Section D

Right, Title, or Interest

Section D - Right, Title, or Interest

A copy of the Purchase and Sale Agreement for Tom Watson & Co., LLC is included in this section.

Parcel 4

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT IS made this 24th day of October, 2017 by and between the City OF PORTLAND, a body politic and corporate located in Cumberland County, Maine, (hereinafter referred to as "Seller" or "City"), and Tom Watson & Co., LLC, or assigns, a Maine limited liability company having a mailing address of 104 Grant Street, Portland, ME 04101 (hereinafter referred to as "Buyer").

RECITALS

WHEREAS, the CITY is the owner of approximately 1.25 acres of land at or near 82 Hanover Street, Portland, Maine as generally depicted as Parcel 4 on the plan attached hereto as Exhibit A together with all buildings and other improvements located thereon (the "Premises") and incorporated herein; and

WHEREAS, Buyer desires to purchase the Premises, and the City desires to convey the Premises to Buyer;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

1. **SALE AND EFFECTIVE DATE.** City agrees to sell the Premises to Buyer, and Buyer agrees to purchase the Premises in accordance with the terms and conditions set forth in this Agreement. This Agreement is for the sale of land and buildings located at or about 82 Hanover Street. This Agreement shall become effective following the occurrence of both of the following: approval of this Agreement by the City Council of the City in substantially this form, and the City Manager's execution of this Agreement. The first calendar day after which both such events have occurred is hereinafter referred to as the "Effective Date". All deadlines and time periods set forth in this Agreement, including, without limitation, the Due Diligence Period, Financing Period and Closing Date shall be computed from the Effective Date.

2. **CONSIDERATION**. The purchase price for the Premises shall be Two Million Three Hundred Fifty Thousand ($2,350,000) (the "Purchase Price"), subject to the following cost adjustments and conditions:

    a. Buyer shall deposit the sum of Twenty-Five Thousand Dollars ($25,000.00) (the "Deposit") within 3 business days after the Effective Date of this Agreement that the parties agree will be held in escrow in a non-interest bearing account with CBRE | The Boulos Company; the Deposit shall be fully refundable until the later of the expiration of the Due Diligence Period or the Financing Period, as both are described herein; after the expiration of both such Periods, the Deposit shall be non-refundable except as expressly set forth herein, including, without limitation in paragraphs 3 and 10; and

b. The Buyer shall pay the remainder of the Purchase Price to the City by wire transfer (or as otherwise reasonably requested by the City) at closing.

3. TITLE AND DUE DILIGENCE.

a. Due Diligence Period. Subject to extension as set forth in Paragraph 3(b) and (d), Buyer will have from the Effective Date of this Agreement until 4:00 PM Eastern Standard Time on the day that is sixty (60) days after the Effective Date of this Agreement (the "Due Diligence Period") to complete any survey, environmental review and title examinations, and to undertake such other investigations, testing or inspections as Buyer shall deem appropriate.

b. Property Description. The property description contained in the deed will be a survey description based upon a Boundary Survey performed by a Maine Licensed Surveyor to be obtained by the City (the "Survey") which will more specifically describe the property shown on Exhibit A hereto (the "Premises Description") in form reasonably acceptable to the City and Buyer. The Premises Description will be distributed to the parties hereto at least thirty (30) days prior to expiration of the Due Diligence Period. If the Premises Description is not received by City and Buyer at least thirty (30) days prior to the expiration of the Due Diligence Period, the Due Diligence Period shall be extended to a date thirty (30) days after it is received. The parties will agree on the final Premises Description prior to closing. If the parties cannot agree upon the final Premises Description prior to closing, then Buyer shall have the option to (1) terminate this Agreement and obtain a refund of the Deposit (after which neither party will have any further obligation or liability to the other under this Agreement) or (2) waive the approval provision and close.

c. Financing Contingency. Buyer shall have from the Effective Date of this Agreement until 4:00 PM Eastern Daylight Savings Time on the day that is sixty (60) days after the Effective Date of this Agreement (the "Financing Period") to obtain a commitment for commercially reasonable financing acceptable to Buyer, provided, however, if the Due Diligence Period shall be extended, then the Financing Period shall be extended to expire on the same date as the expiration of the Due Diligence Period. Buyer shall take timely and commercially reasonable steps to secure such financing. If Buyer does not obtain a financing commitment acceptable to Buyer within the Financing Period, Buyer may terminate this Agreement by notice in writing to City, or may elect to close under the Agreement despite the lack of such commitment. If Buyer so exercises its right to terminate this Agreement, then the City shall refund to Buyer the Deposit, if previously paid, without interest, within ten (10) days after receipt of Buyer's termination notice, and neither party shall have any further obligations or liabilities under this Agreement except as expressly set forth in this Agreement. Any termination notice sent by Buyer with respect to this Agreement may merely state that Buyer elects to terminate this Agreement, shall have no formal requirements, and shall be immediately effective.

d. Title, Survey and Environmental Objections. In addition to the Survey described above, the City agrees it has caused a Phase II Environmental study of the Premises to be performed. Buyer will have until the end of the Due Diligence Period to deliver to City any written objections to title, environmental, or survey matters that Buyer determines materially affect insurability of title at standard rates, or the use of the Premises, the value of the Premises, the cost of development of or cost or feasibility of construction on the Premises. Objections not made prior to the end of the Due Diligence Period will be deemed waived; provided, however, that objections pertaining to matters of record first appearing after the end of the Due Diligence Period may be made at any time prior to the closing. If the Survey and any environmental study (including, without limitation any Phase II Environmental study) are not completed and distributed to the parties at least thirty (30) days prior to the expiration of the Due Diligence Period, the Due Diligence Period will be extended to a date thirty (30) days after the date upon which the later of the Survey or any environmental study to be completed and received are completed and are received by Buyer and City.

e. Option to Cure. In the event of a title, Survey or environmental objection by Buyer, City will have the option, but not the obligation, to cure the objection and will notify Buyer of its election within ten (10) business days after receipt of the objection. In the event that the City elects to cure the objection, it will have sixty (60) days from the date of the notice of election, or such other reasonable time as the parties may agree, to cure the objection. In the event that the City does not elect to cure the objection, or, having elected to cure the objection fails to timely do so to Buyer's reasonable satisfaction, Buyer will have the option to (1) terminate this Agreement and obtain a refund of the Deposit (after which neither party will have any further obligation or liability to the other under this Agreement), (2) waive the objection and close, or (3) undertake the cure of such objection at its own expense (in which case it shall have 60 days to do so).

f. Deed. City shall convey the Premises to Buyer at the closing in fee simple by a municipal quitclaim deed without covenant. Title shall be good and insurable title at standard rates, free and clear of all encroachments, liens and encumbrances except (i) easements consented to by Buyer; (ii) easements for utilities servicing the property, (iii) City ordinances, and (iv) real estate taxes not yet due and payable. Buyer further acknowledges that the deed shall contain a restriction stating that in the event that the Premises or any portion thereof shall be exempt from real and personal property taxes, by transfer, conversion, or otherwise, then the then-owner of the exempt portion shall make annual payments to the City in lieu of taxes in the amount of the lesser of (a) the amount of property taxes that would have been assessed on the exempt portion of the real and personal property situated on the Premises had such property remained taxable, or (b) such other target percentage as may be approved as part of a city-wide PILOT policy that may be in effect at the time taxes are due on such property. Such restriction shall also confirm that Buyer and its successors and assigns shall possess and be vested with all rights and privileges as to abatement

and appeal of valuations, rates, and the like as are accorded owners of real and personal property in Maine.

4. <u>INSPECTIONS</u>.

a. During the Due Diligence Period, Buyer and its employees, consultants, contractors and agents shall have the right, at Buyer's expense, to enter on the Premises at reasonable times in order to (i) inspect the same, (ii) conduct engineering studies, percolation tests, geotechnical exams, environmental assessments, and other such studies, tests, exams, and assessments, and (iii) do such other things as Buyer determines, it is sole discretion, to be required to determine the suitability of the Premises for Buyer's intended use (collectively, the "Inspections"). The City acknowledges that such Inspections may include the digging of test pits, which the City hereby approves.

b. Buyer agrees to defend, indemnify and hold harmless the City against any mechanics liens that may arise from the activities of Buyer and its employees, consultants, contractors and agents on the Premises, except those arising from labor or materials furnished at the City's request.

c. Buyer shall exercise the access and inspection rights granted hereunder at its sole risk and expense, and Buyer hereby releases the City from, and agrees to indemnify, defend, and hold the City harmless against, any and all losses, costs, claims, expenses and liabilities (including without limitation reasonable attorney fees and costs) (collectively, "Damages") suffered by the City on account of any injury to person or damage to property arising out of the exercise by Buyer of its rights hereunder, except to the extent that such Damages result from the act or omission of the City.

d. Buyer shall cause any contractors, consultants or any other party conducting the Inspections to procure automobile insurance, if applicable, and general public liability insurance coverage in amounts of not less than Four Hundred Thousand Dollars ($400,000.00) per occurrence for bodily injury, death and property damage, listing the City as an additional insured thereon, and also Workers' Compensation Insurance coverage to the extent required by law; the forms of all such insurance to be subject to City's Corporation Counsel's reasonable satisfaction.

e. In the event that Buyer does not purchase the Premises, Buyer agrees to either return the Premises as nearly as reasonably possible to its original condition after conducting the Inspections, or, at the City's option, reimburse the City for any material physical damage caused to the Premises in connection with the Inspections; provided, however, the City hereby acknowledges and agrees that the term "physical damage" does not include any disturbance of any pre-existing environmental contamination on the Premises caused by such inspections, nor any studies, tests (including test borings or pits), exams, and assessments, and that Buyer shall have no obligation to clean-up, remove or

take any other action with respect to any pre-existing environmental contamination disturbed thereby.

f. The parties hereto acknowledge and agree that it is a condition to Buyer's obligations under this Agreement that the results of the Inspections be acceptable to Buyer in its sole discretion. If the results of such due diligence are not acceptable to Buyer in its sole discretion Buyer may terminate this Agreement. If Buyer exercises its right to terminate this Agreement, then the City shall refund to Buyer the Deposit, if previously paid, without interest, within ten (10) days after receipt of Buyer's termination notice, and neither party shall have any further obligations or liabilities under this Agreement except as expressly set forth in this Agreement. Any termination notice sent by Buyer with respect to this Agreement may merely state that Buyer elects to terminate this Agreement, shall have no formal requirements, and shall be immediately effective.

5. <u>REAL ESTATE TAXES, PRORATIONS AND TRANSFER TAX.</u> Buyer shall be liable for all real estate taxes beginning as of the start of fiscal year following the closing and continuing thereafter. Because the Premises is currently owned by the City of Portland, which is exempt from real estate taxes, no taxes were assessed or will be due for any portion of the current fiscal year, and no taxes will be prorated at the closing. Any utilities for the Property shall be prorated as of the closing. The Buyer's one half share of Maine real estate transfer tax shall be paid for by Buyer in accordance with 36 M.R.S.A. § 4641-A. City is exempt from paying the transfer tax pursuant to 36 M.R.S.A. § 4641-C. The recording fee for the deed of conveyance and any expenses relating to Buyer's financing or closing shall be paid for by Buyer.

6. <u>DEFAULT AND REMEDIES</u>. In the event that Buyer defaults hereunder for a reason other than the default of the City, City shall retain the deposit as its sole remedy. In the event City defaults under this Agreement, and if Buyer is not then in default hereunder, Buyer shall have the right to pursue specific performance and the City agrees it shall not invoke any sovereign immunity defense nor any defense based upon its status as a City, municipality, body politic or the like, but Buyer at all times may elect in substitution therefor, as its sole remedy, the right to a return of its deposit.

7. <u>RISK OF LOSS.</u> The risk of loss or damage to the Premises by fire, eminent domain, condemnation, or otherwise, until transfer of title hereunder, is assumed by the City. The Premises is to be delivered in substantially the same condition as of the date of this Agreement unless otherwise stated. In the event City is not able to deliver the Premises as stated, Buyer may terminate this Agreement and receive a refund of the Deposit without interest, and neither party shall have any further obligations or liabilities under this Agreement except as expressly set forth in this Agreement, or Buyer may elect to close hereunder and receive an assignment of any applicable insurance proceeds payable to the City relating to such loss or damage.

8. <u>PROPERTY SOLD "AS IS, WHERE IS</u>." Buyer acknowledges that Buyer will have an opportunity to inspect the Premises, and to hire professionals to do so, and that Premises will be sold "as is, where is" and "with all faults." City, and its agents, make

no representations or warranties with respect to the accuracy of any statement as to boundaries or acreage, or as to any other matters contained in any description of the Premises, or as to the fitness of the Premises for a particular purpose, or as to development rights, merchantability, habitability, or as to any other matter, including without limitation, land use, zoning and subdivision issues (other than City's agreement to obtain subdivision approval as set forth in Paragraph 10 of this Agreement) or the environmental, mechanical, or structural condition of the Premises. Acceptance by Buyer of the Deed at closing and payment of the purchase price shall be deemed to be full performance and discharge by the City of every agreement and obligation contained herein except as expressly set forth herein.

9. <u>ENVIRONMENTAL INDEMNIFICATION</u>. Buyer covenants and agrees to indemnify, defend, and hold the City harmless from and against any and all claims, damages, losses, liabilities, obligations, settlement payments, penalties, assessments, citations, directives, claims, litigation, demands, defenses, judgments, costs, or expenses of any kind, including, without limitation, reasonable attorneys', consultants', and experts' fees incurred in investigating, defending, settling, or prosecuting any claim, litigation or proceeding, that may at any time be imposed upon, incurred by or asserted or awarded against Buyer or the City and relating directly or indirectly to the violation of or compliance with any federal, state, or local environmental laws, rules, or regulations governing the release, handling or storage of hazardous wastes or hazardous materials and affecting all or any portion of the Premises, except to the extent that such a claim results directly from the City's release, handling or storage of hazardous wastes or hazardous materials on the Premises. This duty to indemnify, defend, and hold harmless shall be included in a covenant in the deed and shall run with the land conveyed and be binding upon Buyer's successors, assigns, and transferees.

10. <u>CONDITIONS PRECEDENT TO CLOSING.</u> It is a condition precedent to Closing that:

a. The City shall obtain in form reasonably acceptable to Buyer the removal of the restrictions limiting development of or use of the Premises or otherwise burdening the Premises (hereinafter the "Deed Restrictions") stated or described in the deed to the City from the State of Maine dated September 26, 2005 and recorded in the Cumberland County Registry of Deeds in Book 23202, Page 38.

b. The City shall obtain Subdivision approval by the City of Portland Planning Board, in order to obtain approval for the creation of the parcel which constitutes the Premises, unless the City as Seller and Buyer agree, such Subdivision approval is not required (hereinafter the "Subdivision Approval").

In the event the City is unable to obtain Subdivision Approval and the removal of all the above Deed Restrictions prior to the Closing Date, as defined below, then the Buyer may either (1) extend the Closing Date set forth in Paragraph 11 by a time period not to exceed one hundred eighty (180) days to permit the removal of the Deed Restrictions and the approvals to be obtained or (2) elect to terminate this Agreement either prior to the scheduled Closing Date or prior to the expiration of any extension period based on an

extension as provided above. In the event Buyer shall elect to so extend the Closing Date, the City agrees to pursue the removal of the Deed Restrictions and Subdivision Approval.

If Buyer shall elect to terminate this Agreement then the City shall refund the Deposit, if previously paid, without interest, and this Agreement shall be terminated and neither party shall have any further obligations or liabilities under this Agreement, unless the parties mutually agree to extend this Agreement. Buyer acknowledges and agrees that the City is acting as Seller, and not in its regulatory capacity, in connection with this Agreement. The delivery to Buyer, and acceptance and recording by the Buyer of a deed to the Buyer of the Premises, will evidence conclusive and final consent by the Buyer to the waiver or completion of all these conditions.

11. CLOSING. Time is of the essence in the performance of this Agreement. The closing shall be held at the offices of Buyer's counsel at a time agreeable to the parties on or before the day that is the later of five months after the Effective Date of this Agreement or thirty (30) days after the later of (i) the expiration of the Due Diligence Period; (ii) the deadline for the City to resolve any title, Survey or environmental objections; or (iii) the date to which Buyer elects to extend the Closing Date under Paragraph 10 (the "Closing Date"). At the Closing:

a. City shall execute, acknowledge and deliver to Buyer a municipal quitclaim deed conveying to Buyer good, and insurable title (at standard rates) to the Premises, free and clear of all liens and encumbrances except as otherwise set forth herein.

b. Buyer shall deliver the balance of the Purchase Price to the City by wire transfer (or as otherwise reasonably requested by the City); and

c. Each party shall deliver to the other such other documents, certificates and the like as may be required herein or as may be necessary to carry out the obligations under this Agreement, and for the Buyer to obtain owners and lenders title insurance in form reasonably acceptable to Buyer and to Buyer's lender.

d. Buyer shall deliver evidence, reasonably satisfactory to City's Corporation Counsel, that the entity receiving title to the Premises is in good standing under Maine law, and that the individuals acting with respect to the Closing and executing documents on behalf of Buyer are authorized to do so.

12. BUYER'S POST CLOSING OBLIGATIONS; ESCROW AGREEMENT. Buyer agrees as follows:

a. Buyer agrees at Closing to deposit $115,000.00 to be held in escrow (the "Escrow Account") pursuant to an escrow agreement in form mutually acceptable to Buyer and City with a mutually acceptable escrow agent.

b. Buyer agrees to commence development of the residential project generally depicted on the plans that are attached hereto as Exhibit B and incorporated herein by reference, and which project was presented to the City's Economic Development Committee on July 19, 2017, and which shall specifically include at least twenty-three (23) new dwelling units at Buyer's property at 104 Grant Street (The "Residential Project"), within twelve (12) months after closing; provided, however, that Buyer shall be entitled to modify the Residential Project by increasing the number of residential units, modifying the size and layout of such units, or minor, non-substantive changes. Buyer shall also be entitled to modify the Residential Project in a manner deemed reasonably necessary by Buyer to obtain City Planning board, City Council or any other municipal or other necessary approval; provided, however, that such modifications shall not reduce the number of new dwelling units below 23 unless the City's land use ordinance only permits a smaller number without material modifications to the Residential Project as proposed, in which case the Residential Project shall include the maximum number of dwelling units allowed at 104 Grant Street without material modifications to the Residential Project as proposed.

c. Buyer's commencement of the Residential Project development shall be effected by Buyer or its successors, assigns, or transferees submitting a site plan review application (an "Application") for the Residential Project within 12 months after the Closing under this Agreement.

d. Buyer agrees to commence development of a commercial project at the Premises in substantially the form depicted on the plans that are attached hereto as Exhibit C and incorporated herein by reference, and which project was presented to the City's Economic Development Committee on July 19, 2017 (the "Commercial Project"), within twelve (12) months after closing. the Commercial Project shall be deemed to be "substantially in the form depicted on the plan attached as Exhibit C" if it proposes to include (or is constructed to include) a) multiple commercial tenant(s) which may be of varied types including retailers and others, b) rooftop decks, and c) if reasonably feasible within the existing space available, open spaces/common areas available for public use. The Commercial Project may also be modified in a manner deemed necessary by Buyer to obtain City Planning board, City Council or any other municipal or other necessary approval and the Commercial Project, if otherwise "substantially in the form depicted on the plan attached as Exhibit C" shall, notwithstanding any such modifications, continue to be so considered.

e. Buyer's commencement of the Commercial Project shall be effected by Buyer or its successors, assigns, or transferees submitting an Application for the Commercial Project within 12 months after the Closing under this Agreement.

f. If Buyer does not submit Applications for the Commercial Project and the Residential Project (including any modifications as described above) within one (1) year of Closing under this Agreement, then $10,000.00 shall be released

from escrow to the City's Housing Trust Fund, and until both Applications have been filed, an additional $10,000.00 shall be released from escrow to the City's Housing Trust Fund each ninety (90) days thereafter.

g. Additionally, Buyer shall commence construction of the Residential Project and the Commercial Project by the later of the date that is thirty-six (36) months after Closing under this Agreement or one hundred eighty (180) days after final approval of the Projects (including, without limitation, final decisions in all applicable municipal or judicial proceedings) and the expiration of all applicable appeal periods (the "Construction Start Date"). Buyer agrees to diligently pursue all approvals for both Projects. If Buyer fails to commence construction of the Residential Project and the Commercial Project by the later of the Construction Start Date, then $10,000.00 shall be released from escrow and to the City's Housing Trust Fund, and until construction on both Projects is commenced, an additional $10,000.00 shall be released from escrow to the City's Housing Trust Fund each ninety (90) days thereafter. Within thirty (30) days after the commencement of construction of both Projects, the remaining balance of the Escrow Account shall be released to Buyer. If no Closing takes place under this Agreement, the Buyer shall not be required to fund the Escrow Account nor make any payment. Notwithstanding anything to the contrary above, in the event that Buyer fails to commence construction of both Projects within 5 years from the Closing Date, the entire remaining balance of the Escrow Account shall be released to the City's Housing Trust Fund.

h. City hereby agrees that despite the references in this Agreement to Buyer as the developer with respect to the Residential Project and the Commercial Project, that the two projects will be undertaken by two different Limited Liability Companies ("LLCs") to be formed or corporations to be formed which will be assignees of Buyer, and the City hereby consents to the same and to Buyer's assignment of its rights and obligations under this Agreement to any such LLC's or corporations, provided that Thomas Watson will be a manager or co-manager of any such LLCs and President or Vice President of any such corporations.

i. The provisions of this section shall survive closing.

13. <u>ENTIRE AGREEMENT.</u> This Agreement represents the entire and complete Agreement and understanding between the parties and supersedes any prior agreement or understanding, written or oral, between the parties with respect to the acquisition or exchange of the Premises hereunder. This Agreement cannot be amended except by written instrument executed by City and Buyer.

14. <u>NON-WAIVER</u>. No waiver of any breach of any one or more of the conditions of this Agreement by either party shall be deemed to imply or constitute a waiver of any succeeding or other breach hereunder.

15. <u>HEADINGS AND CAPTIONS.</u> The headings and captions appearing herein are for

the convenience of reference only and shall not in any way affect the substantive provisions hereof.

16. **BINDING EFFECT**. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, administrators, successors and assigns.

17. **TIME.** The City and Buyer each confirm and agree that each of the time periods set forth herein are essential provisions of the terms of this Agreement.

18. **GOVERNING LAW**. This Agreement shall be construed in all respects in accordance with, and governed by, the laws of the State of Maine. All parties hereto hereby consent to the exclusive jurisdiction of the Superior Court for the County of Cumberland in the State of Maine, for all actions, proceedings and litigation arising from or relating directly or indirectly to this Agreement or any of the obligations hereunder, and any dispute not otherwise resolved as provided herein shall be litigated solely in said Court. If any provision of this Agreement is determined to be invalid or unenforceable, it shall not affect the validity or enforcement of the remaining provisions hereof.

19. **NOTICE**. All notices, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given on the date of service if served personally on the party to whom notice is to be given, or on the first business day after mailing if mailed to the party to whom notice is to be given by first class mail, postage prepaid, certified, return receipt requested, addressed to the recipient at the addresses set forth below. Hand delivery to the City Manager's office shall be effective as personal delivery to the City Manager on the date of delivery. Either party may change addresses for purposes of this paragraph by giving the other party notice of the new address in the manner described herein.

FOR THE City:	City of Portland ATTN: City Manager 389 Congress Street Portland, ME 04101
With a copy to:	The Office of the Corporation Counsel at the same address.
FOR Buyer:	Mr. Thomas Watson Tom Watson & Co., LLC 104 Grant Street Portland, ME 04101
With a copy to:	William H. Leete, Jr., Esq. Leete & Lemieux, P.A. 511 Congress Street, Suite 502 Portland, ME 04101

20. **SIGNATURES; MULTIPLE COUNTERPARTS.** This Agreement may be executed in any number of counterparts and by different parties in separate counterparts. Each counterpart when so executed shall be deemed to be an original and

all of which together shall constitute one and the same agreement.

21. **BROKERS.** The City shall be responsible for paying all its brokers, including CBRE | The Boulos Company, at closing. Buyer has no broker other than Joseph Porta of Porta & Co., who Buyer understands is to be compensated by CBRE | The Boulos Company. Buyer agrees to indemnify and hold harmless City from any claims made by any broker should Buyer's representation in this paragraph be false. Subject to the limitations of liability set forth in the Maine Tort Claims Act, City agrees to indemnify and hold harmless Buyer from any claims made by any broker should City's representation in this paragraph be false. The foregoing indemnities shall include all legal fees and costs incurred in defense against any such claim, and shall survive closing.

22. **RECITALS INCORPORATED BY REFERENCE**. The recitals set forth above are incorporated herein by reference and made a part of this Agreement.

IN WITNESS WHEREOF, the parties have hereunto have caused this instrument to be executed on their behalf by their duly authorized officers or representatives, as of the day and year first written above.

CITY OF PORTLAND

Sonia Bean
WITNESS

Jon P. Jennings
Its City Manager

TOM WATSON & CO., LLC

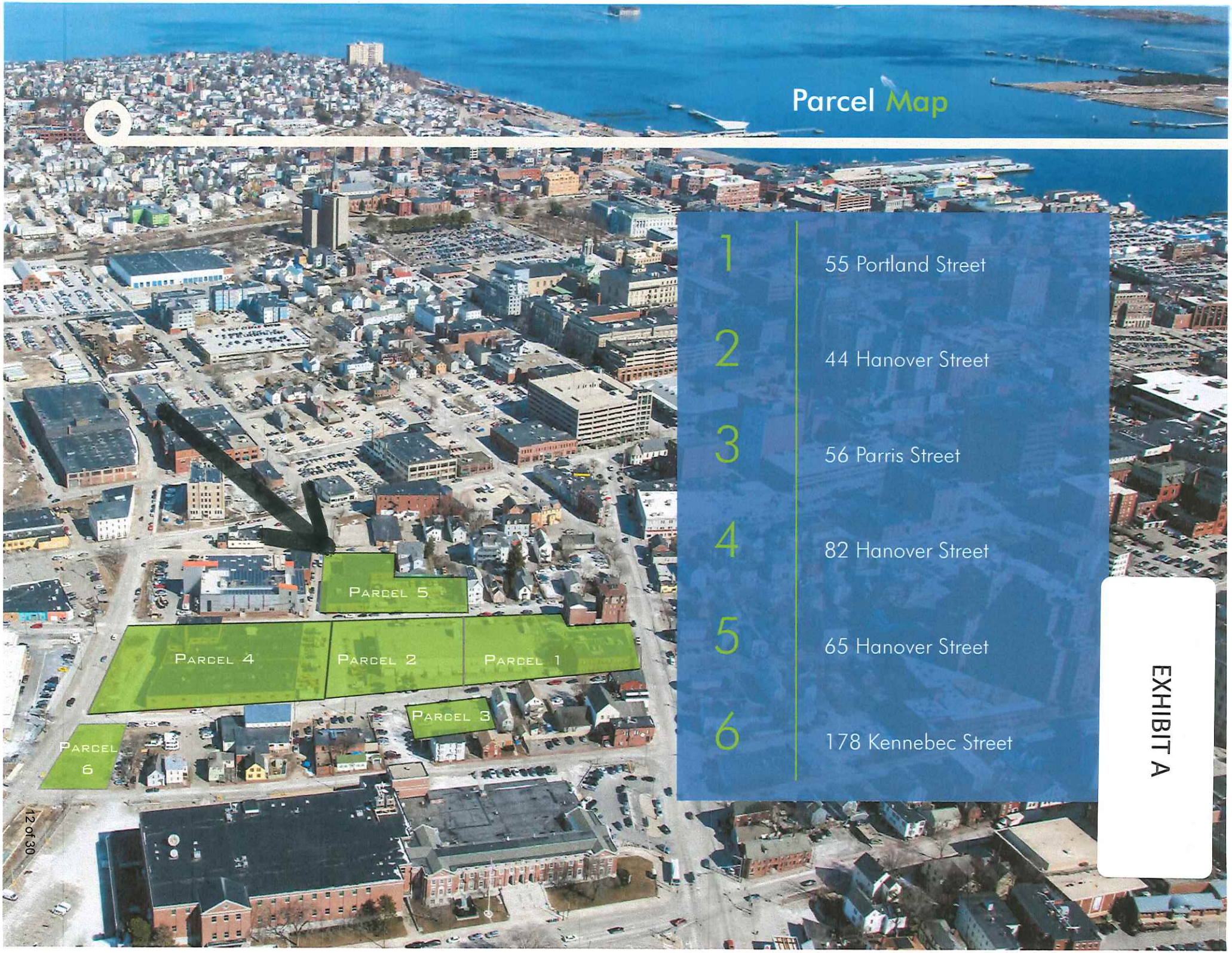
WITNESS

Printed Name: Thomas E. Watson
Its Manager

Approved as to Form:

Corporation Counsel's Office

Parcel Map



1	55 Portland Street
2	44 Hanover Street
3	56 Parris Street
4	82 Hanover Street
5	65 Hanover Street
6	178 Kennebec Street

EXHIBIT A

EXHIBIT B

BAYSIDE RFP
TOM WATSON & COMPANY
PROPOSAL FOR THE DEVELOPMENT OF A 23 UNIT APARTMENT BUILDING AT 104 GRANT STREET, PORTLAND MAINE

104 Grant St- Current Use

PORTLAND, MAINE

BAYSIDE RFP - 104 GRANT STREET

PORTLAND, MAINE

JUNE 01, 2017

1 VIEW LOOKING WEST ON GRANT STREET
N.T.S.

Port Property
MANAGEMENT

PROGRESS PRINT ONLY
Not for Construction

RYAN SENATORE **ARCHITECTURE**

BAYSIDE RFP - 104 GRANT STREET

PORTLAND, MAINE

JUNE 01, 2017

1 104 GRANT STREET - SOUTH ELEVATION
N.T.S.

Port Property
MANAGEMENT

PROGRESS PRINT ONLY
Not for Construction

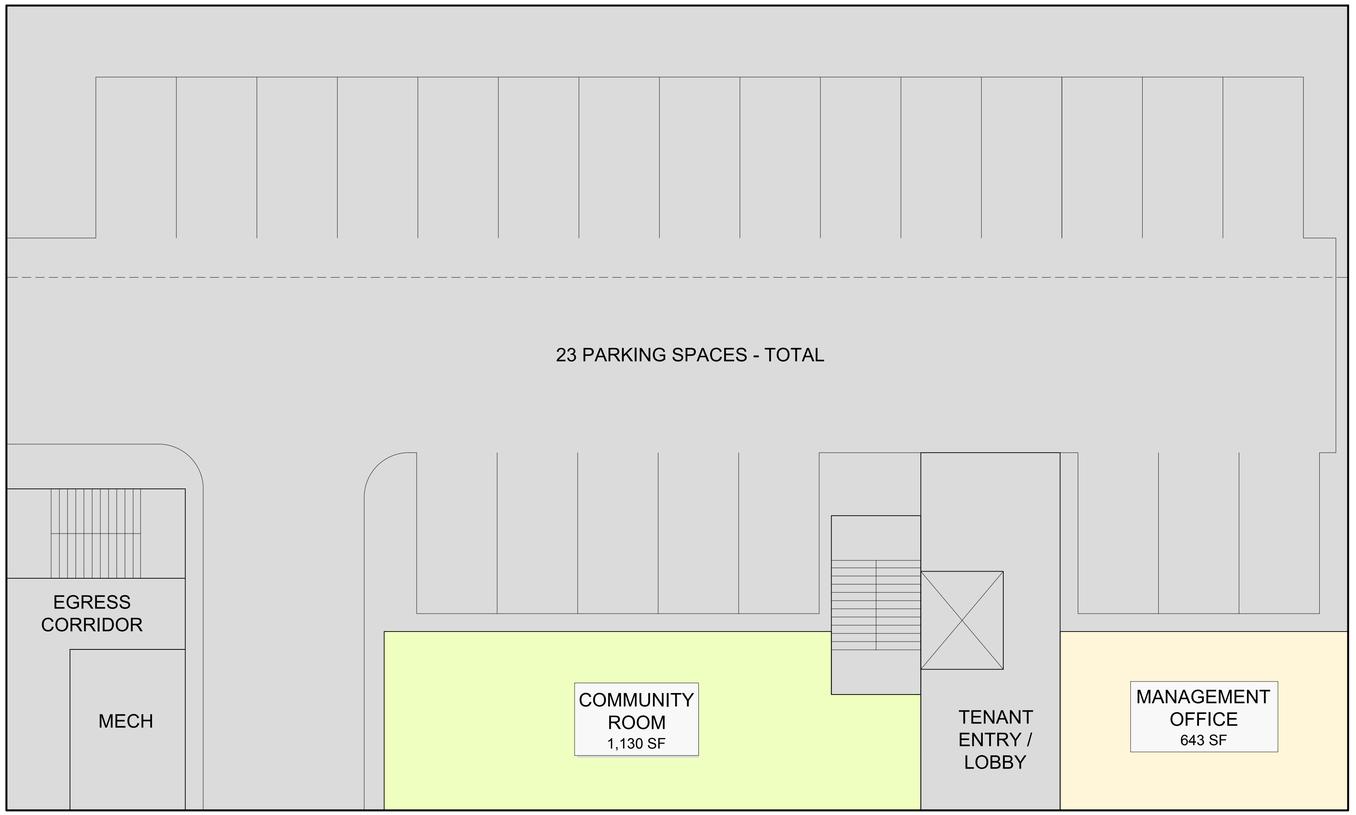
RYAN SENATORE **ARCHITECTURE**

BAYSIDE RFP - 104 GRANT STREET

PORTLAND, MAINE

JUNE 01, 2017

1st Floor



GRANT STREET

104 GRANT STREET		
BUILDING AREA		
FIRST FLOOR AREA	(13,500 SF)	
COMMUNITY ROOM		1,130 SF
MANAGEMENT OFFICE		643 SF
SECOND FLOOR AREA	(8,775 SF)	
UNIT - 1		1,228 SF
UNIT - 2		1,030 SF
UNIT - 3		815 SF
UNIT - 4		711 SF
UNIT - 5		958 SF
UNIT - 6		934 SF
UNIT - 7		990 SF
UNIT - 8		1,024 SF
SECOND FLOOR AREA	(8,775 SF)	
UNIT - 9		1,228 SF
UNIT - 10		1,030 SF
UNIT - 11		815 SF
UNIT - 12		711 SF
UNIT - 13		958 SF
UNIT - 14		934 SF
UNIT - 15		990 SF
UNIT - 16		1,024 SF
FOURTH FLOOR AREA	(8,775 SF)	
UNIT - 17		1,228 SF
UNIT - 18		1,030 SF
UNIT - 19		815 SF
UNIT - 20		1,645 SF
UNIT - 21		958 SF
UNIT - 22		1,024 SF
UNIT - 23		990 SF
	BUILDING TOTAL =	40,320 SF

NOTE:

ALL SQUARE FOOTAGES CALCULATED USING OUTSIDE FACE OF EXTERIOR WALLS AND CENTERLINE OF SHARED WALLS

TRUE NORTH / PROJECT NORTH

0 4' 8' 16' 32'

1 104 GRANT STREET - FIRST FLOOR PLAN
1/8" = 1'-0"

PROGRESS PRINT ONLY
Not for Construction

Port Property MANAGEMENT

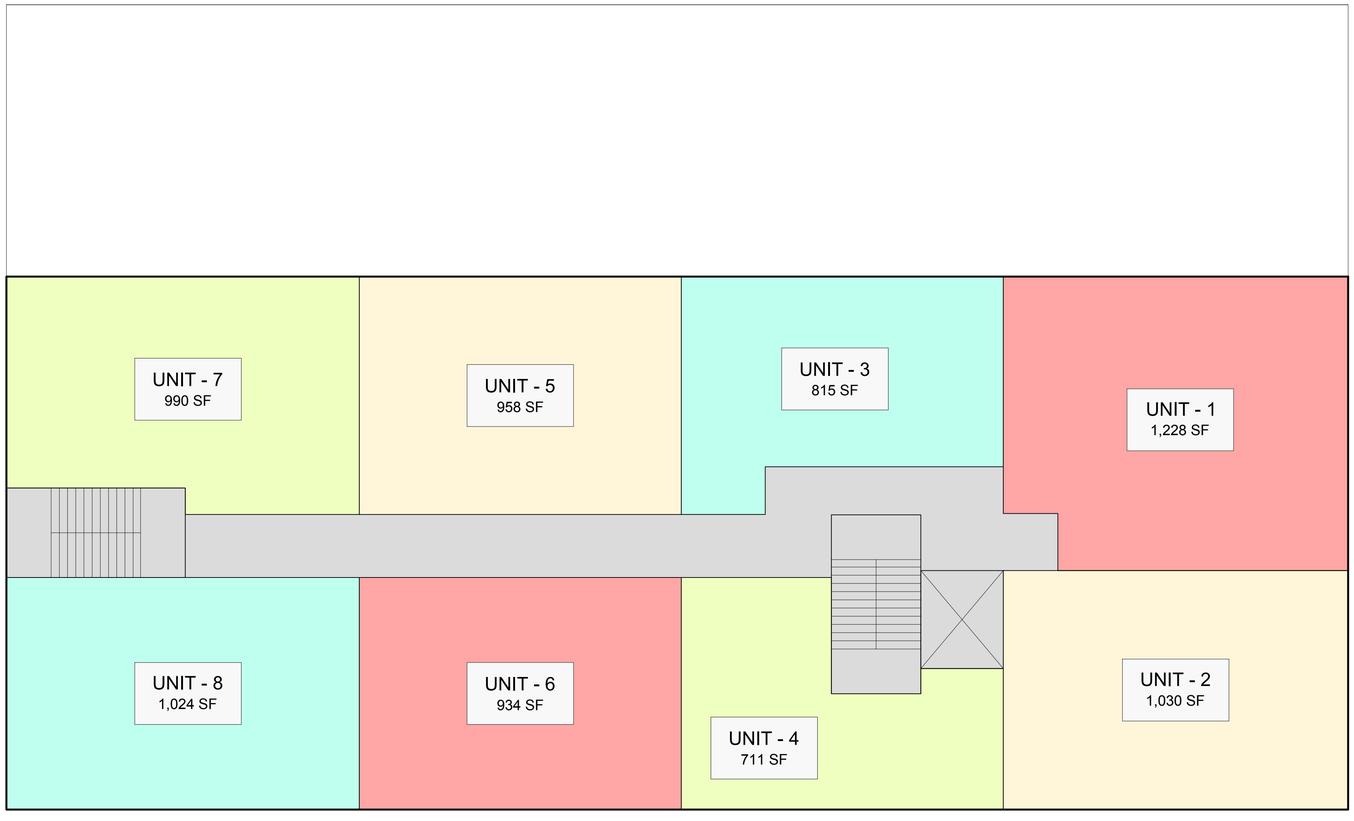
RYAN SENATORE **ARCHITECTURE**

BAYSIDE RFP - 104 GRANT STREET

PORTLAND, MAINE

2nd Floor

JUNE 01, 2017



104 GRANT STREET		
BUILDING AREA		
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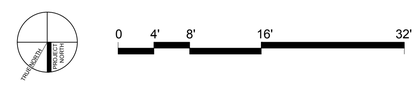
MANAGEMENT OFFICE		643 SF
SECOND FLOOR AREA	(8,775 SF)	
UNIT - 1		1,228 SF
UNIT - 2		1,030 SF
UNIT - 3		815 SF
UNIT - 4		711 SF
UNIT - 5		958 SF
UNIT - 6		934 SF
UNIT - 7		990 SF
UNIT - 8		1,024 SF
SECOND FLOOR AREA	(8,775 SF)	
UNIT - 9		1,228 SF
UNIT - 10		1,030 SF
UNIT - 11		815 SF
UNIT - 12		711 SF
UNIT - 13		958 SF
UNIT - 14		934 SF
UNIT - 15		990 SF
UNIT - 16		1,024 SF
FOURTH FLOOR AREA	(8,775 SF)	
UNIT - 17		1,228 SF
UNIT - 18		1,030 SF
UNIT - 19		815 SF
UNIT - 20		1,645 SF
UNIT - 21		958 SF
UNIT - 22		1,024 SF
UNIT - 23		990 SF
	BUILDING TOTAL =	40,320 SF

NOTE:

ALL SQUARE FOOTAGES CALCULATED USING OUTSIDE FACE OF EXTERIOR WALLS AND CENTERLINE OF SHARED WALLS



1 104 GRANT STREET - SECOND FLOOR PLAN
1/8" = 1'-0"

PROGRESS PRINT ONLY
Not for Construction

Port Property
MANAGEMENT

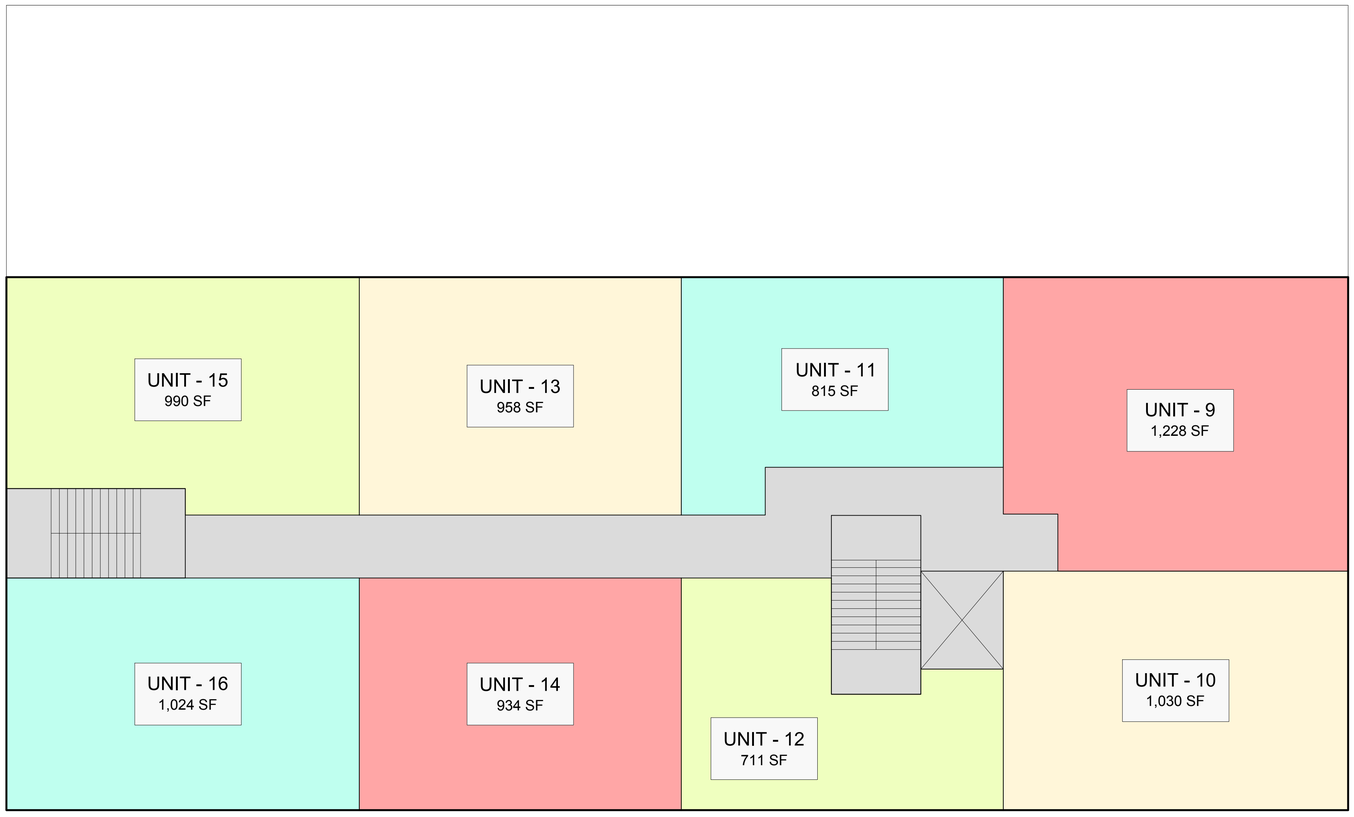
RYAN SENATORE **ARCHITECTURE**

BAYSIDE RFP - 104 GRANT STREET

PORTLAND, MAINE

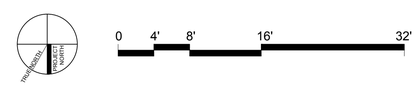
3rd Floor

JUNE 01, 2017



104 GRANT STREET		
BUILDING AREA		
FIRST FLOOR AREA	(13,500 SF)	
COMMUNITY ROOM		1,130 SF
MANAGEMENT OFFICE		643 SF
SECOND FLOOR AREA	(8,775 SF)	
UNIT - 1		1,228 SF
UNIT - 2		1,030 SF
UNIT - 3		815 SF
UNIT - 4		711 SF
UNIT - 5		958 SF
UNIT - 6		934 SF
UNIT - 7		990 SF
UNIT - 8		1,024 SF
SECOND FLOOR AREA	(8,775 SF)	
UNIT - 9		1,228 SF
UNIT - 10		1,030 SF
UNIT - 11		815 SF
UNIT - 12		711 SF
UNIT - 13		958 SF
UNIT - 14		934 SF
UNIT - 15		990 SF
UNIT - 16		1,024 SF
FOURTH FLOOR AREA	(8,775 SF)	
UNIT - 17		1,228 SF
UNIT - 18		1,030 SF
UNIT - 19		815 SF
UNIT - 20		1,645 SF
UNIT - 21		958 SF
UNIT - 22		1,024 SF
UNIT - 23		990 SF
	BUILDING TOTAL =	40,320 SF

NOTE:
ALL SQUARE FOOTAGES CALCULATED USING OUTSIDE FACE OF EXTERIOR WALLS AND CENTERLINE OF SHARED WALLS



1 104 GRANT STREET - THIRD FLOOR PLAN
1/8" = 1'-0"

PROGRESS PRINT ONLY
Not for Construction

Port Property
MANAGEMENT

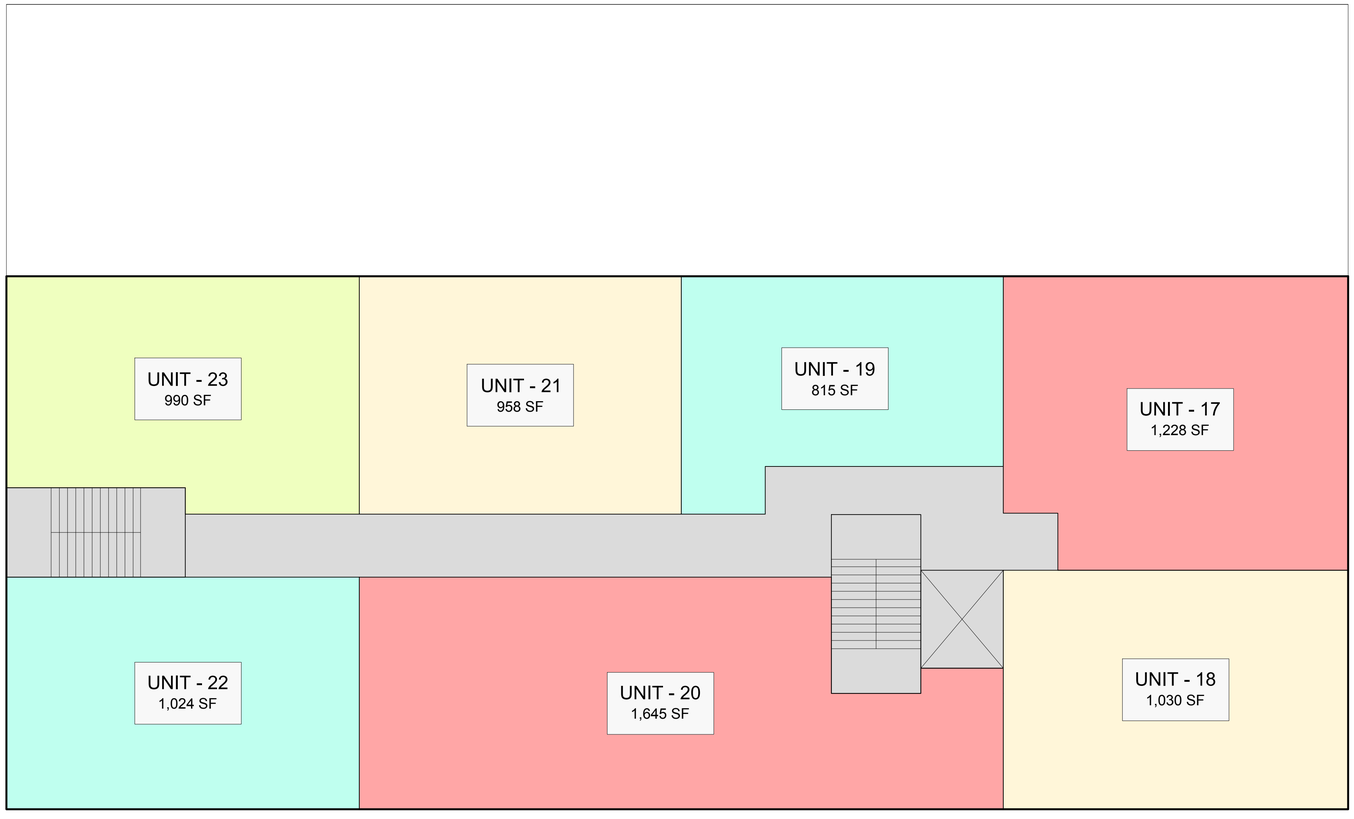
RYAN SENATORE **ARCHITECTURE**

BAYSIDE RFP - 104 GRANT STREET

PORTLAND, MAINE

4th Floor

JUNE 01, 2017



104 GRANT STREET		
BUILDING AREA		
FIRST FLOOR AREA	(13,500 SF)	
COMMUNITY ROOM		1,130 SF
MANAGEMENT OFFICE		643 SF
SECOND FLOOR AREA	(8,775 SF)	
UNIT - 1		1,228 SF
UNIT - 2		1,030 SF
UNIT - 3		815 SF
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UNIT - 6		934 SF
UNIT - 7		990 SF
UNIT - 8		1,024 SF
SECOND FLOOR AREA	(8,775 SF)	
UNIT - 9		1,228 SF
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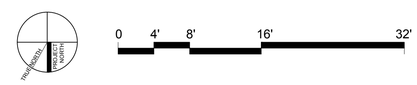
UNIT - 12		711 SF
UNIT - 13		958 SF
UNIT - 14		934 SF
UNIT - 15		990 SF
UNIT - 16		1,024 SF
FOURTH FLOOR AREA	(8,775 SF)	
UNIT - 17		1,228 SF
UNIT - 18		1,030 SF
UNIT - 19		815 SF
UNIT - 20		1,645 SF
UNIT - 21		958 SF
UNIT - 22		1,024 SF
UNIT - 23		990 SF
	BUILDING TOTAL =	40,320 SF

NOTE:

ALL SQUARE FOOTAGES CALCULATED USING OUTSIDE FACE OF EXTERIOR WALLS AND CENTERLINE OF SHARED WALLS



1 104 GRANT STREET - FOURTH FLOOR PLAN
1/8" = 1'-0"

PROGRESS PRINT ONLY
Not for Construction

Port Property MANAGEMENT

RYAN SENATORE **ARCHITECTURE**

EXHIBIT C

CITY OF PORTLAND BAYSIDE PROPERTIES
TOM WATSON LETTER OF INTENT TO PURCHASE

TABLE OF CONTENTS

1. LETTERS OF INTENT TO PURCHASE (IN SEPERATE PACKET):
    a. 82 HANOVER STREET
    b. 44 HANOVER STREET
    c. 56 PARRIS STREET

2. DESCRIPTION OF INTENDED USES

3. TOM WATSON BIO

4. 82 HANOVER

    a. STREET SCAPE-1
    b. STREET SCAPE-2
    c. ARCHITECT RENDERING
    d. INTENDED FLOOR PLAN LAYOUT- FIRST FLOOR
    e. INTENDED FLOOR PLAN LAYOUT (WITH ROOF TOP DECKS)- SECOND FLOOR

5. LANCASTER COURT- ARCHITECT RENDERING

6. 44 HANOVER
    a. ARCHITECT RENDERING
    b. INTENDED FLOOR PLAN LAYOUT

7. 56 PARRIS STREET
    a. ARCHITECT RENDERING OF PROPOSED 23 UNIT APARTMENT BUILDING
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8. 104 GRANT STREET
    a. PICTURE OF CURRENT USE
    b. ARCHITECT RENDERING OF 23 UNIT APARTMENT BUILDING
    c. FLOOR LAYOUTS (FLOORS 1 THRU 4)

9. 117 LOFTS: THE SCHLOTTERBECK & FOSS BUILDING (NOW A 56 UNIT APARTMENT BLDG)
    a. EXTERIOR PICTURES
    b. PICTURES OF APARTMENTS AS THEY ARE TODAY

DESCRIPTION OF INTENDED USE

82 Hanover

- Relocate Port Property Management headquarters to 82 Hanover from 104 Grant Street in Parkside
- Bring in retailers/partners who will contribute to the community as well as the economy
- Open spaces/commons available for public use
- Leverage large rooftop for decks and greenspace to add comfortable density to neighborhood
- Creates opportunity for construction of 23 units on Grant Street and eliminates an office/warehouse that sits in the middle of the Parkside residential neighborhood

44 Hanover

- 16 separate spaces all with autonomous access to the street.
- One Central Space of over 3,500SF for a public/communal user like pub, café, eatery
- Glass OHD to promote openness, and allow for artists and artisans to combine retail display space to their work space. Promote marketplace environment
- Affordable/accessible to the creative community at under $1,000/month.

Lancaster Court (between 82 Hanover & 44 Hanover)

- Commons/courtyard space open to public for public use
- Available for outdoor recreation including farmers market and small music venue for tenants and managers to promote work/events.
- Display and value public art and communal aesthetic enhancements
- Cobble stone street
- Trees/landscaping
- Fountain/water wall

56 Parris Street

- 23 2 BR 2 Bath units
- Unique product to Portland
- Create product for families (2 bathrooms) or multiple roommates (making it affordable)
- At 23 units, 4 stories high it is scaled to the other buildings in the neighborhood

Tom Watson & Company

Thomas Watson
(207) 252-0358

June 22, 2017

Thomas Watson founded Port Property Management in 1993 with his father Jack who later sold his half of the business to Russell Pierce (Tom's brother-in-law). Tom and Russ have had a successful partnership for the last 17 years and currently employ 41 full time employees, most of whom call Portland their home.

Port Property manages over 1,300 apartments and commercial spaces in Portland and South Portland, the bulk of which are on the Portland peninsula. All of the properties are owned by Port Property related companies.

Tom graduated with a B.A. from Stanford University in 1985 and received an MBA from Boston University in 1992.

He lives in Portland with his wife Judy and their 3 children, all of whom attend Portland Public Schools.

BAYSIDE RFP
TOM WATSON & COMPANY
PROPOSAL FOR THE DEVELOPMENT OF
82 HANOVER STREET, PORTLAND MAINE

82 Hanover Street- Streetscape, #1

PORTLAND, MAINE

BAYSIDE RPF-82 Hanover Street- Street Scape, #2

PORTLAND, MAINE

JUNE 16, 2017

1 VIEW LOOKING SOUTH EAST ON PARRIS STREET
N.T.S.

Port Property
MANAGEMENT

PROGRESS PRINT ONLY
Not for Construction

RYAN SENATORE **ARCHITECTURE**

BAYSIDE RFP - 82 HANOVER STREET-Rendering

PORTLAND, MAINE

MAY 11, 2017

1 VIEW LOOKING SOUTH ON HANOVER STREET
N.T.S.

Port Property
MANAGEMENT

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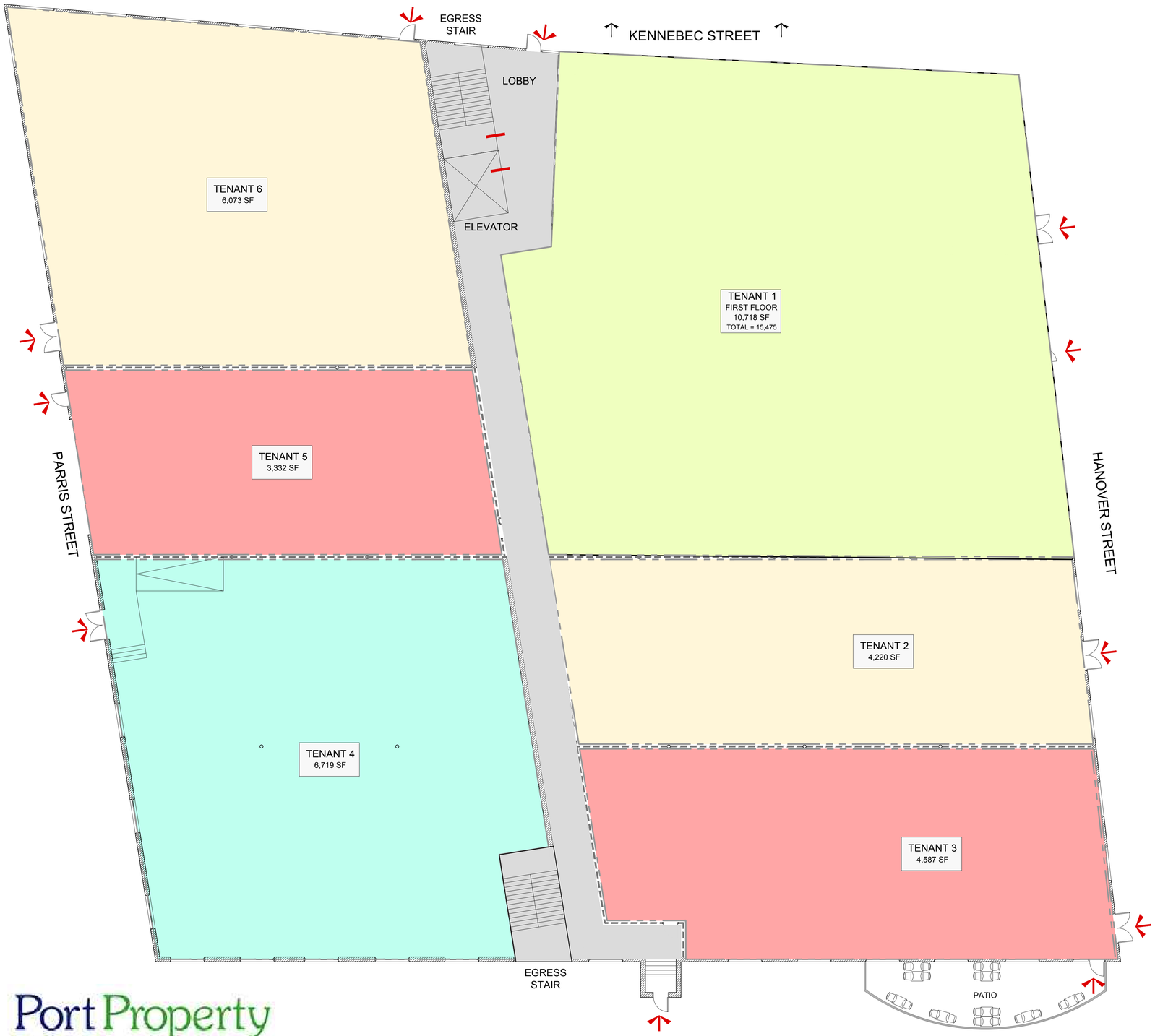
Not for Construction

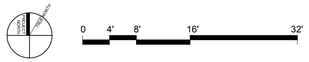
RYAN SENATORE **ARCHITECTURE**

BAYSIDE RFP - 82 HANOVER STREET-First Floor

PORTLAND, MAINE

JUNE 12, 2017





1 FIRST FLOOR CONCEPT PLAN
3/32" = 1'-0"

PROGRESS PRINT ONLY
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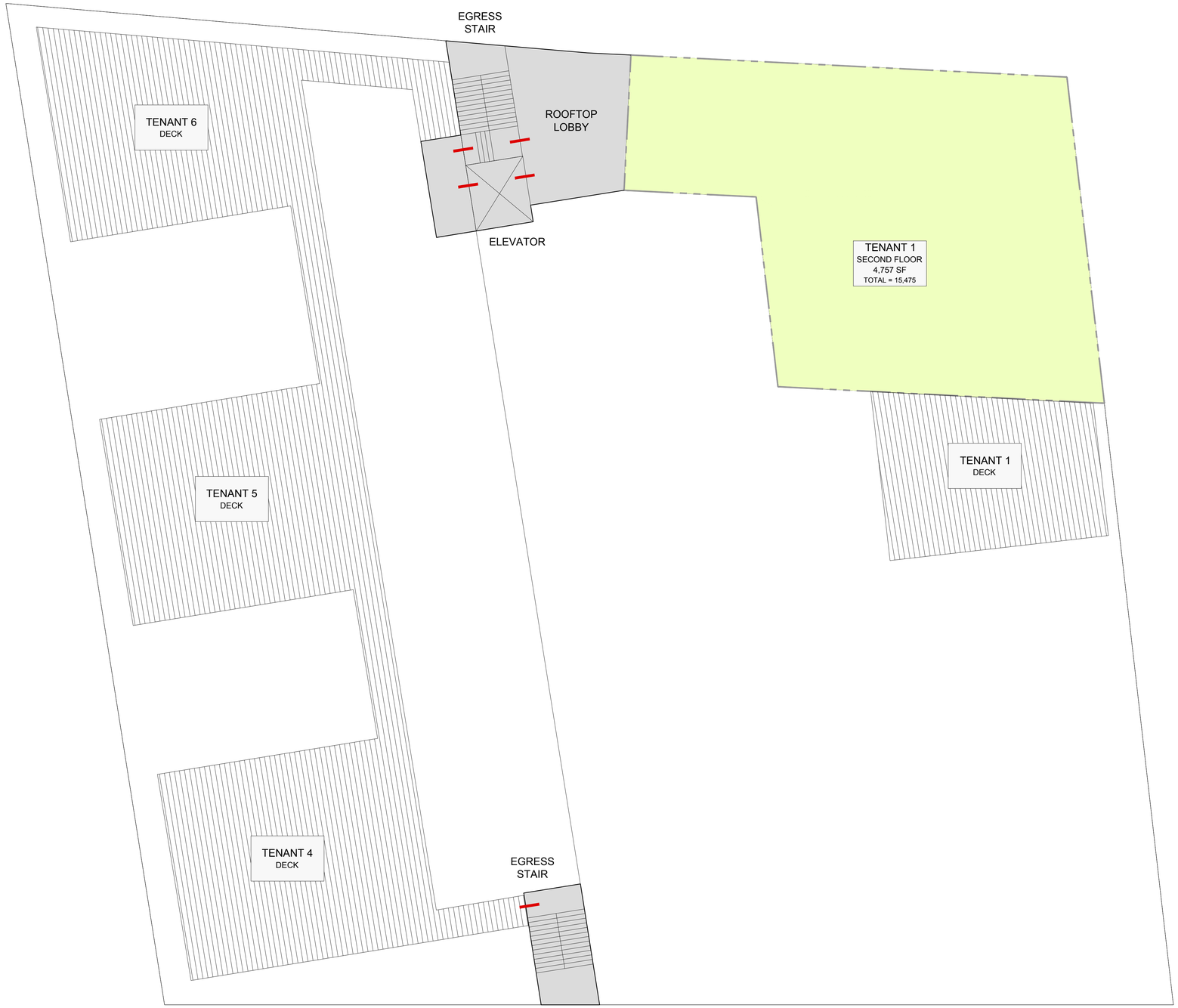
Port Property
MANAGEMENT

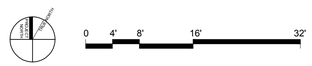
RYAN SENATORE **ARCHITECTURE**

BAYSIDE RFP - 82 HANOVER STREET- Second Floor

PORTLAND, MAINE

JUNE 12, 2017





PROGRESS PRINT ONLY
Not for Construction

Port Property
MANAGEMENT

1 SECOND FLOOR CONCEPT PLAN
3/32" = 1'-0"

RYAN SENATORE **ARCHITECTURE**

BAYSIDE RFP - LANCASTER COURT

PORTLAND, MAINE

JUNE 21, 2017

1 VIEW LOOKING NORTH ON PARRIS STREET
N.T.S.

Port Property
MANAGEMENT

PROGRESS PRINT ONLY
Not for Construction

RYAN SENATORE **ARCHITECTURE**