

## PURCHASE AND SALE AGREEMENT

ORIGINAL

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is made on September 13, 2022 (the "Effective Date"), by and between **The Owls Head Transportation Museum**, a Maine nonprofit corporation with a mailing address of 117 Museum Street, Owls Head, ME 04854 ("Seller") and the **County of Knox Regional Airport, a Department of the County of Knox**, a political subdivision of the State of Maine with a mailing address of 62 Union Street, Rockland, ME 04841 ("Purchaser").

**1. Purchase and Sale.** Subject to the terms and conditions of this Agreement, Seller agrees to sell and convey to Purchaser and Purchaser agrees to purchase from Seller the following: (a) certain land situated at 32 Benner Lane in the Town of Owls Head, Knox County, Maine, which is more particularly described in Exhibit A, attached hereto and made a part hereof (the "Land"); (b) all improvements and fixtures located on the Land (the "Improvements"); and (c) all air rights, water rights, easements, rights-of-way and other interests in, on, under or to any land, highway, alley, street, or right-of-way abutting, adjoining or used in connection with the Land or otherwise appurtenant to the Land (all of items (a) through (c) are referred to herein collectively as the "Premises").

**2. Purchase Price.** The purchase price for the Premises shall be SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000) (the "Purchase Price"), and, subject to adjustments provided for herein, shall be paid at Closing upon execution and delivery of the deed conveying the Premises to Purchaser and the other closing documents, all in accordance with the terms of this Agreement.

**3. Adjustments.** Real estate taxes for the Premises and other charges and assessments affecting the Premises and customarily pro-rated between buyers and sellers of property similar to and in the same locality as the Premises shall be apportioned between Seller and Purchaser as of the Closing Date except as may otherwise be provided herein. Seller shall be responsible for and shall pay in full on or prior to the Closing Date all real estate taxes and other charges and assessments for all periods prior to and through the Closing Date. If the amount of real estate taxes or other charges and payments have not been determined at the Closing Date, such amounts shall be pro-rated using available data and the same shall be subject to re-pro-ration at such point in time as such amounts have been determined.

**4. Deed; Conveyance.**

(a) Seller shall convey the Premises to Purchaser by good and sufficient warranty deed following the Maine statutory short form. Title to the Premises shall be good and marketable and subject only to such real estate taxes for the then-current tax year as are not due and payable as of the Closing Date. If requested by Purchaser, Seller agrees to convey the Premises utilizing a description prepared from a survey procured by Purchaser.

(b) Without limiting the generality of Section 4(a), the Premises shall not be considered to be in compliance with the provisions of this Agreement with respect to title unless title to the Premises is insurable for the benefit of Purchaser at ordinary rates under the 2006 ALTA form of owner's title insurance policy by a title insurance company of Purchaser's selection, and including such endorsements as Purchaser shall require and subject only to those exceptions from coverage (including for matters set forth or referenced on Exhibit A) that are approved by Purchaser in its sole discretion as part of the specific conditions set forth in Section 6.

(c) At Closing, Seller shall execute, acknowledge, and deliver affidavits in the forms customarily required by Purchaser's title insurance company, including those necessary to (i) delete the exceptions for unfiled mechanic's liens and parties in possession; and (ii) insure against matters affecting title to the Premises that arise during the period between the effective date of Purchaser's title insurance

commitment and the recording of the deed.

**5. Items to be Delivered to Purchaser from Seller.** To the extent within the possession or control of Seller, Seller shall promptly deliver to Purchaser any and all surveys, environmental reports, engineering reports, title insurance policies and title reports, and such other information and/or documentation pertaining to the Premises as is reasonably requested by Purchaser from time-to-time after the Effective Date.

**6. Specific Conditions.** The obligations of Purchaser under this Agreement are subject to Purchaser being satisfied, in its sole discretion, with each of the following at or prior to Closing:

(a) The condition of the Premises, including with respect to matters that would be shown by engineering, topographic, soils, zoning, wetlands, and/or environmental inspections (including any Phase I and/or Phase II environmental site assessments to be performed by an environmental consultant selected by Purchaser).

(b) The status of title to the Premises and Purchaser's ability to obtain an owner's title insurance policy for the Premises that is in all respects satisfactory to Purchaser, including with respect to the absence of tenants in possession and other occupants, and with such coverages and endorsements as Purchaser shall reasonably require.

(c) The boundaries and other states of facts, conditions and possible conditions shown by, and other results of, any existing surveys of the Premises, if any, and/or any survey commissioned by or on behalf of Purchaser.

(d) The results of any appraisal or appraisal review of the Premises procured by or on behalf of Purchaser.

Purchaser and its agents shall have the right to enter upon the Premises (including the Improvements) at reasonable times after the Effective Date in connection with Purchaser's efforts to satisfy the foregoing conditions, and shall have the right to conduct such tests, studies, investigations, and surveys in connection with the same as it deems reasonably necessary. If any of the foregoing conditions are not satisfied in Purchaser's sole discretion, Purchaser shall have the right to terminate this Agreement by giving written notice to Seller, in which event all obligations of the parties hereunder shall cease.

**7. Representation and Warranties of Seller.** Seller represents and warrants to Purchaser that each of the following are true and correct as of the Effective Date and will be true and correct as of the Closing (it being a condition of Purchaser's obligations hereunder that all of the following shall be true and correct as of the Closing):

(a) To the best of Seller's knowledge, there are no violations of laws, ordinances, or regulations affecting the Premises and Seller has not received any notice from any source claiming or inquiring into the existence of any such violation.

(b) There is no action, suit, or other proceeding (including condemnation actions) pending or, to the best of Seller's knowledge, threatened (or, to the best of Seller's knowledge, any basis therefor) against Seller or affecting any portion of the Premises in any court or before any arbitrator of any kind or before any governmental body.

(c) The Premises do not rely on any property or facilities located on any property not included in the Land (other than public roads and insurable appurtenant easements) for any of the means of ingress to or egress from the Premises, to fulfill any zoning or other municipal or governmental requirements, for

structural support, or for utilities.

(d) Seller has not released or disposed of any Hazardous Substance on, in, under or from the Premises, and Seller does not otherwise know of the release or disposal of any Hazardous Substance on, in, under or from the Premises. There are no underground oil storage facilities on the Premises. The term “Hazardous Substance” means any flammables, explosives, radioactive materials, gasoline, oil, other petroleum products, lead paint, urea formaldehyde (including urea formaldehyde foam insulation), asbestos, asbestos containing materials, and any hazardous materials, hazardous waste, hazardous matter, hazardous or toxic substances, chemical pollutants, and other materials or substances defined in or regulated by Environmental Laws. The term “Environmental Laws” means (i) the Clean Water Act; (ii) the Clean Air Act; (iii) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act; (iv) the Toxic Substance Control Act; (v) the Resource Conservation and Recovery Act; (vi) the Hazardous Materials Transportation Act; and/or (vii) any similar federal or state law regulating pollution or contamination of the environment.

(e) Other than this Agreement, there are no other contracts or agreements in effect that relate to the Premises and which require performance by any party thereto at any time after the Closing Date.

(f) the Premises are not subject to any special real estate tax classification, including tree growth, farmland, or open space, or to any tax increment financing arrangement, or arrangement for payments in lieu of taxes.

(g) Seller is a non-profit corporation duly organized/formed, validly existing, and in good standing under the laws of the State of Maine, is qualified to conduct business in the State of Maine, has the requisite power and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transactions contemplated hereby, and has been so authorized.

(h) Seller is not a “foreign person” within the meaning of Section 1445 of the Internal Revenue Code.

(i) Seller has not: (i) filed any voluntary or had involuntarily filed against it in any court or with any governmental body pursuant to any statute either of the United States or of any State, a petition in bankruptcy or insolvency or seeking to effect any plan or other arrangement with creditors, or seeking the appointment of a receiver; (ii) had a receiver, conservator, or liquidating agent or similar person appointed for all or a substantial portion of its assets; (iii) suffered the attachment or other judicial seizure of all, or substantially all, of its assets; (iv) given notice to any person or governmental body of insolvency; or (v) made an assignment for the benefit of its creditors or taken any other similar action for the protection or benefit of its creditors. Seller is not insolvent and will not be rendered insolvent by the performance of its obligations under this Agreement.

(j) Seller is not, and will not become, a person or entity with whom United States persons or entities are restricted or prohibited from doing business under regulations of the Office of Foreign Asset Control (“OFAC”) of the Department of the Treasury (including those named on OFAC’s specially designated and blocked persons list) or under any statute, executive order, or other governmental action and is not and will not engage in any dealings or transactions or be otherwise associated with such persons or entities.

(k) Between the Effective Date and the Closing, Seller shall not (i) transfer the Premises or any interest therein (including any mortgage, security instrument or easement); (ii) otherwise encumber the Premises; (iii) enter into any agreement relating to the Premises that would survive the Closing; or (iv) alter the physical condition of the Premises.

**8. Representation and Warranties of Purchaser.** Purchaser represents and warrants to Seller that each of the following are true and correct as of the Effective Date and will be true and correct as of the Closing (it being a condition of Seller's obligations hereunder that all of the following shall be true and correct as of the Closing):

(a) Purchaser is a public agency of the State of Maine, has the requisite power and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transactions contemplated hereby, and has been so authorized.

(b) Purchaser is not, and will not become, a person or entity with whom United States persons or entities are restricted or prohibited from doing business under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including those named on OFAC's specially designated and blocked persons list) or under any statute, executive order, or other governmental action and is not and will not engage in any dealings or transactions or be otherwise associated with such persons or entities.

**9. Closing; Post-Closing Occupancy.**

(a) Unless otherwise provided in this Agreement or otherwise agreed by the parties, the consummation of the transaction contemplated hereby (the "Closing") shall take place at the offices of Purchaser's counsel (or such other location as is mutually agreed upon) within 60 days after the Effective Date (the "Closing Date"). At the Closing, each party shall deliver to the other all such documents, certificates, and the like, including the deed and the Post-Closing Occupancy Agreement (as that term is defined below), as may be reasonably necessary or otherwise required by Purchaser's title insurance company and/or the closing agent to consummate the Closing.

(b) Seller shall have the right to use various hangars located at the Premises after the Closing, in accordance with the terms and conditions of the Post-Closing Occupancy Agreement attached hereto as Exhibit B (the "Post-Closing Occupancy Agreement"), which the parties agree to execute and deliver at the Closing. Seller may not assign its rights to post-closing occupancy of the Premises. The provisions of this Section 9(b) shall survive the Closing.

**10. Risk of Loss; Possession.**

(a) Risk of loss to the Premises prior to the Closing shall be borne by Seller. If between the Effective Date and the Closing, any part of the Premises (including any right appurtenant to the Premises) is taken in condemnation or under the right of eminent domain, or any portion of the Premises is damaged by fire or other casualty, Purchaser shall have the right to terminate this Agreement by giving written notice to Seller at any time at or prior to Closing.

(b) If Purchaser does not elect to terminate this Agreement pursuant to this Section, Seller and Purchaser shall perform their respective obligations under this Agreement and Seller shall (i) deliver to Purchaser at the Closing any insurance proceeds and/or condemnation awards received by Seller as a result of any occurrence specified in this Section in respect of or allocable to the Premises; and (ii) assign to Purchaser all of Seller's right, title, and interest in any to any insurance proceeds and condemnation awards allocable to the Premises which have not yet been received by Seller.

(c) Seller agrees to deliver to Purchaser at Closing full possession of the Premises, free of all tenants and occupants, subject to Seller's right to occupy portions of the Premises pursuant to the Post-Closing Occupancy Agreement. At Closing, the Premises will be (i) in substantially the same condition as

they are in on the Effective Date, reasonable use and wear thereof excepted, “broom clean” and with all personal property removed from the Premises; (ii) not in violation of any laws, ordinances, or regulations; and (iii) in compliance with the provisions of any title exceptions accepted by Purchaser in accordance with this Agreement. Purchaser shall be entitled to enter upon and inspect the Premises upon reasonable notice to Seller at any time prior to Closing to determine whether the condition thereof complies with the terms of this Section.

**11. Brokers.** Seller and Purchaser each represent to the other that they have not employed or engaged any real estate broker or agent in connection with the transaction contemplated by this Agreement. Each party agrees to hold the other party harmless from and against any and all costs, expenses, claims, losses, or damages, including reasonable attorney’s fees, resulting from a breach of such party’s representation contained in this Section. The provisions of this Section shall survive the Closing.

**12. Default.** If Purchaser defaults in performing its obligations hereunder, Seller’s sole remedy shall be to terminate this Agreement and seek from Purchaser \$1,000 as liquidated damages. The parties acknowledge that Seller’s damages because of Purchaser’s default hereunder are difficult to ascertain and that the amount stated above represents a reasonable estimate of Seller’s damages.

**13. Notices.** All notices and other communications required or permitted under this Agreement shall be in writing and shall be hand delivered, or given by certified mail, return receipt requested, or by FedEx or another nationally recognized overnight courier service, addressed to the party to receive such notice at the address set forth in the preamble of this Agreement. Any such notice shall be deemed effective when personally delivered (in the case of hand delivery) or upon being deposited with such courier service or with the United States Postal Service. Any party may change the address to which its future notices shall be sent by notice given in the manner set forth above.

**14. Miscellaneous.**

(a) Any reference herein to time periods of less than seven days shall be computed to exclude Saturdays, Sundays, and statutory holidays in the State of Maine. Any time period provided for herein which ends on a Saturday, Sunday or statutory holiday shall extend to midnight at the end of the next day that is not a Saturday, Sunday or statutory holiday in the State of Maine.

(b) This Agreement shall be binding upon and shall inure to the benefit of Seller and Purchaser and their respective successors and assigns.

(c) All understandings, agreements, warranties, and representations, either oral or in writing, heretofore between the parties hereto with respect to the purchase and sale of the Premises are merged into this Agreement, which alone fully and completely expresses the parties’ agreement with respect to the transactions covered hereby. The representations and warranties set forth in this Agreement shall survive the Closing. This Agreement may not be modified in any manner except by an instrument in writing signed by Seller and Purchaser.

(d) This Agreement, and all claims or causes of action (whether in contract, tort, or statute) that may be based upon, arise out of or relate to this Agreement, shall be governed by, and enforced in accordance with, the internal laws of the State of Maine, including its statutes of limitations, without regard or reference to conflicts of law principles. In the event of a breach of this Agreement by any party, the other party shall be entitled to recover reasonable attorney fees incurred in connection with the enforcement of its rights hereunder. This Agreement may be executed in multiple counterparts, each of which shall constitute an original, and all of which, taken together, shall constitute a single instrument.

[signature page follows]

The parties have executed this Agreement as an instrument under seal as of the Effective Date.

**PURCHASER:**  
**Knox County**

**SELLER:**  
**The Owls Head Transportation Museum**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Its: \_\_\_\_\_

By: *Kelli Baird*  
Printed Name: Kelli Baird  
Its: Executive Director

**Exhibit A**  
(Land)

A certain lot or parcel of land, together with any buildings and improvements thereon, situated in the Town of Owls Head, County of Knox and State of Maine, more fully bounded and described as follows:

Beginning at the southeasterly corner of lot formerly owned by Phillip H. and Eleanor H. Newbert on the westerly side of the old Rockland-Ash Point Road; thence South 12° East along the westerly side of the road 48 feet to an iron pipe at the intersection of the road leading to the City of Rockland airport, thence South 86° 30' West along said road to an iron pipe and land owned by the City of Rockland, now or formerly; thence North 34° 30' East 58 feet by land now or formerly of the City of Rockland on the West and the southwesterly corner of land formerly of the Phillip H. and Eleanor H. Newbert property; thence North 86° 30' East 341 feet to the old Rockland-Ash Point Road and the point of beginning.

Also another certain lot or parcel of land situated in the Town of Owls Head, bounded and described as follows, to wit:

Beginning at a granite monument located at a point on the westerly side of the old Rockland-Ash Point Road; thence South 12° East 367 feet on the westerly side of said road; thence South 86° 30' West 341 feet to land now or formerly owned by the City of Rockland; thence North 34° 30' East 448 feet by land now or formerly of the City of Rockland on the West to the point of beginning.

Meaning and intending to describe the premises conveyed by deed of Rockland Airport Partners, LLC to The Owls Head Transportation Museum, dated September 28, 2006 and recorded at the Knox County Registry of Deeds in Book 3688, Page 233.



**Exhibit B**  
(Form of Post-Closing Occupancy Agreement)

See attached.