



VIA FEDEX

December 9, 2004

Mr. Forest L. Grauel
2901 Spencerville Road
Burtonsville, MD 20866

RE: Evelyn E. Grauel & George H. Grauel Trusts Under Agreements Dated 10/15/2001

Dear Mr. Grauel,

As you are aware, Sandy Spring Bank is Successor Trustee of the Evelyn E. Grauel and George H. Grauel Trusts Under Agreements Dated October 15, 2001. In accordance with Article VI of each Trust Agreement I enclose herewith copies of the Harold R. Gearhart, MAI/SRA Appraisals of the Trust real estate including the Trust real estate that contains the residence in which you reside, a barn, outbuildings and contiguous land. The Appraisals state the fair market value of such Property as of your mother's date of death on January 6, 2004 in accordance with the provisions of the Trust Agreements.

The purpose of this letter is to advise you that Sandy Spring Bank as Trustee accepts the Appraisals of Harold R. Gearhart as establishing fair market value and to provide you with notice of your right within ninety (90) days of the date of this letter to exercise your right to purchase the separate residence, outbuildings and land at the fair market value of \$405,000.00. You have ninety (90) days from the date of this letter to exercise your right to purchase. If you so exercise such right, please provide written confirmation to me.

Also for your information I enclose copies of the most recent monthly Statements for the Trust Accounts. If you have any questions, please contact the undersigned. Thank you for your kind cooperation.

Sincerely,

A handwritten signature in dark ink that reads 'Wesley A. Flory'.

Wesley A. Flory
Assistant Vice President
Investment Management &
Fiduciary Services Division
(301) 570-8317

Enc.

CC: Richard L. Lyon, Esq.
Robert H. Grauel (with enclosures)
Gerald W. Grauel (with enclosures)
George W. Grauel (with enclosures)

17801 Georgia Avenue, Olney, MD 20832

301-774-6400 • 800-399-5919 • Fax: 301-260-0044 • www.sandyspringbank.com

