

PURCHASE AND SALE AGREEMENT

[218-220 Washington Ave, Portland, Maine]

This Agreement made between **GLENN A. MORSE**, a resident of Portland, Maine and **MORGAN GAVIN, LLC**, a Maine limited liability company, of Portland, Maine (collectively the "Seller"), and **218-220 WASHINGTON AVENUE LLC**, a Maine limited liability company of South Portland, Maine ("the Buyer").

Seller hereby agrees to sell and the Buyer hereby agrees to purchase the Property hereinafter specified in accordance with and subject to the following terms and conditions:

1. The Property. The property to be sold consists of:

A. Real Property. The parcels of property known as 218 and 220 Washington Avenue, Portland, Maine collectively containing approximately 23,100 square feet of land and a 2 unit apartment building, being the same Real Property described in deeds recorded in the Cumberland County Registry of Deeds in Book 24651, Page 157 and in Book 29641, 338 with the benefit of an easement from Rockingham LLC recorded in Book 29539, Page 10, but subject to a boundary agreement with 202 Washington, LLC recorded in Book 27839, Page 310 as modified or released per condition §10(iii) below (the "Real Property"); and

B. Development Materials. All development and investigation reports, information and data owned, held by or under the control of Seller with respect to the Real Property including without limitation all land use, environmental and geotechnical investigations, survey work, title insurance policies, plans, drawings specifications, agreements and drawings relating to the Real Property and its proposed development as a residential condominium project, together with the rights to use of the same; electronic and/or paper copies of such information to be delivered to Buyer within 5 business days from the Effective Date of this Agreement, and the Seller hereby consents to Buyer obtaining at the expense of Buyer subsequent ongoing services and information from Seller's consultants who developed such materials prior to Closing (the "Development Materials").

(collectively "the Property").

2. Price and Payment Terms. The Purchase Price for the Property is [REDACTED], all of which shall be payable as follows:

[REDACTED] to be paid as a deposit to bind the purchase, to held in escrow by Jensen Baird Gardner & Henry (the "Escrow Agent") and be applied to the Purchase Price at closing;

At Closing an amount equal to of the sum of outstanding balances of Seller's existing mortgage(s) on the Property (not to exceed [REDACTED]), Seller's out of pocket closing

costs for transfer tax, pro-rations, recording fees, etc. and including the sum of [REDACTED] to be paid to Archie Giobbi of Greater Portland Realty, all of which shall be paid at Closing by Buyer by bank or attorney' check or wire transfer or through the application of the deposit and credited against the purchase price; and

The balance to be financed by Seller through a note bearing interest at a rate of 5% with monthly interest payments, payable on the first day of each month and due in full 2 years from Closing unless sooner due and payable, secured by a second mortgage on the Property (the "Second Mortgage Note"). The Second Mortgage Note and accompanying second mortgage shall provide for a 30 day written notice and cure period for defaults and shall be subordinate in collateral and payment priority to Buyer's acquisition/construction financing on such further terms and conditions as Buyer's lender may require and to the Condominium provisions of Section 13 below. The primary principal(s) of Buyer shall personally guaranty the Second Mortgage Note and shall deliver personal financial statements to Seller within 5 business days for the Seller's review and approval.

[REDACTED]

The Second Mortgage Note may be satisfied, in whole or part, by the conveyance to Seller or its designee of residential condominium unit(s) located on the Real Property to be constructed and built by Buyer and selected by Seller prior to the Closing with the cost of such unit(s) to be credited against the balance of the Second Mortgage Note, all as further appears in Section 13 below.

3. Closing. The Closing shall occur the first business day that is 10 business days from the date when Buyer has obtained all applicable land use, zoning and construction permits and approvals for a residential condominium project containing a minimum of 35 dwelling units and the expiration of any applicable appeal periods, but not earlier than October 1, 2015 and not later than two (2) years from the date of this Agreement unless otherwise agreed. Buyer agrees to pursue such approvals with due diligence. Provided however that if Buyer is continuing to pursue such approvals in good faith and with due diligence and if such approvals have not been obtained and become final within said two year period notwithstanding Buyer's efforts then the time for closing shall be extended for such additional time as may be required to obtain them with due diligence and continuity of effort. In the event that the contract is extended beyond two years, the deposit will become nonrefundable and will be paid over to Seller. It is agreed that time is of the essence of this Agreement.

The place of closing shall be at the offices of Jensen Baird Gardner & Henry, Portland, Maine 04101 or as required by Buyer's mortgage lender. Buyer shall have the right to extend the Closing for an additional 5 business days by written notice to Seller at least 5 business days prior to the Closing.

4. Conveyance. The Real Property are to be conveyed to the Buyer (or to the nominee designated by the Buyer upon written notice to the Seller given at least 10 days before the Closing Time) at the Closing Time by a good and sufficient Quit Claim with Covenant deed of the Seller conveying a good and clear record and marketable title to the same, free from all liens

and encumbrances except as expressly identified above and if requested by Buyer utilizing a legal description based on a survey plan submitted by Buyer at Buyer's expense, provided however that Purchaser may elect to accept such title as Seller can deliver at Purchaser's option. The Development Materials shall be transferred by Bill of Sale and Assignment. Full possession of the Property free of all tenants and occupants shall be delivered at Closing.

At the Closing, and in addition to any other documents referred to in this Agreement to be delivered to Buyer, Seller shall execute, acknowledge as necessary and deliver the following documents and such other documents as Buyer's attorneys may reasonably require to complete the transaction contemplated herein:

- (i) Transfer Documents. The deed and a Maine Real Estate Transfer Tax Declaration of Value;
- (ii) Title Affidavits. Such customary certificates, affidavits or indemnity agreements may be typically required to obtain a title insurance policy;
- (iii) Non-foreign Person Affidavit. If applicable, such affidavits and certificates as Buyer shall deem necessary to relieve Buyer of any obligation to deduct and withhold any portion of the purchase price pursuant to §1445 of the Internal Revenue Code;
- (iv) Maine Resident Affidavit. If applicable, such affidavits and certificates as Buyer shall deem necessary to relieve Buyer of any obligation to deduct and withhold any portion of the purchase price pursuant to 36 M.R.S.A. §5250-A;
- (v) Underground Oil Storage Tank Certification. A written notice certifying either (i) that there is no underground oil storage facility located on the Real Property to the best of Seller's knowledge, or (ii) pursuant to 38 M.R.S.A. §563(6), if there is such a facility on the Real Property, that the facility exists and shall disclose its registration number or numbers, the exact location of the facility, whether or not it has been abandoned in place, and that the facility is subject to regulation by the Maine Board of Environmental Protection; and
- (vi) Authority/Other Documents. Such other documents as are customarily delivered by Sellers to Buyers of real property in the State of Maine, including without limitation evidence of good standing and limited liability company authority, together with a legal opinion of Seller's counsel satisfactory to Buyer regarding the limited liability company's existence, good standing and authority to perform all transactions contemplated by this Agreement.

5. Title. Within one hundred twenty (120) days of the Effective Date of this Agreement, Buyer shall notify Seller of any then existing defects in title with respect to the Real Property would reveal that would make Seller unable to deliver title to or convey the Real Property as specified herein and of any matter that an inspection and survey would reveal (the "Defects") that would make Seller unable to convey the Real Property as specified herein. Any then existing Defects outstanding at the expiration of such time period which are not specified

in such notice shall be waived, excepting for title defects and such matters subsequently arising after such date. Seller shall be obligated to proceed in good faith to cure any objected to such Defects, provided that Seller shall not be obligated relocate any structures or utilities. If an objected Defect specified in such notice is not cured within sixty (60) days, then Buyer may elect, by written notice to Seller, to either (i) to accept a conveyance of Real Property subject to such Defects, without deduction and, in such case, Seller may elect to convey the Real Property without warranties as to such Defects, or (ii) to terminate this Agreement, whereupon all Deposits paid by Buyer to Seller shall be immediately refunded to Buyer, the obligations of all parties hereunder shall cease, and neither party shall have any claim against the other by reason of this Agreement. Notwithstanding the foregoing Seller shall not be obligated to obtain a discharge of any outstanding mortgage nor to pay any outstanding real estate taxes until the Closing, but Buyer shall not convey, encumber, grant any easements or otherwise impair title pending closing.

If at Closing Seller shall be unable to give title or to make conveyance, or to deliver possession of the Real Property, all as herein stipulated, except as to Defects not objected to or waived as set forth in the initial paragraph of this Section, then Seller shall use commercially reasonable efforts to remove any such Defects in good faith with due diligence, or to deliver possession as provided herein, or to make the Real Property conform to the terms and conditions hereof, as the case may be, for a period of up to 60 days, or such longer period as shall be agreed to by Seller and Buyer. If at the expiration of such extended time Seller shall have failed to remove any defects in title, deliver possession, or make the Real Property conform, as the case may be, all as herein agreed, except as to defects and matters not objected to or waived as set forth in the initial paragraph of this Section, then, at Buyer's option, the Deposit shall be promptly returned to Buyer and all other obligations of the parties hereto shall cease and this Agreement shall be void without recourse of the parties hereto.

To enable Seller to make conveyance as herein provided, Seller may use the purchase money or any portion thereof, other than any required tax withholding, at Closing to clear the title of any or all encumbrances or interests, provided that all instruments so procured are recorded simultaneously with the deed or binding payoff letters are obtained and the amounts specified are paid at closing.

6. Buyer's Election to Accept Title and Condition. In the event Seller shall be unable to give title, to make conveyance or to deliver possession of the Real Property as provided herein, then Buyer shall have the election, at either the original or such extended time for performance, to accept such title to the Real Property in its then condition as Seller can deliver and to pay therefor the purchase price without deduction. In such case Seller shall convey such title or deliver the Real Property in such condition without any warranties as to such defects matters; provided, however, that in the event of such conveyance in accordance with the provisions of this clause the Real Property shall have been damaged by fire or casualty insured against, then Seller shall, unless Seller have previously restored the Real Property to its former condition, and at Buyer's express election, pay over or assign to Buyer, on delivery of the deed, all amounts recovered or recoverable on account of such insurance, less any amounts reasonably expended by Seller for any partial restoration.

7. Property Condition, Salvage and Demolition. Until delivery of possession of the Real Property from Seller to Buyer, risk or loss or damage to Real Property by fire or otherwise shall be borne by Seller, but acknowledging that Seller is not obligated to deliver the buildings and improvements in any given state of repair, as further appears in the following paragraph and in Section 12 below.

Seller shall have, at its election and in its sole discretion, the right prior to Closing to salvage and to remove from the Real Property at Seller's expense all building components, appliances and building materials at its risk and expense, provide that Seller obtains and pays the fees for a demolition permit from the City of Portland and complies with applicable environmental, asbestos removal and inspection requirements and coordinates with Buyer's demolition contractor. Seller's right to remove such items shall expire at midnight on the day of the Closing (unless Buyer consents in writing to an extension). If not so removed prior to Closing, Buyer may immediately proceed to demolish and dispose of the all buildings and improvements on the Property.

8. Adjustments. Collected current rents and security deposits if any, real estate property taxes for the then current July 1 - June 30 fiscal year and any interest thereon, and fuel and utilities, if any, shall be adjusted and apportioned at Closing.

All rents received from tenants of the Property shall be prorated on the Closing, recognizing however that the Property is to be vacant at Closing. Rents received by the Buyer after the closing date that were earned by the Property prior to the closing date will be prorated based on the closing date and the appropriate share thereof paid to the Seller; the Buyer, however, will have no obligation to enforce the collection of such rents.

9. Deposit. All deposits hereunder shall be held by the Escrow Agent in a noninterest-bearing account subject to this Agreement, and shall be applied to the purchase price at Closing. The duty of the Escrow Agent with respect to the Deposit is limited to the safe custody of the funds. In the event of an undisputed default by either party, with prior written notice to both parties and their written consent the Escrow Agent may deliver the earnest money to the party entitled to it under this Agreement. If a dispute arises between the parties as to the existence of a default hereunder and the disposition of the Deposit which is not resolved by the parties within thirty (30) days, the Escrow Agent may elect to file an action in Interpleader and deposit the earnest money in the court to resolve said dispute, or otherwise disburse the earnest money pursuant to the signed agreement of the parties. Purchaser and Seller, jointly and severally, shall indemnify Escrow Agent from all costs, losses, expenses, and damages, including reasonable attorney's fees by the Escrow Agent in connection with said action and/or in connection with any dispute relating to the Deposit and/or the acts of the Escrow Agent in his capacity as such. The Escrow Agent may continue to represent the Seller during such dispute.

10. Conditions. Buyer's obligations hereunder are conditioned upon compliance with the following:

(i) Buyer's receipt of the Development Materials from Seller within 5 business days from the Effective Date of this Agreement;

(ii) Any inspection of the Real Property reasonably satisfactory to Buyer within 30 days of Buyer's receipt of the Development Materials;

(iii) Binding resolution by Seller in a manner satisfactory to Buyer of the location and scope of the retaining wall access and view easements set forth in said Boundary Agreement with 202 Washington LLC recorded in Book 27839, Page 310 within 60 days of the Effective Date of this Agreement so as to permit construction of Buyer's proposed 35 Unit three story condominium project with parking underneath, which resolution may include (a) provisions for the modification and shared use of the access easement, (b) the payment of up to [REDACTED] for a complete release of the easements with each of the Seller and Buyer contributing half of the required payment, or (c) the purchase by Buyer of the 202 Washington LLC real estate for up to [REDACTED] with items "(b)" and "(c)" to be closed concurrently with a closing hereunder. Buyer's attorney shall draft said easement modification at Buyer's expense;

(iv) Written commitment to extend mortgage financing to Buyer with conditions reasonably satisfactory to Buyer in the amount needed to finance Buyer's acquisition and construction of a residential condominium on the Real Property containing not less than 35 units. Buyer agrees to pursue such financing in good faith with due diligence. Buyer shall obtain a mortgage commitment that allows the Units to be conveyed to Seller for credit against the Second Mortgage without a release fee; and

(v) Receipt of final land use, zoning and construction approvals for a residential condominium project containing a minimum of 35 condominium dwelling units in a three story building with parking underneath (the "Approvals").

Buyer shall have the right, at its option, to terminate this Agreement, by written notice to Seller on or before Closing, if any of the foregoing conditions are not reasonably satisfied. In the event this Agreement is terminated by Buyer, the Deposit shall be returned to Buyer with interest thereon and all other future obligations of all parties hereto shall cease.

11. Default. Should Seller fail to fulfill Seller's obligations hereunder and fail to cure such default on 10 days notice, Buyer may elect to receive a refund of the Deposit, together with all interest earned thereon, or to pursue all available remedies, including specific performance. Should Buyer fail to fulfill Buyer's obligations hereunder and fail to cure such default on 10 days notice, Seller shall retain the Deposit, together with all interest earned thereon and the return of all Development Materials, including any new materials concerning the Property (but not the building proposed by Buyer except to the extent that the building is customized to the site) generated by Buyer or its agents, on an "as is" basis, as liquidated damages as Seller's sole and exclusive remedy at law or in equity for Buyer's default without further recourse to Buyer and Buyer shall be relieved of all obligations hereunder.

12. Seller's Warranties and Representations. Except as otherwise set forth in this Agreement, Seller makes no representations or warranties either expressed or implied as the condition of the premises, including, without limitation, compliance with any laws, rules or regulations pertaining to building codes, zoning, environmental or hazardous waste. Buyer takes the premises **AS IS, WHERE IS, WITH ALL FAULTS** and without recourse. Seller has made no verbal representations concerning the condition of the premises and if any such statements have been made either before or after the date of this contract they are not intended to be relied upon by Buyer. No agent of Seller is authorized to make any representations concerning the condition of the premises. Buyer, or his agents, have made, or will make, a physical examination of the premises and personal property and agree to accept same in the conditions they are in as of that time.

Provided however that notwithstanding the foregoing, Seller warrants and represents as of the date of execution by Seller of this Agreement and as of each date through and including the Closing that:

- (a) There are no material litigation, liens, judgments, violations, or proceedings pending or to the best of Seller's knowledge threatened against or relating to the Real Property;
- (b) There is no pending, or to the best of Seller's knowledge, threatened material action or proceeding (including, but not limited to, any condemnation or eminent domain action or proceeding) before any court, governmental agency or arbitrator relating to or arising out of the ownership of the Real Property or any portion thereof, or which may adversely affect Seller's ability to perform this Agreement;
- (c) No work has been performed or is in progress at, and no materials have been furnished to, the Real Property or any portion thereof which may give rise to mechanic's, materialmen's or other liens against the Real Property or any portion thereof which have not been paid or will not be paid by Seller when due post Closing, excluding work initiated or authorized by Buyer or required to be performed by Buyer under this Agreement; and
- (d) Seller Morgan Gavin, LLC is a Maine limited liability company duly organized and existing under the laws of the State of Maine, with full capacity, power and authority to enter into this Agreement and to fully perform the transactions contemplated hereby; and
- (e) During its ownership of the Real Property, Seller has not deposited any hazardous or toxic wastes, substances, matters or materials, including but not limited to any material defined as hazardous or toxic from time to time by applicable state, local and federal law, either on the Real Property or any adjacent property in violation of law nor is Seller aware of any claims by any governmental agencies that it has done so.

In the event that material changes occur as to any warranties and representations set forth in this Agreement of which Seller has knowledge, Seller will promptly disclose same to Buyer within three (3) business days.

13. Condominium Project. Post Closing, Buyer agrees to construct and legally establish a residential condominium project on the Real Estate in accordance with the Approvals, the Maine Condominium Act and applicable secondary mortgage market documentation requirements (the "Condominium") as established by Buyer. At Closing Seller agrees to join in and recognize the Condominium and to release units in the Condominium other than Seller's Units as hereinafter defined from the mortgage securing the Second Mortgage Note at the time of their sale to bona fide purchasers for no consideration, with such joinder and releases to be signed in advance and held in escrow by the Escrow Agent.

At or prior to Closing hereunder Seller may select up to two Condominium units not then under a contract of sale to third parties with a projected cost of not less than the balance the Second Mortgage Note and the parties shall agree on the construction specifications for the Units (the "Seller's Unit(s)"). Buyer shall provide the general contractor's Schedule of values of its projected costs of the Seller's Unit(s) prior to Closing based on the Seller's designation. Unless other unit(s) are designated by Seller prior to Closing Buyer shall convey to Seller the northern penthouse Unit, based upon current renderings as the initial Seller's Unit(s), and unless Seller designates another Unit, Buyer may market and sell all other units in the condominium.

Any excess cost of the Seller's Units above the balance of Second Mortgage Note shall be paid by Seller to Buyer at the time of the tender of a deed for the Seller's Units. In the event one or no Units are selected by Seller prior to Closing or the Unit(s) selected have a "Projected Cost" (as defined below) of less than the Second Mortgage balance, then the balance due on the Second Mortgage Note shall be paid by Buyer to Seller through application of 50% of the net proceeds of sale of each condominium unit sold to third parties, less closing costs and the unit partial release amounts required by Buyer's first mortgage lender, in exchange for which Seller shall execute and deliver at Closing partial releases of its Second Mortgage to be held in escrow by Buyer's legal counsel and released upon at the closing of each Unit sale upon payment of the foregoing partial release fee to Seller. For example if a Unit sells for a gross sale price of \$1,000,000, less \$200,000 to first mortgagee, less \$50,000 to brokers' commissions and less \$50,000 other closing costs, would leave \$700,000 of which Seller would get \$350,000.

To the extent Seller selects a Unit(s) and the sum of the Projected Costs of the such Unit(s) exceed the balance on the Second Mortgage Note, Seller shall also pay Buyer a proportionate share of the development fee and profit of Buyer for such Unit(s) in amount equal to 20% of the sum of such "excess" Projected Costs. The first such Seller's Unit shall have 2 parking spaces, and the second of the Seller's Unit(s), if any, shall have at least 1 parking space (or more as typically allocated to Units of that type) as an appurtenant limited common element.

The deed conveying the Seller's Unit(s) shall include a covenant precluding any transfer of direct or beneficial ownership thereof for a period expiring on the earlier of two years from the date of sale or the closing of the sales of all of Buyer's remaining other condominium units, upon breach of which Buyer may repurchase the Seller's Unit for the price Seller paid Buyer

plus improvements performed by Seller at Seller's out of pocket cost upon 60 days notice to Seller.

"Projected Costs" of such Seller's Unit(s) shall include all of Buyer's proportionate share of the costs of Real Estate acquisition, the soft costs of the development, design, inspection, investigation, financing, land use and governmental permits and approvals, and the costs of construction of the Seller's Unit(s) and the Common Elements, measured in accordance with the Seller's Units' Allocated Interests based on the construction budget approved by Buyer's construction lender including any contingency amounts in fact expended, but excluding any development fee and profit of Buyer and excluding the Seller's Work paid for by Seller, as hereinafter defined. Buyer shall provide preliminary estimates of the above costs along with the general contractor's Schedule of Values as soon as such firm construction budget pricing is available, but not less than 10 business days prior to the Closing, which shall be subject to Seller's review and approval not to be unreasonably withheld within 5 business of delivery.

Following the substantial completion of Buyer's construction of the Condominium Common Elements and the substantial completion of Seller's Work, or sooner if requested by Seller, and upon receipt of any balance due from Seller and a discharge of the mortgage securing the Second Mortgage Note, Buyer shall convey good and marketable title to such Seller's Unit(s) to Seller, free and clear of all liens and encumbrances except as set forth herein and subject to the Condominium declaration, bylaws and rules and regulations including common charges and working capital contributions and an agreement to limit warranty claims to two years from the date of conveyance to Seller.

To the extent Seller elects in writing at Closing to perform a portion of the work on the Seller's Unit(s) excluding any work on the Common Elements ("Seller's Work"), then Seller shall perform such work in a good and workmanlike manner at Seller's sole expense, free and clear of all mechanic's liens, in a timely manner and in conformance with all applicable codes and concurrently with the work on other Condominium units and common elements being performed by Buyer, and carried on so as to minimize interference with Buyer's work and other occupants of the Condominium, and within 90 days of Seller's acquisition of title to such Seller's Unit(s), Seller shall complete construction of the Seller's Work to the point where such Seller's Unit(s) would be eligible for issuance of a certificate of occupancy, excluding painting and other cosmetic items. Prior to commencing Seller's Work, Seller shall provide Buyer and the Condominium association with a certificate of general liability insurance in the amount of not less than \$1 million naming them as certificate holder and additional insured. Buyer's statutory Condominium warranty to Seller shall exclude Seller's Work and Seller shall advise any purchaser of such Units of such exclusion.

If Seller fails to perform Seller's Work in a timely manner, then upon Buyer's receipt of occupancy permits for other portions of the Condominium on the same floor, Buyer may tender a deed conveying the Seller's Units to Seller and any further accrual of interest shall cease on the Second Mortgage Note.

14. **Closing Warranties**. All obligations of the Buyer under this Agreement are (without limitation) conditioned upon Seller's warranties and representations hereunder being

materially true, accurate and complete at Closing, with the same force and effect as though such representations and warranties had been made on and as of the Closing. Each such warranty and representation shall survive the closing for the benefit of Buyer.

15. **Brokers.** Seller and Buyer each represent and warrant to the other that no brokers, agents or consultants have been employed with respect to this transaction by either of them and Seller and Buyer agree to indemnify and hold the other harmless from any claim by any broker or agent claiming compensation in respect of this transaction, alleging an agreement with Seller or Buyer, as the case may be.

16. **General.**

(a) This Agreement shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties.

(b) Any notice relating in any way to this Agreement (except the extension notice referred to in Section 6(b)) shall be in writing and shall be sent by (i) registered or certified mail, return receipt requested, (ii) overnight delivery by a nationally recognized courier, or (iii) hand delivery obtaining a receipt therefor, addressed as follows:

To Seller: Glenn Morse
218 Washington Avenue
Apartment #1
Portland, ME 04101

with a copy to: Thomas F. Jewell, Esq.
Jewell & Bulger, P.A.
477 Congress Street, Suite 1104
Portland, ME 04101

To Buyer: c/o Vincent Maietta
199 Elderberry Drive
South Portland, ME 04106

with a copy to: Lawrence R. Clough, Esq.
Jensen Baird Gardner & Henry
10 Free St., [if by US Mail, to PO Box 4510]
Portland, Maine 04112

and such notice shall be deemed delivered three days after when so posted by certified mail, the next business day in the case of notice by overnight courier and the business day when delivered in the case of notice by hand delivery. Either party may, by such manner of notice, substitute persons or addresses for notice other than those listed above.

(c) All headings in this Agreement are for convenience of reference only and are of no independent legal significance.

(d) This Agreement may not be modified, waived or amended except in a writing signed by the parties hereto. No waiver of any breach or term hereof shall be effective unless made in writing signed by the party having the right to enforce such a breach, and no such waiver shall be construed as a waiver of any subsequent breach. No course of dealing or delay or omission on the part of any party in exercising any right or remedy shall operate as a waiver thereof or otherwise be prejudicial thereto.

(e) Any and all prior and contemporaneous discussions, undertakings, agreements (including without limitation any prior Agreements previously executed by the parties hereto) and understandings of the parties are superseded by and merged in this Agreement, which alone fully and completely expresses their entire agreement.

(f) This Agreement may be simultaneously executed in any number of counterparts, each of which when so executed and delivered shall be an original, but such counterparts shall constitute one and the same instrument. This Agreement may be transmitted between the parties by facsimile machine and signatures appearing on faxed or emailed instruments shall be treated as original signatures. Both a faxed or emailed Agreement containing either original or faxed or emailed signatures of all parties, and multiple counterparts of the same Agreement each containing separate original or faxed or emailed signatures of the parties, shall be binding on them.

(g) If any term or provision of this Agreement or the application thereof to any person or circumstances shall, at any time or to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which this Agreement is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

(h) It is expressly understood and agreed that time is of the essence in respect of this Agreement.

(i) This Agreement shall be governed by and construed and enforced in accordance with the laws in effect in the State of Maine.

(j) At the request of Buyer, Seller agrees to execute a short form memorandum of purchase and sale in a form in accordance with Maine practice or to execute a junior mortgage to Buyer securing Seller's performance of this Agreement suitable for recording in the Cumberland County Registry of Deeds and in addition, at or prior thereto to transfer title to the personally owned Real Estate into Morgan Gavin, LLC, which real estate shall remain the only activity conducted by Morgan Gavin LLC.

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The effective date of this Agreement is when the Agreement has been signed by the Buyer and Seller as evidenced by their signature and notice of such acceptance has been communicated to the parties.

Effective Date: February ~~3~~ ⁵, 2015.

Seller:

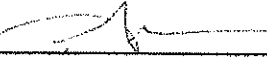
March 5

date of Seller's acceptance: February 17, 2015



GLENN A. MORSE

MORGAN GAVIN, LLC

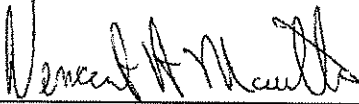
By 

its: president

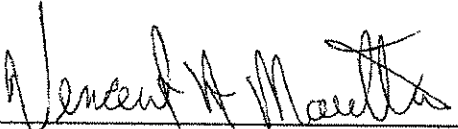
Buyer:

date of Buyer's acceptance: February 17, 2015

218-220 WASHINGTON AVENUE LLC

By 

its: Manager



Seller's Principals (as to personal guaranty)

Return to:
Lawrence R. Clough, Esq.
Jensen Baird Gardner & Henry
PO Box 4510
Portland, ME 04112

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MORTGAGE

KNOW ALL MEN BY THESE PRESENTS, THAT **GLENN A. MORSE**, a resident of Portland, Maine and **MORGAN GAVIN, LLC**, a Maine limited liability company, of Portland, Maine (collectively the "Mortgagor") in consideration of One Dollar and other valuable consideration paid by **218-220 WASHINGTON AVENUE LLC**, a Maine limited liability company of South Portland, Maine (the "Mortgagee") having a mailing address of 199 Elderberry Drive, South Portland, Maine 04106, the receipt whereof we do hereby acknowledge, do GIVE, GRANT, BARGAIN, SELL AND CONVEY unto the Mortgagee, its successors and assigns forever with Mortgage Covenants and with the Statutory Power of Sale, the real estate situated in the City of Portland, Maine described as follows:

The real estate generally known as #218 and #220 Washington Avenue, Portland, Maine collectively containing approximately 23,100 square feet of land and a 2 unit apartment building, being the same real property described in deeds recorded in the Cumberland County Registry of Deeds in Book 24651, Page 157 and in Book 29641, 338 with the benefit of an easement from Rockingham LLC recorded in Book 29539, Page 10, but subject to a boundary agreement with 202 Washington, LLC recorded in Book 27839, Page 310, meaning and intending to convey hereby conveying all the property of the Mortgagor located on said Washington Avenue in said Portland.

Subject in part to an outstanding mortgage from Glenn A. Morse to First Financial Mortgage Corp. in the original amount of [REDACTED] dated December 6, 2006 and recorded in said Registry of Deeds in Book 24651, Page 159 and subject in part to an outstanding mortgage from Morgan Gavin, LLC to Rockingham LLC in the original principal amount of [REDACTED] dated May 30, 2012 and recorded in said Registry of Deeds in Book 29642, Page 1, both which the Mortgagor agrees to duly pay and perform.

TO HAVE AND TO HOLD the aforegranted and bargained real estate, with all the privileges and appurtenances thereof, to the Mortgagee, its successors and assigns, to its and their use and behoof forever.

AND they do covenant with the Mortgagee, its successors and assigns, that they are lawfully seized in fee of the premises; that the premises are free of all encumbrances except as aforesaid; that they have good right to sell and convey the same; and that they

and their successors or assigns, shall and will WARRANT AND DEFEND the same to the Mortgagee, its successors and assigns forever, against the lawful claims and demands of all persons.

PROVIDED NEVERTHELESS, that if the said Mortgagor duly performs a certain Purchase And Sale Agreement entered into Mortgagor as Seller and Mortgagee as Buyer, of even or recent date as it may be amended, then this mortgage shall be null and void, otherwise this mortgage shall remain in full force and effect. If foreclosure proceedings are initiated to enforce this Mortgage upon a default under said Agreement, the Mortgagee shall be entitled to collect all reasonable costs and expenses of enforcement and foreclosure, including, but not limited to, reasonable attorneys' fees. This mortgage may be foreclosed under any method of foreclosure presently existing or then in effect and is granted for commercial purposes.

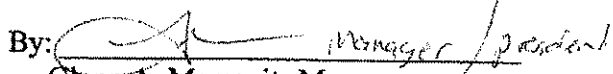
IN WITNESS WHEREOF the Mortgagor has set their respective hands and seals on February 13, 2015.


Witness


GLENN A. MORSE

MORGAN GAVIN, LLC

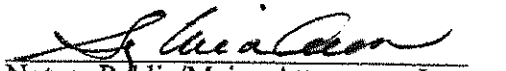

Witness

By:  *Manager/President*
Glenn A. Morse, its Manager

State of Maine
County of Cumberland

February 13, 2015

Then personally appeared the above named Glenn A. Morse individually and in his said capacity and acknowledged the foregoing instrument to be his free act and deed, and the free act and deed of said limited liability company.


Notary Public/Maine Attorney at Law
Name: _____
My commission expires _____

SEAL

SYLVIA ARON
Notary Public, Maine
My Commission Expires: May 15, 2020

Received
Recorded Register of Deeds
Mar 09, 2015 01:11:17P
Cumberland County
Nancy A. Lane



Individual Member
Individual Membership



One Canal Plaza, Portland, ME 04101 * 207.772.1333

**CONTRACT
FOR THE SALE OF REAL ESTATE**

Contract Date: October 19, 2016

RECEIVED OF: 218-220 Washington Avenue LLC and/or assigns whose mailing address is 199 Elderberry Rd. South Portland, ME 04106 hereinafter called the Buyer, the sum of Twenty Thousand Dollars (\$20,000.00) as earnest money deposit and in part payment of the purchase price of the following described real estate, situated in the municipality of Portland, County of Cumberland, State of Maine and located at 230-234 Washington Ave being a portion of the property owned by the Rockingham LLC, herein Seller, and part of the land described at said County's Registry of Deeds Book 27757, Page 278 and further described as: (a) a 15' x 160' strip of land along the common boundary of Buyer and Seller (a portion of parcel 10); a 50' x 95' lot of land, being a portion of Lot 42, with a 50' of frontage on Washington Avenue; and a 20' wide underground sewer easement along the northerly boundary of Lot 42 from the parcel to be conveyed to Anderson Street. Also to be conveyed a triangle piece of land measuring 15' x 15' x 21' (113 square feet) as referenced in Sebego Tech.'s drawings Existing Conditions Plan. upon the terms and conditions indicated below:

1. PURCHASE PRICE: The TOTAL purchase price being [REDACTED] Dollars (\$[REDACTED])
2. EARNEST MONEY/ACCEPTANCE: Rockingham, LLC shall hold all earnest money in a non-interest bearing account and act as Escrow Agent until closing. The first deposit of [REDACTED] shall be non refundable.
3. TITLE: That a deed, conveying good and merchantable title in accordance with standards adopted by the Maine Bar Association shall be delivered to the Purchaser(s) and this transaction shall be closed and the Purchaser(s) shall pay the balance due and execute all necessary papers on or before, April 19th, 2017. If Seller(s) is unable to convey in accordance with the provisions of this paragraph, then the Seller(s) shall have a reasonable time period, not to exceed thirty (30) days, from the time the Seller(s) receives written notice of the defect, unless otherwise agreed to by both parties, to remedy the title, after which time, if such defect is not corrected so that there is merchantable title, the Purchaser(s) may, within fifteen (15) days thereafter, at Purchaser's option, declare the contract null and void and any earnest money shall be returned to the Purchaser(s) and neither party shall have any further obligation hereunder. If the Purchaser(s) does not declare the contract void within the period set forth above, the Purchaser(s) shall have waived the right to object to title. The Seller(s) hereby agrees to make a good-faith effort to cure any title defect during such period.
4. DEED: That the property shall be conveyed by a Quit Claim with Covenant, and shall be free and clear of all encumbrances except building and zoning restrictions of record, restrictive covenants and conditions of record and usual public utilities servicing the property and shall be subject to applicable land use and building laws and regulations.
5. POSSESSION /OCCUPANCY: Possession/occupancy of premises shall be given to Purchaser(s) immediately at closing, subject to any leases, unless otherwise agreed by both parties in writing.
6. RISK OF LOSS: Until the transfer of title, the risk of loss or damage to said premises by fire or otherwise, is assumed by the Seller(s) unless otherwise agreed in writing. Said premises shall then be in substantially the same condition as at present, excepting reasonable use and wear.
7. PRORATIONS: The following items shall be prorated as of the date of closing:

Seller AS Purchaser [Signature]

- a. Real Estate Taxes based on the municipality's tax year. Seller is responsible for any unpaid taxes for prior year
- b. Purchaser(s) and Seller(s) shall each pay its transfer tax as required by the State of Maine.

8. **INSPECTIONS:** The Purchaser(s) is encouraged to seek information from professionals regarding any specific issue of concern. Purchaser(s) acknowledges receipt of disclosure form attached hereto. The Agent makes no warranties regarding the condition, permitted use or value of the Seller's real or personal property. This Contract is subject to the following inspections, with the results being satisfactory to the Purchaser(s):

TYPE OF INSPECTION	YES	NO	RESULTS REPORTED	TYPE OF INSPECTION	YES	NO	RESULTS REPORTED
a. General Building	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Within <u>15</u> days	g. Lead Paint	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Within <u>15</u> days
b. Sewage Disposal	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Within <u>15</u> days	h. Pests	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Within <u>15</u> days
c. Water Quality	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Within <u>15</u> days	i. ADA	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Within <u>15</u> days
d. Radon Air Quality	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Within <u>15</u> days	j. Wetlands	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Within <u>15</u> days
e. Radon Water Quality	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Within <u>15</u> days	k. Environmental Scan	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Within <u>15</u> days
f. Asbestos Air Quality	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Within <u>15</u> days	l. General Due Diligence	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Within <u>60</u> days

The use of days is intended to mean from the effective date of this Contract. All inspections will be done by inspectors chosen and paid for by the Purchaser(s). If the result of any inspection or other condition specified herein is unsatisfactory to the Purchaser(s), in Purchaser(s) sole discretion, Purchaser(s) may declare the Contract null and void by notifying Seller(s) in writing within the specified number of days, and any earnest money shall be returned to the Purchaser(s). If the Purchaser(s) does not notify the Seller(s) that an inspection is unsatisfactory within the time period set forth above, this contingency is waived by the Purchaser(s). In the absence of inspection(s) mentioned above, the Purchaser(s) is relying completely upon Purchaser's own opinion as to the condition of the property.

- 11. **FINANCING:** Intentionally Deleted
- 12. **AGENCY DISCLOSURE:** Intentionally Deleted
- 13. **DEFAULT:** If Purchaser(s) fails to perform any of the terms of this Contract or is otherwise in default of any of its obligations, Seller shall have the option of either retaining the earnest money as full and complete liquidated damages or employing all available legal and equitable remedies. Notwithstanding any other provision of this agreement, Escrow Agent shall have the right to require written releases from both parties prior to releasing the earnest money to either party. If a dispute arises between Purchaser(s) and Seller as to the existence of a default hereunder and/or the release of the earnest money and said dispute is not resolved by the parties within (30) days, Escrow Agent may elect to file an action in interpleader and deposit the earnest money in the court to resolve said dispute, or otherwise disburse the earnest money pursuant to Maine Real Estate Commission regulations. Purchaser(s) and Seller, jointly and severally, shall indemnify Escrow Agent for all costs, losses, expenses, and damages, including reasonable attorneys' fees, incurred by Escrow Agent in connection with said action and/or in connection with any dispute relating to this Contract and/or the Deposit.
- 14. **MEDIATION:** Any dispute or claim arising out of or relating to this Contract or the premises addressed in this Contract shall be submitted to mediation in accordance with the Maine Residential Real Estate Mediation Rules of the American Arbitration Association. This clause shall survive the closing of this transaction.
- 15. **PRIOR STATEMENTS:** Any verbal representations, statements and agreements are not valid unless contained herein. This Contract completely expresses the obligations of the parties. This is a Maine contract and shall be construed according to the laws of Maine.
- 16. **HEIRS/ASSIGNS:** This Contract is assignable YES NO . This Contract shall extend to and be obligatory upon heirs, personal representatives, successors, and assigns (if assignment is allowed by the terms of this Contract), of the respective parties.
- 17. **COUNTERPARTS:** This Contract may be signed on any number of identical counterparts, including telefacsimile copies, with the same binding effect as if the signatures were on one instrument. Original or telefacsimiled signatures are binding.

18. **BINDING CONTRACT:** This Contract is a binding contract when signed by both Seller(s) and Purchaser(s) and when that fact has been communicated to all parties or to their agents. The Effective Date of the Contract is noted below. Time is of the essence of this Contract.
19. Seller(s) and Purchaser(s) acknowledge receipt of the Maine Real Estate Commission Disclosure of Agency Relationship Form (Form #2), if the property is, or has a component of, one to four residential dwelling units.
20. **ADDENDA:** This Contract has addenda containing additional terms and conditions YES NO
21. The existing sewer easement as set forth in Book 29539, Page 10 shall be released.
22. The deadline for the Buyer to close shall be April 19th, 2017. The Buyer may extend this deadline for six (6) months by making a further [REDACTED] earnest money deposit by deadline. Buyer may further extend the deadline to close for another six (6) months, by making another [REDACTED] earnest deposit, however, these further deposits shall be credited towards the purchase price.
23. The Seller's obligation shall be subject to the Seller obtaining within ninety (90) days of the date of this Contract a consent from its Lender that it will release the Premise.
24. The Buyer shall have ninety (90) days from the date of this contract to make any objections to title then existing, but not arising thereafter.
25. In the event that the Seller cannot deliver good and insurable title, or obtain the approval set forth in paragraph 23, the deposit shall be returned to the Buyer.

Seller(s) acknowledges that the laws of the State of Maine provide that every buyer of real property located in Maine must withhold a withholding tax equal to 2 % of the consideration unless the Seller(s) furnishes to the Buyer(s) a certificate by the Seller(s) stating, under penalty of perjury, that Seller(s) is/are a resident of Maine or the transfer is otherwise exempt from withholding.

Vincent A. Mouton Member 10-19-16
 Purchaser Date

281-220 Washington Avenue LLC
 Name/Title Soc. Sec # or Tax I.D.

Purchaser Date

Name/Title Soc. Sec # or Tax I.D.

The Seller(s) accepts the offer and agrees to deliver the above-mentioned property at the price and upon the terms and conditions set forth above.

Signed this: 19th day of October, 2016. Effective date of Contract: 19th day of Oct., 2016

Seller AJ Purchaser VAMA



10/14/16

Seller

Allan Jagger

Date

Name/Title Rockingham LLC

Soc. Sec # or Tax I.D.

Seller

Date

Name/Title

Soc. Sec # or Tax I.D.

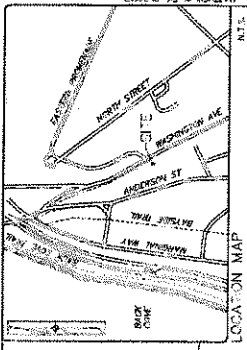
Offer reviewed and refused on _____, Seller

PROGRESS
NOT FOR
CONSTRUCTION

NO.	DATE	REVISION
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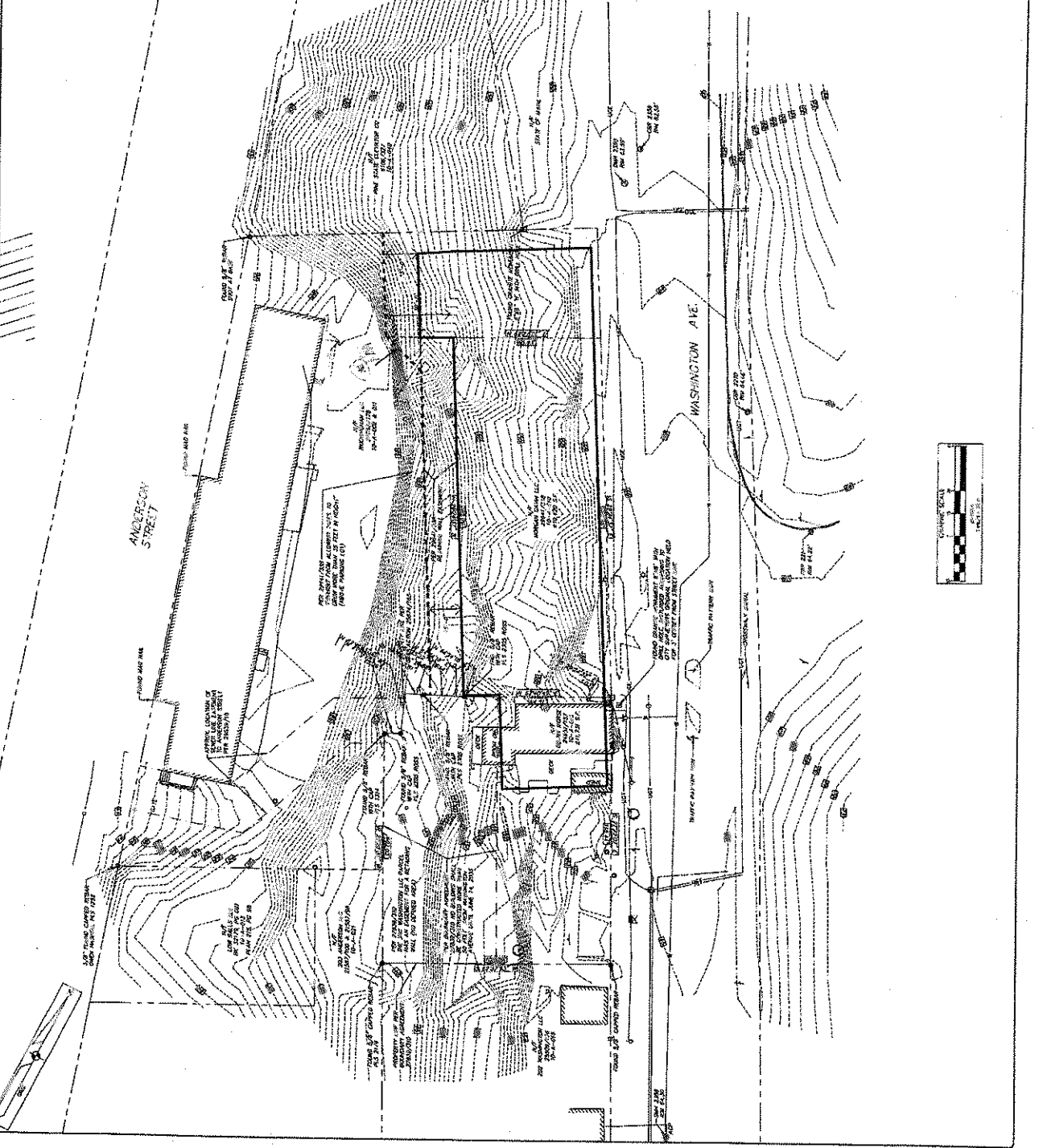
SEBAGO
SURVEYING & ENGINEERING CO., INC.
200 COLLEGE ST.
ANN ARBOR, MICH. 48106
TELEPHONE 763-3500

SHEET NO. 1
EXISTING CONDUITS PLAN
WASHINGTON AVENUE
MORSE CONSTRUCTION
ANN ARBOR, MICH.
DATE: 11-1-58



GENERAL NOTES

- THE RECORDS OF THE PARTIES ARE AS FOLLOWS:
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LEGEND

- 1. PROPOSED CONDUIT
- 2. EXISTING CONDUIT
- 3. MANHOLE
- 4. EASEMENT
- 5. PROPERTY LINE
- 6. ADJACENT PROPERTY
- 7. CITY STREET
- 8. STATE STREET
- 9. COUNTY ROAD
- 10. RAILROAD
- 11. POWER LINE
- 12. TELEPHONE LINE
- 13. WATER MAIN
- 14. SEWER MAIN
- 15. GAS MAIN
- 16. FENCE
- 17. DRIVE
- 18. WALKWAY
- 19. DRIVEWAY
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