

Demolition and Housing Replacement  
LETTER OF CREDIT  
[ 60052 ]

July 25, 2016

Jeffrey Levine  
Director of Planning and Urban Development  
City of Portland  
389 Congress Street  
Portland, Maine 04101

**Re: 167 and 169 Newbury Street Demolition and Housing Replacement**

**Saco and Biddeford Savings Institution** (“Bank”) hereby issues its Irrevocable Letter of Credit for the account of **Luminato Condominium, LLC** (“Developer”), held for the exclusive benefit of the City of Portland (“City”), in the aggregate amount of Three Hundred Twenty-Five Thousand Dollars (**\$325,000.00**). These funds represent the estimated cost of \$325,000.00 for the housing replacement fee applicable to the demolition of five dwelling units if no replacement units are constructed, as approved on July 25, 2016 (“**Demolition Approval**”) and as required under Portland Code of Ordinances Chapter 14.

This Letter of Credit is required under Portland Code of Ordinances Chapter 14 and is intended to satisfy the Developer’s obligation, under Portland Code of Ordinances Chapter 14 to post a performance guarantee for the above referenced development.

In the event that Developer fails to satisfy its housing replacement obligation, the City, through its Director of Planning and Urban Development and in his/her sole discretion, may draw on this Letter of Credit by presentation of a sight draft and the Letter of Credit and all amendments thereto, if any.

The housing replacement requirement shall be deemed satisfied upon the City’s issuance of a Certificate of Completion for five or more Luminato Condominium dwelling units located in the City of Portland provided that the aggregate size of the replacement units will be no less than 80% of the size of the aggregate of the original units.

After construction of each of the replacement units has been completed, the City of Portland Director of Planning and Urban Development or its Director of Finance as provided in Chapter 14 of the Portland Code of Ordinances, may authorize the Bank, by written certification along with the return of the original of this Letter of Credit, to reduce the available amount of the escrowed money by the full amount of the Letter of Credit.

In the event of the Bank's dishonor of the City of Portland's sight draft, the Bank shall inform the City of Portland in writing of the reason or reasons thereof within three (3) business days of the dishonor.

This performance guarantee will automatically expire on July 25, 2017 ("Expiration Date") or on the date when the City determines that all work guaranteed by this Letter of Credit is satisfactorily completed, whichever is later. It is a condition of this Letter of Credit that it is deemed to be automatically extended without amendment for period(s) of one year each from the current Expiration Date hereof, or any future Expiration Date, unless within thirty (30) days prior to any expiration, the Bank notifies the City by certified mail (restricted delivery to Brendan O'Connell, Director of Finance, City of Portland, 389 Congress Street, Portland, Maine 04101) that the Bank elects not to consider this Letter of Credit renewed for any such additional period.

In the event that the Bank provides notice of its election to discontinue this Letter of Credit and Developer has not satisfied its housing replacement obligation, the City, in its sole discretion, may draw hereunder by presentation of a sight draft drawn on the Bank, accompanied by this Letter of Credit and all amendments thereto, and a statement signed by the Director of Planning and Urban Development, at Bank's offices located at Portland, Maine stating that:

this drawing results from notification that the Bank has elected to discontinue its Letter of Credit No. 60052.

Date: 7-25-2016

**Saco and Biddeford Savings  
Institution**

By: James M. Whelan  
James M. Whelan  
Its: Vice President

*Drawn by  
7/28/16  
DRC*