



Kent Manor Drive

500 Kent Manor Dr, Stevensville, MD 21666



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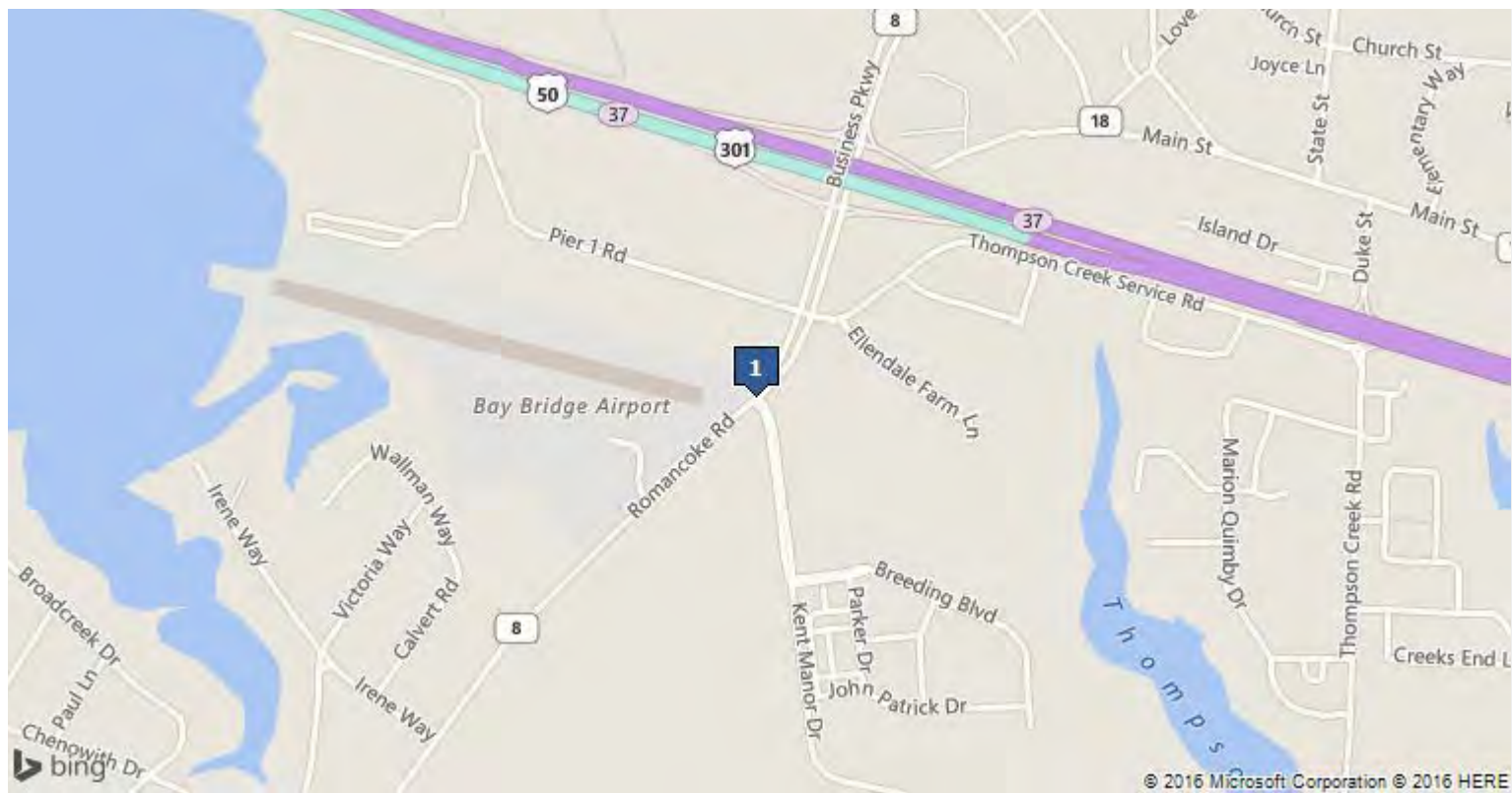
Kent Manor Drive

\$6,000,000

UNDER CONTRACT SUBJECT TO HIGHER AND BETTER BIDS The Kent Manor Inn is under contract for \$3,800,000. The hearing to approve the sale is scheduled for Monday, December 5, 2016 at the US Bankruptcy Court, District of Maryland. If you are interested in submitting a higher and better bid, pursuant to the proposed bidding procedures, you must submit your offer and \$200,000 deposit by November 30, 2016 by 5:00pm (ET) and participate in the auction scheduled for December 1, 2016 at 10:00am (ET) to be held at Yumkas, Vidmar, Sweeney & Mulrenin, LLC, 1919 West Street, Suite 200, Annapolis, Maryland. Any additional offers must be at least \$4,000,000. Please refer to the Bidding Procedures Order and the Motion to Sell Property filed with the US Bankruptcy Court for details. Ideally located on Kent Island, we are offering For Sale 226.37+/- acres of waterfront property located along Thompson Creek and Cox Creek, two beautiful tributaries that feed into the Chesapeake Bay. With expansive water views and historic coastal appeal, this property is well-located just minutes from Route 50 and the Bay Bridge and only a short distance to Annapolis and the Washington, DC metro area.

- Significant Residential Development Opportunity
- Income Producing Historic Inn with upside growth potential
- Waterfront parcel with expansive views
- Second largest banquet/meeting space on Eastern Shore
- Easy Drive from Annapolis, DC, Baltimore and Philadelphia
- Higher/Better Bids due 11/30/16 with 12/1/16 Auction

Price:	\$6,000,000
No. Rooms:	24
Building Size:	18,496 SF
Price/Room:	\$250,000
Property Type:	Hotel & Motel
Property Sub-type:	Full Service
Property Use Type:	Business For Sale
Commission Split:	2.5%
No. Stories:	3
Year Built:	1820



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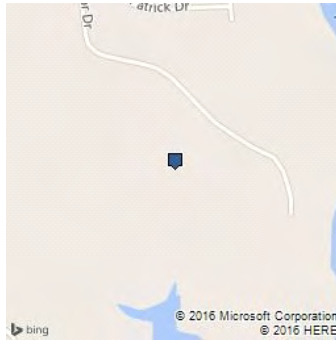
With significant residential development adjacent to the property currently under construction by several major builders, this parcel has all the earmarking for future residential development in Queen Anne's County. The entire property is zoned CS with Hotel Resort Overlay, allowing up to 125 hotel rooms, 22 of which already have final plan approval, as well as allowing uses ancillary to a resort hotel. On March 25, 2015, the County granted final approval for a major site plan. Public water and sewer are nearby, giving this property an additional edge for growth. The connection fees for the sewer and water access are already being paid by the owner, helping to reduce the cost to bring public sewer to the property. These water and sewer approvals will be a significant driver in future residential/mixed-use land development approvals in the near future when Queen Anne's County reviews and modifies its master plan commencing 2017 and this land is included in the Stevensville Master Planned Development (SMPD) District.

Lot & Land Full - Agent

Metropolitan Regional Information Systems, Inc.

QA9760266 - QUEEN ANNES
500 KENT MANOR DR, STEVENSVILLE, MD 21666 - 2540

Full Listing
Lot-Land



Status: CNTG/KO	Listing Type: Excl. Right Auction: No	List Price: \$6,000,000 Transaction Type: Other/Undisclosed
Incorporated City/Town: Adv. Subdivision: KENT MANOR Legal Subdivision: Election District: 4 Tax ID #: 1804025040 Lot AC/SF: 226.370 / 9,860,677 Elementary:	Total Taxes: \$28,821 Middle: MATAPEAKE	ADC Map Coord: 0000000 Area: HOA Fee: High: KENT ISLAND

Showing Instructions: Appt Only-Lister

Directions:
Once On Kent Island, From Rt. 50, Turn South On Rt. 8 (Exit 37 - Romancoke Road), Turn Left On Kent Manor Drive (Less Than 1/5 Mile) And Proceed To Property.

REMARKS:
General/Agent:
UC Subject to Court approval. Additional Bids due by 11/30 with an auction scheduled for 12/1. Court approval scheduled for 12/5. Please refer to the Documents for the Bidding Procedures and Sale Motion. Next acceptable offer must be \$4,000,000 or greater.

Internet/Public:
UC Subject to Higher/Better Bids - Due 11/30 with Auction Scheduled for 12/1. 226.37+/- AC of waterfront property Located in the residential growth path! Includes historic, income producing 24-room lodging facility, full service restaurant and wedding venue. Public water/sewer nearby. Listing also includes Tax # 04-107845. CS with Hotel Resort Zoning Overlay. Contact Lister for Bid Procedures.

EXTERIOR

Lot Sqft/Acres: 9,860,677/226.370	Building Sites/Lots:	Lot Dimensions: x x
Perc Type:	# Perc Sites:	# Bedroom Percs:
Building Permits: On Hand, Other		
Development Status: Bonded, Site Plan Approved		
Exterior Features: Balconies - Multiple, Extensive Hardscape, Flood Lights, Horses Allowed, Pool (In-Ground), Porch-front, Private Pier		
Lot Description: Water Front, Water View, Water Access, Open, Tidal Wetland, Landscaping		
Potential Use: Residential, Other, Recreation, Commercial, Agriculture		
Present Use: Agriculture, Commercial, Hotel/Motel		
Roads: Paved, Public Street		
Road Frontage:		
Soil Types:		
Special Permits:		
Topography: Level		
Transportation: Airport - 0-2 Miles		
View/Exposure:		

UTILITIES

Heating Fuel: Bottled Gas / Propane
Cooling Fuel: Electric
Water: Well
Sewer/Septic: Septic

WATER

Yes	View Accessibility: Water Access, Water Front, Water View	Body of Water: THOMPSON CREEK AND COX CREEK	Type of Water: Creek / Stream
Distance to Body of Water: Less than 1 Block	Riparian Rights Convey Y/N: No	Water Frontage: 7500	Mean Low Water: 4
Slips: 1 Docks: 1	Dock Conveyance: Physical Dock/Slip Conveys	Nav Water: Yes	Community Docks:
Water Features: Private Dock Site	Dock Features: Private Pier	Boats-Power: 0	Boats-Non Power: 0
Type of Use:			

FINANCIAL INFORMATION

Earnest Money:	Project Approved:	
Possession: Settlement		
Assessments:		
Land: \$1,622,000	Improvements: \$1,028,000	Year Assessed: 2016
Total Taxes: \$28,821	Tax Year: 2016	State/County: \$28,821
City/Town:	Total Tax Assessment: \$2,650,000	Front Foot Fee:
Tap:	Refuse Fee:	
HOA Fee:	Special Tax:	
Other Fees:	Frequency:	
Special Assessment:	Frequency:	
Special Assessment2:	Remaining:	
Water/Sewer Hook-up Fee:	Remaining:	

Current Financing:

First Trust Balance:	First Trust PI	1st Trust Interest Rate:
First Trust Org. Date:	First Trust Years Remain:	
Second Trust Balance:	Second Trust PI:	2nd Trust Interest Rate:
Second Trust Org. Date:	Second Trust Years Remain:	

New Financing:

Cash To Assume:	Private Financing Amount:	InterestRate:
Years:	Amortized Years:	Balloon Years:

Rent Income:

Rental Year:

Community Fee Includes:
Community Amenities:
Community Rules:
Community Management:
HOA:No

HOA Fee:

HOA Payment Freq:

LEGAL INFORMATION

Tax Map #:
Section:
Liber #:
Zoning Code: SMPD
Disclosures: None
Contract Info: As is condition clause required, Call LA-cont info, Relo/Bank Addendum

Lot:
Phase:
Folio #:
Master Plan Zoning:

Block/Square:
Parcel Number: 21
Historic Designation ID:

OWNER

Owner 1: See Tax Records

Owner 2:

Home:
Office:
Home:
Office:

AGENT/BROKER INFORMATION

Listing Agent: Stephen Karbelk

Home: (571) 481-1037
Agent Office: (703) 858-2770
Voice Mail: (571) 481-1037 Ext:

Home Fax:
Pager:
Cell: (571) 481-1037

ALTERNATE AGENT

Alt Agent: Lori Willis

Home: (410) 708-1277
Office: (410) 266-9005
Voice Mail: Ext:

Home Fax: (410) 778-2445
Pager:
Cell: (410) 708-1277

Broker Name: Century 21 New Millennium
Broker Address: 20405 Exchange St 221, Ashburn, VA 20147

Broker Code: CENT2040
Office Phone: (703) 858-2770
Office Fax: (703) 858-2755

COMPENSATION

Sub-Agent Compensation: 2.5
Additional Compensation:

Buyer Agent Commission: 2.5
Variable Rate : No

Dual Agency: No
Designated Rep: No

Listing Date: 08-Sep-2016
Update Date: 09-Nov-2016
Update Type: OTHER

Original List Price: \$6,000,000
Prior List Price:
Status Change Date: 02-Nov-2016
Total Photos: 29

DOMM: 55
DOMP: 55
Off Mkt Date:
Advertising: IDX-PUB

SOLD INFORMATION

Contingency Type: 3rd Party Approval

Contingency Exp: 2016-12-05

hrs to KO: 24

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Information is believed to be accurate, but should not be relied upon without verification.
Accuracy of square footage, lot size, schools and other information is not guaranteed.

[Terms of Use](#)

In order to receive the Property Information Package(s), please neatly complete the following agreement and return it to Stephen Karbelk at (866) 248-7066 (fax) or email to stephen@auctionmarkets.com

CONFIDENTIALITY AGREEMENT

THIS CONFIDENTIALITY AGREEMENT (the "Agreement") is made and entered into as of the date hereinafter set forth by Kent Manor Inn, LLC (herein, "Seller") and the person(s) designated as the Reviewer on the signature page hereof (the "Reviewer").

WHEREAS, the Seller is soliciting bidders to purchase the real estate, personal property and intangible assets more particularly located at 500 Kent Manor Drive, Stevensville, Maryland (the "Property"); and

WHEREAS, the Reviewer has requested information about the Property; and

WHEREAS, as a condition to furnishing the Reviewer with such requested information, Seller requires that the Reviewer agree to treat such information as confidential as set forth in detail below.

In consideration of the foregoing, the mutual promises hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

1. All information furnished by Seller or any of his representatives or agents (collectively, the "Confidential Information") to the Reviewer or its directors, officers or employees, or outside attorneys, accountants or financial advisors (collectively, "Representatives") shall not be used for any purpose that is without consent by Seller. The term "Confidential Information" shall be deemed also to include all cash flow information, analyses, compilations, modeling, studies or other documents prepared by the Reviewer or its representatives containing or based in whole or in part on any information furnished by Seller or any of its representatives or agents. Confidential Information may be disclosed only to those who sign their own confidentiality agreement furnished by the Reviewer, and who in the Reviewer's considered judgment, need to know such information for the purpose of marketing the Property. The Reviewer shall direct all of its representatives to keep all such information in the strictest confidence. Any disclosure by a representative shall be deemed made by, and be the responsibility of, the Reviewer.

2. In addition, without the prior written consent of the Seller, the Reviewer will not, and will direct any of his representatives or agents not to, disclose to any person (a) that the Confidential Information has been made available to you or your representatives or agents, (b) that discussions are taking place concerning the Property, or (c) any terms or other facts with

respect to the Property including the status thereof.

3. The Reviewer agrees not to communicate with any borrower, guarantor, indemnitor, or the accountant, attorney or representative of any of them, or their banks, investors, sources of funds or other entities relative to the Property, unless written permission has been obtained from the Seller.

4. In the event that the Reviewer or its representatives are requested or become legally compelled to disclose any of the Confidential Information or the fact that the Confidential Information has been made available to the Reviewer or that discussions or negotiations between the Reviewer and Seller are taking place, the Reviewer agrees to provide Seller with prompt written notice of such request so that Seller may seek a protective order or other appropriate remedy or waive compliance with the provisions of this Agreement.

5. Upon the request of Seller, the Reviewer shall promptly deliver to Seller all Confidential Information furnished to the Reviewer, whether furnished before or after the date of this Agreement, without retaining copies thereof. The Reviewer shall destroy any compilations, studies, notes or other documents or records which contain or reflect Confidential Information relating to the Property. The obligations of confidentiality and secrecy contained in this Agreement shall continue to apply to the Reviewer and its Representatives and be binding and enforceable upon the Reviewer and its Representatives following the return to Seller of the Confidential Information.

6. It is understood and agreed that money damages may not be a sufficient remedy for any breach of this agreement, and that Seller shall be entitled to equitable relief, including specific performance, injunctive relief, in the event of any breach of the provisions of this Agreement, in addition to all other remedies available at law or in equity. If litigation should be necessary to enforce this Agreement, Seller shall be entitled to recover from the Reviewer all costs of such litigation, including reasonable attorneys' fees, in addition to any other relief to which it is entitled.

7. The Reviewer shall indemnify and hold harmless Seller against any and all claims, damages, losses, liability or expenses, including reasonable attorneys' fees that may result as a breach of this Agreement by the Reviewer, or its officers, directors, employees or representatives.

8. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Maryland. In the event of a dispute that may arise under this Agreement, the Reviewer consents to the US Bankruptcy Court, District of Maryland as the exclusive venue for the resolution of the dispute.

9. Non-Solicitation of Customers, Customer Prospects, Employees and Vendors. The Reviewer acknowledges that they may have access to confidential information about the Seller's operations, including contracts for upcoming events, employee compensation, and potential customer bookings. The Reviewer covenants and agrees that from the date of this Agreement until March 30, 2017 that the Reviewer will not, directly or indirectly, solicit or attempt to solicit any business from any of the Seller's Customers, Customer Prospects,

Employees or Vendors. If the Reviewer is independently contacted by a Customer, Customer Prospect or Employee at any time before March 30, 2017, the Reviewer will notify within 24 hours of the contact via email James M. Greenan, counsel to the Seller, at JGreenan@MHLawyers.com. The Seller understands that unsolicited contact may occur, and the Reviewer will not be held liable for such an activity, but the Reviewer agrees to notify the Seller's attorney within 24 hours of the contact via email in the event it does occur.

10. MOST OF THE INFORMATION PROVIDED TO THE REVIEWER HAS BEEN PROVIDED BY THE SELLER TO THE BROKER AND HAS NOT BEEN INDEPENDENTLY VERIFIED BY THE BROKER. THE BROKER SELLER MAKES NO REPRESENTATION THAT THE INFORMATION PROVIDED IS COMPLETE OR ACCURATE AND SPECIFICALLY DISCLAIMS ANY WARRANTIES, EXPRESS OR IMPLIED, RELATING TO THE PROPERTY. THE REVIEWER IS SOLELY RESPONSIBLE FOR CONDUCTING ITS OWN INVESTIGATIONS, INSPECTIONS AND DUE DILIGENCE TO DETERMINE THE CONDITION OF THE PROPERTY AND ITS FITNESS AND SUITABILITY FOR A PARTICULAR PURPOSE PRIOR TO SUBMITTING ANY OFFER FOR THE PURCHASE OF ANY PROPERTY.

11. ALL PROPERTY IS OFFERED FOR SALE ON AN "AS-IS", "WHERE IS", AND "WITH ALL FAULTS" BASIS. THE SELLER DOES NOT AND WILL NOT MAKE ANY EXPRESS OR IMPLIED WARRANTY, GUARANTY, OR REPRESENTATION CONCERNING ANY OF THE INFORMATION INCLUDED IN THE PROPERTY INFORMATION PACKAGES OR PROVIDED BY ANY AGENT OR BROKER OR OTHERWISE RELATED TO THE PROPERTY. ANY PROJECTIONS, OPINIONS, OR ASSUMPTIONS THAT MAY BE MADE BY SELLER, ITS AGENTS OR AFFILIATES REGARDING THE PROPERTY SHALL NOT BE RELIED UPON BY THE REVIEWER.

Signatures Begin on the Following Page

IN WITNESS WHEREOF, this Agreement has been executed effective as of _____, 2016.

REVIEWER:

Entity:

_____,
a _____

By: _____
Name: _____
Title: _____

OR

Individual:

Printed Name:

Primary Contact Information:

Address

City, State, Zip

Email

Phone

Fax

PLEASE NEATLY COMPLETE ALL CONTACT INFORMATION REQUESTED ABOVE. THE PROPERTY INFORMATION PACKAGE WILL BE SENT VIA EMAIL.

Property Photos



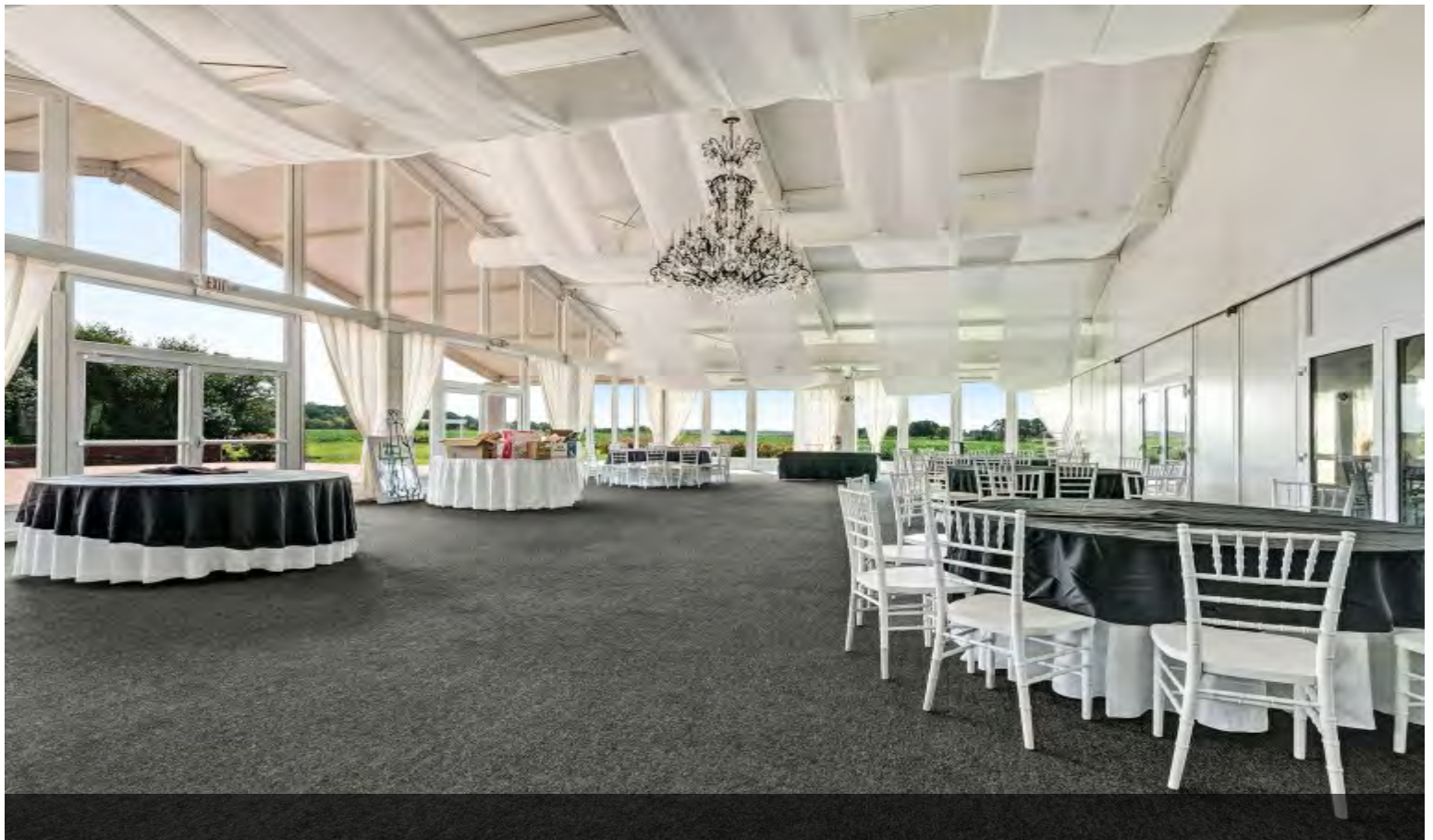
Property Photos



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IMPORTANT BIDDING INSTRUCTIONS - KENT MANOR INN
11.22.16

Thank you for your continued interest in the sale of the Kent Manor Inn. We are required by the Bankruptcy Court to distribute these notices to all parties of interest. On Monday, November 21, the US Bankruptcy held a hearing to review and approve the proposed Bidding Procedures for the auction scheduled for December 1, 2016 at 10:00am (ET) at the offices of Yumkas, Vidmar, Sweeney & Mulrenin, LLC, 1919 West Street, Suite 200, Annapolis, Maryland 21401. After the hearing the Court approved the Bidding Procedures, subject to several revisions. The attached document titled Kent Manor Order Approving Bid Procedures (11.22.16) (hereinafter, the "Bidding Procedures Order") supersedes all previously distributed Bidding Procedures. If you intend on submitting a Qualified Bid by the November 30, 2016 at 5:00pm (ET) due date, you must following the requirements set for in the Bidding Procedures Order. You are encouraged to read the Bidding Procedures Order in full. Page 11 of the PDF (Paragraph 14, Bid Procedures) details what you need to do in order to submit a Qualified Bid and to be a Qualified Bidder.

Please note the following:

1. You must wire \$200,000 to Sutton Land Title Agency and it must be received by Sutton Land Title Agency by close of business on November 30, 2016. The wiring instructions are in the DropBox due diligence room. If you are not the successful bidder, Sutton Land Title Agency will return your deposit to you.
2. A new provision was added to the Bidding Procedures that requires the buyer to replace at closing three (3) Letters of Credit to the County Commissions of Queen Anne's County totaling \$32,644. This is detailed in Paragraph 15(k) of the Bidding Procedures Order. Copies of the existing Letters of Credit are in the DropBox due diligence room.
3. We have updated the Asset Purchase Agreement to reflect the new terms required by the Bankruptcy Court. When you submit your offer on November 30, 2016 by 5:00pm (ET) as required in the Bidding Procedures Order, you must use the document titled Asset Purchase Agreement Due Nov 30 2016 (11.22.16). It has been added to the DropBox due diligence room. Do not use the previously provided Asset Purchase Agreement. When you submit your signed offer, please provide a signed clean version along with a redlined version.
4. The hearing to approve the winning bidder at the auction will be held on Monday, December 5, 2016 at 11:00am (ET) at the US Bankruptcy Court in Greenbelt, Maryland. The document titled Kent Manor Notice of Sale Motion (11.22.16) further details the final sale approval process.

Please note that these instructions are provided as a summary of the auction process and do not supersede the Court Orders. Please follow the Bidding Procedures as stipulated in the Bidding Procedures Order for complete instructions.

Finally, I have attached the Notice to Counterparties to Executory Contracts and Unexpired Lease That May be Assumed and Assigned.

If you have any questions, please call me at 571-481-1037 or email me at stephen@realtymarkets.com. If you would like to schedule a conference call so I can answer any questions you have about the Bidding Procedures Order, please let me know

and I will do my best to answer your questions. If you are not able to get a hold of me, you may also contact Steven Goldberg, counsel to the Debtor, at 301-441-2420 or sgoldberg@mhlawyers.com or my co-listing agent, Lori Willis, Century 21 New Millennium, at 410-708-1277 or lori.willis@c21nm.com.

SO ORDERED

For the reasons stated on the record at a hearing held on November 21, 2016.



IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(Baltimore Division)

In re:

KENT MANOR INN, LLC

Debtor

*

*

*

Case No: 16-18048-TJC
(Chapter 11)

* * * * *

ORDER (I) AUTHORIZING THE DEBTOR TO SELECT A STALKING HORSE PURCHASER AND APPROVING CERTAIN BID PROTECTIONS IN CONNECTION THEREWITH, (II) APPROVING BID PROCEDURES IN CONNECTION WITH SALE OF THE PROPERTY, (III) APPROVING PROCEDURES RELATED TO THE ASSUMPTION AND ASSIGNMENT OF EXECUTORY CONTRACTS, (IV) ESTABLISHING DATE FOR AUCTION AND APPROVING RELATED PROCEDURES, (V) SCHEDULING SALE HEARING AND RELATED DEADLINES, (VI) APPROVING FORM AND MANNER OF NOTICES, AND (VII) GRANTING RELATED RELIEF

Upon the motion (the "Bid Procedures Motion") of Kent Manor Inn, LLC, the debtor and debtor in possession (the "Debtor") for entry of an Order (I) Authorizing the Debtor to Select a Stalking Horse Purchaser and Approving Certain Bid Protections in Connection Therewith, (II) Approving Bid Procedures in Connection with the Sale of the Property,¹ (III) Approving Procedures Related to the Assumption and Assignment of Executory Contracts, (IV) Establishing Date for Auction and Approving Related Procedures, (V) Scheduling Sale Hearing and Related Deadlines, (VI) Approving Form and Manner of Notices, and (VII) Granting Related Relief; and it appearing that the Court has jurisdiction over the Bid Procedures Motion pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); the Court having considered the Bid Procedures Motion, as modified by the Debtor at the hearing conducted on November 21, 2016; and it appearing that the relief

¹ All capitalized terms used herein that are not defined, shall have the meaning ascribed to them in the Bid Procedures Motion.

requested in the Bid Procedures Motion is in the best interests of the Debtor's bankruptcy estate, its creditors and other parties-in-interest; and after due deliberation and sufficient cause appearing therefor;

THE COURT HEREBY MAKES THE FOLLOWING FINDINGS:

A. Notice of the Bid Procedures Motion was adequate and sufficient under the circumstances of this Chapter 11 case, and such notice complied with all applicable requirements of 11 U.S.C. §§ 105, 363, and 365 and Rules 2002, 6004, 6006, and 9014 of the Federal Rules of Bankruptcy Procedure, and any other applicable provisions of title 11 of the United States Code (the "Bankruptcy Code"), the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules.

B. The bid procedures, as revised and submitted to the Court at the November 21, 2016 hearing, and attached to this Order (the "Bid Procedures"), are reasonable and appropriate under the circumstances of this Chapter 11 case.

C. The Columbia Bank (the "Bank") filed the only objection to the Bid Procedures Motion. The revised Bid Procedures submitted to the Court at the November 21, 2016 hearing resolve the objection filed by the Bank [Docket No. 133], except with respect to the Section 506(c) issue which is reserved for the sale hearing, and address issues raised by the Stalking Horse Purchaser.

D. The sale notice (the "Sale Notice") and the cure notice (the "Cure Notice"), each as revised and submitted to the Court at the November 21, 2016 hearing, provide adequate notice concerning the proposed Sale of the Property and the proposed assumption and assignment of the Contracts, as applicable, and are intended to provide due and adequate notice of the Sale.

IT IS HEREBY ORDERED THAT:

1. The relief requested in the Bid Procedures Motion is GRANTED as set forth herein.

2. The Bid Procedures are approved in their entirety, and are incorporated herein by reference. The Debtor is authorized to take any and all actions necessary or appropriate to implement the Bid Procedures.

3. The proposed Sale of the Property, the proposed assumption and assignment of the Contracts, the Auction (as defined below) and the Sale Hearing shall be conducted in accordance with the provisions of this Order and the Bid Procedures.

4. Within three (3) business days following entry of this Order, the Debtor shall serve the Sale Notice by first class mail or email on:

- (a) The Office of the United States Trustee;
- (b) All of the Debtor's creditors;
- (c) The Stalking Horse Purchaser and its counsel;
- (d) All entities known to have expressed an interest in acquiring the Property;
- (e) Federal, state and local taxing authorities with jurisdiction over the Debtor's business;
- (f) Regulatory authorities that have a reasonably known interest in the relief requested;
- (g) All equity security holders of the Debtor;
- (h) Counterparties to the Debtor's executory contracts and unexpired leases; and
- (i) All other parties that have filed a notice of appearance and/or demand for service of papers in this bankruptcy case under Bankruptcy Rule 9010(b).

5. In the event the Debtor consummates a transaction (regardless of the form thereof) with respect to the Property or any substantial portion thereof in accordance with this Order with a purchaser other than the Stalking Horse Purchaser (except for any such transaction consummated as a result of, related to, or arising from the Stalking Horse Purchaser's breach or termination of the Stalking Horse Agreement) (an "Alternate Sale"), the Debtor is authorized to pay to the Stalking Horse Purchaser a breakup fee in an amount equal to Fifty Thousand and No/100 Dollars (\$50,000.00) (the "Breakup Fee").

6. The Breakup Fee, if any, shall be payable from the proceeds of the Alternate Sale and due at the financial closing of the Alternate Sale or by cash held by the Debtor and shall constitute a first-priority lien against the proceeds of an Alternate Sale and an administrative expense in this Case under Sections 503(b), 506 and 507(a)(1) of the Bankruptcy Code.

7. The Debtor shall (i) send by first class mail or email the Cure Notice upon each non-debtor counterparty ("Counterparty") to a Contract and their counsel of record, if any, and (ii) file a certificate of such service with this Court.

8. Counterparties must file and serve on the Notice Parties (defined below) any objection to the assumption and assignment of any Contract, including objections to any proposed Cure Amounts, no later than November 30, 2016 (the "Assumption and Assignment Objection Deadline"). Any such objection shall identify a specific monetary amount that differs from the Cure Amount (if any) specified by the Debtor in the Cure Notice or, alternatively, identify a specific monetary amount and state why the counterparty contends any Cure Amount is owing. The Debtor and any Counterparty objecting to the proposed Cure Amount shall attempt to resolve such objection and may present any such resolution to the Court at or prior to the Sale Hearing. If all or part of such objection remains unresolved at the Sale Hearing, the Court shall consider and adjudicate any such unresolved objection at the Sale Hearing. Any Counterparty failing to file and serve an objection to the Cure Amounts set forth in the Cure Notices on or before the Assumption and Assignment Objection Deadline shall be forever barred from objecting to such Cure Amounts and from asserting any additional cure or other amounts against the Debtor or its estate with respect to its executory contract or unexpired lease.

9. Each Qualified Bidder shall deliver to each Counterparty (or such Counterparty's counsel, if known) information with respect to its adequate assurance of future performance under Bankruptcy Code §§ 365(b)(1)(C), (b)(3) (if applicable) and 365(f)(2) ("Adequate Assurance Information"). Any objection by a Counterparty relating to whether adequate assurance of future performance has been provided by a Successful Bidder or Backup Bidder shall be filed and served on the Notice Parties and the Successful Bidder and Backup

Bidder, respectively, by no later than the Assumption and Assignment Objection Deadline. The Debtor, the Successful Bidder, the Backup Bidder and the Counterparty shall attempt to resolve any such objection and may present any such resolution to the Court at or prior to the Sale Hearing. If all or part of such objection remains unresolved at the Sale Hearing, the Court shall consider and adjudicate any such unresolved objection at the Sale Hearing. Any Counterparty failing to file and serve an objection relating to whether adequate assurance of future performance has been provided by a Successful Bidder or Backup Bidder on or before the Assumption and Assignment Objection Deadline shall be forever barred from objecting to whether adequate assurance of future performance has been provided, including its sufficiency, with respect to its executory contract or unexpired lease.

10. Notwithstanding anything to the contrary contained herein, no Contract will be assumed and assigned unless and until the occurrence of the Closing Date and in accordance with the terms of the Agreement unless this Court orders otherwise. The Debtor may, at any time prior to the Sale Hearing, withdraw any executory contract or unexpired lease from the Contracts and, instead, pursue or permit rejection of such executory contract or unexpired lease.

11. Any other objections to the relief requested at the Sale Hearing or to the proposed form of order approving the Sale, including, without limitation, any objection specifically relating to the Auction, the determination with respect to whether any entity was or was not a Qualified Bidder (or did or did not submit a Qualifying Bid), or the designation of any entity as the Successful Bidder or the Backup Bidder at the conclusion of the Auction, shall be in writing, shall state the basis of such objection with specificity, and shall be filed with the Court and served on the following (collectively, the "Notice Parties") on or before 5:00 p.m.

(prevailing Eastern time) on December 2, 2016: (i) counsel for the Debtor, McNamee, Hosea, Jernigan, Kim, Greenan & Lynch, P.A., 6411 Ivy Lane, Suite 200, Greenbelt, Maryland 20770, Attention: James M. Greenan and Steven L. Goldberg; (ii) the Office of the United States Trustee, 101 West Lombard Street, Suite 2625, Baltimore, Maryland 21201, Attention: Gerard R. Vetter, Esquire; (iii) counsel for The Columbia Bank, Gordon Feinblatt LLC, 233 East

Redwood Street, Baltimore, Maryland 21202, Attention: David S. Musgrave, Esquire;
(iv) counsel for the Successful Bidder; and (v) counsel for the Backup Bidder, if any.

12. Compliance with the foregoing notice provisions shall constitute sufficient notice of the Debtor's proposed Sale of the Property, the contemplated assumption and assignment of the Contracts and proposed final Cure Amounts, and no additional notice of such contemplated transactions need be given.

13. If the Debtor receives a Qualified Bid (as defined in the Bid Procedures), an auction (the "Auction") will be held on December 1, 2016 at 10:00 a.m. (prevailing Eastern Time), at Yumkas, Vidmar, Sweeney & Mulrenin, 1919 West Street, Suite 200, Annapolis, Maryland 21401, or at any such other location as the Debtor may hereafter designate.

14. The Debtor and its advisors are authorized to hold and conduct the Auction in accordance with the Bid Procedures.

15. The hearing regarding the approval of the Sale, including acceptance of the Successful Bid(s) and Backup Bid(s) and approval of the assumption and assignment of the Contracts, shall be held on December 5, 2016, at 11:00 a.m. (prevailing Eastern Time) (the "Sale Hearing") and may be adjourned from time to time without further notice other than an announcement in open court at the Sale Hearing.

16. Notwithstanding the possible applicability of Bankruptcy Rule 6004(h) and 7062 or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry, and no automatic stay of execution shall apply to this Order.

17. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this Order.

Copies to:

Lawrence J. Yumkas, Esquire
Lisa Yonka Stevens, Esquire
Yumkas, Vidmar, Sweeney & Mulrenin, LLC
10211 Wincopin Circle, Suite 500
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James M. Greenan, Esquire
Steven L. Goldberg, Esquire
McNamee Hosea et al.
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Matthew J. Bernhardt
125 West Street, 4th Floor
Annapolis, Maryland 21401

END OF ORDER

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(Baltimore Division)

In re:

KENT MANOR INN, LLC

Debtor

*

*

*

Case No: 16-18048-TJC
(Chapter 11)

* * * * *

BID PROCEDURES

1. These bid procedures (the “Bid Procedures”) shall govern the process by which Kent Manor Inn, LLC, the debtor and debtor in possession herein (the “Debtor”), shall sell substantially all of its assets comprising the historic inn and real property commonly known as the Kent Manor Inn (as more fully described herein, the “Property”).

2. On November 21, 2016, the United States Bankruptcy Court for the District of Maryland, Baltimore Division (the “Bankruptcy Court”) entered its order (the “Procedures Order”), (I) Authorizing the Debtor to Select a Stalking Horse Purchaser and Approving Certain Bid Protections in Connection Therewith, (II) Approving Bid Procedures in Connection with Sale of Debtor’s Property, (III) Approving Procedures Related to the Assumption and Assignment of Executory Contracts, (IV) Establishing Date for Auction and Approving Related Procedures, (V) Scheduling Sale Hearing and Related Deadlines, (VI) Approving Form and Manner of Notices, and (VII) Granting Related Relief, subject to the terms and conditions hereof.

THE DEBTOR’S PROFESSIONALS AND THE BANK

3. Interested parties requesting information about these Bid Procedures, the qualification process or due diligence should contact the Debtor’s counsel or broker (the “Professionals”) as follows:

Debtor’s Counsel:

McNamee, Hosea, Jernigan, Kim,
Greenan & Lynch, P.A.
6411 Ivy Lane, Suite 200
Greenbelt, Maryland 20770
Attn: James Greenan or Steven Goldberg
(301) 441-2420 / jgreenan@mhlawyers.com

Broker:

Century 21 New Millennium
20405 Exchange Street, Suite 221
Ashburn, Virginia 20147
Attn: Stephen Karbelk
(571) 481-1037
stephen@realtymarkets.com

4. The Debtor and its Professionals shall consult with The Columbia Bank, its principal secured lender, and its professionals and advisors (collectively, the “Bank”) on appropriate matters, including, without limitation, (i) the due diligence process, including providing periodic and reasonably requested status reports; (ii) selecting, negotiating with, and seeking approval of a Stalking Horse Purchaser and related bid protections; (iii) determining whether a potential bidder is a Qualified Bidder; (iv) negotiating one or more agreement(s) with one or more Qualified Bidder(s); (v) the auction of the Property pursuant to these Bid Procedures (the “Auction”), (vi) selecting the Successful Bidder and Backup Bidder at the Auction; (vii) modifying or amending the Bid Procedures; and (viii) any other matter as to which the Bank reasonably seeks to consult with the Debtor. The Debtor shall provide the Bank with copies of all documents received in connection with the Bid Procedures, including, but not limited to, all bids (including Qualified Bids) and formal expressions of interest and documents related thereto and any information reasonably required in connection with the evaluation of a bid, regardless of provisions in such documents to the contrary. The Debtor shall also provide a copy of any Qualified Bid(s) to counsel for the Stalking Horse Purchaser no later than 6:00 p.m. Eastern Time on November 30, 2016. The Bank and Stalking Horse Purchaser shall maintain the confidentiality of any such document provided.

THE PROPERTY AND SALE TERMS

5. The real property consists of a historic, restored 1820s waterfront home, known as the Kent Manor Inn that is situated on roughly 220 acres of woods and farmland at 500 Kent Manor Drive, Stevensville, Maryland 21666. Operated as a deluxe historic inn and hotel, the Kent Manor Inn (the “Inn”) is used for weddings, meetings, retreats, and other events. The Debtor has approximately 50 full and part-time employees. The Debtor’s assets consist primarily of the real property upon which the Inn is located, and the buildings, furniture, fixtures and supplies that constitute or are used to operate the Inn, as well as cash and accounts as more particularly described in the Sale Motion, which shall collectively be referred to herein as the “Property.”

6. These Bid Procedures will govern the sale of the Property.

7. The sale of the Property shall be on an “as is,” “where is,” and “with all faults” basis and without representations or warranties of any kind, nature or description by the Debtor, its agents, or estate except to the extent set forth in the Agreement (as defined below).

8. Subject to the Bankruptcy Court’s approval, all of the Debtor’s right, title and interest in and to the Property shall be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options and interests thereon and there against (collectively, the “Interests”) subject to and in accordance with §§ 363 and 365 of the Bankruptcy Code, with such Interests to attach in the same amount, nature, extent and priority to the proceeds of the sale of the Property.

DUE DILIGENCE

9. Prior to the Auction, the Debtor, with the assistance of its Professionals, will continue to maintain a due diligence website and coordinate all reasonable requests for additional due diligence with respect to the Property from potential bidders who have executed and delivered a confidentiality agreement reasonably acceptable to the Debtor. To the extent the Debtor furnishes any such potential bidder with any due diligence materials that are not already available on the due diligence website, the Debtor or the Broker, at the Debtor’s request shall promptly add such information to the website for the benefit of all such potential bidders. Subject to applicable law and any reasonable rules and guidelines established by the Debtor, the Debtor will afford to each such potential bidder access to the Property for inspection purposes.

10. The Debtor, its Professionals, and the Bank are not responsible for, and will bear no liability with respect to, any information obtained by potential bidders in connection with due diligence.

POTENTIAL STALKING HORSE BIDDER AND BID PROTECTIONS

11. The Debtor has identified Reliable Real Estate Services, LLC (“Reliable”), or an entity to be formed by Reliable, as the “stalking horse” for the Property (the “Stalking Horse Purchaser”). An executed copy of the Agreement providing for the Stalking Horse Purchaser’s purchase of the Property is Exhibit 1 to the Sale Motion (the “Stalking Horse Agreement”).

12. The bid protections proposed to be afforded to the Stalking Horse Purchaser are set forth in their entirety in Section 12.6 of the Stalking Horse Agreement. In summary, the bid protections are as follows:

In the event the Debtor consummates a transaction (regardless of the form thereof) with respect to the Property in accordance with the Bid Procedures Order with a purchaser other than the Stalking Horse Purchaser (except for any such transaction consummated as a result of, related to, or arising from the Stalking Horse Purchaser's breach or termination of the Stalking Horse Agreement) (an "Alternate Sale"), the Debtor will pay to the Stalking Horse Purchaser a breakup fee in an amount equal to Fifty Thousand and No/100 Dollars (\$50,000.00) (the "Breakup Fee"). The Breakup Fee will be payable from the proceeds of the Alternate Sale and due at the financial closing of the Alternate Sale or by cash held by the Debtor.

13. The Breakup Fee is a condition to the Stalking Horse Purchaser entering into the Stalking Horse Agreement, without which the Stalking Horse Purchaser would not agree. If approved by the Bankruptcy Court, the Breakup Fee shall constitute a first-priority lien against the proceeds of an Alternate Sale and an administrative expense in this case under Sections 503(b), 506 and 507(a)(1) of the Bankruptcy Code.

QUALIFIED BID

14. A "Qualified Bidder" is an individual or entity who delivers written and electronic copies of a Qualified Bid (hereinafter defined) to the Debtor's Professionals so as to be received no later than 5:00 p.m. (prevailing Eastern time) on November 30, 2016 (the "Bid Deadline").

15. A "Qualified Bid" is an offer to purchase the Property that conforms, to the Debtor's satisfaction in consultation with the Bank, to the following requirements:

a. Identity of Offeror. Discloses the identity of the offeror, including without limitation the identity of the equity holders and sponsors of the offeror; provided, however, that if the offeror is a publicly traded company the equity of such offeror need not be disclosed.

b. Form. Includes a clean, duly executed and binding purchase agreement, together with all exhibits, schedules, and any ancillary agreements described therein and a redline version of the purchase agreement (collectively, an "Agreement").

c. Purchase Price. Identifies the purchase price, which must be at least \$4,000,000.00;

d. Assets and Liabilities. Identifies the acquired assets, excluded assets, assumed liabilities and retained liabilities, as applicable.

e. Financing. Includes evidence to the Debtor's satisfaction, in consultation with its Professionals and the Bank, of the offeror's financial ability to consummate the transactions contemplated in the Agreement.

f. Corporate Authority. Includes written evidence to the Debtor's satisfaction, in consultation with its Professionals and the Bank, of the authorization and approval from the offeror's board of directors (or comparable governing body) with respect to the submission, execution, delivery and consummation of the Agreement.

g. Executory Contracts and Unexpired Leases. Includes evidence of the offeror's ability to comply with § 365 of the Bankruptcy Code (to the extent applicable), including providing adequate assurance of such offeror's ability to perform in the future the Debtor's obligations under such executory contracts and unexpired leases proposed in the Agreement to be assumed and assigned to the offeror, in a form that will permit the immediate dissemination of such evidence to the counterparties to such contracts and unexpired leases.

h. Closing. Confirms that if selected as the Successful Bidder, the offeror will consummate and fund the Agreement in accordance with its terms.

i. Due Diligence. Acknowledges and represents that the offeror: (a) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Property in making its offer; (b) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the Property or the completeness of any information provided in connection therewith or the Auction other than as provided in the Agreement; and (c) except as otherwise expressly provided for in paragraphs 11-13 of these Bid Procedures, is not entitled to any breakup fee or similar type of payment, and by submitting an Agreement, waives, and shall be deemed to waive, the right to pursue a substantial contribution claim under § 503 of title 11 of the United States Code (the "Bankruptcy Code") related in any way to the submission of its bid or the Bid Procedures.

j. Earnest Money Deposit. Includes an earnest money deposit in the amount of no less than Two Hundred Thousand and No/100 Dollars (\$200,000.00) (the "Earnest Money Deposit") in the form of a wire transfer to Sutton Land Title Agency.

k. Replacement of Letters of Credit to County Commissions of Queen Anne's County. The Debtor is the account party on three letters of credit issued by the Bank for the benefit of the County Commissions of Queen Anne's County (the "County") relating to the Real Property: for stormwater management improvements (\$5,000.00), buffer management plan (\$17,622.00) and sediment and erosion control (\$10,022.00) (collectively, the "Letters of Credit"). A Qualified Bid must state that the offeror will replace the Letters of Credit with its own letters of credit or such other collateral acceptable to the County, and thus cause the Letters of Credit to be returned to the Bank.

16. The Debtor reserves the right to reject any offer on any grounds in consultation with its Professionals and the Bank. Notwithstanding anything contained herein to the contrary, the Debtor in its discretion, in consultation with its Professionals and the Bank, may allow a Potential Bidder whose offer has failed to meet the requirements of a Qualified Bid additional time to cure any deficiencies. Between the Bid Deadline and the Auction, the Debtor

may negotiate with or seek clarification from Qualified Bidders. Each Qualified Bidder shall promptly provide to the Debtor any information reasonably required in connection with the evaluation of a Qualified Bid. Without the consent of the Debtor, in consultation with its Professionals and the Bank, a Qualified Bidder may not amend, modify, or withdraw its Qualified Bid, except to increase the purchase price or otherwise improve the terms of the Qualified Bid (from the Debtor's perspective), during the period that such Qualified Bid is required to remain irrevocable and binding.

CREDIT BIDDING BY SECURED PARTIES

17. Nothing in these Bid Procedures shall impair, restrict or limit the rights of holders of secured claims to credit bid the full amount of their respective claims consistent with and pursuant to Bankruptcy Code § 363(k) and other applicable law.

AUCTION

18. In the event that the Debtor receives a Qualified Bid, the Debtor will conduct an Auction. The Auction, if any, shall be held on December 1, 2016 at 10:00 a.m. (prevailing Eastern time) at the offices of Yumkas, Vidmar, Sweeney & Mulrenin, LLC, 1919 West Street, Suite 200, Annapolis, Maryland 21401, and continue thereafter until completed. The Debtor may adjourn the Auction at any time, continue the Auction from time to time, and re-open the Auction at any time prior to the commencement of the Sale Hearing (or at the Sale Hearing if allowed by the Court), as is appropriate in the Debtor's reasonable business judgment in consultation with its Professionals and the Bank. In the event no Qualified Bids are submitted by the Bid Deadline, the Debtor will not hold the Auction and instead, in consultation with the Bank, request at the Sale Hearing that the Bankruptcy Court approve the Stalking Horse Agreement, or, if additional Qualified Bidders appear at the Sale Hearing prepared to make offers otherwise in accordance with these Bid Procedures, seek the Court's approval at such time to conduct an Auction on the terms described herein.

19. Except as otherwise determined by the Debtor in consultation with its Professionals and the Bank, only the (i) Debtor and its Professionals, (ii) the Bank, (iii) the Office of the United States Trustee for the District of Maryland, (iv) Qualified Bidders, (v) any creditor of the Debtor that at least five (5) days prior to the Auction delivers to Debtor's counsel

(by mail or e-mail at the address or e-mail address identified hereinabove) a written request to attend the Auction, and (vi) the respective professionals of the foregoing shall be entitled to attend the Auction; provided that (x) the Debtor reserves the right to object to any request to attend the Auction made by a creditor pursuant to clause (v) immediately above, and (y) if the Debtor and such creditor are unable to consensually resolve such objection promptly, the Debtor shall seek a teleconference with the Bankruptcy Court prior to the Auction to adjudicate such objection. Only Qualified Bidders and the Stalking Horse Purchaser are eligible to participate in the Auction.

20. The Auction shall be governed by the following procedures:

a. Qualified Bidders shall appear at the Auction in person, or through a duly authorized representative who has all requisite authority to legally bind such Qualified Bidder.

b. The Debtor, in consultation with its Professionals and the Bank, may conduct the Auction, in the manner that the Debtor determines, in its reasonable business judgment, will result in the Successful Bid that will maximize the overall value of the Property to the Debtor's estate, and may adopt and modify rules for the Auction at the Auction that, in the Debtor's reasonable business judgment, in consultation with its Professionals and the Bank, will better promote the goals of the Auction and that are not materially inconsistent with any of the provisions of the Bid Procedures Order, the Bankruptcy Code, or any order of the Bankruptcy Court. All such rules will provide that: (i) the Auction procedures must be fairly and evenly administered, and not intended to cause any participating Qualified Bidder to be disadvantaged in any material way with respect to the process as compared to any other participating Qualified Bidder; and (ii) the Bank and all participating Qualified Bidders (or their authorized representative) shall be entitled to be present for all bidding and that all material terms of each Qualified Bid will be fully disclosed to all other Qualified Bidders throughout the entire Auction. Each bid by a Qualified Bidder at the Auction, if not inconsistent with the provisions of these Bid Procedures, shall be deemed to constitute a Qualified Bid.

c. The Debtor will arrange for the actual bidding at the Auction to be recorded by any means that it deems appropriate.

d. Qualified Bidders are precluded from engaging in any collusion regarding these Bid Procedures, the Auction, or any proposed transaction relating to the Property or a portion thereof and will be expected to affirm at the Auction that no such collusion has taken place in order to participate in the bidding.

e. No later than one (1) hour prior to the commencement of the Auction, the Debtor, in consultation with its Professionals and the Bank, shall determine (i) the then-current highest or otherwise best bid (the "Opening Bid"); and (ii) the initial minimum overbid.

f. The Auction will begin with the Opening Bid. Subsequent to the initial round of bidding, the Auction may continue, in the discretion of the Debtor in consultation with its Professionals and the Bank, with one or more subsequent rounds of bidding. The minimum overbid for any such subsequent rounds shall be \$50,000.00 or such amount(s) as

determined by the Debtor from time to time in consultation with its Professionals and the Bank and announced on the record at the Auction.

g. All Qualified Bidders shall have the right, at any time, to request that the Debtor announce, subject to any potential new bids, the then-current highest or otherwise best bid and, to the extent requested by any Qualified Bidder, use reasonable efforts to answer any and all questions such Qualified Bidder may have regarding the Debtor's announcement of the then current highest or otherwise best bid.

h. In the Debtor's discretion, in consultation with its Professionals and the Bank, each Qualified Bidder shall have the right to propose modifications to its Agreement at the Auction; provided, however, that any such modifications to an Agreement on an aggregate basis and viewed in whole, shall not be less favorable to the Debtor (from the Debtor's perspective) as determined by the Debtor in consultation with its Professionals and the Bank.

i. Upon conclusion of the bidding, the Auction shall be closed subject to the terms contained in these Bid Procedures, and except as otherwise provided for herein, the Debtor shall, as soon as practicable thereafter, and in consultation with its Professionals and the Bank, identify and determine in its reasonable business judgment the highest or otherwise best Qualified Bid for the Property (the "Successful Bid" and the entity or entities submitting such Successful Bid, the "Successful Bidder"). In making this determination, the factors that the Debtor may consider include, without limitation, the amount of the purchase price, the assets subject to the Agreement, the form of consideration offered, the Qualified Bidder's ability to close a transaction and the timing thereof, the type and nature of the Agreement, and the net benefit to the Debtor's estate. The Debtor will advise the Qualified Bidders of the conclusions they reach, and the Successful Bidder shall deliver its Agreement.

j. In addition, the Debtor shall determine, in consultation with its Professionals and the Bank, which Qualified Bid, if any, is the next highest or otherwise best Qualified Bid and designate such Qualified Bid as the "Backup Bid" which shall proceed to closing in the event the Successful Bidder fails to consummate the Successful Bid. A Qualified Bidder that submits the Qualified Bid that is designated as the Backup Bid is the "Backup Bidder."

k. The Successful Bidder and Backup Bidder each shall increase its respective Earnest Money Deposit within one (1) business day after the conclusion of the Auction so that the amount of the Earnest Money Deposit is equal to ten percent (10%) of the cash and credit bid components of its Successful Bid or Backup Bid, as applicable.

l. Notwithstanding anything to the contrary contained herein, if, in consultation with its Professionals and the Bank, the Debtor determines that no acceptance of a Qualified Bid would be in the best interest of the Debtor, its estate, and creditors, the Debtor may terminate the Auction without designating a Successful Bidder or a Backup Bidder.

m. At the conclusion of the Auction, any and all key terms of the Successful Bid and the Backup Bid shall be recited on the record to ensure the accuracy thereof and to aid in the final documentation of the sale.

n. Following the conclusion of the Auction or at any point thereafter, as the case may be, the Debtor, in consultation with its Professionals and the Bank, may resume bidding pursuant to such procedures determined by the Debtor in its discretion, and in consultation with its Professionals and the Bank, or otherwise engage in negotiations for the sale of discrete assets not subject to the Successful Bid. The Court may consider approval of the sale of such discrete assets at the Sale Hearing, or a date shortly thereafter.

o. All Qualified Bidders at the Auction shall be deemed to have consented to the core jurisdiction of the Bankruptcy Court and waived any right to a jury trial in connection with any disputes relating to the Auction, and the construction and enforcement of the Successful Bid, as applicable.

p. For the purposes of this paragraph 20, Qualified Bidders shall include the Stalking Horse Purchaser.

SALE HEARING

21. The Sale Hearing will be held on December 5, 2016 at 11:00 a.m. (prevailing Eastern time) at the United States Bankruptcy Court for the District of Maryland, Courtroom 3E, 6500 Cherrywood Lane, Greenbelt, MD 20770. The Debtor, in consultation with its Professionals and the Bank, may adjourn or continue the Sale Hearing from time to time without further notice to parties in interest other than by announcement of the adjournment in open court or on the Bankruptcy Court's calendar on the date scheduled for the Sale Hearing or any adjourned date. At the Sale Hearing, the Debtor shall present the results of the Auction, if applicable, to the Bankruptcy Court and seek approval for the Successful Bid and the Backup Bid, if applicable.

22. In the event that a Successful Bidder fails to consummate a purchase in accordance with the Successful Bid, the Backup Bidder shall be designated the Successful Bidder and the Debtor shall be authorized to effect such transaction without further order of the Bankruptcy Court. The Successful Bidder and Backup Bidder, if any, should be represented by counsel at the Sale Hearing.

CONSUMMATION OF THE PURCHASE

A. Application of Earnest Money Deposit

23. If the Successful Bidder consummates the proposed sale on the terms and conditions of the Successful Bid, the Earnest Money Deposit of such Successful Bidder will be applied to the purchase price at closing.

24. If the Successful Bidder fails to consummate the proposed sale on the terms and conditions of the Successful Bid, breaches the terms and conditions of the Successful Bid, or otherwise fails to perform its obligations hereunder or thereunder, the Debtor may, in consultation with the Bank, and without further order of the Bankruptcy Court, deem the

Successful Bidder to be a “Defaulting Buyer,” at which time the Successful Bid shall be deemed rejected.

25. A Defaulting Buyer automatically forfeits its Earnest Money Deposit and any right to a Breakup Fee, if applicable.

B. Backup Purchase

26. Upon a determination by the Debtor, in consultation with its Professionals and the Bank, that the Successful Bidder is a Defaulting Buyer, the Debtor will be authorized, but not required, to consummate a sale with a Backup Bidder on the terms and conditions of the Backup Bid without further order of the Bankruptcy Court, provided that the Bankruptcy Court approved such Backup Bid at the Sale Hearing.

27. If a Backup Bidder consummates a sale on the terms and conditions of the Backup Bid, the Earnest Money Deposit of such Backup Bidder will be applied to the purchase price at closing. On an as-needed basis, the Debtor, in consultation with its Professionals and the Bank, shall determine an alternative closing date for the Backup Bid. In the event that the Debtor seeks to consummate a sale on the terms and conditions of a Backup Bid with a Backup Bidder and such Backup Bidder fails to consummate such sale on or before the alternative closing date, breaches its Backup Bid, or otherwise fails to perform, the Debtor may, in its business judgment and in consultation with the Bank, and without further order of the Bankruptcy Court, deem such Backup Bidder to be a Defaulting Buyer and pursue the same remedies set forth hereinabove with respect thereto (including, but not limited to, retaining and applying the Backup Bidder’s Earnest Money Deposit as part of the Debtor’s damages resulting from the breach or failure to perform by the Backup Bidder).

C. Return of Earnest Money Deposits

28. Earnest Money Deposits shall be held in the attorney trust account of the Debtor’s counsel or any other account acceptable to Debtor in connection with its Professionals and the Bank. Except for the Successful Bidder and the Backup Bidder, the Debtor shall return the Earnest Money Deposits of all unsuccessful Qualified Bidders no later than three (3) business days after the close of the Auction.

29. The Earnest Money Deposits of the Successful Bidder and the Backup Bidder, if any, shall be treated pursuant to the terms set forth hereinabove.

MODIFICATIONS

30. The Debtor, in consultation with its Professionals and the Bank, shall have the right to modify these Bid Procedures without Bankruptcy Court approval if the Debtor believes in its reasonable business judgment that such modification could help maximize the consideration received for the Property and is not inconsistent with any of the provisions of the Bankruptcy Code or any order of the Bankruptcy Court; provided that the Bank reserves the right to object to any such modification.

MISCELLANEOUS

31. The Bid Procedures are solely for the benefit of the Debtor, the Stalking Horse Purchaser and other Qualified Bidders and nothing contained in the Procedures Order or the Bid Procedures shall create any rights in any other person or bidder (including, without limitation, rights as third-party beneficiaries or otherwise) other than the rights expressly granted to a Successful Bidder under the Procedures Order.

[END OF BID PROCEDURES]

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(Baltimore Division)

In re:

KENT MANOR INN, LLC

Debtor

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Case No: 16-18048-TJC
(Chapter 11)

* * * * *

NOTICE OF HEARING TO APPROVE DEBTOR'S MOTION FOR ORDER
(I) APPROVING AGREEMENT OF SALE AND PURCHASE AUTHORIZING
SALE OF PROPERTY OUTSIDE ORDINARY COURSE OF BUSINESS
(II) AUTHORIZING SALE OF SUCH PROPERTY FREE AND CLEAR OF
LIENS, CLAIMS, ENCUMBRANCES AND INTERESTS, (III) AUTHORIZING
ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS
AND UNEXPIRED LEASES, AND (IV) GRANTING RELATED RELIEF

NOTICE IS HEREBY GIVEN that Kent Manor Inn, LLC, the debtor and debtor in possession herein (the "Debtor"), has entered into an Asset Purchase Agreement (the "Agreement") with Reliable Real Estate Services, LLC ("Reliable"), or an entity to be formed by Reliable, to sell substantially all of the assets comprising the Kent Manor Inn (the "Property"), subject to higher or otherwise better offers and Bankruptcy Court approval, and to assume and assign certain executory contracts and unexpired leases (the "Contracts") to Reliable or to such other party making a higher or otherwise better offer for the Property, pursuant to the Debtor's Motion for Order (I) Approving Agreement of Sale and Purchase and Authorizing Sale of Property Outside Ordinary Course of Business, (II) Authorizing Sale of Such Property Free and Clear of Liens, Claims, Encumbrances and Interests, (III) Authorizing Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (IV) Granting Related Relief ("Sale Motion") and the Debtor's Motion for Entry of an Order (I) Authorizing the Debtor to Select a Stalking Horse Purchaser and Approving Certain Bid Protections in Connection Therewith, (II) Approving Bid Procedures in Connection with Sale of Debtor's Property, (III) Approving Procedures Related to the Assumption and Assignment of Executory Contracts, (IV) Establishing Date for Auction and Approving Related Procedures, (V) Scheduling Sale Hearing and Related Deadlines, (VI) Approving Form and Manner of Notices, and (VII) Granting Related Relief (the "Bid Procedures Motion"). A copy of the Agreement is attached to the Sale Motion.

The Sale Motion requests that the Property be sold free and clear of all liens, claims, encumbrances, and interests thereon, with such interests in the Property to be transferred, and attach, to the net sale proceeds. Further the Sale Motion seeks to assume and assign certain Contracts.

At a hearing held on November 21, 2016, the Court approved the Debtor's Bid Procedures. The Bid Procedures provide for the following key dates in connection with the Sale of the Property:

EVENT	DATE
Bid Deadline	November 30, 2016 at 5:00 p.m. (ET)
Auction (if Qualified Bids are received)	December 1, 2016 at 10:00 a.m. (ET)
Sale Objection Deadline	December 2, 2016 at 5:00 p.m. (ET)

Objection to the Proposed Cure Amount or Assumption and Assignment of Contracts	November 30, 2016 at 5:00 p.m. (ET)
Sale Hearing	December 5, 2016 at 11:00 a.m. (ET)

THESE DATES ARE SUBJECT TO CHANGE BY THE BANKRUPTCY COURT. ALL PARTIES ARE ENCOURAGED TO FREQUENTLY CHECK THE BANKRUPTCY COURT DOCKET FOR CHANGES TO THESE DATES.

Copies of the Sale Motion and Bid Procedures are available for review at the clerk's office, U.S. Bankruptcy Courthouse, 101 West Lombard Street, Baltimore, Maryland 21201 or upon request made to the undersigned counsel.

PLEASE TAKE FURTHER NOTICE THAT ANY PARTY IN INTEREST WHO WISHES TO OBJECT TO THE RELIEF REQUESTED IN THE SALE MOTION MUST FILE AN OBJECTION BY THE SALE OBJECTION DEADLINE SPECIFIED ABOVE. OBJECTIONS SHALL BE IN WRITING AND FILED WITH THE CLERK, UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF MARYLAND, 101 WEST LOMBARD STREET, BALTIMORE, MARYLAND 21201. A COPY OF THE OBJECTION MUST BE SERVED ON THE UNDERSIGNED COUNSEL AND ON THE PARTIES IDENTIFIED ON THE CERTIFICATE OF SERVICE OF THIS NOTICE BY THE DUE DATE SPECIFIED ABOVE. ANY OBJECTION MUST CONTAIN A COMPLETE SPECIFICATION OF THE FACTUAL AND LEGAL GROUNDS UPON WHICH IT IS BASED.

PLEASE BE FURTHER ADVISED THAT THE RELIEF REQUESTED BY THE SALE MOTION MAY BE AUTHORIZED BY THE BANKRUPTCY COURT WITHOUT FURTHER ORDER OR NOTICE IF NO OBJECTIONS ARE FILED. HOWEVER, THE BANKRUPTCY COURT MAY CONDUCT A HEARING ON THE SALE MOTION OR DETERMINE THE MATTER WITHOUT A HEARING, IN ITS DISCRETION, REGARDLESS OF WHETHER ANY OBJECTIONS ARE FILED. PARTIES IN INTEREST WITH QUESTIONS MAY CONTACT THE UNDERSIGNED COUNSEL.

A hearing on objections to the Sale Motion, if any, has been scheduled for Monday, December 5, 2016 at 11:00 a.m., in Courtroom 3E, U.S. Courthouse, 6500 Cherrywood Lane, Greenbelt, Maryland 20770.

Dated: November 22, 2016

/s/ James M. Greenan
James M. Greenan, 08623
Steven L. Goldberg, 28089
McNamee Hosesa Jernigan Kim Greenan &
Lynch, P.A.
6411 Ivy Lane, Suite 200
Greenbelt, Maryland 20770
(301) 441-2420
jgreenan@mhlawyers.com
sgolberg@mhlawyers.com
Counsel for the Debtor

CERTIFICATE OF SERVICE

I hereby certify that on the 22nd day of November 2016, the Notice of Hearing to Approve Debtor's Motion for Order (I) Approving Agreement of Sale and Purchase and Authorizing Sale of Property Outside Ordinary Course of Business, (II) Authorizing Sale of Such Property Free and Clear of Liens, Claims, Encumbrances and Interests, (III) Authorizing Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (IV) Granting Related Relief (the "Notice") was sent electronically to those parties listed on the docket as being entitled to such electronic notices, including the parties set forth below, and a copy of the Notice was mailed first class, postage prepaid to the parties on the attached service list.

Copies to:

Lawrence J. Yumkas, Esquire
Lisa Yonka Stevens, Esquire
Yumkas, Vidmar, Sweeney & Mulrenin, LLC
10211 Wincopin Circle, Suite 500
Columbia, Maryland 21044

James M. Greenan, Esquire
Steven L. Goldberg, Esquire
McNamee Hosea et al.
6411 Ivy Lane, Suite 200
Greenbelt, Maryland 20770

Jennifer Kneeland
Linowes and Blocher, LLP
7200 Wisconsin Avenue, Suite 800
Bethesda, Maryland 20814

United States Trustee
Gerard R. Vetter, Esquire
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200 Woodbury Lane
Queenstown, Maryland 21658

Woodbury Farm Enterprises, Inc.
Route 2, Box 409
Queenstown, Maryland 21658

Woodbury Farm Enterprises, Inc.
Marion R. Leaverton, Resident Agent
Route 1, Box 409
Queenstown, Maryland 21658

Comptroller of the Treasury
Compliance Division, Room 409
301 W. Preston Street
Baltimore, Maryland 21201-2305

Peter Franchot, Comptroller of Maryland
Goldstein Treasury Building
80 Calvert Street
Annapolis, Maryland 21404-0466

Honorable Loretta Lynch
United States Attorney General
Office of the Attorney General
950 Pennsylvania Avenue, NW
Washington, DC 20530-0001

John Koskinen, Commissioner
Internal Revenue Service
1500 Pennsylvania Avenue, NW
Washington, DC 20530-0001

Queen Anne's County

107 N. Liberty Street
Centreville, Maryland 21617

Queen Anne's County
c/o Mark A. Anderson
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Centreville, Maryland 21617

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38 Chesapeake Landing
Annapolis, Maryland 21403

Kent Manor Investment Co., LLC
David Meloy, Resident Agent
500 Kent Manor Drive
Stevensville, Maryland 21666

And all parties on the attached mailing matrix.
All parties who expressed an interest in the Debtor's Assets

/s/ James M. Greenan
James M. Greenan

Label Matrix for local noticing
0416-1
Case 16-18048
District of Maryland
Baltimore
Mon Nov 21 13:26:10 EST 2016

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500 Kent Manor Drive
Stevensville, MD 21666-2562

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Bethesda, MD 20814-3429

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Allied Trailer Sales
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Savage, MD 20763

Annapolis Pest Control
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Severna Park, MD 21146-8474

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603-6 Dover Road
Rockville, MD 20850-1282

Brian Keene
1140 Market Street
Denton, MD 21629-3476

Carbons Golden
4101 William Richardson Drive
South Bend, IN 46628-9485

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Baltimore, MD 21278-1000

C. Albert Matthews, Inc.
500 South Street Ext.
Easton, MD 21601-3809

Christine Phillips
5154 Alwoodley Lane
Myrtle Beach, SC 29579-7043

DHL Express
16592 Collections Center Drive
Chicago, IL 60693-0165

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P. O. Box 140
Church Hill, MD 21623-0140

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100 Water Street
Secretary, MD 21664

Expedia
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Bellevue, WA 98004-5703

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Stevensville, MD 21666-4009

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Blibaum & Associates, P.A.
40 York Road, Suite 300
Towson, MD 21204-5266

General & Mechanical Services
1007 Skidmore Drive
Annapolis, MD 21409-5742

Grandizio, Wilkins, Little & Matthews
1122 Kenilworth Drive
Towson, MD 21204-2148

Grinding Company of America
105 Annabel Avenue
Baltimore, MD 21225-1730

Group Benefits Services
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Baltimore, MD 21264-4802

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107 North Liberty Street
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Queen Anne's County Sanitary District
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1120 Saint Paul Street
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Suburban Propane
P. O. Box F
Whippany, NJ 07981-0405

Terminix
860 Ridge Lake Boulevard
Memphis, TN 38120-9424

The Baltimore Sun Media Group
Will Johnson
2501 S. Stateway Hwy 121
Bus Bldg
Lewisville, TX 75067-4394

The Columbia Bank
Cardmember Services
P. O. Box 790408
Saint Louis, MO 63179-0408

The Columbia Bank
P. O. Box 25226
Lehigh Valley, PA 18002-5226

The Columbia Bank
P. O. Box 69
East Petersburg, PA 17520-0069

The Knot
11106 Mockingbird Drive
Omaha, NE 68137-2331

U.S. Heating and Air
8919 Double Hills Road
Denton, MD 21629-3410

US Foods Inc.
P. O. Box 520050
Philadelphia, PA 19182-0001

US Foods, Inc.
2255 High Hill Road
Bridgeport, NJ 08014-2200

US Trustee - Baltimore
Garmatz Federal Courthouse
101 West Lombard Street
Suite 2625
Baltimore, MD 21201-2668

University of Maryland
Eastern Shore Emergency Med. Physicians
P. O. Box 37768
Philadelphia, PA 19101-5068

Wedding 411 on Demand, LLC
19912 Quiet Valley Court
Parkton, MD 21120-8916

William Lackey
138 Granard Avenue
Centreville, MD 21617-2357

Yellow Page Directory
P. O. Box 411450
Melbourne, FL 32941-1450

James Greenan
McNamee, Hosea, et. al.
6411 Ivy Lane
Suite 200
Greenbelt, MD 20770-1405

Laurie Sewell
PO BOX 304
Chester, MD 21619-0304

William Lackey III
138 Granard Avenue
Centreville, MD 21617-2357

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(d)McCrone, Inc.
Attn: Kim Gomoljak
20 Ridgely Avenue, Suite 310
Annapolis, MD 21401-1426

(d)The Columbia Bank
c/o David S. Musgrave, Esquire
Gordon Feinblatt LLC
233 East Redwood Street
Baltimore, MD 21202-3332

(d)Alan J Michaels
8519 Rapley Preserve Circle
Potomac, MD 20854-5475

End of Label Matrix
Mailable recipients 79
Bypassed recipients 3
Total 82

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(Baltimore Division)

In re:

*

KENT MANOR INN, LLC

*

Case No: 16-18048-TJC
(Chapter 11)

Debtor

*

* * * * *

Deadline for Submitting Bids: **November 30, 2016 at 5:00 p.m. Eastern Time**Auction Date: **December 1, 2016 at 10:00 a.m. Eastern Time**Deadline for Objections to Approval of Sale: **December 2, 2016 at 5:00 p.m. Eastern Time**Deadline for Objections to Cure Amount or Assumption and Assignment of Contract: **November 30, 2016 at 5:00 p.m. Eastern Time**Hearing Date on Approval of Sale: **December 5, 2016 at 11:00 a.m. Eastern Time**

**NOTICE TO COUNTERPARTIES TO EXECUTORY CONTRACTS AND
UNEXPIRED LEASES THAT MAY BE ASSUMED AND ASSIGNED**

PLEASE TAKE NOTICE that on June 14, 2016, certain creditors of the Debtor filed an involuntary bankruptcy petition commencing the above-captioned Chapter 11 proceeding. The Debtor consented to the bankruptcy on July 13, 2016. The Order for Relief was entered on August 15, 2016 (the "Relief Date"). On November 21, 2016, the Bankruptcy Court entered an Order (I) Authorizing the Debtor to Select a Stalking Horse Purchaser and Approving Certain Bid Protections in Connection Therewith, (II) Approving Bid Procedures in Connection with the Sale of the Property, (III) Approving Procedures Related to the Assumption and Assignment of Executory Contracts, (IV) Establishing Date for Auction and Approving Related Procedures, (V) Scheduling Sale Hearing and Related Deadlines, (VI) Approving Form and Manner of Notices, and (VII) Granting Related Relief (the "Bid Procedures Order"). Pursuant to the Bid Procedures Order, the Bankruptcy Court, among other things, approved a timeline for the marketing, auction, and sale of substantially all of the assets comprising the Property of Kent Manor Inn, LLC, the debtor and debtor in possession (the "Debtor"), free and clear of all liens, claims, rights, encumbrances and other interests in accordance with 11 U.S.C. §§ 363(b), (f) and 365(b). The Debtor is a party to executory contracts and unexpired leases (collectively, the "Contracts"). The sale of the Property (the "Sale") will include the assumption and assignment by the Debtor of certain of the Contracts to the successful purchaser of the Property.

PLEASE TAKE FURTHER NOTICE that the hearing on the Sale has been set for December 5, 2016 at 11:00 a.m. Eastern Time before The Honorable Thomas J. Catliota, United States Bankruptcy Judge, at the United States Bankruptcy Court for the District of Maryland, 6500 Cherrywood Lane, Greenbelt, Maryland 20770.

PLEASE TAKE FURTHER NOTICE that the chart below sets forth the amounts (the "Cure Amounts"), if any, based upon the Debtor's books and records, that the Debtor asserts are owed to cure any defaults existing under the Contracts as of the Petition Date.¹

PARTY AND ADDRESS	DESCRIPTION	CURE AMOUNT
Woodbury Farm Enterprises, Inc. 200 Woodbury Lane Queenstown, Maryland 21658	farm lease	\$0.00

¹ Your receipt of this notice does not constitute an admission by the Debtor that your agreement actually constitutes an executory contract or unexpired lease under § 365 of the Bankruptcy Code, and the Debtor expressly reserves the right to challenge the status of any agreement up until the time of the Sale Hearing.

The inclusion of a Contract does not mean that such Contract will be assumed and assigned in connection with the Sale or that the Purchaser will make any cure payment in connection with such Contract.

PLEASE TAKE FURTHER NOTICE that the successful purchaser of the Property shall send to each counterparty to a Contract evidence of adequate assurance of future performance.

PLEASE TAKE FURTHER NOTICE that if you object to or disagree with the Cure Amount shown for your Contract or with the Adequate Assurance you are provided, you must file an objection in writing with the United States Bankruptcy Court for the District of Maryland, 101 West Lombard Street, Baltimore, Maryland 21201, **on or before 5:00 p.m. Eastern Time on November 30, 2016**. A copy of the objection must be served on the undersigned counsel and on the parties identified on the certificate of service of this notice. In addition, any objection with respect to the proposed Cure Amounts must identify the amount that you allege is owed to you to cure any defaults under the applicable Contract.

PLEASE TAKE FURTHER NOTICE THAT IF YOU DO NOT TIMELY FILE AND SERVE AN OBJECTION AS STATED ABOVE, THE COURT MAY FIX YOUR CURE AMOUNT AS STATED IN THE CURE NOTICE WITH NO FURTHER NOTICE. ANY NON-DEBTOR PARTY TO ANY CONTRACT WHO DOES NOT FILE A TIMELY OBJECTION TO THE CURE AMOUNT FOR SUCH CONTRACT IS DEEMED TO HAVE CONSENTED TO SUCH CURE AMOUNT.

PLEASE TAKE FURTHER NOTICE that the Debtor will deliver to you a copy of the pleadings, notice or other papers filed in this Chapter 11 case relating to the assumption, assignment or rejection of the Contracts by facsimile, e-mail or overnight delivery if you fax a written request for such delivery to McNamee, Hosea, Jernigan, Kim, Greenan & Lynch, P.A., 6411 Ivy Lane, Suite 200, Greenbelt, Maryland 20770, Facsimile Number: (301) 982-9450, Attention: James M. Greenan and Steven L. Goldberg, or request a copy by e-mail to jgreenan@mhlawyers.com or sgoldberg@mhlawyers.com. Such request must specify how the information is to be transmitted.

Dated: November 22, 2016

/s/ James M. Greenan
James M. Greenan, 08623
Steven L. Goldberg, 28089
McNamee Hosea et al.
6411 Ivy Lane, Suite 200
Greenbelt, Maryland 20770
(301) 982-9450
jgreenan@mhlawyers.com
sgoldberg@mhlawyers.com
Counsel for Debtor

CERTIFICATE OF SERVICE

I hereby certify that on the 22nd day of November 2016, notice of filing the Notice to Counterparties to Executory Contracts and Unexpired Leases That May Be Assumed and Assigned (the “Notice”) was sent electronically to those parties listed on the docket as being entitled to such electronic notices, including the parties identified below, and a copy of the Notice was mailed first class, postage prepaid to the parties on the attached service list.

Lawrence J. Yumkas, Esquire
Lisa Yonka Stevens, Esquire
Yumkas, Vidmar, Sweeney & Mulrenin, LLC
10211 Wincopin Circle, Suite 500
Columbia, Maryland 21044

James M. Greenan, Esquire
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Honorable Loretta Lynch
United States Attorney General
Office of the Attorney General
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Washington, DC 20530-0001

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And all parties on the attached mailing matrix.
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/s/ James M. Greenan
James M. Greenan

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Saint Louis, MO 63179-0408

The Columbia Bank
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Lehigh Valley, PA 18002-5226

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U.S. Heating and Air
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US Foods, Inc.
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Bridgeport, NJ 08014-2200

US Trustee - Baltimore
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University of Maryland
Eastern Shore Emergency Med. Physicians
P. O. Box 37768
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Wedding 411 on Demand, LLC
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McNamee, Hosea, et. al.
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The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(d)McCrone, Inc.
Attn: Kim Gomoljak
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Annapolis, MD 21401-1426

(d)The Columbia Bank
c/o David S. Musgrave, Esquire
Gordon Feinblatt LLC
233 East Redwood Street
Baltimore, MD 21202-3332

(d)Alan J Michaels
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End of Label Matrix
Mailable recipients 79
Bypassed recipients 3
Total 82

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(Baltimore Division)

In re:

KENT MANOR INN, LLC

Debtor

*

*

*

Case No: 16-18048-TJC
(Chapter 11)

* * * * *

DEBTOR'S MOTION FOR ORDER (I) APPROVING AGREEMENT OF
SALE AND PURCHASE AND AUTHORIZING SALE OF PROPERTY OUTSIDE
ORDINARY COURSE OF BUSINESS, (II) AUTHORIZING SALE OF PROPERTY
FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES AND INTERESTS,
(III) AUTHORIZING ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY
CONTRACTS AND UNEXPIRED LEASES, AND (IV) GRANTING RELATED RELIEF

Kent Manor Inn, LLC, the debtor and debtor in possession herein (the "Debtor"), by counsel, files this Motion (the "Sale Motion")¹ for an Order (I) Approving Agreement of Sale and Purchase and Authorizing Sale of Property Outside Ordinary Course of Business, (II) Authorizing Sale of Property Free and Clear of Liens, Claims, Encumbrances and Interests, (III) Authorizing Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (IV) Granting Related Relief (the "Sale and Assignment Order"), and in support thereof states:

Jurisdiction and Venue

1. The Court has jurisdiction over this Sale Motion under 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).
2. Venue before this Court is proper under 28 U.S.C. §§ 1408 and 1409.
3. The statutory predicates for the relief requested herein are Bankruptcy Code §§ 105, 363 and 365 and Bankruptcy Rules 2002, 6004, 6006 and 9014.

Background Relevant to the Relief Requested

4. On June 14, 2016, certain creditors of the Debtor filed an involuntary bankruptcy petition commencing the above-captioned Chapter 11 proceeding. The Debtor consented to the bankruptcy on July 13, 2016.

¹ Capitalized terms used and not otherwise defined in this Sale Motion shall have the meaning ascribed to such term in the Agreement, attached as Exhibit 1, the Bid Procedures Motion or the Bid Procedures, filed contemporaneously herewith.

5. The Order for Relief was entered on August 15, 2016 (the “Relief Date”). The Debtor continues to operate its business and manage its property and affairs as a debtor and debtor in possession pursuant to §§ 1107 and 1108 of the Bankruptcy Code.

6. No official committee of unsecured creditors has been appointed.

7. No request for a trustee or examiner has been made in this Chapter 11 case.

8. The Debtor is a Maryland limited liability company that owns and operates the Kent Manor Inn, located at 500 Kent Manor Drive, Stevensville, Maryland 21666. The real property consists of a historic, restored 1820s waterfront home, situated on roughly 220 acres of woods and farmland. Operated as a deluxe historic inn and hotel, the Kent Manor Inn (the “Inn”) is used for weddings, meetings, retreats, and other events. The Debtor has approximately 50 full and part-time employees. The Debtor’s assets consist primarily of the real property upon which the Inn is located, and the buildings, furniture, fixtures and supplies that constitute or are used to operate the Inn, as well as its cash and accounts, which shall collectively be referred to herein as the “Property.”

The Debtor’s Marketing and Sale Efforts

9. On August 30, 2016, the Debtor filed an Application for Authority to Employ Century 21 New Millennium (“Century 21” or “Broker”) as Broker to the Debtor [Dkt. # 78] for the purpose of marketing the Property and conducting the auction sale for the Property. The Court approved Century 21’s employment on September 20, 2016 [Dkt. # 107].

10. The Debtor, with the assistance of its advisors, including Century 21, has conducted an extensive marketing of the Debtor’s assets to potential investors and purchasers for the purpose of consummating a transaction that brings the highest and best value of the Debtor’s assets to the Debtor’s estate, creditors and other parties in interest.

11. Specifically, the Debtor, with the assistance of Century 21, has conducted a regional marketing campaign targeting hundreds of potential purchasers in the resort, hospitality, and real estate industries. The Debtor had 110 inquiries from potential purchasers and has given tours to approximately a dozen interested purchasers. Twenty parties signed confidentiality agreements and accessed the Debtor’s data room.

12. As a result of these extensive efforts, the Debtor has received and considered multiple expressions of interest from potential purchasers. The Debtor, with the assistance of its advisors and after consultation with its principal secured lender, The Columbia Bank and its professionals (collectively, the “Bank”), has determined in its business judgment that the sale of substantially all of its Property, including the assumption and assignment of certain executory contracts and unexpired leases related thereto, to the highest and best bidder (the “Sale”) will maximize the benefit to the Debtor’s estate, creditors and other parties in interest.

Bid Procedures and Auction

13. Contemporaneously with the filing of this Sale Motion, the Debtor filed a Motion for Entry of an Order (I) Authorizing the Debtor to Select a Stalking Horse Purchaser and Approving Certain Bid Protections in Connection Therewith, (II) Approving Bid Procedures in Connection with the Sale of Debtor’s Property, (III) Approving Procedures Related to the Assumption and Assignment of Executory Contracts, (IV) Establishing Date for Auction and Approving Related Procedures, (V) Scheduling Sale Hearing and Related Deadlines, (VI) Approving Form and Manner of Notices, and (VII) Granting Related Relief (the “Bid Procedures Motion”), which, among other things, seeks approval of procedures governing the Sale substantially in the form attached thereto as Exhibit 1 (the “Bid Procedures”).

14. The Bid Procedures set forth the timeline pursuant to which the Debtor intends to consummate the Sale. Important milestones set forth therein include, without limitation, that (a) bids are due by 5:00 p.m. (prevailing Eastern time) on November 30, 2016, (b) if more than one Qualified Bid (as defined in the Bid Procedures) is received, an auction will be held on December 1, 2016 (the “Auction”), and (c) a hearing to approve the Sale will take place on December 5, 2016 (the “Sale Hearing”).

The Agreement

15. The Debtor has negotiated an agreement for the sale and purchase of the Property with Reliable Real Estate Services, LLC (“Reliable”), a Maryland limited liability company or an entity to be formed by Reliable (the “Purchaser”). A copy of the agreement is

attached hereto as **Exhibit 1** (the “Agreement”).² The Agreement is subject to Court approval and to higher and better bids at Auction.

16. The Debtor, in consultation with the Bank, believes that the Agreement represents the highest and otherwise best Qualified Bid (as defined in the Bid Procedures) received to date for the purchase of the Property.

Principal Terms of the Agreement

17. The principal terms and conditions of the Agreement are summarized below. This summary does not purport to be complete, and is qualified in its entirety by reference to the full text of the Agreement in the form attached hereto. The terms of the Agreement shall control in the event of any inconsistency.

Purchase Price:	Three Million Eight Hundred Thousand and No/100 Dollars (\$3,800,000.00). Agreement Section 3.1 “Purchase Price”.
Acquired Assets:	On the Closing Date, subject to the performance of the terms and provisions of the Agreement and satisfaction of the terms and conditions set forth in the Sale and Assignment Order: (a) the Seller will sell, convey, assign, transfer and deliver to Purchaser and Purchaser will purchase, acquire and accept from such Seller, the Real Property and the Personal Property; and (b) the Seller will assign, and Purchaser will assume, the Leases and Contracts and all of Seller’s right, title and interest thereunder. Agreement Section 2. and Schedule 2.
Excluded Assets:	The Debtor will retain all right, title and interest in, to and under the Excluded Assets. Agreement Section 2.2. and Schedule 3.
Contracts to be Assumed and Assigned:	The Agreement provides for the Debtor to assign the Leases and Contracts to the Purchaser as part of the Purchaser’s acquisition of the Acquired Assets. Agreement Section 2.1.3. and Schedule 2.
Prorations	The Seller and the Purchaser will prorate guest, convention, room, food, beverage and other charges and revenues for services rendered in the operation of all departments of the Property as described in Section 9.3 of the Agreement. In general, all such revenues will be allocated to the Seller for the period prior to the Closing Date and to the Purchaser for the period from and after the Closing Date. Agreement Section 9.3.
Key Conditions	The Purchaser’s obligation to close on the purchase is not subject to financing. Certain conditions to the Closing exist in the Agreement, including, but not limited to, the representations and warranties, if any, of Seller shall be true, complete and accurate, the Seller shall have performed each and every obligation and covenant to be performed under the Agreement, unless waived, no material and adverse change to the condition of the Property and the Sale Order shall have been entered by the Bankruptcy Court. Agreement Section 8.1.

² The Debtor and its advisors have engaged in negotiations with various other parties prior to executing the Agreement with the Purchaser. The Debtor is hopeful that such other parties will submit a Qualified Bid and participate in the Auction described in the Bid Procedures.

Deposit	The Purchaser has made an earnest money deposit to Sutton Land Title Agency in the amount of Two Hundred Thousand and No/100 Dollars (\$200,000.00). Agreement Section 3.2.1.
Closing Date:	Subject to the terms and conditions of the Agreement, the Closing Date will be January 31, 2017 or within 14 days of entry of the Sale and Assignment Order. Agreement Section 3.4.
Representations and Warranties:	The Agreement contains certain customary representations and warranties of the parties including those set forth in Section 7 of the Agreement.

Basis for Relief

A. The Debtor has Articulated Sound Business Reasons in Support of the Sale

18. Bankruptcy Code § 363(b)(1) provides that a debtor, “after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate [. . .]” 11 U.S.C. § 363(b)(1). A sale of the Debtor’s Property should be authorized pursuant to Bankruptcy Code § 363 if a sound business purpose exists for doing so. *In re Naron & Wagner, Chartered*, 88 B.R. 85, 87 (Bankr. D. Md. 1988); *see also Rose v. Logan*, No. BR 12-25471-RAG, 2014 WL 1236008, at *7 (D. Md. Mar. 25, 2014), *appeal dismissed* (Aug. 19, 2014) (citing *In re Siskind*, No. 02-65786-NVA, 2008 WL 2705528, at *6 (Bankr. D. Md. July 3, 2008) (“The factors the Court must find for approval of a sale are: (i) a sound business reason justifying the Sale, (ii) adequate and reasonable notice of the Sale to all parties, (iii) that the Sale has been proposed in good faith and (iv) that the purchase price is fair and reasonable.”).

19. The Debtor proposes to sell the Property after thorough consideration of all viable alternatives, and has concluded that subject to a higher or otherwise better bid at the Auction, a Sale to the Purchaser pursuant to the Agreement will bring the highest and best return to creditors and parties in interest over any other achievable alternative.

B. The Sale Satisfies the Requirements of Bankruptcy Code § 363(f) for a Sale Free and Clear of Liens, Claims, and Interests

20. Bankruptcy Code § 363(f) provides for the sale of assets “free and clear of any interests” where:

- (1) applicable nonbankruptcy law permits sale of such property free and clear of such interest;
- (2) such entity consents;

- (3) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property;
- (4) such interest is in bona fide dispute; or
- (5) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.

11 U.S.C. § 363(f).

21. Because Bankruptcy Code § 363(f) is stated in the disjunctive, satisfaction of any one of its five requirements will suffice to warrant approval of the Sale free and clear of liens. *See In re Collins*, 180 B.R. 447, 450 (Bankr. E.D. Va. 1995); *In re Elliot*, 94 B.R. 343, 345 (E.D. Pa. 1988). Furthermore, courts have recognized the trend in modern cases toward “a broader interpretation which includes other obligations that may flow from ownership of the property.” *Folger Adam Sec., Inc. v. DeMatteis/MacGregor, JV*, 209 F.3d 252, 258 (3d Cir. 2000).

22. The offer of \$3.8 million set forth in the Agreement is the highest and best offer received to date. The Debtor represents that the Purchase Price set forth in the Agreement is fair and reasonable, and the Sale, subject to otherwise higher or better offers, is in the best interest of the estate.

23. Based on discussions with the Bank and its professionals and advisors, the Debtor believes that the Bank will support the Sale free and clear of its liens because the Sale will result in full payment of the Bank’s allowed claim at Closing on the Sale as provided for herein and the Sale provides the most effective and efficient approach to realizing proceeds for, among other things, the repayment of amounts due to the Bank.

24. Moreover, if a holder of a lien, claim, encumbrance, or other interest receives notice of this Motion and does not object within the prescribed time period, such holder will be deemed to have consented on that basis alone to the Sale free and clear of such holder’s liens, claims, encumbrances, and other interests pursuant to the terms proposed herein. *See, e.g., In re Daufuskie Island Properties, LLC*, 431 B.R. 626 (Bankr. D.S.C. 2010) (finding that lien or interest holders would be deemed to have consented to sale where they did not object to proposed sale free and clear of their liens or interests); *Veltman v. Whetzal*, 93 F.3d 517, 521 (8th Cir. 1996) (“Some courts have found implied consent, however, when a party with an interest in

the bankruptcy estate fails to object after receiving notice of the sale under subsection 363(f)(2).”); *In re Elliot*, 94 B.R. at 345 (“implied consent” was sufficient to satisfy the consent requirement of Bankruptcy Code § 363(f)(2) where the secured creditor “admit[ted] that it received notice of the proposed sale and also admit[ted] that it did not file any timely objection [. . .]”); *In re Enron Corp.*, No. 01-16034 AJG, 2004 WL 5361245, at *2 (Bankr. S.D.N.Y. Feb. 5, 2004) (same); *Matter of Tabone, Inc.*, 175 B.R. 855 (Bankr. D.N.J. 1994) (same).

25. Also, Bankruptcy Code § 363(f)(1) allows a sale to proceed free and clear of liens if the power to sell free and clear exists outside the bankruptcy context in another body of law. The existence of such ability is unquestionable here under applicable state law, such as state law foreclosure statutes. *See Precision Indus., Inc. v. Qualitech Steel SBQ, LLC*, 327 F.3d 537, 545 (7th Cir. 2003) (reversing district court and finding that property sold pursuant to Bankruptcy Code § 363(f)(1) on account of state foreclosure law was sold free and clear of lessee’s possessory interest in property). Indeed, outside of bankruptcy, the Bank could have foreclosed upon the Debtor’s Property and sold it free and clear of junior liens. The foreclosure laws in most states (including Maryland where the Debtor operates) permit the sales of certain property free and clear of liens, even when such liens are not satisfied from sale proceeds.

26. In addition, because the Debtor’s secured creditors may be required to accept money damages in exchange for their interests, Bankruptcy Code § 363(f)(5) is satisfied. *See In re Leckie Smokeless Coal Co.*, 99 F.3d 573, 585 (4th Cir. 1996) (“In [*In re Lady H Coal Co., Inc.*, 199 B.R. 595, 609 (S.D.W. Va.), *aff’d sub nom. In re Leckie Smokeless Coal Co.*, 99 F.3d 573 (4th Cir. 1996)], the District Court, ruling in the alternative, adopted the Bankruptcy Court’s proposed finding that the Plan could be required to accept [monetary] satisfaction of its interest.”); *In re Trans World Airlines, Inc.*, 322 F.3d 283, 290-91 (3d Cir. 2003) (property sold free and clear of interests when claims were subject to monetary valuation and satisfaction). Indeed, because the Property will be sold for what the Debtor, in the exercise of its business judgment, approximates is at least the fair market value thereof, particularly in light of the opportunity for competitive bidding at the Auction, the holders of any liens could be compelled to accept money in satisfaction of same. *See In re Takeout Taxi Holdings, Inc.*, 307 B.R. 525

(Bankr. E.D. Va. 2004) (secured creditor may be required to accept full payment in satisfaction of its lien); *In re WPRV-TV, Inc.*, 983 F.2d 336 (1st Cir. 1993).

27. Finally, the Debtor submits that each secured interest will be adequately protected because the Bank will be paid in full the allowed amount of its claim at Closing and any other secured interest will be paid in full the allowed amount of its claim(s) at Closing or the secured interest will attach to the proceeds of the Sale with the same validity and in the same order of priority as it attached to the Property prior to the Sale, subject to any claims and defenses the Debtor and its estate may possess.

28. Accordingly, the Debtor submits that at least one (if not more) of the subsections of Bankruptcy Code § 363(f) will be satisfied here, such that this Court should approve the Sale of the Property free and clear of liens under the express terms of the Agreement and that any potential claimant (other than the Bank) should be compelled to look exclusively to the proceeds of the Sale for satisfaction of its claims, with its interests attaching to such proceeds of the Sale with the same validity, priority and perfection as existed immediately prior to the consummation of the Sale.

C. The Parties Have Demonstrated Good Faith under Bankruptcy Code § 363(m)

29. Bankruptcy Code § 363(m) provides:

The reversal or modification on appeal of an authorization under subsection (b) or (c) of this section of a sale or lease of property does not affect the validity of a sale or lease under such authorization to an entity that purchased or leased such property in good faith, whether or not such entity knew of the pendency of the appeal, unless such authorization and such sale or lease were stayed pending appeal.

11 U.S.C. § 363(m).

30. While the Bankruptcy Code does not define “good faith,” the Fourth Circuit has stated that “ ‘[t]ypically, the misconduct that would destroy a purchaser’s good faith status at a judicial sale involves fraud, collusion between the purchaser and other bidders or the trustee, or an attempt to take grossly unfair advantage of other bidders.’ ” *In re Xact Telesolutions, Inc.*, No. CIV.A. DKC 2005-1230, 2006 WL 66665, at *5 (D. Md. Jan. 10, 2006)

(quoting *Willemain v. Kivitz*, 764 F.2d 1019, 1023 (4th Cir. 1985) (quoting *In re Rock Indus. Mach. Corp.*, 572 F.2d 1195, 1198 (7th Cir. 1978)).

31. The terms of the Agreement were negotiated at arm's length, without collusion, and in good faith. The Purchaser is not an insider nor is it affiliated in any way with the Debtor. Also, the Debtor has fully disclosed and requested this Court's approval of all of the terms and conditions of the Sale pursuant to the terms and conditions of the Agreement and intends to provide notice as set forth herein and as directed by this Court. *See generally In re Colony Hill Associates*, 111 F.3d 269 (2d Cir. 1997) (stating that the determination of "in good faith" is based upon traditional equitable principles, including whether there has been full disclosure to the bankruptcy court).

32. In addition, the Purchaser and the Debtor were represented by separate experienced professionals, who helped to ensure that the Sale process has been fair to date and will continue to be so, and that the Agreement was negotiated, proposed, and entered into by the Debtor and the Purchaser without collusion, in good faith, and at arm's length.

33. Accordingly, the Debtor requests that this Court determine that the Purchaser has negotiated and acted at all times in good faith and, as a result, is entitled to the protections of a good-faith purchaser under Bankruptcy Code § 363(m). *See In re Abbotts Dairies of Pennsylvania, Inc.*, 788 F.2d 143, 149-50 (3d Cir. 1986) (where party acted in good faith, courts finding that the prices paid were fair and reasonable was not clearly erroneous).

D. Authorization of Assumption and Assignment of Contracts

34. To facilitate and effect the Sale, the Debtor seeks to assume and assign the executory contracts and unexpired leases identified in Schedule 5 to the Agreement (the "Contracts") to the purchaser of the Property (be it the Purchaser or any Successful Bidder, as the case may be) to the extent required in connection with the Sale.

(1) The Debtor has Exercised Sound Business Judgment in Determining to Assume and Assign the Assigned Contracts

35. A debtor in possession, "subject to the court's approval, may assume or reject any executory contract or unexpired lease of the debtor." 11 U.S.C. § 365(a). Section 365 of the Bankruptcy Code does not specify a standard by which the court should approve or deny a

debtor's decision to assume or reject executory contracts or unexpired leases. However, when reviewing the appropriate discretion of a debtor to assume or reject unexpired non-residential leases, most courts have applied a business judgment test. *N.L.R.B. v. Bildisco & Bildisco*, 465 U.S. 513, 514 (1984) (discussing how "business judgment" standard applied to authorize rejection of an ordinary executory contract); *Grp. of Institutional Investors v. Chicago, M., St. P. & P. R. Co.*, 318 U.S. 523, 550 (1943) ("[T]he question whether a lease should be rejected, and if not, on what terms it should be assumed is one of business judgment."); *see also Sharon Steel Corp. v. National Fuel Gas Distrib. Corp.*, 872 F.2d 36, 39-40 (3d Cir. 1989); *Lubrizol Enterprises, Inc. v. Richmond Metal Finishers, Inc.*, 756 F.2d 1043, 1046 (4th Cir. 1985) *cert. denied* 106 S.Ct. 1285 (1986).

36. Under the business judgment test, a court should approve a debtor's proposed assumption or rejection if it will benefit the estate. *In re United Press Int'l, Inc.*, 55 B.R. 63, 65 (Bankr. D.D.C. 1985) (determining that assumption of lease was in best interest of debtor, and that debtor satisfied "business judgment" test for determining whether debtor was entitled to assume lease). The business judgment test requires that the debtor demonstrate some advantage from its decision to assume or reject an unexpired lease. *See id.*; *see generally N.L.R.B.*, 104 S.Ct. 1188. A debtor's decision to assume or reject an executory contract or unexpired lease should be approved "except upon a finding of bad faith or gross abuse of the [debtor's] business discretion." *Lubrizol*, 756 F.2d at 1047; *see Armenian Assembly of Am., Inc. v. Cafesjian*, 772 F. Supp. 2d 20, 104 (D.D.C. 2011) *aff'd*, 758 F.3d 265 (D.C. Cir. 2014) (stating that under District of Columbia law, where business judgment rule applies, business judgment of fiduciary will be respected by courts absent abuse of discretion). "More exacting scrutiny would slow the administration of the debtor's estate and increase its cost, interfere with the Bankruptcy Code's provision for private control of administration of the estate, and threaten the court's ability to control the case impartially." *Richmond Leasing v. Capital Bank, N.A.*, 762 F.2d 1303, 1311 (5th Cir. 1985).

37. The assumption and assignment of the Contracts is an integral and indispensable part of the Sale, thereby making the assumption and assignment necessary for the Debtor to consummate the Sale and thereby maximize the value of its estate. Furthermore, the

assumption and assignment makes business sense because each Contract assumed and assigned reduces the estate's exposure to potential rejection damage claims and previously unpaid administrative expense claims.

38. The Debtor further requests, and the Sale and Assignment Order provides, that the Contracts will be assigned to, and remain in full force and effect for the benefit of the Purchaser, notwithstanding any provisions in the Contracts, including those described in Bankruptcy Code §§ 365(b)(2) and (f)(1) and (3), that prohibit such assignment or provide that a contract may be defaulted or modified, or any penalty be charged, based on the insolvency or financial condition of the Debtor at the commencement of the Chapter 11 case. The Sale and Assignment Order further provides that the Debtor will be relieved from any liability for any breach of any Contract occurring after the Closing Date. These Sale and Assignment Order provisions should be approved because they are expressly provided for in § 365 of the Bankruptcy Code and they comprise an integral part of the overall bargain struck with the Purchaser in connection with the Sale.

(2) The Sale and Assignment Order Reflects Reasonable and Court-Approved Cure and Adequate Assurance Procedures

39. Bankruptcy Code § 365(b)(1) provides that, as a condition to assumption of an executory contract or unexpired lease, the debtor must cure defaults under such executory contract or unexpired lease, subject to certain exceptions, and provide “adequate assurance of future performance under such contract or lease.” 11 U.S.C. § 365(b)(1). Bankruptcy Code § 365(f)(2) similarly provides that an executory contract or unexpired lease may not be assigned unless “adequate assurance of future performance by the assignee of such contract or lease is provided, whether or not there has been a default in such contract or lease.” 11 U.S.C. § 365(f)(2). The Debtor anticipates that the Court will approve procedures to address cure and adequate assurance issues pursuant to the Bid Procedures Order. The Sale and Assignment Order implements those procedures.

40. The Sale and Assignment Order effectuates the adequate assurance procedures approved in the Bid Procedures Order. Each Qualified Bidder shall deliver to each Counterparty (or such Counterparty's counsel, if known) information with respect to its adequate

assurance of future performance under Bankruptcy Code §§ 365(b)(1)(C), (b)(3) (if applicable) and 365(f)(2) (“Adequate Assurance Information”). Any objection by a Counterparty relating to whether adequate assurance of future performance has been provided by a Successful Bidder or Backup Bidder shall be filed and served on the Notice Parties and the Successful Bidder and Backup Bidder, respectively, by no later than the Assumption and Assignment Objection Deadline. The Debtor, the Successful Bidder, the Backup Bidder and the Counterparty shall attempt to resolve any such objection and may present any such resolution to the Court at or prior to the Sale Hearing. If all or part of such objection remains unresolved at the Sale Hearing, the Court shall consider and adjudicate any such unresolved objection at the Sale Hearing. Any Counterparty failing to file and serve an objection relating to whether adequate assurance of future performance has been provided by a Successful Bidder or Backup Bidder on or before the Assumption and Assignment Objection Deadline shall be forever barred from objecting to whether adequate assurance of future performance has been provided, including its sufficiency, with respect to its executory contract or unexpired lease. See proposed Bid Procedures Order, paragraph 8.

Reservation of Rights

41. The Debtor reserves the right, as circumstances require, (i) to revise or amend the proposed Sale and Assignment Order, in particular to conform it to the terms of the Successful Bid, and (ii) to submit additional documents and evidence in support of this Sale Motion and entry of the Sale and Assignment Order.

No Prior Request

42. No prior request for the relief sought in this Sale Motion has been made to this or any other court.

Notice

43. Notice of this Sale Motion has been given to the following parties or, in lieu thereof, to their counsel, if known: (a) the Office of the United States Trustee; (b) all of the Debtor’s creditors; (c) the Stalking Horse Purchaser and its counsel; (d) all entities known to have expressed an interest in acquiring the Property; (e) federal, state and local taxing authorities with jurisdiction over the Debtor’s business; (f) regulatory authorities that have a reasonably

known interest in the relief requested; (g) all equity security holders of the Debtor; (h) counterparties to the Debtor's executory contracts and unexpired leases; and (i) all other parties that have filed a notice of appearance and demand for service of papers in these bankruptcy cases under Bankruptcy Rule 9010(b). The Debtor submits that, in light of the nature of the relief requested, no other or further notice need be given.

Waiver of Memorandum

44. Pursuant to Local Rule 9013-2, the Debtor states that, in lieu of submitting a memorandum in support of this Sale Motion, it will rely solely upon the grounds and authorities set forth herein.

WHEREFORE, the Debtor respectfully requests that the Court enter an order, substantially in the form filed contemporaneously with this Sale Motion, granting the relief requested herein and such other and further relief as this Court deems appropriate.

/s/ Lawrence J. Yumkas

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Counsel for Debtor

CERTIFICATE OF SERVICE

I hereby certify that on the 4th day of November 2016, notice of filing the Debtor's Motion for an Order (I) Approving Agreement of Sale and Purchase and Authorizing Sale of Property Outside Ordinary Course of Business, (II) Authorizing Sale of Property Free and Clear of Liens, Claims, Encumbrances and Interests, (III) Authorizing Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (IV) Granting Related Relief was sent electronically to those parties listed on the docket as being entitled to such electronic notice.

/s/ Lawrence J. Yumkas
Lawrence J. Yumkas

The following parties received
electronic notice of the filing:

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EXHIBIT 1

Sale Agreement

ASSET PURCHASE AGREEMENT

ASSET PURCHASE AGREEMENT (the "Agreement") dated October 31, 2016 between Reliable Real Estate Services, LLC or assigns, (the "Purchaser"), and Kent Manor Inn, LLC, Debtor in Possession (the "Seller").

PURCHASER(S): Reliable Real Estate Service, LLC Joseph G. Baldwin
(Print Name) (Print Name)

PURCHASER'S ADDRESS: 2410 Evergreen Road
Gambrills, Md 21054

PURCHASER'S PHONE: 410 987-0313
Office Fax
410 923-6478 jaybaldwin@reliablecontracting.com
Home Email

PURCHASER'S ATTORNEY: Dan Sykes Rosen Hoover, PA
ADDRESS: 100 North Charles Street
Baltimore, Md 21201

PHONE: 410.539-6606 ext. 226
Office Fax

EMAIL: DSykes@rosenhooverlaw.com

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") dated as of the date last signed (the "Effective Date"), is made by and between **Reliable Real Estate Services, LLC or assigns, having an address of 2410 Evergreen Road, Gambrills, Md 21054** ("Purchaser") and **KENT MANOR INN, LLC**, a Maryland limited liability company having an address at c/o Alan Michaels, 8519 Rapley Preserve Circle, Potomac, Maryland 20854 (the "Seller").

RECITALS:

R-1. On June 14, 2016, certain creditors of the Seller filed an involuntary bankruptcy petition under Chapter 11 in the U.S. Bankruptcy Court for the District of Maryland (Baltimore Division) (the "Bankruptcy Court"), Case No. 16-18048-TJC (the "Bankruptcy Case");

R-2. The Seller consented to the bankruptcy on July 13, 2016 and the Order for Relief in the Bankruptcy Case was entered on August 15, 2016 (the "Relief Date").

R-3. Seller desires to sell certain improved real property commonly referred to as Kent Manor Inn and located at 500 Kent Manor Drive, Stevensville, Maryland 21666, Tax ID # 04-025040 and # 04-107845 along with certain related personal property described below, and Purchaser desires to purchase such real and other personal property from Seller.

R-4. Seller and Purchaser, intending to be bound by this Agreement, desire to set forth herein the terms, conditions and agreements under and by which Seller shall sell and Purchaser shall purchase the property described below.

AGREEMENTS:

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser agree as follows:

1. PURCHASE AND SALE

Subject to approval of the Bankruptcy Court in the Bankruptcy Case, Seller agrees to sell, assign, convey, transfer and deliver the Property, as defined herein, to Purchaser free and clear of all liens, claims and interests pursuant to Section 363(f) of the Bankruptcy Code, and Purchaser agrees to purchase from Seller all of Seller's right, title and interest of every kind and nature in and to the Property, all in accordance with the terms and conditions set forth in this Agreement.

2. DESCRIPTION OF THE PROPERTY

2.1. Description. In this Agreement, the term "Property" means the assets comprising the business, but expressly excluding the Excluded Assets, as follows:

2.1.1. That certain parcel of land located in Queen Anne's County, Maryland, having a street address of 500 Kent Manor Drive, Stevensville, Maryland 21666, and being more specifically described on **Schedule 1** attached hereto (the "Land") along with all buildings (the "Building") together with all other improvements, parking facilities and fixtures located on the Land (the Building and any and all other improvements located on the Land are hereinafter referred to collectively as the "Improvements") and all easements, hereditaments, appurtenances, development rights, and other benefits, if any, pertaining to or affecting the Land (collectively, the "Easements"). The Land, Building, Improvements and Easements are hereinafter collectively referred to as the "Real Property";

2.1.2. All furniture, furnishings, fixtures, equipment and other tangible personal property affixed to and/or located at the Real Property and used in connection with the Real Property, or replacements of those items permitted pursuant to this Agreement (the "Personal Property"), more specifically described on **Schedule 2** attached hereto;

2.1.3. Any and all Leases (as defined in Section 6.6) and Contracts (as defined in Section 4.6) in effect on the Closing Date, any and all permits and any and all warranties, telephone exchange numbers, rights to the name and logo for "Kent Manor Inn", website (www.kentmanor.com), architectural or engineering plans and specifications and development rights that exist as of the Closing Date and relate to the Real Property or the Personal Property (the "Intangible Property").

2.2. Agreement to Convey. Seller agrees to sell and convey, and Purchaser agrees to purchase and accept, on the Date of Closing (defined in Section 3.4, below): (a) fee title to the Land and the Improvements by way of a Special Warranty Deed, to be executed and delivered by Seller in respect to the Real Property, and which shall be subject to the Permitted Exceptions (defined in Section 4.7, below) affecting or encumbering the Real Property; and (b) the remainder of the Property, by way of the assignment and assumption agreements, a quitclaim bill of sale and other instruments of conveyance described in this Agreement.

2.3. Excluded Assets. The property, assets, rights and interests, as more specifically described on **Schedule 3** are excluded from the Sale.

3. PURCHASE PRICE AND PAYMENT

3.1. Purchase Price. The purchase price for the Property (the "Purchase Price") is Three Million, Eight Hundred Thousand Dollars and No/100 U.S. Dollars (\$3,800,000).

3.2. Deposit.

3.2.1. Deposit. The "Deposit" means Two Hundred Thousand and No/100 Dollars (\$200,000.00). Contemporaneously with the submission of this offer, Purchaser shall deliver to Title Company the Deposit by wire transfer. Purchaser acknowledges that once Seller has accepted this offer, but before approval of the Bankruptcy Court, the Deposit shall become non-refundable, except in the event of a default by Seller as described in Sections 3.2.1. and 12.4. If the Bankruptcy Court does not approve this Agreement, or a higher and better offer is received and accepted by the Seller and the Court, the Title Company shall return the Deposit to the Purchaser within five (5) business days of such event.

3.2.2. Maintenance of Deposit. The Deposit shall be held by the Title Company in a non-interest-bearing account.

3.2.3. Liquidated Damages. Purchaser agrees that the retention of the Deposit by the Seller represents a reasonable estimation as of the Effective Date of the Seller's damages in the event of the Purchaser's default hereunder, that actual damages would be impracticable or extremely difficult to ascertain, and that the provision for liquidated damages hereunder does not constitute a penalty. The parties acknowledge that these damages have been specifically negotiated between themselves and are, among other things, to compensate the Seller for taking the Property off the market, for the Seller's costs and expenses associated with this Agreement and for the Seller's lost opportunity costs. The Purchaser hereby waives the rights and benefits of any law, rule, regulation, or order now or hereafter existing that would allow the Purchaser to claim a refund of the Deposit as unearned earnest money, a penalty, or for any other reason.

Company the Purchase Price less the Deposit in immediately available funds. The Purchase Price shall also be subject to further adjustments for prorations and credits required to be made in accordance with Section 9, below.

3.4. Closing. The purchase and sale of the Property shall be consummated at closing (the "Closing") in escrow through the Title Company on January 31, 2017 or within 14 days of entry of an Order by the Court approving this Agreement, whichever is later (the "Date of Closing" or "Closing Date"). Closing shall occur at 10:00 a.m., Stevensville, Maryland time, on the Date of Closing by mail (as set forth in Section 10.4) at the offices of Century 21 New Millennium, Annapolis, Maryland or such other location mutually agreeable between the Seller and Purchaser or at such other time and place as may be agreed to in writing by Seller and Purchaser. The designated title company for this transaction shall be Sutton Land Title Agency, 515 Rockaway Avenue, Valley Stream, New York 11581, Attn: Matthew Troiani, Esquire, 571-645-8024 (direct) and mtroiani@suttonalliance.com (email) (the "Title Company").

4. INSPECTIONS AND APPROVALS

4.1. Inspections. Purchaser acknowledges, understands and agrees that it has had reasonable opportunity to conduct inspections of the Property and further agrees that it waives any and all rights to any additional inspections of the Property.

4.2. Access to the Property and Indemnification by Purchaser. Prior to the Date of Closing, Seller shall permit Purchaser and Purchaser's agents and representatives access to the Land and Improvements for the purpose of conducting such physical and environmental inspections of the Land and Improvements (collectively, the "Inspections") as Purchaser shall deem necessary. Before Purchaser enters the Land and Improvements to perform Inspections, Purchaser shall give Seller reasonable advance written notice and, at Seller's option, a representative of Seller may accompany Purchaser and/or Purchaser's representative. Purchaser agrees to be solely responsible for the conduct of Purchaser's representatives on and adjacent to the Land and Improvements and shall assume and pay for all expenses incurred in connection with the Inspections. At all times during the presence of Purchaser or Purchaser's representatives on the Land and Improvements, Purchaser agrees that Purchaser will not allow, and Purchaser's representatives will not conduct, any physically invasive testing of, on, or under the Land or Improvements without first obtaining Seller's written consent. Purchaser agrees to return the Land and Improvements to substantially the same condition and cleanliness existing before entry and/or occupation by Purchaser's representatives, including, but not limited to, sealing wells or other similar subsurface investigations. Purchaser shall use reasonable efforts to minimize interference with Seller's and any guests' use and occupancy of the Building. Purchaser shall keep confidential the information resulting from the Inspections, except that Purchaser may disclose confidential information to Purchaser's representatives to the extent each needs to know confidential information for the sole purpose of evaluating the Land and Improvements, provided Purchaser takes all reasonable measures to assure that Purchaser's representatives keep such information confidential. Purchaser shall indemnify, defend and hold Seller harmless from any loss, injury, liability, damage or expense, including reasonable attorneys' fees and costs, directly caused by Purchaser, which Seller may incur as a result of (a) any act or omission of Purchaser or its agents or representatives in connection with any tests or inspections conducted by Purchaser or its agents or representatives, or (b) the failure of Purchaser to restore the Property in accordance with this Section 4.2; provided, however, that Purchaser shall not be required to indemnify Seller if and to the extent that any such loss, injury, liability, damage or expense was caused by the negligence or misconduct of Seller, its employees or its agents. The foregoing shall survive termination of this Agreement or the Closing, as applicable.

4.3. Inspection of Documents. Purchaser acknowledges receipt of the information materials relating to the Land and Improvements set forth on **Schedule 4** attached hereto ("Property Documents").

4.3.1. Purchaser acknowledges, understands and agrees that the Property Documents may have been prepared by parties other than Seller and the Broker and that Seller and the Broker make no representation or warranty whatsoever, express or implied, as to the completeness, content or accuracy of the Property Documents. Purchaser specifically releases Seller and Broker from all claims, demands, causes of action, judgments, losses, damages, liabilities, costs and expenses (including without limitation attorney's fees whether suit is instituted or not), whether known or unknown, liquidated or contingent (collectively "Claims") asserted against or incurred by Purchaser by reason of the information contained in, or that should have been contained in, the Property Documents. The provisions of this Section 4.3.1 shall survive Closing, or the early termination of this Agreement.

4.4. Survey. As part of the Property Documents, Seller delivered the most recent survey, if any, in its possession to Purchaser (the "Existing Survey"). Purchaser has waived any objections to the Existing Survey.

4.5. Title Commitment. As part of the Property Documents, Seller delivered the most recent title commitment or policy, if any, in its possession to Purchaser (the "Existing Title"). Purchaser has waived any objections to the Existing Title.

4.6. Contracts. Effective as of the Closing Date, Purchaser will assume all of Seller's post-petition liabilities and obligations with respect to the Contracts arising and accruing after the Closing Date. As used herein, the term "Contracts" shall mean all service, maintenance, supply or other contracts relating to the operation of the Property, and all other such assignable contracts or agreements in effect as of the Effective Date (but excluding any management, leasing or brokerage agreements), including without limitation those Contracts set forth on **Schedule 5** attached hereto.

4.6.1. Consents to Transfer. With the exception of obtaining approval from the Bankruptcy Court, Purchaser shall be responsible for securing any consent from third parties who have the right to consent to the transfer of any Contract, Permit, Intangible Property and/or Lease and paying any fee in connection with such consent and/or early termination of same. The consents shall provide that if the transaction contemplated by this Agreement is not consummated, the consent will not be effective. It is understood that obtaining such consents is not a condition precedent to Purchaser's obligation to close. Purchaser will assume all liability which arises as a result of failing to obtain any such consent and shall indemnify, defend and hold harmless Seller from any liability, claims, actions, expenses, or damages incurred by Seller as a result of such failure, should Seller elect to waive the issuance of such consents as a precondition to Closing under Section 6. Such indemnity shall survive the Closing.

4.7. Permitted Exceptions. Purchaser shall accept title to the Property, subject to the following exceptions (the "Permitted Exceptions"):

4.7.1. Those matters affecting or relating to the title to, or the survey of, the Property which are of record on the Effective Date or as shown on the Existing Survey (or even if not shown on the Existing Survey, matters which would have been shown on a current updated or new survey).

4.7.2. The lien of non-delinquent taxes, assessments and other usual and customary charges assessed against the owners of real property in the state in which the Land is located.

4.7.3. All building and zoning laws, codes and regulations affecting the Property, including all proffers, special exceptions, conditions, site plan approvals, and other similar matters, if any, relating to the zoning of the Property.

4.7.4. All matters disclosed by the Property Documents, Leases and Contracts, including but not limited to the Title Insurance Commitment, dated October 4, 2016, Title Number: 440-00100

5. BANKRUPTCY COURT MATTERS

5.1. Competing Transaction. The consummation of the Closing of the transaction contemplated by this Agreement is subject to entry of the Sale Order by the Bankruptcy Court. Until the transaction contemplated by this Agreement is consummated, Seller is permitted to cause its representatives and affiliates to initiate contact with, solicit or encourage submission of any inquiries, proposals or offers by, any person (in addition to Purchaser) in connection with any sale or other disposition of the Property. In addition, Seller and its Broker shall have the responsibility and obligation to respond to any inquiries or offers to purchase all or any part of the Property and perform any and all other acts related thereto which are required under the Bankruptcy Code, any orders of the Bankruptcy Court, or other applicable law, including, without limitation, supplying information relating to the Property to prospective purchasers.

5.2. Bankruptcy Court Filings. On or before November 4, 2016, Seller shall file a motion, and related notice of hearing, pursuant to the Bankruptcy Code, including, but not limited to 11 U.S.C. §§ 363 and 365 (the "Sale Motion"), in a form reasonably acceptable to Purchaser, requesting entry of the Sale Order approving this Agreement and the sale and assignments and related transactions contemplated hereby. By December 1, 2016, Seller shall conduct an auction, but only if any qualified bidders submit bids in excess of the stalking horse bid. The notice of the hearing to consider the Sale Motion (the "Hearing") shall be served on all parties required by the Bankruptcy Code and any other person, party, or entity identified by Purchaser (the "Hearing Notice"). At the Hearing, Seller shall offer testimony (whether live, documentary, or by proffer) to establish that the transactions proposed herein are fair and equitable, are in the best interests of the creditors and the bankruptcy estate, and that the sale is a valid and proper exercise of the Seller's business judgment, and such other evidence as Seller reasonably believes is necessary to obtain approval of the Sale Motion and entry of the Sale Order.

5.3. Purchaser Cooperation. Purchaser agrees that it will promptly take such actions as are reasonably requested by Seller to assist in obtaining entry of the Sale Order, including furnishing affidavits or other documents or information for filing with the Bankruptcy Court for the purposes, among others, of providing necessary assurances of performance by Purchaser under this Agreement and demonstrating that Purchaser is a "good faith" purchaser under § 363(m) of the Bankruptcy Code. Purchaser shall not, without the prior written consent of Seller, file, join in, or otherwise support in any manner whatsoever any motion or other pleading relating to the sale of the Property hereunder. In the event the entry of the Sale Order shall be appealed, Seller and Purchaser shall use their respective reasonable efforts to defend such appeal.

5.4. Sale Order. The parties shall not be obligated to close under this Agreement unless the Court has entered an order approving this Agreement and the transactions contemplated hereby, and the sale of the Property free and clear of any lien, claim, encumbrance, or other interests of any kind pursuant to 11 U.S.C. § 363, and containing a finding of good faith pursuant to 11 U.S.C. § 363(m) (the "Sale Order"). The terms and provisions of the Sale Order (i) shall remain in full force and effect upon the dismissal of the Bankruptcy Case, and (ii) shall be binding on all creditors and parties in interest.

5.5. This Agreement shall terminate automatically upon (i) dismissal of the Bankruptcy Case prior to the Closing, or (ii) the consummation of an Alternate Sale. As used in this Agreement, "Alternate Sale" means any transaction (regardless of the form thereof) involving a sale of the Property by Seller to a purchaser or purchasers other than Purchaser or an

affiliate thereof. For the avoidance of doubt, any such transaction consummated as a result of, related to, or arising from Purchaser's material breach or termination under this Agreement shall not constitute an Alternate Sale. In the event of a termination pursuant to this Section 5.5, the Deposit shall be promptly returned to Purchaser.

5.6. Bid Procedures. The Purchaser hereby covenants and agrees to comply with the terms and conditions of the bid procedures as approved by the Court (the "Bid Procedures").

6. SELLER'S OBLIGATIONS PRIOR TO CLOSING

Until Closing, Seller and/or Seller's agents or representatives shall:

6.1. Insurance. Keep the Property insured, in an amount sufficient to satisfy any coinsurance requirement or stipulation, against fire and other hazards covered by extended coverage endorsement and comprehensive public liability insurance against claims for bodily injury, death and property damage occurring in, on or about the Property.

6.2. Operation. Maintain the Property in its current condition and make repairs and/or replacements in the ordinary course of business in connection with any damage to the Property, and deliver the Property to Purchaser at Closing in the condition existing as of the Effective Date, normal wear and tear and damage by casualty excepted.

6.3. Notices. Provide to Purchaser, immediately upon the receipt thereof, any and all written notices relating to the Property received by Seller or its agents or representatives from any governmental or quasi-governmental instrumentality, insurance company, vendor or other party under any of the Contracts, or from any other entity or party, which notices are of a type not normally received in the ordinary course of Seller's business, or which may have a material effect upon the Property or result in a material change in a representation or warranty made by Seller hereunder.

6.4. Compliance with Agreements. Take all actions necessary to comply with all agreements, covenants, encumbrances and obligations affecting or relating to the Property and the ownership, operation and maintenance thereof. Seller shall pay all utility bills, tax bills and other invoices and expenses relating to the Property, as and when the same become due.

6.5. New Contracts. Seller agrees that it will not enter into any new Contracts without Purchaser's prior written consent, which consent shall not be unreasonably withheld. If Purchaser approves such new Contract, Purchaser shall assume same at Closing. If Purchaser fails to respond to Seller's request for consent within five (5) days of receipt of written notice, Purchaser shall be deemed to have consented to such new Contract and to assume same at Closing.

6.6. Leases. Purchaser shall at Closing assume all the obligations of Seller under any leases of space at the Property (the "Leases") in effect on the Closing Date. Seller may not (a) amend or terminate any Leases; (b) consent to the assignment of any Leases or subleasing of any of the Property; or (c) enter into any new Lease of the Property or any portion thereof, without Purchaser's prior written consent, which consent shall not be unreasonably withheld. If Purchaser fails to respond to Seller's request for consent within five (5) days of receipt of written notice by email, Purchaser shall be deemed to have consented to such action by Seller.

6.7. Personal Property Substitutions. Seller may replace, in the ordinary course of business, any item theretofore included in the Personal Property provided that Seller substitutes therefore an item of like kind and comparable fair market value.

7. REPRESENTATIONS AND WARRANTIES

7.1. By Seller. Seller represents and warrants to Purchaser, as of the Effective Date, and subject to the approval of the Bankruptcy Court, that:

7.1.1. Seller has the power, right and authority to enter into and perform all of the obligations required of Seller under this Agreement and the instruments and documents referenced herein, and to consummate the transaction contemplated hereby.

7.1.2. Seller has taken all requisite action and obtained, or will obtain prior to the Date of Closing, all requisite consents, releases and permissions in connection with entering into this Agreement and the instruments and documents referenced herein or required under any covenant, agreement, encumbrance, law or regulation with respect to the obligations required hereunder, and no consent of any other party is required for the performance by Seller of its obligations hereunder.

7.1.3. This Agreement is, and all agreements, instruments and documents to be executed and delivered by Seller pursuant to this Agreement shall be duly authorized, executed and delivered by Seller. This Agreement is, and all agreements, instruments and documents to be executed and delivered by Seller pursuant to this Agreement shall be valid and legally binding upon Seller and enforceable in accordance with their respective terms.

7.1.4. Neither the execution of this Agreement nor the consummation of the transactions contemplated hereby does now constitute or shall result in a breach of, or a default under, any agreement, document, instrument or other obligation to which Seller is a party or by which Seller may be bound.

7.1.5. Survival. The representations and warranties set forth in this Section 7 shall not survive Closing of this transaction, and no action or claim may be brought against Seller by Purchaser or any affiliate of Purchaser with respect to a breach of such representations or warranties or any action, suit or other proceedings commenced or pursued, for or in respect of any breach of any representation or warranty made by Seller in this Agreement from and after the Closing.

7.1.6. Limitation on Remedies. Notwithstanding anything herein to the contrary, if Purchaser discovers prior to Closing that one or more of the representations and warranties under the provisions of this Section 7 are false or untrue as of the Date of Closing, Purchaser's sole remedy will be to exercise its rights under the provisions of Sections 12.4 and 12.7 hereof.

7.2. By Purchaser. Purchaser represents and warrants to Seller as of the Effective Date that:

7.2.1. Purchaser is a corporation, partnership, limited liability company, trust or other type of business organization that is duly organized, validly existing and in good standing under the laws of the state in which it was organized and Purchaser is qualified to do business in the jurisdiction in which the Property is located.

7.2.2. Purchaser has taken all requisite action and obtained all requisite consents, releases and permissions in connection with entering into this Agreement and the instruments and documents referenced herein or required under any covenant, agreement, encumbrance, law or regulation with respect to the obligations required hereunder, and no consent of any other party is required for the performance by Purchaser of its obligations hereunder.

7.2.3. This Agreement is, and all agreements, instruments and documents to be executed and delivered by Purchaser pursuant to this Agreement shall be, duly authorized, executed and delivered by Purchaser. This Agreement is, and all agreements, instruments and documents to be executed and delivered by Purchaser pursuant to this Agreement shall be, valid and legally binding upon Purchaser and enforceable in accordance with their respective terms.

7.2.4. Neither the execution of this Agreement nor the consummation of the transactions contemplated hereby does now constitute or shall result in a breach of, or a default under, any agreement, document, instrument or other obligation to which Purchaser is a party or by which Purchaser may be bound, or any law, statute, ordinance, rule, governmental regulation or any writ, injunction, order or decree of any court or governmental body, applicable to Purchaser or to the Property.

7.2.5. No petition in bankruptcy (voluntary or otherwise), assignment for the benefit of creditors, or petition seeking reorganization or arrangement or other action under Federal or state bankruptcy law is pending against or, to the best of Purchaser's knowledge, contemplated by Purchaser.

7.2.6. There are no actions, suits, claims or other proceedings (collectively, "Litigation") pending or, to the best of the Purchaser's knowledge, contemplated or threatened against Purchaser that could affect the Purchaser's ability to perform its obligations when and as required under the terms of this Agreement.

7.2.7. To its knowledge, Purchaser is capable of satisfying the conditions contained in Sections 365(b) and (f) (of the Bankruptcy Code with respect to any contracts assigned to Purchaser hereunder.

7.2.8. Purchaser has cash on hand, existing availability under existing lines of credit, or other immediately available financial resources sufficient to pay the balance of the Purchase Price at Closing.

7.3. Broker. Seller and Purchaser each represents to the other that it has had no dealings, negotiations, or consultations with any broker, representative, employee, agent or other intermediary in connection with the sale of the Property, except that Seller has retained the services of Century 21 New Millennium (the "Seller's Broker") and Purchaser was assisted by N/A (the "Purchaser's Broker"), as co-operating broker (collectively the "Brokers"). Seller shall be solely responsible for paying the fees and commissions owed to Seller's Broker pursuant to a separate written agreement between Seller and Seller's Broker; and Seller's Broker shall in turn be responsible for paying the fees and commissions owed to Purchaser's Broker as cooperating Broker at Closing. No fees or commissions owed or alleged to be owed to the Brokers shall in any way be the responsibility of Purchaser, and the sole responsibility of Seller shall be to pay Seller's Broker in accordance with such separate written agreement. Seller and Purchaser agree that each will indemnify, defend and hold the other free and harmless from the claims of any other broker(s), representative(s), employee(s), agent(s) or other intermediary(ies) claiming to have represented Seller or Purchaser, respectively, or otherwise to be entitled to compensation in connection with this Agreement or in connection with the sale of the Property. This mutual indemnity shall survive Closing and any termination of this Agreement.

7.4. Property Condition.

7.4.1. Disclaimer. THE PROPERTY IS BEING SOLD "AS IS", "WHERE IS" AND "WITH ALL FAULTS" AS OF CLOSING, WITHOUT ANY REPRESENTATION OR WARRANTY WHATSOEVER AS TO ITS CONDITION, FITNESS FOR ANY PARTICULAR PURPOSE (INCLUDING WITHOUT LIMITATION THE RENT READINESS OF ANY GUEST ROOM UNIT), MERCHANTABILITY OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED, EXCEPT AS SPECIFICALLY SET FORTH IN THIS

AGREEMENT. SELLER SPECIFICALLY DISCLAIMS ANY WARRANTY, GUARANTY OR REPRESENTATION, ORAL OR WRITTEN, PAST OR PRESENT, EXPRESS OR IMPLIED, CONCERNING THE PROPERTY, EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT. WITHOUT LIMITING THE FOREGOING, PURCHASER ACKNOWLEDGES THAT SELLER AND ANY OF ITS AGENTS, REPRESENTATIVES, ADVISORS AND RELATED PERSONS HAVE MADE NO REPRESENTATION OR WARRANTY CONCERNING ANY (A) USE TO WHICH THE PROPERTY MAY BE PUT, (B) FUTURE REVENUES, COSTS, EXPENDITURES, CASH FLOW, RESULTS OF OPERATIONS, FINANCIAL CONDITION OR PROSPECTS THAT MAY RESULT FROM THE OWNERSHIP, USE OR SALE OF THE PROPERTY OR (C) OTHER INFORMATION OR DOCUMENTS MADE AVAILABLE TO PURCHASER OR ITS AFFILIATES OR RELATED PERSONS. PURCHASER ACKNOWLEDGES THAT IT HAD THE OPPORTUNITY TO INSPECT THE PROPERTY AND PURCHASER IS PURCHASING THE PROPERTY BASED SOLELY UPON PURCHASER'S OWN INDEPENDENT INVESTIGATIONS AND FINDINGS AND NOT IN RELIANCE UPON ANY INFORMATION PROVIDED BY SELLER OR SELLER'S AGENTS OR CONTRACTORS, EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT.

7.4.2. Release of Claims. Without limiting the provisions of this section, Purchaser releases Seller, its agents, representatives, advisors, and related persons from any and all Claims (whether known or unknown, and whether contingent or liquidated) arising from or related to (a) any defects, errors or omissions in the design or construction of the Property, whether the same are a result of negligence or otherwise; or (b) other conditions (including environmental conditions) affecting the Property, whether the same are a result of negligence or otherwise. The release set forth in this Section specifically includes any Claims under any Environmental Laws, under the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101 et seq., or with respect to any environmental risk. "Environmental Laws" includes, but is not limited to, the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act (42 U.S.C. §§6901 et seq.), the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. §§ 9601 et seq.), the Emergency Planning and Community Right to Know Act (42 U.S.C. §§ 11001 et seq.), the Clean Air Act (42 U.S.C. §§ 7401 et seq.), the Clean Water Act (33 U.S.C. §§ 1251 et seq.), the Toxic Substances Control Act (15 U.S.C. §§2601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §§ 1801 et seq.), the Occupational Safety and Health Act (29 U.S.C. §§ 651 et seq.), the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. §§ 136 et seq.), and the Safe Drinking Water Act (42 U.S.C. §§ 300f et seq.), as any of the same may be amended from time to time, and any state or local law dealing with environmental matters, and any regulations, orders, rules, procedures, guidelines and the like promulgated in connection therewith, regardless of whether the same are in existence on the date of this Agreement.

7.4.3. RELEASE. PURCHASER HEREBY RELEASES SELLER AND ANY SERVICER, AGENT, REPRESENTATIVE, MANAGER, AFFILIATE, OFFICER, PARTNER, SHAREHOLDER OR EMPLOYEE OF SELLER (A "SELLER RELATED PARTY") FROM ALL CLAIMS, LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES WHICH PURCHASER OR ANY PARTY RELATED TO OR AFFILIATED WITH PURCHASER (A "PURCHASER RELATED PARTY") HAS OR MAY HAVE ARISING FROM OR RELATED TO ANY MATTER OR THING RELATED TO THE PHYSICAL CONDITION OF THE PROPERTY, ANY CONSTRUCTION DEFECTS, ANY ERRORS OR OMISSIONS IN THE DESIGN OR CONSTRUCTION OF THE PROPERTY AND ANY ENVIRONMENTAL CONDITIONS AT, IN, ON OR UNDER THE PROPERTY, AND PURCHASER WILL NOT LOOK TO SELLER OR ANY SELLER RELATED PARTY IN CONNECTION WITH THE FOREGOING FOR ANY REDRESS OR RELIEF.

7.4.4. ASSUMPTION. EFFECTIVE AS OF THE CLOSING DATE, PURCHASER WILL ASSUME ALL OF SELLER'S LIABILITIES AND OBLIGATIONS WITH RESPECT TO THE LEASES, CONTRACTS, BOOKINGS, AND PERMITS (TO THE

EXTENT SUCH PERMITS ARE ASSIGNED OR TRANSFERRED) ARISING AND ACCRUING FROM AND AFTER THE CLOSING DATE. THE ASSUMPTION AND ASSIGNMENT OF ANY LEASE OR CONTRACT IS SUBJECT TO PURCHASER CURING OR PROVIDING ADEQUATE ASSURANCE TO CURE ANY DEFAULTS EXISTING PRIOR TO CLOSING WITHIN THE MEANING OF SECTIONS 365(b)(1)(A) AND 365(f)(2)(A) OF THE BANKRUPTCY PROVIDING ADEQUATE ASSURANCE WITHIN THE MEANING OF SECTION 365(b)(1)(B) AND (C) OF THE BANKRUPTCY CODE.

7.4.5. SURVIVAL. THE ACKNOWLEDGMENTS AND AGREEMENTS OF PURCHASER SET FORTH IN THIS SECTION 7 WILL SURVIVE THE CLOSING.

8. CONDITIONS PRECEDENT TO CLOSING

8.1. Conditions for the Benefit of Purchaser. The obligation of Purchaser to consummate the conveyance of the Property hereunder is subject to the full and complete satisfaction or waiver of each of the following conditions precedent:

8.1.1. The representations and warranties of Seller contained in this Agreement shall be true, complete and accurate in all material respects, on and as of the date hereof and the Date of Closing as if the same were made on and as of such date.

8.1.2. Seller shall have performed each and every obligation and covenant of Seller to be performed hereunder unless performance thereof is waived by Purchaser.

8.1.3. There has been no material and adverse change to the condition of the Property since the Effective Date.

8.1.4. The Sale Order shall have been entered by the Bankruptcy Court in the Bankruptcy Case and become a final order and all terms and conditions thereof shall be satisfied.

8.2. Waiver of Conditions. Purchaser shall have the right to waive some or all of the foregoing conditions in its sole and absolute discretion; provided, however, that no such waiver shall be effective or binding on Purchaser unless it is in writing and executed by an authorized officer of Purchaser.

8.3. Conditions for the Benefit of Seller. The obligation of Seller to consummate the conveyance of the Property hereunder is subject to the full and complete satisfaction or waiver of each of the following conditions precedent:

8.3.1. Receipt by Seller of all requisite approvals that may be required pursuant to any documents which govern Seller.

8.3.2. Receipt by Purchaser of any and all required consents to the transfer of any Contract, permit and/or Lease to be assigned to Purchaser at Closing.

8.3.3. The Sale Order shall have been entered by the Bankruptcy Court in the Bankruptcy Case and become a final order and all terms and conditions thereof shall be satisfied.

8.4. Waiver of Conditions. Seller shall have the right to waive some or all of the foregoing conditions in its sole and absolute discretion; provided, however, that no such waiver shall be effective or binding on Seller unless it is in writing and executed by an authorized officer of Seller.

8.5. Failure of a Condition. In the event any of the conditions set forth in this Section are not fulfilled or waived, this Agreement shall terminate and all rights and obligations hereunder of each party shall be at an end and the Deposit shall be returned to the Purchaser, as the Purchaser's sole remedy and neither party shall have any obligations to the other.

9. CLOSING COSTS AND PRORATIONS

9.1. Purchaser's Costs. Purchaser will pay the following costs of closing this transaction:

9.1.1. All recording fees and any and all state and county recordation, documentary and transfer taxes;

9.1.2. All premiums, fees and costs associated with the issuance of any Title Policy as well as for all premiums, fees and costs associated with the issuance of a mortgagee title insurance policy, and one-half (1/2) of the settlement fees and other charges of the Title Company due in connection with the closing of this transaction;

9.1.3. The cost of any update to the Existing Survey, if desired by Purchaser;

9.1.4. The fees and disbursements of Purchaser's counsel and any other expense(s) incurred by Purchaser or its representative(s) in inspecting or evaluating the Property or closing this transaction;

9.1.5. Any and all costs and expenses in connection with obtaining financing for the purchase of the Property, including without limitation any recordation or transfer taxes required to be paid upon the recordation of any deed of trust, mortgage or other security agreement executed and recorded in connection with such financing; and

9.1.6. Any sales tax payable with respect to any personal property included within the Property.

9.2. Seller's Costs. The Seller will pay the following costs of closing this transaction:

9.2.1. One-half (1/2) of the settlement fees and charges of the Title Company;

9.2.2. The fees and disbursements of Seller's counsel, subject to application to and approval by the Bankruptcy Court;

9.2.3. The fees of Seller's Broker referred to in Section 7.3, above; and

9.2.4. All release fees and other charges required to be paid in order to release from the Property the lien of any mortgage or other security interest which Seller is obligated to remove pursuant to the terms of this Agreement.

9.3. Prorations. Guest, convention, room, food, beverage, and all other charges and revenues for services rendered and the operation of all departments of the Property as follows: all food and beverage revenue (if any) as of 11:59 p.m., Stevensville, Maryland time, on the day before the Date of Closing (the "Cut-off Time") and the guest ledger for guests staying at the Property on the night before the Closing Date, for that night only, shall be counted and shall be retained by Seller. All revenues for days and nights preceding or commencing prior to the Closing Date shall be allocated to and retained by Seller and all revenues for the night commencing on the Closing Date and days following the Closing Date shall accrue to the benefit

of Purchaser and Purchaser shall purchase, for cash, at Closing the guest ledger allocated to Seller for Hotel guests staying through the day of Closing. Purchaser shall purchase all cash in petty cash accounts and cash registers at the Property on the Closing Date, but all checks, notes, security and other evidence of indebtedness located at the Property on the Closing Date and balances on deposit to the credit of the Seller with banking institutions (specifically including, but not limited to, reserves held by or for the benefit of the Seller) are and shall remain the property of the Seller and are not included in this sale. Purchaser shall forward to Seller, promptly upon receipt (but without recourse or warranty of any kind with respect to any endorsement by Purchaser on checks therefor), any and all revenues due to Seller hereunder and collected by Purchaser following Closing.

9.3.1. Advance Payments and Deposits. Advance payments and deposits, if any, for bookings with respect to a period after the Cut-Off Time shall be credited to the Purchaser at Closing.

9.3.2. Accounts Receivable. To the extent permitted in the Bankruptcy Case, Seller shall retain all Accounts Receivable related to the Property and accruing prior to the Date of Closing. Proceeds of such Accounts Receivable which are received by Purchaser after Closing shall be promptly forwarded to Seller without reduction or payment of any fee. The provisions of this Section 9.3.2 shall survive the Closing. If Seller incurs costs to collect such Accounts Receivable from Purchaser, including without limitation reasonable attorneys' fees and court costs, Purchaser shall reimburse Seller for such costs.

9.3.3. Accounts Payable. Seller shall, in the ordinary course of business, but subject to any provisions of this Agreement to the contrary, pay or cause to be paid all liquidated liabilities and obligations of the Property incurred through the Closing Date allocable to any period of Seller's ownership prior to the Closing Date, including all accounts payable, trade payables, rents, license and permit fees, payments under equipment leases and service contracts, impositions and employee compensation. Notwithstanding the foregoing, it is understood that Seller or its property manager (the "Manager") may postpone payment of an account payable which is the subject of a bona fide dispute or in case final bills are not rendered until after the Closing Date. The provisions of this Section will survive Closing.

9.3.4. Insurance. Seller's insurance will be canceled on the Closing Date and Seller will retain reimbursement rights for all prepaid premiums and proceeds of insurance for matters occurring prior to the Closing.

9.3.5. Compensation. The regular periodic compensation of the Existing Employees of the Property working as of the Cut-off Time will be prorated as of the end of their respective shifts.

9.3.6. Utility Deposits. Seller shall close out any accounts with utility companies and shall have the right to receive any and all deposits held on behalf of Seller by utility companies with respect to the Property.

9.3.7. Other. Such items as are provided for in this Agreement or are normally prorated and adjusted in the sale of a hotel not otherwise provided for above, including without limitation, all petty cash funds and cash in house and all deposits and prepaid items which inure to the benefit of Purchaser, will be transferred to Purchaser provided Seller will be paid therefor with such charges and credits reflected on the Closing Statements.

9.4. Taxes. General real estate taxes and special assessments relating to the Property payable during the year in which Closing occurs shall be prorated with respect to the Property as of the Date of Closing, with Seller being responsible for Taxes payable during Seller's period of ownership and Purchaser being responsible for Taxes payable from and after the Date of Closing. If Closing shall occur before the actual taxes and special assessments

payable during such year are known, the apportionment of taxes shall be upon the basis of taxes for the Property payable during the immediately preceding year. No post-closing re-prorations shall occur.

Seller reserves the right to appeal the assessed valuation of the Property for any real estate tax year prior to (or including) the Closing Date. If there is issued before or after the Closing Date an administrative ruling, judicial decision or settlement by which the assessed value of the Property for such tax year is reduced, and a real estate tax refund issued, Seller shall be entitled to all such refunds relating to the period prior to the Closing Date and Purchaser shall be entitled to all such refunds relating to the period from and after the Closing Date. If the appeal is successfully culminated either prior to or after the Closing Date, and Purchaser would benefit from such appeal for the current or any subsequent tax year, then Purchaser agrees to pay a pro-rata portion of the fee in connection with the appeal based on the Closing Date, and to escrow at Closing both the estimated fee and the savings anticipated from the appeal as estimated by Seller.

9.5. In General. Any other costs or charges of closing this transaction not specifically mentioned in this Agreement shall be paid and adjusted in accordance with local custom or ordinance in the jurisdiction in which the Property is located.

9.6. Purpose and Intent. Except as expressly provided herein, the purpose and intent as to the provisions of prorations and apportionments set forth in this Section 9 and elsewhere in this Agreement is that Seller shall bear all expenses of ownership and operation of the Property during its period of ownership and shall receive all income therefrom accruing through midnight of the day preceding the Closing and Purchaser shall bear all such expenses and receive all such income accruing thereafter.

10. CLOSING AND ESCROW

10.1. Seller's Deliveries. Seller shall deliver either at the Closing or by making available at the Property, as appropriate, the following original documents, each executed and, if required, acknowledged:

10.1.1. A Special Warranty Deed conveying title to Purchaser of the Real Property, subject only to the Permitted Exceptions and subject to the terms of the agreed upon Sale Order entered by the Bankruptcy Court.

10.1.2. Originals (to the extent in Seller's possession) of the Leases and the Contracts; and (b) an assignment of the Leases and Contracts to Purchaser by way of an assignment and assumption agreement, in the form attached hereto as **Schedule 5** (the "Assignment and Assumption Agreement"), conveying to Purchaser Seller's rights, title and interest in and to the Leases and Contracts attributable to the Property.

10.1.3. Originals (to the extent in Seller's possession) of all Warranties then in effect, if any, with respect to the Property or to the Improvements or any repairs or renovations to such Improvements and (b) an assignment of all such warranties and guarantees being conveyed hereunder, conveying to Purchaser Seller's rights, title and interests in and to the Warranties attributable to the Property.

10.1.4. An affidavit pursuant to the Foreign Investment and Real Property Tax Act.

10.1.5. Appropriate evidence of authority, capacity and status of Seller as reasonably required by Title Company.

10.1.6. An "Owner's affidavit", in form reasonably acceptable to Seller and the Title Company and sufficient for the Title Company to delete any exceptions for (a) mechanics' or materialmen's liens arising from work at the Property which is the responsibility of Seller hereunder, (b) parties in possession, other than tenants as tenants only, and, (c) matters not shown in the public records.

10.1.7. A settlement statement (the "Settlement Statement"), prepared by the Title Company.

10.1.8. A quit claim bill of sale transferring to Purchaser all of Seller's right, title and interest in the Personal Property and Intangible Property.

10.1.9. Such other documents, certificates and instruments as may be reasonably required to consummate the transaction contemplated hereby, including the Sale Order.

10.2. Purchaser's Deliveries. At the Closing, Purchaser shall (a) pay Seller the Purchase Price as required by, and in the manner described in, Section 3 hereof, and (b) execute and deliver the following documents:

10.2.1. The Assignment and Assumption Agreement.

10.2.2. The Bill of Sale.

10.2.3. Evidence of Purchaser's authority, and the authority of the person executing any documents at Closing on behalf of Purchaser, acceptable to Seller and the Title Company, to enter into the transactions contemplated by this Agreement.

10.2.4. The Settlement Statement.

10.2.5. Such other documents, certificates and other instruments as may be reasonably required to consummate the transaction contemplated hereby.

10.3. Possession. Purchaser shall be entitled to possession of the Property at the conclusion of the Closing, subject to the Farm Lease dated March 19, 2008 between the Seller and Woodbury Farm Enterprises, Inc.

10.4. Escrow Closing. Purchaser and Seller (or their respective counsel on behalf of Purchaser and Seller) shall execute letters of escrow closing instructions (the "Closing Instructions") which will provide that, on the Date of Closing: (a) Seller and Purchaser shall each deposit with the Title Company all of the documents and instruments described in Sections 10.1 and 10.2, above (the "Closing Documents"); and (b) Purchaser shall deposit with the Title Company the balance of the Purchase Price required to be paid after application of the Deposit thereto and all prorations, adjustments and credits required to be made under this Agreement, (the "Adjusted Purchase Price"), all of which shall be set forth on, and mutually agreeable pursuant to, a Settlement Statement executed by both Purchaser and Seller at Closing. Upon receipt of the Adjusted Purchase Price, and the satisfaction of all other conditions set forth in the Closing Instructions, the Title Company shall be authorized and directed to disburse the Adjusted Purchase Price to Seller or its designee(s), record the Deed among the land records of Queen Anne's County, Maryland, and release the remaining Closing Documents to the appropriate parties, all in strict accordance with the Closing Instructions.

11. DAMAGE, DESTRUCTION AND CONDEMNATION

11.1. Casualty. Except as provided herein, Seller assumes all risk of loss or damage to the Property by fire or other casualty until control of the Property is delivered to

Purchaser. If at any time on or prior to the Date of Closing any portion of the Property is destroyed or damaged as a result of fire or any other cause whatsoever, Seller shall promptly give written notice thereof to Purchaser. If the estimated cost to repair the damage or destruction exceeds \$250,000 as reasonably estimated by Seller, Purchaser shall have the right to terminate this Agreement by written notice to Seller within ten (10) days following the date upon which Purchaser receives Seller's written notice of the destruction or damage. If Purchaser does not elect to so terminate this Agreement within said ten (10) day period, or if the cost of repair is equal to or less than \$250,000, this Agreement shall remain in full force and effect and the parties shall proceed to Closing without any reduction or adjustment in the Purchase Price and Purchaser shall receive any applicable insurance proceeds

11.2. Condemnation. In the event, at any time on or prior to the Date of Closing, any action or proceeding is filed, under which the Property, or any portion thereof, may be taken pursuant to any law, ordinance or regulation or by condemnation or the right of eminent domain, Seller shall promptly give written notice thereof (which notice shall describe the type of action being taken against the Property, and which portions of the Property will be affected thereby) to Purchaser. If the taking would substantially prevent the Purchaser from continuing the existing use of the Property, then the Purchaser shall have the right to terminate this Agreement by written notice to Seller within ten (10) days following the date upon which Purchaser receives Seller's written notice of such action or proceeding. If Purchaser does not elect to so terminate this Agreement within said ten (10) day period, this Agreement shall remain in full force and effect and the parties shall proceed to closing without any reduction or adjustment in the Purchase Price, except that all condemnation proceeds will be assigned to Purchaser.

12. FAILURE OF CONDITIONS PRECEDENT; DEFAULT AND REMEDIES

12.1. Failure of Conditions Precedent. If any of the conditions precedent stated in Article 8 have not occurred or been satisfied on or before the Closing Date, Purchaser or Seller may: (a) terminate this Agreement by written notice to the appropriate party on or before the Closing Date, in which event the appropriate party shall be entitled to a full refund of the Deposit or (b) to waive such conditions precedent and proceed to Closing.

12.2. Purchaser Default. If Purchaser is in default of one or more of Purchaser's obligations under this Agreement other than a failure to timely close (for which there will be no notice or cure period), then Seller may give notice to Purchaser (with a copy to Title Company) specifying the nature of the default. Purchaser shall have five (5) business days after receiving that notice, but in no event beyond the Closing Date, within which to cure that default. If Purchaser fails to cure that default within that period, then Seller's sole remedy for such default shall be to terminate this Agreement by giving notice of such termination to Purchaser (with a copy to Title Company) and receive the Deposit as liquidated damages. If Seller does so terminate this Agreement, then Title Company shall pay the Deposit to Seller.

12.3. SELLER AND PURCHASER AGREE THAT PAYMENT OF THE DEPOSIT TO SELLER UNDER THIS SECTION 12 SHALL BE AS LIQUIDATED DAMAGES AND NOT AS A PENALTY.

12.4. Seller Default. In the event Seller is in default of one or more of Seller's obligations under this Agreement, then Purchaser shall be entitled to declare this Agreement to be null and void and demand and receive the return of the Deposit whereupon, neither party shall have any further rights, duties or obligations hereunder except as otherwise provided herein. Purchaser specifically waives any and all right (i) to file or record any lis pendens or any other lien or encumbrance against the Property; (ii) to specific performance or other equitable relief; or (iii) to consequential or punitive damages.

12.5. Termination. Upon any termination of this Agreement pursuant to any right of a party to terminate set forth in this Agreement (a) the Deposit shall be paid over to the party entitled to the same, (b) all documents deposited by Purchaser and Seller into escrow shall be returned by the escrow agent to the party depositing the same, and (c) all copies of all Property Documents provided to Purchaser by Seller shall be returned to Seller, whereupon the parties will have no continuing liability to each other unless otherwise expressly stated in any provision of this Agreement.

12.6. Break-Up Fee. This Agreement shall terminate automatically upon the consummation of an Alternate Sale. In the event this Agreement is terminated pursuant to this Section, Seller shall pay to Purchaser a breakup fee in an amount equal to Fifty Thousand and No/100 Dollars \$50,000.00 (the "Breakup Fee"), payable from (i) the proceeds of the Alternate Sale due at the financial closing of the Alternate Sale, or (ii) cash held by Seller. The Breakup Fee is a condition to Purchaser entering into this Agreement, without which Purchaser would not agree enter into this Agreement. Seller shall diligently seek approval of the Breakup Fee. This obligation shall survive the termination of this Agreement and shall constitute a first-priority lien against the proceeds of an Alternate Sale and an administrative expense in the Bankruptcy Case under Sections 503(b), 506 and 507(a)(1) of the Bankruptcy Code. The terms of this Section shall be subject to Bankruptcy Court approval.

13. NOTICES

Any notice required or permitted to be given hereunder may be served by a party or its attorney and must be in writing and shall be deemed to be given when (a) hand delivered, (b) one (1) business day after pickup United Parcel Service (Overnight) or Federal Express, or another similar overnight express service, or (c) transmitted by electronic mail (with confirmed delivery), telecopy or facsimile, provided that confirmation of the receipt of same is noted upon transmission of same by the sender's telecopy machine, and a counterpart of such notice is also delivered pursuant to one of the three manners specified above, in any case addressed to the parties at their respective addresses set forth below:

If to Seller:

Kent Manor Inn, LLC
Attention: Alan Michaels
8519 Rapley Preserve Circle
Potomac, Maryland 20854
Email: alan.michaels@merithotelgroup.com

If to Counsel for Seller:

Lawrence J. Yumkas, Esquire
Lisa Yonka Stevens, Esquire
Yumkas, Vidmar, Sweeney & Mulrenin, LLC
10211 Wincopin Circle, Suite 500
Columbia, Maryland 21044
Telephone: 443-569-0795
Facsimile: 410-571-2798
Email: lstevens@yvslaw.com

If to Closing Company:

Matthew Troiani, Esquire
Sutton Land Title Agency
A Sutton Alliance Company
515 Rockaway Avenue
Valley Stream, New York 11581
Telephone: 516-837-6240
Facsimile: 516-837-6540
Cell: 571-645-8024
Email: mtroiani@suttonalliance.com

If to Broker:

Stephen Karbelk
Century 21 New Millennium
20405 Exchange Street, Suite 221
Ashburn, Virginia 20147
Telephone: 571-481-1037
Facsimile: 866-248-7066
Email: stephen@realtymarkets.com

If to Purchaser:

Joseph G. Baldwin
Reliable Contracting Company, Inc.
2410 Evergreen Road
Gambrills, Md 21054
410 987-0313
jaybaldwin@reliablecontracting.com

If to Purchaser's Attorney:

Daniel E. Sykes, Esq.
Rosen Hoover P.A.
One Charles Center
100 North Charles Street, Suite 1010
Baltimore, Maryland 21201
410.539.6606 ext. 226
410.332.0269 (fax)

or in each case to such other address as either party may from time to time designate by giving notice in writing pursuant to this Section 13 to the other party. Effective notice will be deemed given only as provided above, except as otherwise expressly provided in this Agreement.

14. MISCELLANEOUS

14.1. Entire Agreement. This Agreement, together with the Exhibits and Schedules attached hereto, all of which are incorporated by reference, is the entire agreement between the parties with respect to the subject matter hereof, and no alteration, modification or interpretation hereof shall be binding unless in writing and signed by both parties.

14.2. Severability. If any provision of this Agreement or its application to any party or circumstances shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstances, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law.

14.3. Applicable Law. THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY AND CONSTRUED IN

ACCORDANCE WITH THE LAWS OF THE STATE OF MARYLAND. The Parties agree that jurisdiction and venue for any litigation arising out of this Agreement shall be in the Bankruptcy Court, provided, however, if at the time of commencement of any such litigation, there is no longer a pending Bankruptcy Case, then in the Courts of Queen Anne's County, Maryland or the U.S. District Court for the District of Maryland and, accordingly, consent thereto.

14.4. Assignability. Purchaser shall have the right to assign this Agreement to an affiliated entity upon written notice to the Sellers and the Bankruptcy Court, but Purchaser shall not be released from its obligations hereunder. Neither this Agreement nor any interest herein may otherwise be assigned or transferred by either Party to any person, firm, corporation or other entity without the prior written consent of the other Party, which consent may be given or withheld in the sole discretion of such other Party.

14.5. Successors Bound. This Agreement shall be binding upon and inure to the benefit of Purchaser and Seller and their respective successors and permitted assigns.

14.6. Captions; Interpretation. The captions in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement or the scope or content of any of its provisions. Whenever the context may require, words used in this Agreement shall include the corresponding feminine, masculine, or neuter forms, and the singular shall include the plural and vice versa. Unless the context expressly indicates otherwise, all references to "Section" are to sections of this Agreement.

14.7. No Partnership. Nothing contained in this Agreement shall be construed to create a partnership or joint venture between the parties or their successors in interest or permitted assigns.

14.8. Time of Essence. Time is of the essence with respect to the performance of the obligations of Seller and Purchaser under this Agreement.

14.9. Counterparts. This Agreement may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument.

14.10. Proper Execution. This Agreement shall have no binding force and effect on either party unless and until both Purchaser and Seller shall have executed and delivered this Agreement.

14.11. Waiver. No waiver of any breach of any agreement or provision contained herein shall be deemed a waiver of any preceding or succeeding breach of any other agreement or provision herein contained. No extension of time for the performance of any obligation or act shall be deemed an extension of time for the performance of any other obligation or act.

14.12. Business Days. If any date herein set forth for the performance of any obligations by Seller or Purchaser or for the delivery of any instrument or notice as herein provided should fall on a Saturday, Sunday or Legal Holiday (hereinafter defined), the compliance with such obligations or delivery shall be deemed acceptable on the next business day following such Saturday, Sunday or Legal Holiday. As used herein, the term "Legal Holiday" shall mean any local or federal holiday on which post offices are closed in the State of Maryland.

14.13. Limitation of Liability. No present or future partner, director, officer, member, shareholder, employee, advisor, affiliate, servicer or agent of or in Seller, Purchaser or any affiliate of any of the foregoing will have any personal liability, directly or indirectly, under

or in connection with this Agreement or any agreement made or entered into under or in connection with the provisions of this Agreement, or any amendment or amendments to any of the foregoing made at any time or times, heretofore or hereafter. The limitations of liability contained in this paragraph will survive the termination of this Agreement or the Closing, as applicable, and are in addition to, and not in limitation of, any limitation on liability applicable to either party provided elsewhere in this Agreement or by law or by any other contract, agreement or instrument. In no event will Seller or Purchaser be liable for any consequential, exemplary or punitive damages under any circumstances in connection with this Agreement or the transaction contemplated hereby.

14.14. Waiver of Jury Trial. To the fullest extent permitted by applicable law, the parties each hereby knowingly, voluntarily and intentionally waive any right (whether arising under the Constitution of the United States or that of the State in which the Real Property is located or any other state, or under any foreign jurisdiction, under any statutes regarding or rules of civil procedure applicable in any state, federal, or foreign legal proceeding, under common law, or otherwise) to demand or have a trial by jury of any claim, demand, action or cause of action arising under this Agreement or in any way connected with or related to or incidental to the discussions, dealings, or actions of such persons or any of them (whether oral or written) with respect thereto, or to the transactions related thereto, in each case whether now existing or hereafter arising, and whether sounding in contract, tort or otherwise; and each party agrees and consents that any such claim, demand, action or cause of action shall be decided by trial court without a jury, and that any other party to this Agreement may file an original counterpart or a copy of this Agreement with any court as written evidence of such waiver of right to trial by jury. The parties acknowledge and agree that they have received full and sufficient consideration for this provision (and each other provision of each other related document to which they are a party) and that this provision is a material inducement for the Seller's accepting this Agreement. By waiving a jury trial, the parties intend claims and disputes to be resolved by a judge acting without a jury in order to avoid the delays, expenses and risks of mistaken interpretations which each party acknowledges to be greater with jury trials than with non-jury trials.

14.15. Prohibited Persons and Transactions. Purchaser represents and warrants to Purchaser's knowledge: (i) Purchaser is not a Prohibited Person (defined below); (ii) none of its investors, affiliates or brokers or other agents (if any), acting or benefiting in any capacity in connection with this Agreement is a Prohibited Person; (iii) the funds or other assets Purchaser will transfer to Seller under this Agreement are not the property of, or beneficially owned, directly or indirectly, by a Prohibited Person; and (iv) the funds or other assets Purchaser will transfer to Seller under this Agreement are not the proceeds of specified unlawful activity as defined by 18 U.S.C. § 1956(c)(7). "Prohibited Person" means any of the following: (a) a person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, Executive Order No. 13224 on Terrorist Financing (effective September 24, 2001) (the "Executive Order"); (b) a person or entity owned or controlled by, or acting for or on behalf of any person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order; (c) a person or entity that is named as a "specially designated national" or "blocked person" on the most current list published by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") at its official website, <http://www.treas.gov/offices/enforcement/ofac>; (d) a person or entity that is otherwise the target of any economic sanctions program currently administered by OFAC; or (e) a person or entity that is affiliated with any person or entity identified in clause (a), (b), (c) and/or (d) above. The foregoing representations shall survive Closing and any termination of this Agreement.

15. ESCROW AGREEMENT

15.1. Deposit. Title Company agrees to deposit the Deposit in a non-interest bearing account. Upon written notification from Seller or Purchaser in accordance with the terms of this Agreement and Sale Order, Title Company shall release the funds in accordance with and pursuant to the written instructions. In the event of a dispute between any of the parties hereto

sufficient in the sole discretion of Title Company to justify its doing so, Title Company shall be entitled to tender unto the Bankruptcy Court all money or property in its hands held under the terms of this Agreement, together with such legal pleading as it deems appropriate, and thereupon be discharged.

15.2. Title Company. Seller and Purchaser covenant and agree that in performing any of its duties under this Agreement, Title Company shall not be liable for any loss, costs or damage which it may incur as a result of serving as Title Company hereunder, except for any loss, costs or damage arising out of its willful default or gross negligence. Accordingly, Title Company shall not incur any liability with respect to (i) any action taken or omitted to be taken in good faith upon advice of its counsel given with respect to any questions relating to its duties and responsibilities, or (ii) to any action taken or omitted to be taken in reliance upon any document, including any written notice of instruction provided for in this Agreement, not only as to its due execution and the validity and effectiveness of its provisions, but also to the truth and accuracy of any information contained therein, which Title Company shall in good faith believe to be genuine, to have been signed or presented by a proper person or persons and to conform with the provisions of this Agreement.

15.3. Indemnity. Seller and Purchaser hereby agree to indemnify and hold harmless Title Company against any and all losses, claims, damages, liabilities and expenses, including without limitation, reasonable costs of investigation and attorneys' fees and disbursements which may be imposed upon or incurred by Title Company in connection with its serving as Title Company hereunder, except for any loss, costs or damage arising out of its willful default or negligence. The provisions of this Section 15.3 shall survive a termination of this Agreement.

[Signature page follows]

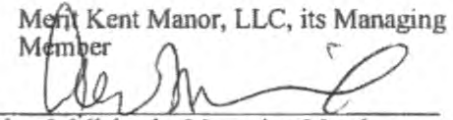
IN WITNESS WHEREOF, Purchaser and Seller have executed this Agreement on the dates set forth below, effective as of the date first set forth above.

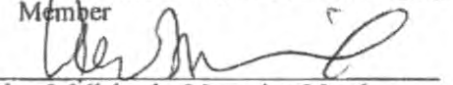
WITNESS:

SELLER:

KENT MANOR INN, LLC, a Maryland
limited liability company, Debtor in
Possession

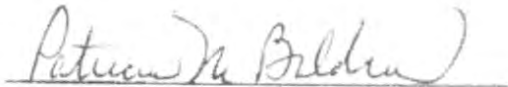


By:  Kent Manor, LLC, its Managing
Member

By: 
Alan J. Michaels, Managing Member

WITNESS:

PURCHASER:



By: 
Joseph G. Baldwin
Title: Managing Member

**SCHEDULE 1 – REAL PROPERTY DESCRIPTION
(TO BE INSERTED FROM TITLE SEARCH)**

EXHIBIT "A"

TRACT I

Description of 2.585 Acres of Land, More or Less, The Land Proposed for Kent Manor Drive, Fourth Election District, Queen Anne's County, Maryland

BEGINNING for the same at a point located along the southernmost right-of-way line of Maryland Route 8, at the northernmost corner of the lands now or formerly of the County Commissioners of Queen Anne's County (see M.W.M. 378/213); said beginning point being further located at the northernmost corner of Kent Manor Drive as show on a plat entitled "PLAT OF RIGHT-OF-WAY FOR KENT MANOR DRIVE" which is recorded among the Plat Record Books of Queen Anne's County, Maryland in Plat Book M.W.M. 21, Folio 66;

THENCE leaving said beginning point so fixed and binding on the perimeter of Kent Manor Drive as shown on the aforesaid plat, then ten (10) following courses and distances;

- 1) South 08° 02' 55" East 61.92 feet to a point;
- 2) South 71° 57' 37" East 11.13 feet to a point;
- 3) South 08° 02' 55' East 1532.34 feet to a point of curvature;

THENCE with the arc of a curve to the left 32.61 feet to a point of compound reverse curvature, said curve having a radius of 25.00 feet and scribed by a chord of:

- 4) South 45° 25' 11" East 30.35 feet;

THENCE with the arce of a curve to the right 201.27 feet to a point of tangency, said curve having a radius of 70.00 feet and scribed by a chord of;

- 5) South 00° 25' 11" East 138.76 feet;

THENCE;

- 6) South 81° 57' 05" West 60.00 feet to a point;

THENCE;

- 7) North 08° 02' 55" West 1603.08 feet to a point of curvature;

THENCE with the arc of a curve to the left 113.14 feet to a point located along the southernmost right-of-way line of Maryland Route 8, said curve having a radius of 375.00 feet and scribed by a chord of:

- 8) North 16° 41' 31" West 112.71 feet;

THENCE with Maryland Route 8;

- 9) North 47° 17' 05" East 81.39 feet to the place of beginning.

Containing in all 2.585 acres of land, more or less, as described by McCrone, Inc., Registered Professional Engineers and Land Surveyors, in November 1997.

TRACT II

Description of 226.3718 Acres of Land, More or Less, Fourth District, Queen Anne's County, Maryland

BEGINNING for the same at the intersection of the division line between the lands of the County Commissioners of Queen Anne's County (see M.W.M. 378/213) and the herein described lands with the southernmost right-of-way line of Maryland Route 8 (see S.H.A. Plat #32335);

THENCE leaving said beginning point so fixed and binding on the division line between the aforementioned Commissioners lands and the herein described lands;

1) South 01° 23' 13" West 62.80 feet to a point at the intersection of the division line between the aforesaid Commissioners lands, the lands of Chares T. Breeding (see O.C. B.H.T. 15/259) and the herein described lands;

THENCE leaving the Commissioners lands and binding on the division line between the Breeding lands and the herein described lands, the following two (2) courses and distances;

2) South 01 °23 '13" West 2037.47 feet to a point and;

3) South 84° 10' 17" East 1509.04 feet to an iron pipe;

THENCE binding on the division line between the lands of Charles T. Breeding (see C.W.C. 84/368) and the herein described lands;

4) South 84° 10' 17" East 658.92 feet to an iron pipe;

THENCE still binding on the aforesaid division line;

5) South 84° 10' 17" east 25 feet, more or less, to a point on the approximate mean high water line of Thompson Creek;

THENCE leaving the aforesaid Breeding lands and binding on the aforementioned approximate mean high water line, the following eighty-one (81) courses and distances;

6) South 63° 21' 19" East 10.12 feet to a point;

7) South 24° 57' 07" East 34.39 feet to a point;

8) South 25° 17' 11" East 296.68 feet to a point;

9) South 41° 12' 09" East 217.66 feet to a point;

10) South 10° 33' 34" East 51.71 feet to a point;

11) South 29° 40' 14" West 74.70 feet to a point;

12) South 24° 25' 37" East 58.92 feet to a point;

13) South 38° 34' 56" West 56.68 feet to a point;

14) South 15° 32' 43" East 54.00 feet to a point;

15) South 41° 48' 16" West 61.52 feet to a point;

- 16) South 23° 12' 23" East 104.77 feet to a point;
- 17) South 63° 48' 20" West 94.52 feet to a point;
- 18) South 25° 48' 14" West 152.04 feet to a point;
- 19) South 49° 52' 58" West 61.12 feet to a point;
- 20) South 85° 09' 17" West 33.10 feet to a point;
- 21) South 29° 31' 34" West 143.55 feet to a point;
- 22) South 57° 21' 25" East 135.13 feet to a point;
- 23) South 22° 40' 09" East 136.65 feet to a point;
- 24) South 07° 00' 35" East 77.67 feet to a point;
- 25) South 52° 05' 19" West 158.86 feet to a point;
- 26) South 84° 42' 48" West 115.16 feet to a point;
- 27) South 62° 49' 15" West 67.10 feet to a point;
- 28) South 16° 18' 25" West 96.38 feet to a point;
- 29) South 36° 17' 34" West 264.40 feet to a point;
- 30) South 02° 53' 55" East 59.08 feet to a point;
- 31) South 12° 51' 45" East 90.24 feet to a point;
- 32) South 03° 02' 16" East 155.86 feet to a point;
- 33) South 26° 14' 29" East 134.99 feet to a point;
- 34) South 05° 54' 15" East 341.63 feet to a point;
- 35) South 33° 51' 08" East 47.74 feet to a point;
- 36) South 33° 51' 08" East 41.21 feet to a point;
- 37) South 68° 08' 28" West 40.33 feet to a point;
- 38) North 82° 47' 52" West 68.84 feet to a point;
- 38) South 71° 28' 17" West 55.76 feet to a point;
- 39) South 32° 08' 40" West 107.50 feet to a point;
- 40) South 14° 11' 00" West 351.45 feet to a point;
- 41) South 48° 39' 47" West 60.78 feet to a point;
- 42) South 09° 50' 21" West 107.11 feet to a point;

- 43) South 42° 42' 00" West 75.17 feet to a point;
- 44) South 18° 04' 05" West 77.62 feet to a point;
- 45) South 09° 38' 58" West 304.65 feet to a point;
- 46) North 87° 16' 02" West 69.81 feet to a point;
- 47) South 05° 33' 50" East 70.94 feet to a point;
- 48) South 42° 28' 59" West 148.36 feet to a point;
- 49) South 11° 00' 51" East 53.43 feet to a point;
- 50) South 26° 06' 25" West 101.47 feet to a point;
- 51) South 44° 33' 43" West 118.18 feet to a point;
- 52) South 85° 23' 13" West 146.92 feet to a point;
- 53) South 42° 17' 35" West 65.03 feet to a point;
- 54) North 27° 05' 57" West 124.03 feet to a point;
- 55) North 13° 30' 28" West 56.96 feet to a point;
- 56) North 36° 01' 40" East 129.10 feet to a point;
- 57) North 01° 17' 09" East 86.11 feet to a point;
- 58) North 18° 48' 17" East 110.27 feet to a point;
- 59) North 20° 18' 18" West 121.38 feet to a point;
- 60) South 50° 33' 49" West 51.35 feet to a point;
- 61) North 65° 12' 44" West 28.30 feet to a point;
- 62) North 16° 31' 51" West 159.24 feet to a point;
- 63) North 22° 11' 55" West 55.31 feet to a point;
- 64) North 65° 54' 33" West 78.33 feet to a point;
- 65) North 00° 57' 44" West 46.42 feet to a point;
- 66) North 68° 45' 51" West 41.48 feet to a point;
- 67) North 36° 54' 00" West 42.32 feet to a point;
- 68) South 81° 33' 55" West 58.02 feet to a point;
- 69) North 29° 53' 22" West 212.84 feet to a point;
- 70) North 17° 49' 42" East 283.59 feet to a point;

- 71) North 13° 50' 08" West 46.52 feet to a point;
- 72) North 29° 59' 38" West 223.54 feet to a point;
- 73) North 68° 23' 11" West 87.36 feet to a point;
- 74) North 56° 05' 18" West 167.09 feet to a point;
- 76) North 15° 03' 40" East 132.22 feet to a point;
- 77) North 36° 04' 27" East 75.60 feet to a point;
- 78) North 37° 40' 39" West 28.68 feet to a point;
- 79) North 11° 54' 61" East 148.75 feet to a point;
- 80) South 76° 20' 53" West 68.42 feet to a point;
- 81) South 33° 56' 03" West 68.42 feet to a point;
- 82) South 74° 36' 09" West 148.37 feet to a point;
- 83) South 53° 59' 29" West 69.60 feet to a point;
- 84) North 89° 25' 43" West 153.90 feet to a point;
- 85) North 41° 22' 34" West 180.64 feet to a point;
- 86) North 49° 32' 22" West 61.90 feet to an iron rod;

THENCE leaving the aforesaid approximate mean high water line and binding on the division line between the lands of Thomas G. Oyster, et. al. (see M.W.M. 245/120) and the herein described lands, the following two (2) courses and distances;

- 87) North 04° 46' 23" West 353.33 feet to a point and;
- 88) North 62° 47' 28" West 1793.38 feet to a granite stone, passing in transit a concrete monument 70.68 feet from the beginning thereof;

THENCE leaving the aforesaid Oyster lands and binding on the division line between the lands of Michael Maszczenski (see M.W.M. 313/389), the lands of Duane T. Devore et. ux. (see M.W.M. 375/385) and the herein described lands;

- 89) North 82° 31' 23" West 624.38 feet to a granite stone;

THENCE leaving the aforesaid Devore lands and binding on the division line between the lands of Samuel H. Thornton (see M.W.M. 353/179) and the herein described lands;

- 90) North 04° 36' 01" East 1958.20 feet to a point on the easternmost right-of-way line of Maryland Route 8;

THENCE binding along the right-of-way line of the aforesaid road, the following two (2) courses and distances;

- 91) North 48° 06' 51" East 6.05 feet and;

92) North 45° 15' 06" East 16.20 feet;

THENCE leaving Maryland Route 9 and binding on the division line between the aforementioned Thornton lands and the herein described lands;

93) South 84° 10' 57" East 918.40 feet to an iron pipe on the westernmost outline of the lands of Bryce, Inc. (see C.W.C. 113/568);

THENCE leaving the aforesaid lands and binding on the division line between the aforementioned Bryce, Inc. lands and the herein described lands, the following twelve (12) courses and distances;

94) South 04° 07' 56" West 701.00 feet to an iron pipe;

95) North 78° 11' 17" West 255.93 feet to an iron pipe;

96) South 11° 25' 33" West 458.29 feet to an iron pipe;

97) South 61° 35' 12" East 199.19 feet to an iron pipe;

98) South 24° 40' 19" East 268.18 feet to a gum tree;

99) South 02° 43' 36" West 33.70 feet to a gum tree;

100) South 81° 39' 24" East 1310.00 feet to an iron pipe;

101) North 08° 12' 15" East 20.50 feet to an iron pipe;

102) South 78° 40' 57" East 237.45 feet to an iron pipe;

103) North 01° 26' 44" East 1548.75 feet to an iron pipe;

104) North 88° 31' 22" West 9.99 feet to an iron pipe and;

THENCE with the division line between the Bryce, Inc. lands, the lands of Philip G. Jones (see S.M. 502/361) and the herein described lands;

105) North 01° 23' 13" East 2065.25 feet to a point on the southernmost side of the aforementioned Maryland Route 8;

THENCE binding on the southernmost side of the aforesaid Maryland Route 8;

106) North 56° 37' 41" East 55.12 feet to the place of beginning.

Containing in all 226.3718 acres of land, more or less, as described by McCrone, Inc., Registered Professional Engineers and Land Surveyors, in August 1995.

SCHEDULE 2 – PERSONAL PROPERTY ASSETS

The following list is deemed reliable but not guaranteed. All quantities are approximate. The Seller will not make any adjustment to price, up or down, if any quantities are greater than or less than what is indicated.

xx-xxx5444

1/1/2015 - 12/31/2015

KENT MANOR INN, LLC [58188]

Depreciation Expense

Kent Manor Inn LLC

Asset List 10/1/2016

Count	Description	Date in Service	Cost / Other Basis
1	York AC Unit	11/7/2005	5482
1	York AC Unit	11/7/2005	2,741
1	York AC Unit	11/7/2016	2,056
3	HVAC Garden House	11/7/2016	10,278
1	Garden House	11/7/1995	775,275
1	Tenant House	11/7/1995	350,000
***	Outdoor Furniture	5/1/2008	12,500
1	Boat Dock	8/31/1996	28,000
1	Chiller System	4/30/1997	35,000
1	Outdoor gazebo	4/6/2000	4,993
1	Dance Floor	9/1/2014	6,800
6ea	Boiler System	10/21/2002	11,890
1	Well Pump	3/10/2013	4,000
1	Well Pump	3/10/2013	4,000
18	Artwork - Signed	11/7/1995	2,398
75	Misc. Artwork	4/1/2006	3,500
18	King Beds	11/7/2006	19,500
2	Queen Beds	9/1/2010	1,500
8	Double Beds	11/7/2006	4,800
3	Room Desk	11/7/2006	600
24	Armoires	11/7/2006	11,500
64	Table Lamps	11/7/2006	3,600
6	Floor Lamps	11/7/2006	400
43	End Tables	11/7/2006	2,600
28	Large Round Table	11/7/2006	2,300
4	Small Sofa	11/7/2006	1,200
1	Sofa Bed	11/7/2006	700
42	Guest Room Chairs	11/7/2006	1,890
1	Queen Anne	10/7/2008	800
20	Oriental Rug	11/7/2006	8,595
3	Guest Room Refrigerator	10/1/2012	400
24	Room Phones	11/7/2005	1,800
9	Room Mirrors	11/7/2005	450
1	Corridor Cabinet	9/15/1998	3,634
***	Restaurant GCLS	10/1/2009	11,250
1	Walk-in Fridge	4/1/2004	4,934
1	Stainless Steel Wall	11/7/1995	3,563
1	Steam Table	11/7/1995	463
1	Food Warmer	11/7/2005	1,500
1	Food Warmer	4/15/2009	2,300

xx-xxx5444

KENT MANOR INN, LLC [58188]

1/1/2015 - 12/31/2015

Depreciation Expense

Count	Description	Date in Service	Cost / Other Basis
1	Meat Slicer	11/17/2009	1,439
1	Three Foot Prep	11/7/1995	514
2	Eight Foot Prep	11/7/1995	343
***	Misc. Kitchen Tools	4/15/2007	5,000
***	Misc. Cooking Pans	10/1/2006	8,000
2	Six Foot Prep Table	11/7/1995	514
1	Double Oven	7/15/2014	8,500
1	Ice Machine	11/7/2002	3,000
1	Draft Beer	4/1/2002	1,398
3	Bottle Boxes	11/7/1995	1,895
2	Under Bar Sink	11/7/1995	240
2	Ice Bin	11/7/1995	154
2	Kitchen Heat Lamps	11/7/1995	325
1	Stove	10/31/1995	4,000
12	Chaffer for Buffets	11/7/2004	3,916
***	Misc. Buffet Equipment	4/1/2010	9,500
***	Garden House GCLS	4/7/2008	12,000
1	Kitchen Ice Machine	5/31/2004	8,260
1	GH Ice Machine	4/1/2014	9,200
1	Dryer	6/30/2007	3,200
1	Washing Machine	6/30/2007	4,800
1	Telephone System	7/15/1998	6,011
7	Computers	6/29/2014	4,500
1	Fire Pump	7/2/2000	2,034
1	Walk-in Freezer	7/9/2002	11,200
1	Outdoor Shed	5/15/2006	2,625
2	GH Sheds	4/1/2005	6,200
1	Food Shed	6/1/2007	4,300
1	Housekeeping Shed	6/1/2007	2,800
1	Garden House - Improvements	9/29/2006	267,753
1	Refridgeration Box	10/15/2015	2,000
24 rooms	Guest Room Bedding	Ongoing	6,649
1	Walk in Cooler	8/15/2008	17,000
250	Banquet Chairs	11/16/2009	12,500
71	Dining Room Chairs	3/25/2005	15,000
23	Dinning Room Tables	5/11/2004	8,000
1	Slicer	9/17/2010	1,257
1	WiFi System	9/10/2010	3,246
35	Banquet Tables	6/15/2006	8,500
25	TV's	7/20/2011	12,450
1	Continental Table	9/1/2011	1,000
15	TP Wall Scones	12/20/2012	4,500
225	Ceremony Chairs-GH	8/30/2009	8,400
8	Tent Chandliers	12/20/2012	17,000

xx-xxx5444

1/1/2015 - 12/31/2015

KENT MANOR INN, LLC [58188]

Depreciation Expense

Count	Description	Date in Service	Cost / Other Basis	
400 SF	Tent Dance Floor	3/30/2015	3,900	
1	Tent	9/30/2013	184,334	
	Tent Foundation and hardscapin	9/30/2013	680,000	
	Tent other	9/30/2013	215,000	
	Subtotal			2,943,549
1	Pergola	8/1/2013	\$6,700	
8	Chandeliers	8/1/2013	\$16,500	
18	Column Covers	8/1/2013	\$8,500	
2	Portable Bars	8/1/2013	\$4,800	
250	Folding Chairs-TP	8/1/2013	\$8,400	
250	Chiavari Chairs	8/1/2013	\$17,400	
1450	China	8/1/2013	\$13,000	
2000	Glassware	8/1/2013	\$10,400	
1800	Flatware	8/1/2013	\$3,600	
1	Ice Machine	8/1/2013	\$5,200	
1	Reach-in Refrigerator	8/1/2013	\$1,100	
3	Portable Ice Bins	8/1/2013	\$925	
25	72" Tables	8/1/2013	\$2,940	
4	6' Folding Tables	8/1/2013	\$600	
6	8" Folding Tables	8/1/2013	\$1,000	
2	Table Cart	8/1/2013	\$900	
3	Stainless Prep Table	8/1/2013	\$2,600	
1	L Shape Dish Table	8/1/2013	\$1,600	
1	3 Comp Pot Sink	8/1/2013	\$650	
1	Glass Racks	8/1/2013	\$500	
1	Box Truck	8/1/2013	\$3,000	
1	Mop Sink	8/1/2013	\$125	
1	Interior Wall	4/1/2014	\$950	
4	Kayaks	4/1/2015	\$1,100	
2	Paddle Boats	9/15/2015	\$1,100	
1	8 passenger Golf Cart	5/1/2016	\$4,200	
1	Lattice Screen Wall	8/1/2016	\$1,700	
	Subtotal			\$112,790
Common Areas				
2	Couches	10/1/2008	\$6,000	
7	Sitting Chairs	10/1/2008	\$5,700	
2	Desks	10/1/2008	\$3,500	
7	Misc. Decorative Tables	10/1/2008	\$5,500	
3	Oriental Rugs	10/1/2008	\$2,500	
1	Hutch	10/1/2008	\$6,500	
11	Decorative Lamps	10/1/2008	\$1,850	
1	Decorative Bowl Set	10/1/2008	\$350	

xx-xxx5444

1/1/2015 - 12/31/2015

KENT MANOR INN, LLC [58188]**Depreciation Expense**

Count	Description	Date in Service	Cost / Other Basis	
1	Silver Tea Server Set	10/1/2008	\$600	
1	Crystal Water Server Set	10/1/2008	\$125	
	Paintings/Artwork	10/1/2008	\$6,500	
2	Decorative Vases	10/1/2008	\$600	
2	Mirrors	10/1/2008	\$1,550	
1	Chandelier	10/1/2008	\$850	
	Subtotal			\$42,125
Total				3,098,464

All information deemed reliable but not guaranteed. Actual counts may vary, up or down, based upon the normal operations of the business. Please refer to the Asset Purchase Agreement.

SCHEDULE 3 – EXCLUDED ASSETS

1. All of the contents of the barns
2. All of the contents of 501 Kent Manor Drive, the tenant house
3. All of artwork in Thompson Room
4. Pontoon boat stored on the property
5. Apple laptop in sales office (Chelsea Sewell's personal property)
6. Chef Lackey's tool box in kitchen as well as all silicone molds
7. Plain linen which is rented (floral linen conveys with Kent Manor Inn)
8. Pepsi machine and any other soda dispensing equipment owned by Pepsi

SCHEDULE 4 – PROPERTY DOCUMENTS

1. Most recent survey in Seller's possession, if any
2. Title Insurance Commitment, dated October 4, 2016, Title Number: 440-00100
3. Copies of real property tax statements as available
4. Copies of Contracts
5. Current-year financials
6. Farm Lease dated March 19, 2008 between Kent Manor Inn, LLC and Woodbury Farm Enterprises, Inc.
7. Appraisal dated June 28, 2012 by Hospitality Appraisals, Inc.
8. Queen Anne's County Letter dated May 9, 2014 re: Board of Appeals Case No. CU-020010
9. Kent Manor Inn, LLC—Zoning
10. Queen Anne's County Ordinance No. 12-02
11. Public Works Agreement between the County Commissioners of Queen Anne's County, Maryland and Kent Manor Inn, LLC
12. Queen Anne's County Letter dated March 26, 2015 re: Major Site Plan #04-14-08-0008-C, Kent Manor Inn (The Preserve)

SCHEDULE 5 – SCHEDULE OF CONTRACTS

The information below has been provided by an unaffiliated third party and Seller makes no representation or warranty that same is correct. Purchaser has reviewed such Contracts and determined the accuracy or inaccuracy of any information provided therein. PURCHASER ACKNOWLEDGES THAT PURCHASER IS PURCHASING THE PROPERTY BASED SOLELY UPON PURCHASER'S OWN INDEPENDENT INVESTIGATIONS AND FINDINGS AND NOT IN RELIANCE UPON ANY INFORMATION PROVIDED BY SELLER OR SELLER'S AGENTS OR CONTRACTORS.

1. Farm Lease dated March 19, 2008 between Kent Manor Inn, LLC and Woodbury Farm Enterprises, Inc.

SCHEDULE 6 – FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

[To be prepared prior to Closing]

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(Baltimore Division)

In re:

KENT MANOR INN, LLC

Debtor

*

*

*

Case No: 16-18048-TJC
(Chapter 11)

* * * * *

ORDER (I) APPROVING AGREEMENT OF SALE AND PURCHASE AND
AUTHORIZING SALE OF PROPERTY OUTSIDE ORDINARY COURSE OF
BUSINESS, (II) AUTHORIZING SALE OF PROPERTY FREE AND CLEAR OF
LIENS, CLAIMS, ENCUMBRANCES AND INTERESTS, (III) AUTHORIZING
ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS
AND UNEXPIRED LEASES, AND (IV) GRANTING RELATED RELIEF

Upon the motion (the “Sale Motion”)¹ of Kent Manor Inn, LLC, the debtor and debtor in possession herein (the “Debtor”), for entry of an Order (I) Approving Agreement of Sale and Purchase and Authorizing Sale of Property Outside Ordinary Course of Business, (II) Authorizing Sale of Property Free and Clear of Liens, Claims, Encumbrances and Interests, (III) Authorizing Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (IV) Granting Related Relief in connection with the proposed sale of substantially all of the assets comprising the Kent Manor Inn (the “Property”), including the assumption and assignment of certain executory contracts and unexpired leases related thereto (the “Transaction”) to Reliable Real Estate Services, LLC, a Maryland limited liability company (the “Purchaser”) pursuant to that certain Asset Purchase Agreement, dated as of October 31, 2016 (the “Agreement”) a copy of which was filed as Exhibit 1 to the Sale Motion, and the Court

¹ Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Sale Motion or the Agreement, as defined *infra*, as the case may be or the circumstances require.

having considered the Sale Motion and the Agreement, objections thereto, the statements of counsel and testimony on the record at the hearing on December 5, 2016 (the “Sale Hearing”), at which time all interested parties were offered an opportunity to be heard with respect to the Sale Motion; and it appearing that the relief requested in the Sale Motion is in the best interests of the Debtor, its bankruptcy estate, its creditors and other parties in interest; and after due deliberation and good cause appearing therefor and the Court having made findings of fact and conclusions of law which are incorporated by reference herein, and;

THE COURT HEREBY MAKES THE FOLLOWING FINDINGS:

A. Jurisdiction and Venue. This Court has jurisdiction to consider this Sale Motion under 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b). Venue of this case and this Sale Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409.

B. Notice. As evidenced by the certificates of service filed with this Court: (i) due, proper, timely, adequate and sufficient notice of the Sale Motion, the Auction, the Sale Hearing and the Transaction has been provided in accordance with Bankruptcy Code §§ 105(a), 363 and 365 and Bankruptcy Rules 2002, 6004 and 6006; (ii) it appearing that no other or further notice need be provided; (iii) such notice and opportunity to be heard was and is good, sufficient and appropriate under the circumstances; and (iv) no other or further notice of the Sale Motion, the Auction, the Sale Hearing or the Transaction is required.

C. Opportunity to Object. A reasonable opportunity to object and to be heard with respect to the Sale Motion and the relief requested therein has been given, in light of the circumstances, to all interested persons and entities, including the following: (i) the Office of the United States Trustee; (ii) all of the Debtor’s creditors; (iii) the Stalking Horse Purchaser and its counsel; (iv) all entities known to have expressed an interest in acquiring the Property; (v) federal, state and local taxing authorities with jurisdiction over the Debtor’s business; (vi) regulatory authorities that have a reasonably known interest in the relief requested; (vii) all equity security holders of the Debtor; (viii) counterparties to the Debtor’s executory contracts

and unexpired leases; and (ix) all other parties that have filed a notice of appearance and demand for service of papers in this bankruptcy case under Bankruptcy Rule 9010(b).

D. Corporate Authority. The Debtor has taken all corporate or other entity action necessary to authorize and approve the Agreement and the consummation of the Transaction. The Debtor has full corporate power and authority to execute the Agreement and all other documents contemplated thereby and to consummate the Transaction. No consents or approvals, other than those expressly provided for in the Agreement, are required for the Debtor to consummate the Transaction.

E. Sale in Best Interests. Good and sufficient reasons for approval of the Agreement and the Transaction have been articulated, and the relief requested in the Sale Motion is in the best interest of the Debtor, its estates, its creditors, and other parties in interest.

F. Business Justification. The Debtor has demonstrated both (i) good, sufficient and sound business purposes and justifications, and (ii) compelling circumstances for approval of the Transaction under Bankruptcy Code § 363(b) before and outside of a plan of reorganization in that, among other things, the prompt consummation of the Transaction with the Purchaser is necessary and appropriate to maximize the value of the Debtor's estate. Entry of an order approving the Agreement and all the provisions thereof is a necessary condition precedent to the Purchaser consummating the Transaction. Such business purposes and justifications include that: (i) the Transaction represents the highest and best return to creditors and parties in interest over any other achievable alternative; and (ii) unless the Transaction is consummated expeditiously, creditor recoveries may be adversely affected.

G. Highest or Otherwise Best Offer. The Debtor and its professionals marketed the Property and conducted the Sale process, including, without limitation, the Auction, in all material respects in accordance with this Court's Order (I) Authorizing the Debtor to Select a Stalking Horse Purchaser and Approving Certain Bid Protections in Connection Therewith, (II) Approving Bid Procedures in Connection with the Sale of Substantially all of the Property, (III) Approving Procedures Related to the Assumption and Assignment of Executory Contracts, (IV) Establishing Date for Auction and Approving Related Procedures,

(V) Scheduling Sale Hearing and Related Deadlines, (VI) Approving Form and Manner of Notices, and (VII) Granting Related Relief (the “Bid Procedures Order”). The Auction was non-collusive, duly noticed, and afforded a full, fair and reasonable opportunity for any person or entity to make a higher or otherwise better offer to purchase the Property. In connection with the Auction and in accordance with the Bid Procedures Order, the Debtor regularly and appropriately consulted with The Columbia Bank (the “Bank”). The Agreement constitutes the highest or otherwise best offer for the Property and will provide a greater recovery for the Debtor’s estate than would be provided by any other available alternative. The Debtor’s determination that the Agreement constitutes the highest or otherwise best offer for the Property is a result of due deliberation by the Debtor and its professionals, in consultation with the Bank, and constitutes a valid and sound exercise of the Debtor’s business judgment.

H. Consideration. The consideration provided by the Purchaser under the Agreement constitutes “reasonably equivalent value” and “fair consideration” (as those terms are defined in each of the Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act and Bankruptcy Code § 548) and “fair consideration” under the Bankruptcy Code and under the applicable laws of the United States, any state, territory, possession or the District of Columbia. The Agreement represents a fair and reasonable offer to purchase the Property under the circumstances. No other person or entity or group of entities, other than the Purchaser, has offered to purchase the Property for an amount that would give greater economic value to the Debtor’s estate. Approval of the Sale Motion and the Agreement and the consummation of the Transaction are in the best interests of the Debtor, its estates, its creditors, and all other parties in interest.

I. Free and Clear. The Debtor is the sole and lawful owner of the Property, or otherwise has a valid, enforceable property interest in such assets. The Transaction will be a legal, valid, and effective transfer of the Property and will vest the Purchaser with all of the Debtor’s right, title and interest in and to the Property, including, without limitation, the Contracts, free and clear of all liens, claims (as defined in Bankruptcy Code § 101(5)), encumbrances, obligations, liabilities, contractual commitments or interests of any kind or nature

whatsoever (collectively, the “Interests”), including, but not limited to, (i) those that purport to give to any party a right or option to effect any forfeiture, modification or termination of the Debtor’s interests in the Property, or any similar rights, and (ii) those relating to taxes arising under or out of, in connection with, or in any way relating to the operation of the Debtor’s business prior to the Closing.

J. The Purchaser would not have entered into the Agreement and would not consummate the Transaction, thus adversely affecting the Debtor, its estate and its creditors, if the Transaction was not free and clear of all Interests of any kind or nature whatsoever, or if the Purchaser would, or in the future could, be liable for any of the Interests.

K. The Purchaser will not consummate the Transaction unless the Bankruptcy Court specifically orders, that none of the Purchaser or its affiliates, officers, directors or shareholders or the Property will have any liability whatsoever with respect to, or be required to satisfy in any manner, whether at law or in equity, whether by payment, setoff or otherwise, directly or indirectly, any Interest.

L. The Debtor may transfer the Property free and clear of any Interests of any kind or nature whatsoever because, in each case, one or more of the standards set forth in Bankruptcy Code § 363(f)(1)-(5) has been satisfied. Each entity with an Interest in the Property to be transferred as of the Closing: (i) has, subject to the terms and conditions of this Order, consented to the Transaction or is deemed to have consented to the Transaction; (ii) could be compelled in a legal or equitable proceeding to accept money satisfaction of such Interest; or (iii) otherwise falls within the provisions of Bankruptcy Code § 363(f). Those holders of Interests who did not object to the Sale Motion are deemed, subject to the terms of this Order, to have consented pursuant to Bankruptcy Code § 363(f)(2). All holders of Interests are adequately protected by having their Interests attach to the proceeds attributable to the Property against or in which such Interests are asserted, subject to the terms of such Interests, with the same validity, force and effect, and in the same order of priority, that such Interests now have against the Property or their proceeds, if any, subject to any rights, claims and defenses the Debtor or its estate, as applicable, may possess with respect thereto.

M. Arm's-Length Transaction. The Agreement was negotiated, proposed and entered into by the Debtor and the Purchaser without collusion, in good faith and from arm's-length bargaining positions. The Purchaser is not an "insider" of the Debtor, as that term is defined in Bankruptcy Code § 101(31). The Debtor and the Purchaser have not engaged in any conduct that would cause or permit the Agreement to be avoided under Bankruptcy Code § 363(n). Specifically, the Purchaser has not acted in a collusive manner with any person, and the Purchase Price was not controlled by any agreement among bidders.

N. Good Faith Purchaser. The Purchaser is a good faith purchaser of the Property within the meaning of Bankruptcy Code § 363(m) and is therefore entitled to all of the protections afforded thereby. The Purchaser has proceeded in good faith in all respects in connection with this proceeding in that *inter alia*: (a) the Purchaser recognized that the Debtor was free to deal with any other party interested in acquiring the Property; (b) the Purchaser complied in all material respects with the provisions of the Bid Procedures Order; (c) the Purchaser's bid was subjected to the competitive bidding procedures set forth in the Bid Procedures Order; and (d) all payments to be made by the Purchaser and all other material agreements or arrangements entered into by the Purchaser and the Debtor in connection with the Transaction have been disclosed.

O. Transaction Not a Sub Rosa Plan. The Transaction does not constitute a *sub rosa* Chapter 11 plan for which approval has been sought without the protections that a disclosure statement would afford. The Transaction neither impermissibly restructures the rights of the Debtor's creditors nor impermissibly dictates a liquidating plan of reorganization for the Debtor.

P. No Fraudulent Transfer. The Agreement was not entered into for the purpose of hindering, delaying or defrauding creditors under the Bankruptcy Code or under the laws of the United States, any state, territory, possession, or the District of Columbia. Neither the Debtor nor the Purchaser is entering into the Transaction fraudulently.

Q. Not a Successor. The Purchaser (a) is not a successor to the Debtor, (b) has not, *de facto* or otherwise, merged with or into the Debtor, (c) is not a continuation or

substantial continuation of the Debtor or any enterprise of the Debtor, (d) does not have a common identity of incorporators, directors or equity holders with the Debtor, and (e) is not holding itself out to the public as a continuation of the Debtor. Except as otherwise provided herein or in the Agreement, the Transaction does not and will not subject the Purchaser to any liability whatsoever with respect to the operation of the Debtor's business before the Closing or under the applicable laws of the United States, any state, territory, or possession thereof, or the District of Columbia based, in whole or in part, directly or indirectly, on any theory of law or equity, including, without limitation, any theory of antitrust, successor, transferee or assignee liability.

R. Cure and Adequate Assurance. The assumption and assignment of the Contracts is integral to the Agreement and is in the best interests of the Debtor and its estate, its creditors and all other parties in interest and represents a reasonable, sound and prudent exercise of the Debtor's business judgment. With respect to each Contract on account of which no objection to the Notice of Proposed Cure Amounts to Counterparties to Executory Contracts and Unexpired Leases that may be Assumed and Assigned (the "Cure Notice") was timely filed and served, the Debtor and/or the Purchaser, as applicable has to the extent necessary (i) cured or provided adequate assurance of cure of any defaults existing prior to the date hereof with respect to the applicable Contracts, within the meaning of Bankruptcy Code §§ 365(b)(1)(A) and 365(f)(2)(A), and (ii) provided compensation or adequate assurance of compensation to any party for any actual pecuniary loss to such party resulting from a default prior to the date hereof with respect to the Contracts within the meaning of Bankruptcy Code §§ 365(b)(1)(B) and 365(f)(2)(A). With respect to each Contract on account of which no adequate assurance objection was timely filed, the Purchaser's promise to perform the obligations thereunder after the Closing and any other information submitted by the Purchaser in connection with its Successful Bid shall constitute adequate assurance of future performance within the meaning of Bankruptcy Code §§ 365(b)(1)(C), 365(b)(3) (to the extent applicable) and 365(f)(2)(B). The Contracts may be assumed and assigned notwithstanding any provisions contained therein to the contrary.

S. Prompt Consummation. The Transaction must be approved and consummated promptly to maximize the value of the Debtor's estate. Time is of the essence in consummating the Transaction.

T. Findings of Fact and Conclusions of Law. Any of the findings of fact contained herein shall constitute a finding of fact even if it is stated as a conclusion of law, and any conclusion of law contained herein shall constitute a conclusion of law even if it is stated as a finding of fact. The Court's findings shall also include any oral findings of fact and conclusions of law made by the Court during or at the conclusion of the Sale Hearing.

NOW, THEREFORE, IT IS HEREBY ORDERED, DECREED AND ADJUDGED THAT:

1. Sale Motion is Granted. The Sale Motion and the relief requested therein is GRANTED and APPROVED, as set forth herein.

2. Objections Overruled. Any objection to the entry of this Order or the relief granted herein and requested in the Sale Motion that have not been withdrawn, waived, settled, or otherwise resolved pursuant to the terms hereof are denied and overruled on the merits with prejudice.

3. Approval. The Agreement and all of the terms and conditions thereto are hereby authorized and approved. The Debtor is hereby authorized to (i) execute the Agreement with Reliable Real Estate Services, LLC for the Purchase Price of \$3,800,000.00; (ii) execute any additional instruments or documents that may be reasonably necessary or appropriate to implement the Agreement; provided that such additional documents do not materially change the Agreement's terms; (iii) consummate the Transaction in accordance with the terms and conditions of the Agreement; and (iv) take all other and further actions as may be reasonably necessary to implement the Transaction.

4. Free and Clear. Except as otherwise provided herein or in the Agreement, the Debtor is authorized to transfer the Property to the Purchaser and, as of the Closing, the Purchaser shall take title to and possession of the Property pursuant to the Agreement, including, without limitation, the Contracts, free and clear of all Interests of any kind or nature whatsoever,

and all such Interests shall attach to the proceeds attributable to the Property against or in which such Interests are asserted, subject to the terms of such Interests, with the same validity, force and effect, and in the same order of priority that such Interests now have against the Property or their proceeds, if any, subject to any rights, claims and defenses the Debtor or its estate, as applicable, may possess with respect thereto, with The Columbia Bank receiving payment at Closing on the Transaction of all allowed amounts of its claim as secured by the Property.

5. Valid Transfer. As of the Closing, (i) the Transaction effects a legal, valid, enforceable and effective sale and transfer of the Property to the Purchaser, and (ii) the Agreement and the Transaction shall be enforceable against and binding upon the Purchaser and the Debtor, and shall not be subject to rejection or avoidance by the Debtor or any Chapter 11 or Chapter 7 trustee of the Debtor and its estate.

6. General Assignment. As of the Closing, this Order shall be construed and shall constitute for any and all purposes a full and complete general assignment, conveyance and transfer of the Debtor's interests in the Property. Each and every federal, state and local governmental agency or department and all third parties, including without limitation lease counterparties, is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the Transaction.

7. Injunction. Except as otherwise provided herein or in the Agreement, all persons and entities, including, but not limited to, the Debtor's employees, former employees, all debt security holders, equity security holders, administrative agencies, governmental, tax and regulatory authorities, secretaries of state, federal, state and local officials, lenders, contract parties, lessors, customers, trade creditors and all other creditors, holding Interests of any kind or nature whatsoever against or in the Debtor or in the Debtor's interests in the Property (whether legal or equitable, secured or unsecured, matured or unmatured, contingent or noncontingent, known or unknown, liquidated or unliquidated, senior or subordinated), arising under or out of, in connection with, or in any way relating to, such Property or with respect to any Interest arising out of or related to the Transaction, shall be and hereby are forever barred, estopped and permanently enjoined from commencing, prosecuting or continuing in any manner any action or

other proceeding of any kind relating to the Property or their claims against the Debtor, against the Purchaser, their properties, their successors and assigns, alleged or otherwise, their affiliates or such Property. Notwithstanding the foregoing, nothing herein shall prevent the Debtor from pursuing an action against the Purchaser arising under the Agreement.

8. Release of Interests. Except as otherwise provided herein or in the Agreement, this Order (i) shall be effective as a determination that, as of the Closing, all Interests of any kind or nature whatsoever existing as to the Property prior to the Closing have been unconditionally released, discharged and terminated, and that the conveyances described herein have been effected, and (ii) shall be binding upon and shall govern the acts of all entities, including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the Property.

9. Direction to Release Interests. Except as otherwise provided herein or in the Agreement, as of the Closing, the Debtor's creditors are authorized and directed to execute such documents and instruments and to take all other actions as may be reasonably necessary to document and effectuate the release of their Interests in the Property sold or assigned hereunder, if any, as such Interests may have been recorded or may otherwise exist, provided, however, that The Columbia Bank has received full payment of its allowed claim.

10. No Successor Liability. The Purchaser, its affiliates, successors and assigns shall not be deemed, as a result of any action taken in connection with the Transaction, (i) to be a successor to the Debtor or its estate, (ii) to have, *de facto* or otherwise, merged or consolidated with or into the Debtor or its estate, or (iii) to be a continuation or substantial continuation of the Debtor or any enterprise of the Debtor, and the Purchaser shall have no successor or vicarious liability of any kind or character, including, but not limited to, under any theory of antitrust, environmental, successor, assignee or transferee liability, labor law, *de facto*

merger or substantial continuity, whether known or unknown as of the Closing, now existing or hereafter arising, whether asserted or unasserted, fixed or contingent, liquidated or unliquidated with respect to the Debtor or any obligation of the Debtor arising prior to the Closing, including, but not limited to, liabilities on account of any taxes or other government fees, contributions or surcharges arising, accruing or payable under, out of, in connection with, or in any way relating to, the operation of the Property prior to the Closing. Except as otherwise provided herein or in the Agreement, the Transaction shall not result in the Purchaser, its affiliates, members, or shareholders, or the Property, having any liability or responsibility for, or being required to satisfy in any manner, whether in law or in equity, whether by payment, setoff or otherwise, directly or indirectly, (i) any claim against the Debtor or against any insider of the Debtor, or (ii) any Interest. The Purchaser has given substantial consideration under the Agreement to the Debtor's estate. The consideration given by the Purchaser shall constitute valid and valuable consideration for the release of any potential claim of successor liability of the Purchaser, which release shall be deemed to have been given in favor of the Purchaser by all holders of Interests against the Debtor or the Property.

11. Rejection, Assumption and Assignment of Contracts. Any Contract which is not rejected hereby shall be acquired as set forth in the Agreement. Subject to and conditioned upon the consummation of the Transaction and the timely payment of the Cure Amounts, the Debtor's assumption and assignment of the Contracts to the Purchaser free and clear of all Interests is approved, and the requirements of Bankruptcy Code §§ 365(b) and 365(f) with respect thereto are hereby deemed satisfied. Each counterparty to a Contract is forever barred, estopped and enjoined from raising or asserting against the Debtor and its estate, or the Purchaser and any of its affiliates, or the property of either, including, without limitation, the Property, (i) any fee, default, breach, claim, pecuniary loss, liability or obligation (whether legal or equitable, secured or unsecured, matured or unmatured, contingent or non-contingent, senior or subordinate) arising under or related to the Contracts existing as of the Closing or arising by reason of the Closing, and (ii) any objection to the assumption and assignment of such non-Debtor counterparty's Contract.

12. There shall be no fees charged to the Purchaser or the Debtor as a result of the assumption and assignment of the Contracts. Any provision in any Contract that prohibits or conditions the assignment of such Contract or allows the non-Debtor counterparty to such Contract to terminate, recapture, impose any penalty, condition on renewal or extension or modify any term or condition upon the assignment of such Contract are either deemed satisfied or constitute unenforceable anti-assignment provisions that are void and of no force or effect.

13. The Purchaser has provided adequate assurance of its future performance under the Contracts within the meaning of Bankruptcy Code §§ 365(b)(1)(C), 365(b)(3) (to the extent applicable) and 365(f)(2)(B). All other requirements and conditions under the Bankruptcy Code for the assumption by the Debtor and assignment to the Purchaser of the Contracts have been satisfied. As of the Closing: (i) the Purchaser shall be fully and irrevocably vested with all right, title and interest of the Debtor under the Contracts; and (ii) the Debtor shall be relieved from any liability for any breach of such Contracts occurring thereafter pursuant to Bankruptcy Code § 365(k).

14. To the extent any governmental license or permit that is necessary for the operation of the Property is determined not to be an executory contract assumable and assignable under Bankruptcy Code § 365, the Purchaser shall apply for and obtain any necessary license or permit promptly after the Closing and such licenses or permits of the Debtor shall remain in place for the Purchaser's benefit until new licenses and permits are obtained.

15. As set forth in the Agreement, the Purchaser shall pay or otherwise satisfy the Cure Amounts (as set forth in the Cure Notice). Except as otherwise set forth in this paragraph, the Cure Amounts are hereby fixed at the amounts set forth in the Cure Notice, and the applicable counterparties are hereby forever bound by such Cure Amounts. The payment of the applicable Cure Amounts shall (i) effect a cure of all defaults existing under the applicable Contract as of the Closing, (ii) compensate for any actual pecuniary loss to such non-Debtor counterparty resulting from such default, and (iii) together with the assumption and assignment of the Contract to the Purchaser, constitute adequate assurance of future performance thereof.

16. Closing Proceeds. At the Transaction Closing, the Debtor is hereby authorized and directed to use the Proceeds to pay the following:

<u>Agreement</u>	October 31, 2016
Purchaser	Reliable Real Estate Services, LLC
Purchase Price	\$3,800,000.00
Real Estate Taxes	To be supplemented
Broker Fee	152,000.00
Deed and Deed Prep	750.00
UST Fee	10,400.00
The Columbia Bank	To be supplemented
Net Proceeds to Debtor	To be supplemented

17. Binding Effect of Order. This Order shall be binding upon and shall govern the acts of all persons and entities, including without limitation all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the Property. The terms and provisions of the Agreement and this Order, shall be binding in all respects upon each of the Debtor, its estate, all creditors (whether known or unknown) and holders of equity interests in the Debtor, the Purchaser and their respective affiliates, successors and assigns, and any affected third parties, including, but not limited to, all persons asserting Interests in the Property and all non-Debtor counterparties to the Contracts, notwithstanding any subsequent appointment of any trustee of the Debtor under any chapter of the Bankruptcy Code and as to such trustee(s) such terms and provisions likewise shall be binding. This Order and the Agreement shall inure to the benefit of the Debtor, its estates, its creditors, the Purchaser, and their respective successors and assigns.

18. Bankruptcy Code § 363(n). The consideration provided by the Purchaser for the Property under the Agreement is fair and reasonable and may not be avoided under Bankruptcy Code § 363(n).

19. Good Faith. The Transaction was negotiated at arm's length and was undertaken by the Purchaser without collusion and in good faith, as that term is used in Bankruptcy Code § 363(m) and, accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the Transaction shall not affect the validity of the Transaction with the Purchaser, unless such authorization is duly stayed pending such appeal. The Purchaser is a good-faith purchaser of the Property, and is entitled to all of the benefits and protections afforded by Bankruptcy Code § 363(m).

20. Fair Consideration. The consideration provided by the Purchaser under the Agreement constitutes "reasonably equivalent value" and "fair consideration" (as those terms are defined in each of the Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act and Bankruptcy Code § 548), and "fair consideration" under the Bankruptcy Code and under the laws of the United States, any state, territory, possession or the District of Columbia.

21. Surrender of Possession. The Debtor agrees to exercise commercially reasonable efforts to assist the Purchaser in assuring that all entities that are presently, or as of the Closing may be, in possession of some or all of the Property in which the Debtor holds an interest will surrender possession of the Property either to (i) the Debtor before the Closing, or (ii) the Purchaser on or after the Closing.

22. Retention of Jurisdiction. This Court retains jurisdiction, pursuant to its statutory powers under 28 U.S.C. § 157(b)(2), to, among other things, interpret, implement, and enforce the terms and provisions of this Order and the Agreement, all amendments thereto and any waivers and consents thereunder and any Agreement executed in connection therewith, including, but not limited to, retaining jurisdiction to (i) compel delivery of the Property to the Purchaser; (ii) compel delivery of the Purchase Price or performance of other obligations owed to the Debtor; (iii) interpret, implement and enforce the provisions of this Order and the Agreement; (iv) adjudicate, if necessary, any and all disputes concerning or relating in any way to the Transaction; and (v) protect the Purchaser against any Interests in the Debtor or Property of any kind or nature whatsoever, from attaching to the proceeds of the Transaction.

23. Non-Material Modifications. The Agreement and any related Agreement, documents or other instruments may be waived, modified, amended or supplemented by agreement of the parties thereto, in a writing signed by such parties, and in accordance with the terms thereof, without further action or order of the Court; provided that any such waiver, modification, amendment or supplement does not have a material adverse effect on the Debtor's estate or any other creditor or party in interest.

24. Subsequent Plan Provisions. Nothing contained in any Chapter 11 plan confirmed in the Debtor's cases or any order confirming any such plan or in any other order in this Chapter 11 case (including any order entered after any conversion of this case to a case under Chapter 7 of the Bankruptcy Code) shall alter, conflict with, or derogate from the provisions of the Agreement or this Order.

25. Failure to Specify Provisions. The failure to specifically refer to any particular provision of the Agreement in this Order shall not diminish or impair the effectiveness of any such provision, it being the intent of the Court that the Agreement be authorized and approved in its entirety; provided, however, that this Order shall govern if there is any inconsistency between the Agreement (including all ancillary documents executed in connection therewith) and this Order. Likewise, all of the provisions of this Order are nonseverable and mutually dependent.

26. No Stay of Order. Notwithstanding the provisions of Bankruptcy Rules 6004(h) and 6006(d), and consistent with Bankruptcy Code § 363(m) this Order shall not be stayed and it shall be effective and enforceable immediately upon its entry. Time is of the essence in closing the transactions referenced herein or contemplated hereby, and the Debtor and the Purchaser intend to close the Transaction by January 31, 2017 or within 14 days of entry of this Order, whichever is later. Any party objecting to this Order must exercise due diligence in filing an appeal and pursuing a stay, or risk its appeal being foreclosed as moot.

27. Cooperation with Administration of the Estate. The Debtor shall retain the books and records after the Closing in order to administer its bankruptcy case or otherwise manage its affairs. The Purchaser and its affiliates and employees shall, at the expense of the

Purchaser, promptly and unconditionally cooperate with all reasonable requests of the Debtor and provide any information or documentation reasonably necessary or desirable to enable the Debtor to administer its estate, reconcile claims or otherwise manage their affairs.

28. Back-up Bid. In the event that Reliable Real Estate Services, LLC fails to consummate the Closing of the Transaction contemplated in the Agreement, the Debtor is authorized, but not required, to consummate the Transaction with the Back-up Bidder, _____, a _____ corporation, in the amount of \$_____, pursuant to the Asset Purchase Agreement (the "Reserve Agreement"), filed with the Court on December __, 2016 [Dkt. #___], without further order of the Court and subject to all of the terms set forth herein.

29. Confidentiality Agreement. The Debtor is authorized to enforce its rights under any confidentiality agreement it entered into with other potential bidders with respect to the Property for the benefit of the Purchaser for the term of each respective confidentiality agreement.

30. Further Assurances. From time to time, as and when requested by any party, a party to the Agreement shall execute and deliver, or cause to be executed and delivered, all such documents and instruments and shall take, or cause to be taken, all such further or other actions as such other party may reasonably deem necessary or desirable at no cost to such respective counter-party to consummate the Transaction, including such actions as may be necessary to vest, perfect or confirm, of record or otherwise, in the Purchaser its right, title and interest in and to the Property.

cc: Lawrence J. Yumkas, Esquire
Lisa Yonka Stevens, Esquire
Yumkas, Vidmar, Sweeney & Mulrenin, LLC
10211 Wincopin Circle, Suite 500
Columbia, Maryland 21044

Attached Service List

END OF ORDER

AAMG Kent Island
1630 Main Street, Suite 101
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10211 Wincopin Circle, Suite 500
Columbia, Maryland 21044

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(Baltimore Division)

In re:

KENT MANOR INN, LLC

Debtor

*

*

*

Case No: 16-18048-TJC
(Chapter 11)

* * * * *

NOTICE OF DEBTOR'S MOTION FOR ORDER (I) APPROVING AGREEMENT OF SALE AND PURCHASE AND AUTHORIZING SALE OF PROPERTY OUTSIDE ORDINARY COURSE OF BUSINESS, (II) AUTHORIZING SALE OF PROPERTY FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES AND INTERESTS, (III) AUTHORIZING ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES, AND (IV) GRANTING RELATED RELIEF

NOTICE IS HEREBY GIVEN that Kent Manor Inn, LLC, the debtor and debtor in possession (the "Debtor"), by counsel, is seeking approval of the sale of the Debtor's real and personal property located in Queen Anne's County, Maryland upon which the Kent Manor Inn (the "Inn") is located, along with the buildings, furniture, fixtures and supplies that constitute or are used to operate the Inn (the "Property") pursuant to the Motion for an Order (I) Approving Agreement of Sale and Purchase and Authorizing Sale of Property Outside Ordinary Course of Business, (II) Authorizing Sale of Property Free and Clear of Liens, Claims, Encumbrances and Interests, (III) Authorizing Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (IV) Granting Related Relief (the "Sale Motion")¹ filed with the Bankruptcy Court in the above-captioned proceeding. The Debtor proposes to sell the Property to Reliable Real Estate Services, LLC ("Reliable") or an entity to be formed by Reliable, a third-party arm's-length purchaser. A copy of the Agreement is attached as Exhibit 1 to the Sale Motion.

The Debtor represents that the Purchase Price set forth in the Agreement is fair and reasonable and the Sale is in the best interest of the Debtor's estate. The Sale Motion requests that the Property be sold free and clear of all liens, claims, encumbrances, and interests thereon, with such interests in the Property, if any, to be transferred and to attach to the net sale proceeds. The Sale Motion further seeks to assume and assign certain Contracts.

Contemporaneously with the filing of the Sale Motion, the Debtor filed a Motion for Entry of an Order (I) Authorizing the Debtor to Select a Stalking Horse Purchaser and Approving Certain Bid Protections in Connection Therewith, (II) Approving Bid Procedures in Connection with the Sale of Debtor's Property, (III) Approving Procedures Related to the Assumption and Assignment of Executory Contracts, (IV) Establishing Date for Auction and Approving Related Procedures, (V) Scheduling Sale Hearing and Related Deadlines, (VI) Approving Form and Manner of Notices, and (VII) Granting Related Relief (the "Bid Procedures Motion"), which, among other things, seeks approval of procedures governing the Sale substantially in the form attached thereto as Exhibit 1 to the Bid Procedures Motion (the "Bid Procedures").

The Debtor anticipates that the Bid Procedures Motion and Bid Procedures will be approved by the Court at a hearing set for **November 21, 2016 at 11:00 a.m.** If approved, the Bid Procedures provide for the following key dates in connection with the Sale of the Property:

¹ All capitalized terms used but not defined herein shall have the meanings set forth in the Motion.

EVENT	DATE
Bid Deadline	November 30, 2016 at 5:00 p.m. (ET)
Auction (if Qualified Bids are received)	December 1, 2016 at 10:00 a.m. (ET)
Sale Objection Deadline	December 2, 2016 at 5:00 p.m. (ET)
Objection to the Proposed Cure Amount or Assumption and Assignment of Contracts	5 business days after Cure Notice is served
Sale Hearing	December 5, 2016 at 11:00 a.m. (ET)

THESE DATES ARE SUBJECT TO CHANGE BY THE BANKRUPTCY COURT. ALL PARTIES ARE ENCOURAGED TO FREQUENTLY CHECK THE BANKRUPTCY COURT DOCKET FOR CHANGES TO THESE DATES.

Copies of the Sale Motion, Bid Procedures Motion and Bid Procedures are available for review at the Clerk's office, U.S. Courthouse, 101 West Lombard Street, Baltimore, Maryland 21201, or upon request made to the undersigned.

ANY PARTY WISHING TO OPPOSE THE SALE MOTION MUST FILE AN OBJECTION IN WRITING, SPECIFICALLY STATING THE FACTUAL AND LEGAL NATURE OF THE OBJECTION WITH THE CLERK, UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF MARYLAND, U.S. COURTHOUSE, U.S. BANKRUPTCY COURTHOUSE, 101 WEST LOMBARD STREET, BALTIMORE, MARYLAND 21201, AND MUST SERVE COPIES OF THE OBJECTION ON THE U.S. TRUSTEE, 101 WEST LOMBARD STREET, SUITE 2625, BALTIMORE, MARYLAND 21201, AND SIMULTANEOUSLY UPON THE UNDERSIGNED COUNSEL, ON OR BEFORE DECEMBER 2, 2016 AT 5:00 P.M. PARTIES IN INTEREST WITH QUESTIONS REGARDING THE SALE MOTION MAY CONTACT THE UNDERSIGNED COUNSEL FOR THE DEBTOR.

A hearing on objections to the Sale Motion, if any, has been scheduled for **Monday, December 5, 2016 at 11:00 a.m.**, in Courtroom 3-E, U.S. Courthouse, 6500 Cherrywood Lane, Greenbelt, Maryland 20770. If no objections to the Sale Motion are filed within the time set forth above, then the Sale may be approved without a hearing, and the Property may be sold without further notice.

Dated: November 4, 2016

/s/ Lawrence J. Yumkas
 Lawrence J. Yumkas, 06357
 Lisa Yonka Stevens, 27728
 Yumkas, Vidmar, Sweeney & Mulrenin, LLC
 10211 Wincopin Circle, Suite 500
 Columbia, Maryland 21044
 (443) 569-0758
 lyumkas@yvslaw.com/lstevens@yvslaw.com

Counsel for Debtor

CERTIFICATE OF SERVICE

I hereby certify that on the 4th day of November 2016, notice of filing the Notice of Debtor's Motion for an Order (I) Approving Agreement of Sale and Purchase and Authorizing Sale of Property Outside Ordinary Course of Business, (II) Authorizing Sale of Property Free and Clear of Liens, Claims, Encumbrances and Interests, (III) Authorizing Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (IV) Granting Related Relief (the "Notice") was sent electronically to those parties listed on the docket as being entitled to such electronic notice, and a copy of the Notice was mailed first class, postage prepaid to the parties on the attached service list.

/s/ Lawrence J. Yumkas
Lawrence J. Yumkas

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File a Motion:16-18048 Kent Manor Inn , LLC

Type: bk

Chapter: 11 i

Office: 1 (Baltimore)

Judge: TJC

Case Flag: NODIS

U.S. Bankruptcy Court**District of Maryland**

Notice of Electronic Filing

The following transaction was received from Lawrence Joseph Yumkas entered on 11/4/2016 at 5:32 PM EDT and filed on 11/4/2016

Case Name: Kent Manor Inn , LLC**Case Number:** 16-18048**Document Number:** 123**Docket Text:**

Motion to Sell Property Free and Clear of Liens and Notice of Motion. Fee Amount \$176. Notice Served on 11/4/2016, Filed by Kent Manor Inn, LLC. Objections due by 11/28/2016. Hearing scheduled for 12/20/2016 at 10:00 AM - Room 104, Salisbury. (Attachments: # (1) Exhibit 1 # (2) Proposed Order # (3) Notice of Motion) (Yumkas, Lawrence)

The following document(s) are associated with this transaction:

Document description:Main Document

Original filename:P:\a- Yumkas, Vidmar & Sweeney\Gomez, Patti\Pleadings that need to be uploaded\PDF-A Documents\KMI-Motion to Sell Property 110416.pdf

Electronic document Stamp:

[STAMP bkecfStamp_ID=1013806484 [Date=11/4/2016] [FileNumber=35353743-0] [51ee68d4822403bb45f7ae1fa3c3c7543647534d47bf9ed158590834343942e1049d0dcd500f9dffa895b19a38d47c2f2de3226349d85f02f1b8d20d5ab74918]]

Document description: Exhibit 1

Original filename:P:\a- Yumkas, Vidmar & Sweeney\Gomez, Patti\Pleadings that need to be uploaded\PDF-A Documents\Exhibit to Motion to Sell Property.pdf

Electronic document Stamp:

[STAMP bkecfStamp_ID=1013806484 [Date=11/4/2016] [FileNumber=35353743-1] [0a706722bb6db6ca32d81747c0177fdc3317c6763e97fa9853581a9674b4075aae63abac89fd4abd53401ad19968c539732e938594248327b358947af8f4352b]]

Document description:Proposed Order

Original filename:P:\a- Yumkas, Vidmar & Sweeney\Gomez, Patti\Pleadings that need to be uploaded\PDF-A Documents\Motion to Sell Property order.pdf

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[STAMP bkecfStamp_ID=1013806484 [Date=11/4/2016] [FileNumber=35353743-2] [8ad86f7e9fd6f6e42263b133b13039aebac860d813ba75b637b3e37296d3f57854f095e93fcacc68e76fee0e3ac67b0a293c17220654c93c81c0567c7500d04b]]

Document description:Notice of Motion

Original filename:P:\a- Yumkas, Vidmar & Sweeney\Gomez, Patti\Pleadings that need to be

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16-18048 Notice will be electronically mailed to:

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16-18048 Notice will not be electronically mailed to:

Debtor(s): Kent Manor Inn , LLC; Historic Kent Manor Inn

