

OPTION AGREEMENT

THIS OPTION AGREEMENT (this "Agreement") is made and entered into as of this day MAY 10, 2023 (the "Effective Date"), by and between the Town of Greensboro, Vermont, the property owner having an address of 81 Lauredon Avenue, Greensboro, Vermont 05841 (the "Grantor"), and Gilman Housing Trust, Inc. DBA RuralEdge, a Vermont nonprofit corporation having an address of 48 Elm Street, Lyndonville, Vermont 05851, its successors and assigns (the "Grantee").

WHEREAS, the Grantor is the fee simple owner of certain real property located at:

- 81 Lauredon Avenue, Greensboro, Vermont 05841, consisting of 1.83 acres of land and the building currently used for the Town Offices with property ID 406-0018, and
- 9 Craftsbury Road, Greensboro, Vermont 05841, consisting of .3 acres of land and the former Caspian Lake Grange building with property ID 405-0009.

WHEREAS, the Grantor wishes to grant to the Grantee an exclusive option to purchase the Property on the terms and subject to the conditions set forth in this Agreement; and

WHEREAS, the Grantee wishes to acquire from the Grantor an option to purchase the Property on the terms and subject to the conditions described herein;

Now, THEREFORE, in consideration of the mutual covenants of the parties and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

1. Grant of Option; Consideration. In consideration of this agreement and no financial consideration made by the Grantee to the Grantor, the Grantor hereby grants to the Grantee the exclusive option to purchase the Property (the "Option"). In the event that the Grantee exercises the Option in accordance with the terms and conditions set forth herein, the property will transfer subject to closing terms to be defined by a Purchase and Sales agreement.

2. Term of Option. The term of the Option shall commence on the Effective Date and shall expire on March 31, 2024, at 11:59 PM (the "Expiration Date"). If the Grantee does not exercise the Option prior to the Expiration Date, the Option and the Grantee's rights to hereunder shall automatically terminate, and the Grantor shall have no further obligations to the Grantee under this Agreement, except any rights or obligations which expressly survive the termination of this Agreement.

3. Purchase Price. Grantee may exercise its Option anytime during the Term of Option, and the Grantor shall be obligated to enter into a Purchase and Sales Agreement to transfer the Property to the Grantee, the purchase price, terms and conditions of which shall be mutually agreed prior to the time of the exercise of the Option Agreement. Grantee shall provide quarterly reports and meet with the Grantor during the feasibility process and seek feedback during the evaluation to ensure that the project design is

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consistent with the goals outlined in the original proposal from RuralEdge to the Town dated January 27, 2023 (Attachment A).

4. Exercise of Option: Closing. At any time prior to the Expiration Date, the Grantee may exercise the Option by delivery of written notice of exercise to the Grantor. In the event that the Grantee exercises the Option, transfer of title and delivery of possession of the Property shall occur at a closing (the "Closing") which shall be included in the Purchase and Sales Agreement that will be executed upon exercise of the option.

5. Transfer of the Property. At the Closing, the Grantor shall deliver to the Grantee a warranty deed conveying marketable and insurable title to the Property under Vermont law.

6. Taxes and Other Charges.

a. Real property taxes, municipal taxes, fees and assessments, or similar items shall be apportioned and prorated at the Closing between the Grantor and the Grantee with the Grantor being responsible for such costs until the day before the Closing and the Grantee being responsible for such costs on and after the day of the Closing.

b. The Grantee shall pay any Vermont Property Transfer Tax due in connection with the sale of the Property, as well as all customary closing costs and transfer fees.

7. Brokers. Each party represents and warrants to the other that no brokers have been retained to solicit or secure this Agreement, who will be compensated based on the terms of the listing agreement.

8. Recording Prohibited. This Agreement shall not be recorded. The parties agree that the Grantee may execute and record a notice of option at the Grantee's expense.

9. Permitting. The Grantor shall assist and cooperate with the Grantee in good faith in obtaining all local, state and federal permits and approvals reasonably deemed necessary by the Grantee in connection with its proposed use of the Property as mixed-income rental housing (the "Governmental Approvals"). The Grantor shall, upon reasonable request by the Grantee, promptly execute, consent to and deliver all documents, instruments, applications, filings or materials deemed necessary or desirable to facilitate, or in connection with, the Grantee's planning and development of the Property, provided that the Grantor shall not be required to incur any out-of-pocket costs or expenses in performing its obligations under this Section 9.

10. Diligence. The Grantee shall have the right to perform due diligence and to enter upon the Property for tests, surveys, examinations, and appraisals; provided, however, that the Grantee shall return the Property to substantially the same condition immediately prior to any such tests, surveys, appraisals, or other examinations and shall not interrupt or interfere with the Grantor's operations on the Property. Grantor agrees to cooperate with providing access to the buildings for the sole purpose of feasibility

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analysis and necessary due diligence with a minimum 24-hour advanced notice. The Grantee shall indemnify the Grantor against any damage or injury because of the Grantee's entry upon the Property for any purpose. The indemnification provisions of this Section 10 shall survive the termination of this Agreement or the Closing.

The Grantee shall promptly provide written notice to Grantor of the results of its due diligence including the results of an appraisal, or any defect(s), test result(s), survey(s) or examination(s) that may adversely affect the property or its value and allow the Grantor a reasonable opportunity to respond to the appraisal or address or correct the issue, alleged defect or other results raised or identified. The parties agree to cooperate and work in good faith to resolve any issues or disagreements prior to the expiration of this Option period, but Grantee reserves the right to terminate this Agreement, or rescind its exercise of the Option based on the results of its due diligence.

11. Marketability and Perfection of Title. The Grantor represents and warrants that the Grantor holds good and marketable and insurable title to the Property and covenants that the Grantor shall convey to the Grantee at Closing good and marketable and insurable title to the Property, with reference to the Vermont Marketable Title Act (27 V.S.A. sections 601, et seq.). In the event of any defect affecting marketability of title, then the Grantor shall perfect or arrange to perfect the marketability of title on or before the Closing. In the event of any defect affecting marketability of title which the Grantor is unable to cure on or before the Closing, the Grantee may elect to terminate this Agreement, or rescind its exercise of the Option.

12. Damage or Condemnation. If the Property shall be materially damaged from any cause (including without limitation condemnation or eminent domain proceedings), which damage the Grantor shall not have repaired, remediated or replaced prior to the Closing, the Grantee may terminate this Agreement or rescind its exercise of the Option under this Agreement, or accept the Property in its damaged condition, whereupon all proceeds of insurance or condemnation awards paid or payable to the Grantor by reason of such damage, destruction or condemnation, less any reasonable amount (including reasonable attorney's fees) expended by the Grantor in connection with the obtaining of such award or for partial restoration, shall be paid to and made payable to and assigned to the Grantee at the Closing. The parties agree to cooperate or work in good faith with one another during this time.

13. Default.

- a. In the event of any alleged material default or perceived failure to perform any material obligation under this Agreement, the non-defaulting party shall give the alleged defaulting party written notice thereof, which notice shall include a description of the alleged default, the acts required to cure the same with reasonable specificity, and allowance of a reasonable time within which the alleged defaulting party shall cure the alleged default. If the alleged default is not fully remedied within that time, the party having received the notice shall be deemed in "Default" of this Agreement.

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- b. In the event that the Grantor is in Default of this Agreement, then the Grantee may in its sole discretion (a) terminate this Agreement or (b) tender performance of the obligations of the Grantee and specifically enforce all obligations of the Grantor.
- c. In the event that the Grantee is in Default of this Agreement, then the Grantor shall be entitled to terminate this Agreement by giving the Grantee written notice of termination.

14. Actions Pending Closing. During the term of the Option and, if the Option is exercised, continuing until the Closing, the Grantor shall continue to operate and maintain the Property in the ordinary and regular course of business. The Grantor shall not encumber or permit the encumbrance of title, or enter into any agreements or extensions relating to the Property, in each case without obtaining prior consent of the Grantee. The Grantor shall keep and maintain such casualty insurance covering the Property as in effect on the Effective Date, and the Grantor agrees to maintain such insurance between the Effective Date and the date of Closing or the earlier termination of this Agreement.

15. Assignment; Binding Effect. This Agreement and the Grantee's rights hereunder, shall be assignable by the Grantee with the approval of the Grantor. The covenants and conditions contained in this Agreement shall apply to and bind the legal representatives and successors and assigns of the parties.

16. Governing Law. It is agreed that this Agreement shall be governed by, construed, and enforced in accordance with, the laws of the State of Vermont, without regard to conflicts of law principles.

17. Grantor Representations and Warranties. The Grantor hereby represents and warrants as follows:

- a. The Grantor is not subject to any order of any court or governmental authority, any pending action, suit, proceeding, inquiry, or investigation at law or in equity, or before any court, arbitrator, public board or body, wherein an unfavorable decision, ruling or finding would, in any way, materially adversely affect the transaction contemplated by this Agreement.
- b. To the best of the Grantor's knowledge, no one with access to the Property, or any portion thereof, has stored, disposed of, released or caused the release of any hazardous waste, toxic waste, or radioactive or other harmful material on the Property or any portion thereof the removal of which is required or the maintenance of which is prohibited or penalized by any applicable federal, state or local statutes, laws, ordinance, rules or regulations.
- c. To the best of the Grantor's knowledge, Grantor is in compliance with all applicable laws, statutes, orders, rules, regulations and requirements promulgated by governmental or other authorities relating to the Property and has shared any known information about any violations. The Grantor has not received any notice of any sort of alleged violation of

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any such statute, order, rule, regulation or requirement, and there exist no uncured notices which have been served by any governmental agency notifying the Grantor of any violations of law, ordinance, rule or regulation which would affect the Property or any portion thereof.

- d. This Agreement does not conflict with or violate any other agreement, contract, instrument or understanding to which the Grantor is bound.

18. Entire Agreement. This Agreement constitutes the entire agreement between the parties. Any prior and standing representation of any kind preceding the date of this Agreement shall not be binding on either party except to the extent incorporated in this Agreement.

19. Modification. This Agreement may not be modified except in writing signed by each party.

20. Waiver. Failure of any party to insist upon strict performance of any term, condition or covenant set forth in this Agreement shall not be deemed a waiver of any right or remedy such party may have and shall not be deemed consent to any subsequent breach or default of such term, condition, or covenant.

21. Notices.

- a. Notice to the Grantor shall be sent to the following address(es), or to such other address(es) as the Grantor may hereafter designate by notice to the Grantee:

Town of Greensboro
81 Lauredon Avenue
Greensboro, Vermont 05841
Attn: Peter Romans, Chair
Greensboro Selectboard
Email: promans802@gmail.com

- b. Notice to the Grantee shall be sent to the following address(es), or to such other address(es) as the Grantee may hereafter designate by notice to the Grantor:

Gilman Housing Trust, Inc. DBA RuralEdge
48 Elm Street, P.O. Box 259
Lyndonville, Vermont 05851
Attn: Patrick Shattuck, Executive Director
Email: patricks@ruraledge.org

- c. All notices or other communication required or permitted to be given or delivered hereunder shall be in writing and shall be sent by certified mail, postage prepaid and return receipt requested or shall be delivered personally or by electronic mail.

22. Costs and Legal Fees. Each party shall be responsible for its own costs associated with entering into and performing the terms of this Agreement. In the event litigation is brought to enforce the terms

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of this Agreement or the transfer of the Property, the substantially prevailing party shall be entitled to recover from the other party all costs of such litigation, including reasonable attorney's fees.

IN WITNESS WHEREOF, the undersigned have executed this Option Agreement as of the Effective Date.

GRANTOR:

Town of Greensboro, Vermont

By: Patricia Ramas selectboard chair

GRANTEE:

Gilman Housing Trust, Inc.

By: Patrick Shattuck
Patrick Shattuck, Executive Director