due Diligence Period.

# SPACE REQUIREMENTS

The space requirements are the current parcel. The only other consideration is rights to an adequate number of parking spaces to accommodate a six bedroom boutique hotel. I believe there is adequate parking with the adjacent parking lot, the parking along Apple Alley, and the parking on Marshall Street.

# About Me



Megan Helmuth grew up in Kennett Square, where she developed an interest and passion for architecture and design from an early age. She went on to earn a Bachelor of Science in Interior Design from Philadelphia University (now Thomas Jefferson University), and spent a semester abroad in Milan, Italy where she took courses in interior, graphic and industrial design.

While in college she worked as a design associate for a residential retailer and upon graduation she worked in various facets of the interior design industry; from an interior designer for a furniture dealer specializing in office design and university projects, to a cad-drafter for an architect, to representing contract furniture and fabric manufacturers, to a career making role as a project coordinator and lead designer at a large multi-disciplinary architectural firm. It was, however, her time at a smaller woman-owned interior design firm that sparked her passion for creating concept-driven hospitality spaces. As someone who has always appreciated learning and research, Megan's experience across various facets of the design industry has culminated in her constantly assessing the spaces she inhabits; looking at how the spaces could be both more functional and aesthetically pleasing.

In 2020, Megan started her own full-service interior design business serving hospitality clients.





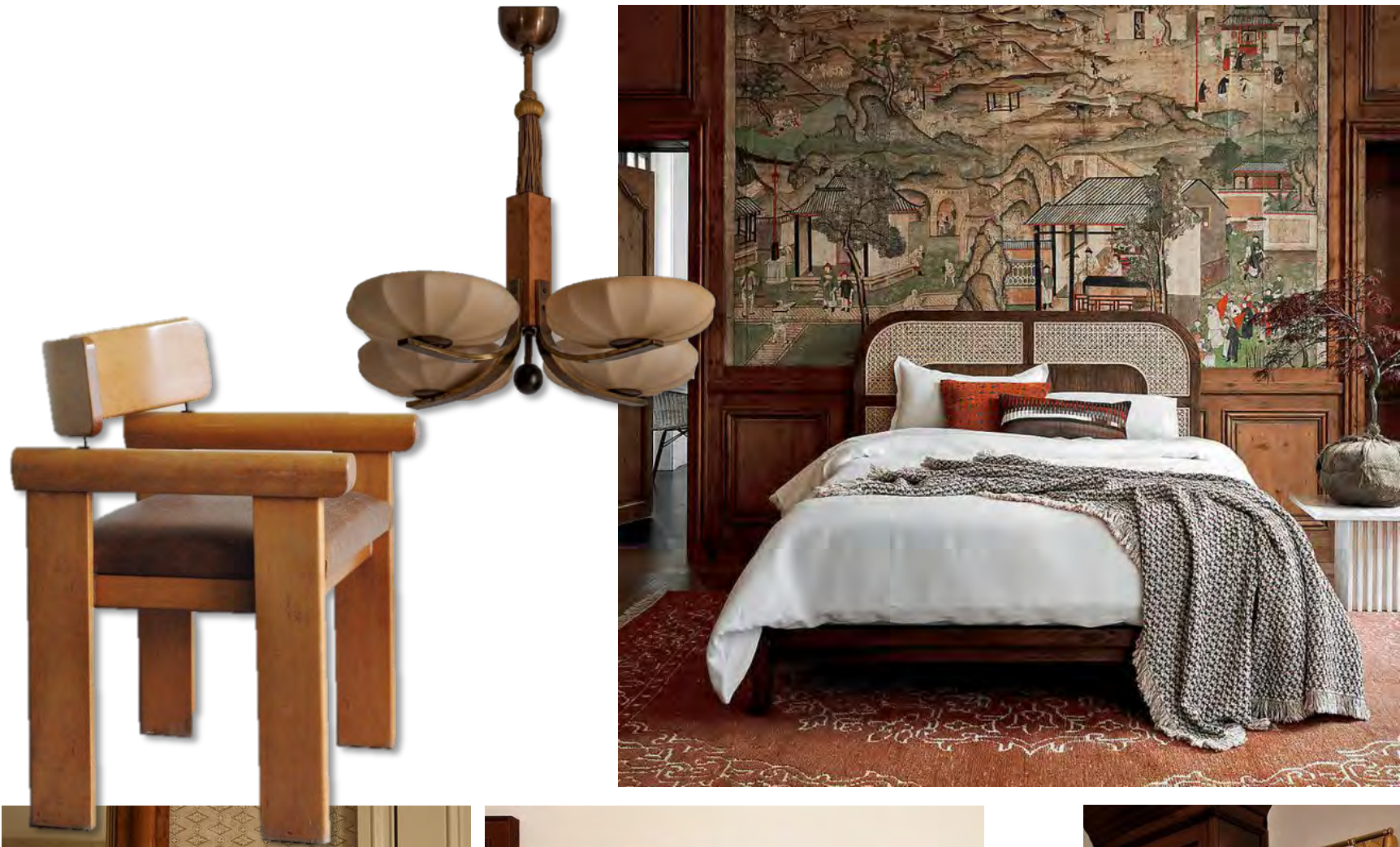
---

RIVERWARDS  
*general*

EXTERIOR PRECEDENT

KENNETT BOUTIQUE HOTEL  
SEPTEMBER 29, 2022









**RIVERWARDS**  
*general*

LANDSCAPING + POOL PRECEDENT

KENNETT BOUTIQUE HOTEL  
SEPTEMBER 29, 2022





RIVERWARDS  
*general*

EVENTS PRECEDENT

KENNETT BOUTIQUE HOTEL  
SEPTEMBER 29, 2022