

NOTICE OF INTENT TO CONVERT

Christopher P. and Kristi A. Sarchi
16 Coveside Road
Cumberland, Maine 04110
207-781-5971

Certified Mail, Return Receipt Requested

October 27, 2005

Anne Nault & Nicole Willett
199 Spring Street Apartment #1
Portland, Maine 04102

COPY

Re: 199 Spring Street, Portland, Maine
Apartment No. 1

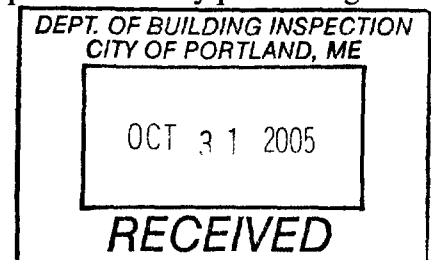
Dear Anne & Nicole:

We are providing you with this Notice of Intent to Convert (the "Notice") pursuant to the requirements of Section 1604-111 of the Maine Condominium Act (the "Condominium Act") and Article VII of the Chapter 14 of the Portland Code of Ordinances (the "Condominium Conversion Ordinance") regarding the conversion of residential apartment buildings into condominiums.

We intend to convert our property at 199 Spring Street in Portland (the "Property") to a condominium pursuant to the Maine Condominium Act. Copies of the proposed Declaration of Condominium, the proposed Bylaws of the Association and the proposed Plat and Plans for the condominium are enclosed. Because you are a tenant in the Property, we are required under the Condominium Act and the Condominium Conversion Ordinance to provide you with notice of our intent to convert the Property to a condominium, to afford you a certain amount of time to vacate your apartment, to give you the opportunity to purchase your apartment following its conversion to a condominium unit, and to otherwise advise you of your rights under the Condominium Act and the Condominium Conversion Ordinance. This Notice is effective upon the date you receive it.

1. Notice to Vacate.

You will be required to vacate your apartment no later than March 1, 2006. We may not require you to vacate your apartment earlier than the Vacation Date except for the reasons specified in the Maine Forcible Entry and Detainer Act (14 M.R.S.A. §6001, et seq.) and in accordance with the procedures provided therein. The terms of your tenancy, including your rent, may not be altered during the notice period, except as expressly provided in any preexisting written lease.



2. Option to Purchase.

For sixty (60) days following your receipt of this Notice, we are required to grant you the exclusive and irrevocable option to purchase your apartment, which option may not be assigned by you to a third party. The terms and conditions pursuant to which we will agree to sell your apartment to you are set forth in the proposed Purchase and Sale Agreement enclosed herewith. If you intend to proceed with the purchase, we would ask that you contact us to discuss the details and procedures at your earliest convenience. If you do not purchase or enter into a contract to purchase your apartment during the sixty (60) day period, we may not convey or offer to convey your apartment to any other person during the following one hundred eighty (180) days at a price or on terms more favorable than the price or terms we have previously offered to you as set forth in the enclosed Purchase and Sale Agreement, unless the more favorable price or terms are first offered exclusively and irrevocably to you for an additional sixty (60) day period.

3. Relocation Assistance.


If you do not purchase your apartment, we are required by law to assist you in finding another place to live and in determining your eligibility for relocation payments. If you have questions about your rights under the law, or complaints about the way you have been treated by us, you may contact the Building Inspection Division, Department of Planning and Urban Development, City of Portland, 389 Congress Street, Portland, Maine 04101 (Telephone: 874-8703).

4. Relocation Payments and Referrals.

If you do not purchase your apartment, we are required, prior to the Vacation Date, to make a cash payment to you in an amount equal to the amount of rent paid by you for the immediately preceding two (2) months, provided that this requirement shall not apply if your gross income exceeds eighty (80) percent of the median income of the Portland SMSA, adjusted for family size, as determined by the U.S. Department of Housing and Urban Development at the time this Notice received by you. Additionally, we are required, at your request, to provide you with assistance in the form of referrals to other reasonable accommodations and in determining your eligibility for relocation payments as described above.

If you should have any questions, please contact us by mail or telephone at the address or telephone number set forth above.

Sincerely,



Christopher P. Sarchi



Kristi A. Sarchi

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (this "Agreement") is made by and between CHRISTOPHER P. SARCHI and KRISTI A. SARCHI of Cumberland, Maine, whose mailing address is 16 Coveside Road, Cumberland, Maine 04110 (collectively, "Seller") and Anne Mault + Nicole Willett of Portland, Maine, whose mailing address is 199 Spring Street, Apartment 1, Portland, Maine 04101 (whether one or more, "Buyer"), who agree as follows.

1. PURCHASE AND SALE OF REAL ESTATE. Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller Unit No. 1 (hereinafter called the "Unit") in 199 Spring Street Condominium, a condominium (hereinafter called the "Condominium") located at 199 Spring Street in Portland, Cumberland County, Maine, together with (a) an undivided percentage interest in the Common Elements of the Condominium (hereinafter called "Common Elements"), and (b) such other rights and easements appurtenant to the Unit as are set forth in the Declaration of Condominium to be executed by the Seller and recorded in the Cumberland County Registry of Deeds prior to the closing hereunder (hereinafter, together with all exhibits thereto, called the "Declaration"). The Unit shall be conveyed together with the all fixtures therein, including but not limited to shades and/or blinds, shutters, curtain rods, electrical fixtures, together with the following appliances therein owned by Seller: stove, refrigerator, microwave and dishwasher.

2. WARRANTIES; STATUTE OF LIMITATIONS. Seller will provide Buyer with certain limited warranties regarding the Unit and the Common Elements as required under Section 1604-113 of the Maine Condominium Act as more fully set forth in the Limited Warranty Certificate attached hereto. At closing Seller will deliver to Buyer a copy of the Limited Warranty Certificate for the Unit executed by Seller, and Buyer agrees to execute the Limited Warranty Certificate at closing. Prior to the expiration of such two (2) year period, Seller will assign to the Executive Board of the Condominium, on behalf of the Unit owners of all Units, any guarantees from subcontractors or suppliers of materials with respect to the Condominium running in favor of Seller, to the extent that such guarantees are assignable. Seller will deliver to Buyer at closing any manufacturers warranties covering any appliances sold with the Unit except insofar as the same may be Common Elements. Buyer agrees to execute by separate instrument on or prior to the closing date and the delivery of the deed of the Unit an agreement to reduce, as permitted by Section 1604-115 (a) of the Maine Condominium Act, the statutory six (6) year limitation period for bringing warranty claims to two (2) years. No oral warranties, representations, statements or promises shall be considered a part of this Agreement or binding upon any party hereto.

3. PURCHASE PRICE. The purchase price for the Unit is One hundred thirty Six thousand (\$ 136,000) of which (\$) has been paid upon presentation of this Agreement by Buyer to Seller as an earnest money deposit (the "Deposit") and of which the receipt is acknowledged by Seller. The Deposit is to be held by Seller's attorneys, Drummond, Woodsum & MacMahon, 245 Commercial Street, P.O. Box 9781, Portland, Maine 04104-5081, in a non-interest bearing

escrow account, providing for immediate withdrawal, pending closing hereof, payment to Seller or refund to Buyer in accordance with the terms and provisions of this Agreement. The balance of the purchase price shall be paid by Buyer to Seller in cash or by certified or bank cashier's check at the closing, subject to the adjustments as hereinafter provided.

(a) Real estate taxes for the current municipal tax year, any sewer and water charges, and all condominium assessments shall be prorated between the parties as of the date of the closing. Estimated taxes for this unit are apx. \$ 1,774 per year.

(b) Buyer shall also pay a one-time working capital fund contribution equal to two (2) months estimated common assessments to the Association or to the Seller if the Seller has previously advanced such amount. At the beginning of the month following the closing of the transaction contemplated hereby, Buyer will become responsible for the payment of monthly assessments attributable to the Unit. The monthly maintenance assessment for each Unit in the condominium will be determined by the Association in accordance with the provisions of the Declaration of 199 Spring Street Condominium and the Bylaws of 199 Spring Street Condominium Owners Association. Currently estimated association fees for this unit are \$ 170 per month, which includes, heat, water, sewer, maintenance, and general building insurance.

(c) Real estate transfer taxes arising in connection with the conveyance of the Unit shall be paid by Buyer and Seller in accordance with Maine law.

(d) Seller is hereby notified that Buyer will withhold two and one-half percent (2.5%) of the purchase price for transfer to the State of Maine Tax Assessor pursuant to 36 M.R.S.A. § 5250-A unless (i) Seller furnishes a certificate to Buyer at closing stating, under penalty of perjury, that as of the date of closing, Seller is a resident of the State of Maine, or (ii) Seller furnishes a certificate from the State of Maine Tax Assessor to Buyer at closing stating that no taxes are due on the gain from the transfer of the Unit or that Seller has provided adequate security to the State of Maine Tax Assessor to cover the tax liability resulting from said transfer.

4. CLOSING. The closing on the sale of the Unit shall take place on _____, _____, 200__, at 10:00 a.m. at the offices of Seller's attorneys, Drummond, Woodsum & MacMahon, 245 Commercial Street, Portland, Maine, or at such other time and location as is agreed upon by the parties.

5. DEED. The Unit shall be conveyed by warranty deed and title to the Unit shall be good and marketable and free and clear of all liens and encumbrances except for utility easements and other covenants and restrictions of record including, but not limited to, the terms and conditions of the Declaration of 199 Spring Street Condominium. Until delivery of the deed from Seller to Buyer, risk of loss or damage to the Unit by casualty, condemnation or otherwise shall be on Seller. The acceptance by Buyer of the deed shall be deemed to be a full performance and discharge of every agreement and obligation herein contained or expressed, except such as are, by the terms hereof, to be performed after the delivery of said deed or to survive the closing.

6. TITLE. If title to the Unit is defective or is otherwise not free and clear of all liens and encumbrances or is not marketable as provided hereinabove, and upon notice of such defect or defects from Buyer to Seller, the closing shall be extended for a period of forty-five (45) days during which time Seller shall undertake reasonable efforts to remove such defects at Seller's expense to the reasonable satisfaction of Buyer. If record title proves defective and Seller shall fail to remove such defect or defects within said forty-five (45) day period, Buyer may, at Buyer's election, accept such title as Seller can convey without any reduction in the purchase price, or terminate this Agreement whereupon the Deposit shall be promptly returned to Buyer and the parties shall be relieved of all further obligations under this Agreement.

7. USE OF PURCHASE MONEY TO CLEAR TITLE. To enable Seller to make conveyance as herein provided, Seller may, at the time of delivery of the deed, use the purchase money or any portion thereof to clear the title of any or all encumbrances or interests.

8. POSSESSION. Full possession of the Unit, free of all tenants and other encumbrances, except as hereinabove set forth, is to be delivered to Buyer at the closing.

9. LEAD-BASED PAINT. This Agreement is contingent upon a risk assessment or inspection of the Unit for the presence of lead-based paint and/or lead-based paint hazards at Buyer's expense to be completed within fourteen (14) days following the date of this Agreement. This condition will terminate at the end of said fourteen (14) day period unless Buyer delivers to Seller a written contract addendum listing the specific existing deficiencies and corrections needed, together with a copy of the inspection and/or risk assessment report. Seller may, at Seller's option, within five (5) days after delivery of the addendum, elect in writing whether to correct the condition. Seller shall furnish Buyer with a certification from a risk management assessor or inspector demonstrating that the condition has been remedied before the Closing. If Seller does not elect to make the repairs, or if Seller makes a counteroffer, Buyer shall have three (3) days to respond to the counteroffer or remove this condition and take the Unit in a "as is" condition or this Agreement shall become void. Buyer may remove this condition at any time without cause. The Disclosure of Information on Lead-Based Paint and Lead-Based Hazards regarding lead-based paint attached hereto and signed by Seller and Buyer is incorporated within this Agreement.

10. INSPECTION. In addition to such other conditions to closing as may be set forth herein, the obligations of Buyer under this Agreement are subject to Buyer completing an inspection of the Unit within fourteen (14) days following the date of this Agreement, which inspection will be performed by an inspector chosen and paid for by Buyer. In the event such inspection discloses material defects in, or other material adverse matters with respect to, the Unit, Buyer may terminate this Agreement by giving Seller notice of Buyer's intention to do so within said fourteen (14) day period, or proceed with the purchase of the Unit without any reduction in the purchase price. In the event Buyer should terminate this Agreement due to an unsatisfactory inspection, Seller shall return the Deposit to Buyer and the parties shall be relieved of all further obligations under this Agreement. If Buyer does not notify Seller that such

inspection is unsatisfactory within the time period set forth above, this contingency shall be deemed to have been waived by Buyer.

11. BUYER FINANCING. In the event Buyer requires financing in order to purchase the Unit, this Agreement is subject to Buyer obtaining such financing upon the following terms:

- a. Buyer obtaining a loan of not less than eighty percent (80%) of the purchase price.
- b. Buyer's ability to obtain financing is not subject to the sale of any other property.
- c. Buyer shall provide Seller with a written statement from Buyer's lender, within five (5) business days of the date of this Agreement, stating that Buyer has made application for financing and, subject to verification of information, is qualified for the loan requested. If Buyer fails to provide Seller with such statement within said time period, Seller may terminate this Agreement and the Deposit shall be returned to Buyer.
- d. Buyer shall provide Seller with a loan commitment letter from Buyer's lender showing that Buyer has secured the requested loan within thirty (30) days of the date of this Agreement. If Buyer fails to provide Seller with said loan commitment letter within said time period, Seller may terminate this Agreement and the Deposit shall be returned to Buyer.
- e. Buyer is under a good-faith obligation to seek and accept financing on the above-described terms. Buyer acknowledges that a breach of this good-faith obligation will be a breach of this Agreement.

12. PROPERTY DISCLOSURE STATEMENT. Buyer acknowledges by Buyer's execution of this Agreement that Buyer received and reviewed a Residential Property Disclosure Statement of Seller required under 33 M.R.S.A. § 172 and the Public Offering Statement for 199 Spring Street Condominium required to be delivered by Seller to Buyer under the Maine Condominium Act, which Public Offering Statement consists of (a) the proposed Declaration of 199 Spring Street Condominium, (b) the proposed Plat and Plans for 199 Spring Street Condominium, (c) and the proposed Bylaws of 199 Spring Street Condominium Owners Association, prior to Buyer's execution and delivery of this Agreement. Said documents comprising said Public Offering Statement are hereby incorporated herein by reference and made a part of this Agreement with the same force and effect as if set forth in full herein.

13. BUYER'S DEFAULT. If Buyer fails to perform hereunder for any reason other than reasons specified in this Agreement as giving rise to a right in Buyer to terminate the transaction contemplated herein, Seller may, at Seller's option, retain the Deposit as Seller's sole and exclusive remedy at law or in equity for Buyer's default under this Agreement without recourse to Buyer and Buyer shall be relieved of all obligations hereunder, or pursue all available remedies, including specific performance and reasonable attorney's fees. The parties recognize that it is difficult to estimate the loss suffered by Seller in the event of Buyer's default, so the

retention of the Deposit by Seller as a liquidated damages amount, should Seller elect that option as a result of Buyer's default is established as a good faith effort to predict that loss.

14. SELLER'S DEFAULT. If Seller fails to perform hereunder for any reason other than reasons specified in this Agreement as giving rise to a right in Seller to terminate the transaction contemplated herein, Buyer shall have the remedy of specific performance or shall otherwise be entitled to the prompt refund of the Deposit and these shall be Buyer's sole and exclusive remedies at law or in equity for any default by Seller under this Agreement.

15. ASSIGNMENT. Buyer shall have no right to assign this Agreement without the prior written consent of Seller and any purported assignment of this Agreement shall be voidable at the option of Seller without in any manner affecting Buyer's obligations hereunder.

16. ESCROW. Buyer understands that Drummond Woodsum & MacMahon are attorneys for Seller. In the event of a dispute regarding the funds held in escrow by Drummond Woodsum & MacMahon hereunder, Buyer agrees that Drummond Woodsum & MacMahon may continue to act as counsel for Seller, provided such escrowed funds are paid to a court or other neutral party if such dispute is not promptly resolved.

17. MISCELLANEOUS.

(a) This Agreement shall be binding upon and shall inure to the benefit of the heirs and assigns of the parties hereto.

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

(c) This Agreement constitutes the entire understanding of the parties with respect to the subject matter hereof and supersedes all prior agreements, written or oral, between the parties. This Agreement may not be modified, waived or amended except in writing signed by the parties hereto. 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.

(d) Any notice relating in any way to this Agreement shall be in writing and shall be sent by registered or certified mail, return receipt requested, addressed to the party to whom such notice is directed at the address first set forth above and such notice shall be deemed delivered when so posted. The parties may, by such manner of notice, substitute persons or addresses for notice other than those set forth above.

(e) Any and all prior and contemporaneous discussions, undertakings, agreements and understandings of the parties are 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 but one and the same instrument.

(g) 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. This agreement to indemnify and hold harmless shall survive the closing.

(h) This Agreement shall be governed by and its terms construed in accordance with the laws of the State of Maine.

IN WITNESS WHEREOF the parties have executed this Agreement as of the _____ day of _____, 200__.

WITNESS:

Christopher P. Sarchi, Seller

Soc. Sec. No. _____

Kristi A. Sarchi, Seller

Soc. Sec. No. _____

_____, Seller

Soc. Sec. No. _____

_____, Seller

Soc. Sec. No. _____

NOTICE OF INTENT TO CONVERT

Christopher P. and Kristi A. Sarchi
16 Coveside Road
Cumberland, Maine 04110
207-781-5971

Certified Mail, Return Receipt Requested

October 27, 2005

COPY

David Hamilton
199 Spring Street Apartment #4
Portland, Maine 04102

Re: 199 Spring Street, Portland, Maine
Apartment No. 4

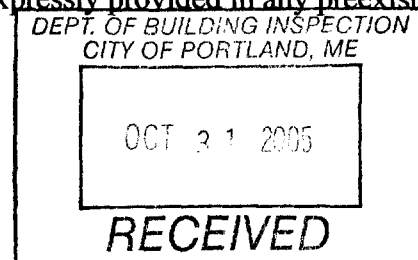
Dear David:

We are providing you with this Notice of Intent to Convert (the "Notice") pursuant to the requirements of Section 1604-111 of the Maine Condominium Act (the "Condominium Act") and Article VII of the Chapter 14 of the Portland Code of Ordinances (the "Condominium Conversion Ordinance") regarding the conversion of residential apartment buildings into condominiums.

We intend to convert our property at 199 Spring Street in Portland (the "Property") to a condominium pursuant to the Maine Condominium Act. Copies of the proposed Declaration of Condominium, the proposed Bylaws of the Association and the proposed Plat and Plans for the condominium are enclosed. Because you are a tenant in the Property, we are required under the Condominium Act and the Condominium Conversion Ordinance to provide you with notice of our intent to convert the Property to a condominium, to afford you a certain amount of time to vacate your apartment, to give you the opportunity to purchase your apartment following its conversion to a condominium unit, and to otherwise advise you of your rights under the Condominium Act and the Condominium Conversion Ordinance. This Notice is effective upon the date you receive it.

1. Notice to Vacate.

You will be required to vacate your apartment no later than **March 1, 2006**. We may not require you to vacate your apartment earlier than the Vacation Date except for the reasons specified in the Maine Forcible Entry and Detainer Act (14 M.R.S.A. §6001, et seq.) and in accordance with the procedures provided therein. The terms of your tenancy, including your rent, may not be altered during the notice period, except as **expressly provided in any preexisting written lease.**



2. Option to Purchase.

For sixty (60) days following your receipt of this Notice, we are required to grant you the exclusive and irrevocable option to purchase your apartment, which option may not be assigned by you to a third party. The terms and conditions pursuant to which we will agree to sell your apartment to you are set forth in the proposed Purchase and Sale Agreement enclosed herewith. If you intend to proceed with the purchase, we would ask that you contact us to discuss the details and procedures at your earliest convenience. If you do not purchase or enter into a contract to purchase your apartment during the sixty (60) day period, we may not convey or offer to convey your apartment to any other person during the following one hundred eighty (180) days at a price or on terms more favorable than the price or terms we have previously offered to you as set forth in the enclosed Purchase and Sale Agreement, unless the more favorable price or terms are first offered exclusively and irrevocably to you for an additional sixty (60) day period.

3. Relocation Assistance.

If you do not purchase your apartment, we are required by law to assist you in finding another place to live and in determining your eligibility for relocation payments. If you have questions about your rights under the law, or complaints about the way you have been treated by us, you may contact the Building Inspection Division, Department of Planning and Urban Development, City of Portland, 389 Congress Street, Portland, Maine 04101 (Telephone: 874-8703).

4. Relocation Payments and Referrals.

If you do not purchase your apartment, we are required, prior to the Vacation Date, to make a cash payment to you in an amount equal to the amount of rent paid by you for the immediately preceding two (2) months, provided that this requirement shall not apply if your gross income exceeds eighty (80) percent of the median income of the Portland SMSA, adjusted for family size, as determined by the U.S. Department of Housing and Urban Development at the time this Notice received by you. Additionally, we are required, at your request, to provide you with assistance in the form of referrals to other reasonable accommodations and in determining your eligibility for relocation payments as described above.

If you should have any questions, please contact us by mail or telephone at the address or telephone number set forth above.

Sincerely,



Christopher P. Sarchi



Kristi A. Sarchi

escrow account, providing for immediate withdrawal, pending closing hereof, payment to Seller or refund to Buyer in accordance with the terms and provisions of this Agreement. The balance of the purchase price shall be paid by Buyer to Seller in cash or by certified or bank cashier's check at the closing, subject to the adjustments as hereinafter provided.

(a) Real estate taxes for the current municipal tax year, any sewer and water charges, and all condominium assessments shall be prorated between the parties as of the date of the closing. Estimated taxes for this unit are apx. \$ 1437 per year.

(b) Buyer shall also pay a one-time working capital fund contribution equal to two (2) months estimated common assessments to the Association or to the Seller if the Seller has previously advanced such amount. At the beginning of the month following the closing of the transaction contemplated hereby, Buyer will become responsible for the payment of monthly assessments attributable to the Unit. The monthly maintenance assessment for each Unit in the condominium will be determined by the Association in accordance with the provisions of the Declaration of 199 Spring Street Condominium and the Bylaws of 199 Spring Street Condominium Owners Association. Currently estimated association fees for this unit are \$ 150 per month, which includes, heat, water, sewer, maintenance, and general building insurance.

(c) Real estate transfer taxes arising in connection with the conveyance of the Unit shall be paid by Buyer and Seller in accordance with Maine law.

(d) Seller is hereby notified that Buyer will withhold two and one-half percent (2.5%) of the purchase price for transfer to the State of Maine Tax Assessor pursuant to 36 M.R.S.A. § 5250-A unless (i) Seller furnishes a certificate to Buyer at closing stating, under penalty of perjury, that as of the date of closing, Seller is a resident of the State of Maine, or (ii) Seller furnishes a certificate from the State of Maine Tax Assessor to Buyer at closing stating that no taxes are due on the gain from the transfer of the Unit or that Seller has provided adequate security to the State of Maine Tax Assessor to cover the tax liability resulting from said transfer.

4. CLOSING. The closing on the sale of the Unit shall take place on _____, _____, 200__, at 10:00 a.m. at the offices of Seller's attorneys, Drummond, Woodsum & MacMahon, 245 Commercial Street, Portland, Maine, or at such other time and location as is agreed upon by the parties.

5. DEED. The Unit shall be conveyed by warranty deed and title to the Unit shall be good and marketable and free and clear of all liens and encumbrances except for utility easements and other covenants and restrictions of record including, but not limited to, the terms and conditions of the Declaration of 199 Spring Street Condominium. Until delivery of the deed from Seller to Buyer, risk of loss or damage to the Unit by casualty, condemnation or otherwise shall be on Seller. The acceptance by Buyer of the deed shall be deemed to be a full performance and discharge of every agreement and obligation herein contained or expressed, except such as are, by the terms hereof, to be performed after the delivery of said deed or to survive the closing.

NOTICE OF INTENT TO CONVERT

Christopher P. and Kristi A. Sarchi
16 Coveside Road
Cumberland, Maine 04110
207-781-5971

Certified Mail, Return Receipt Requested

October 27, 2005

Michael Tadema-Wielandt & Nicole Bradick
199 Spring Street Apartment #5
Portland, Maine 04102

COPY

Re: 199 Spring Street, Portland, Maine
Apartment No. 5

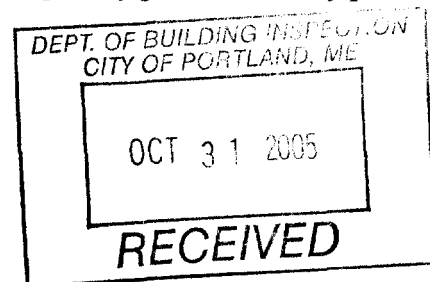
Dear Michael & Nicole:

We are providing you with this Notice of Intent to Convert (the "Notice") pursuant to the requirements of Section 1604-111 of the Maine Condominium Act (the "Condominium Act") and Article VII of the Chapter 14 of the Portland Code of Ordinances (the "Condominium Conversion Ordinance") regarding the conversion of residential apartment buildings into condominiums.

We intend to convert our property at 199 Spring Street in Portland (the "Property") to a condominium pursuant to the Maine Condominium Act. Copies of the proposed Declaration of Condominium, the proposed Bylaws of the Association and the proposed Plat and Plans for the condominium are enclosed. Because you are a tenant in the Property, we are required under the Condominium Act and the Condominium Conversion Ordinance to provide you with notice of our intent to convert the Property to a condominium, to afford you a certain amount of time to vacate your apartment, to give you the opportunity to purchase your apartment following its conversion to a condominium unit, and to otherwise advise you of your rights under the Condominium Act and the Condominium Conversion Ordinance. This Notice is effective upon the date you receive it.

1. Notice to Vacate.

You will be required to vacate your apartment no later than **June 1, 2006**. We may not require you to vacate your apartment earlier than the Vacation Date except for the reasons specified in the Maine Forcible Entry and Detainer Act (14 M.R.S.A. §6001, et seq.) and in accordance with the procedures provided therein. The terms of your tenancy, including your rent, may not be altered during the notice period, except as expressly provided in any preexisting written lease.



2. Option to Purchase.

For sixty (60) days following your receipt of this Notice, we are required to grant you the exclusive and irrevocable option to purchase your apartment, which option may not be assigned by you to a third party. The terms and conditions pursuant to which we will agree to sell your apartment to you are set forth in the proposed Purchase and Sale Agreement enclosed herewith. If you intend to proceed with the purchase, we would ask that you contact us to discuss the details and procedures at your earliest convenience. If you do not purchase or enter into a contract to purchase your apartment during the sixty (60) day period, we may not convey or offer to convey your apartment to any other person during the following one hundred eighty (180) days at a price or on terms more favorable than the price or terms we have previously offered to you as set forth in the enclosed Purchase and Sale Agreement, unless the more favorable price or terms are first offered exclusively and irrevocably to you for an additional sixty (60) day period.

3. Relocation Assistance.

If you do not purchase your apartment, we are required by law to assist you in finding another place to live and in determining your eligibility for relocation payments. If you have questions about your rights under the law, or complaints about the way you have been treated by us, you may contact the Building Inspection Division, Department of Planning and Urban Development, City of Portland, 389 Congress Street, Portland, Maine 04101 (Telephone: 874-8703).

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If you should have any questions, please contact us by mail or telephone at the address or telephone number set forth above.

Sincerely,



Christopher P. Sarchi



Kristi A. Sarchi

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (this "Agreement") is made by and between CHRISTOPHER P. SARCHI and KRISTI A. SARCHI of Cumberland, Maine, whose mailing address is 16 Coveside Road, Cumberland, Maine 04110 (collectively, "Seller") and Michael Tadema Wickandt + Nicole Bradick of Portland, Maine, whose mailing address is 199 Spring Street, Apartment 5, Portland, Maine 04101 (whether one or more, "Buyer"), who agree as follows.

1. PURCHASE AND SALE OF REAL ESTATE. Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller Unit No. 5 (hereinafter called the "Unit") in 199 Spring Street Condominium, a condominium (hereinafter called the "Condominium") located at 199 Spring Street in Portland, Cumberland County, Maine, together with (a) an undivided percentage interest in the Common Elements of the Condominium (hereinafter called "Common Elements"), and (b) such other rights and easements appurtenant to the Unit as are set forth in the Declaration of Condominium to be executed by the Seller and recorded in the Cumberland County Registry of Deeds prior to the closing hereunder (hereinafter, together with all exhibits thereto, called the "Declaration"). The Unit shall be conveyed together with the all fixtures therein, including but not limited to shades and/or blinds, shutters, curtain rods, electrical fixtures, together with the following appliances therein owned by Seller: stove, refrigerator, microwave and dishwasher.

2. WARRANTIES; STATUTE OF LIMITATIONS. Seller will provide Buyer with certain limited warranties regarding the Unit and the Common Elements as required under Section 1604-113 of the Maine Condominium Act as more fully set forth in the Limited Warranty Certificate attached hereto. At closing Seller will deliver to Buyer a copy of the Limited Warranty Certificate for the Unit executed by Seller, and Buyer agrees to execute the Limited Warranty Certificate at closing. Prior to the expiration of such two (2) year period, Seller will assign to the Executive Board of the Condominium, on behalf of the Unit owners of all Units, any guarantees from subcontractors or suppliers of materials with respect to the Condominium running in favor of Seller, to the extent that such guarantees are assignable. Seller will deliver to Buyer at closing any manufacturers warranties covering any appliances sold with the Unit except insofar as the same may be Common Elements. Buyer agrees to execute by separate instrument on or prior to the closing date and the delivery of the deed of the Unit an agreement to reduce, as permitted by Section 1604-115 (a) of the Maine Condominium Act, the statutory six (6) year limitation period for bringing warranty claims to two (2) years. No oral warranties, representations, statements or promises shall be considered a part of this Agreement or binding upon any party hereto.

3. PURCHASE PRICE. The purchase price for the Unit is One hundred seventy nine thousand (\$ 179,000) of which _____ (\$ _____) has been paid upon presentation of this Agreement by Buyer to Seller as an earnest money deposit (the "Deposit") and of which the receipt is acknowledged by Seller. The Deposit is to be held by Seller's attorneys, Drummond, Woodsum & MacMahon, 245 Commercial Street, P.O. Box 9781, Portland, Maine 04104-5081, in a non-interest bearing

escrow account, providing for immediate withdrawal, pending closing hereof, payment to Seller or refund to Buyer in accordance with the terms and provisions of this Agreement. The balance of the purchase price shall be paid by Buyer to Seller in cash or by certified or bank cashier's check at the closing, subject to the adjustments as hereinafter provided.

(a) Real estate taxes for the current municipal tax year, any sewer and water charges, and all condominium assessments shall be prorated between the parties as of the date of the closing. Estimated taxes for this unit are apx. \$2,495 per year.

(b) Buyer shall also pay a one-time working capital fund contribution equal to two (2) months estimated common assessments to the Association or to the Seller if the Seller has previously advanced such amount. At the beginning of the month following the closing of the transaction contemplated hereby, Buyer will become responsible for the payment of monthly assessments attributable to the Unit. The monthly maintenance assessment for each Unit in the condominium will be determined by the Association in accordance with the provisions of the Declaration of 199 Spring Street Condominium and the Bylaws of 199 Spring Street Condominium Owners Association. Currently estimated association fees for this unit are \$245 per month, which includes, heat, water, sewer, maintenance, and general building insurance.

(c) Real estate transfer taxes arising in connection with the conveyance of the Unit shall be paid by Buyer and Seller in accordance with Maine law.

(d) Seller is hereby notified that Buyer will withhold two and one-half percent (2.5%) of the purchase price for transfer to the State of Maine Tax Assessor pursuant to 36 M.R.S.A. § 5250-A unless (i) Seller furnishes a certificate to Buyer at closing stating, under penalty of perjury, that as of the date of closing, Seller is a resident of the State of Maine, or (ii) Seller furnishes a certificate from the State of Maine Tax Assessor to Buyer at closing stating that no taxes are due on the gain from the transfer of the Unit or that Seller has provided adequate security to the State of Maine Tax Assessor to cover the tax liability resulting from said transfer.

4. CLOSING. The closing on the sale of the Unit shall take place on _____, _____, 200__, at 10:00 a.m. at the offices of Seller's attorneys, Drummond, Woodsum & MacMahon, 245 Commercial Street, Portland, Maine, or at such other time and location as is agreed upon by the parties.

5. DEED. The Unit shall be conveyed by warranty deed and title to the Unit shall be good and marketable and free and clear of all liens and encumbrances except for utility easements and other covenants and restrictions of record including, but not limited to, the terms and conditions of the Declaration of 199 Spring Street Condominium. Until delivery of the deed from Seller to Buyer, risk of loss or damage to the Unit by casualty, condemnation or otherwise shall be on Seller. The acceptance by Buyer of the deed shall be deemed to be a full performance and discharge of every agreement and obligation herein contained or expressed, except such as are, by the terms hereof, to be performed after the delivery of said deed or to survive the closing.

6. TITLE. If title to the Unit is defective or is otherwise not free and clear of all liens and encumbrances or is not marketable as provided hereinabove, and upon notice of such defect or defects from Buyer to Seller, the closing shall be extended for a period of forty-five (45) days during which time Seller shall undertake reasonable efforts to remove such defects at Seller's expense to the reasonable satisfaction of Buyer. If record title proves defective and Seller shall fail to remove such defect or defects within said forty-five (45) day period, Buyer may, at Buyer's election, accept such title as Seller can convey without any reduction in the purchase price, or terminate this Agreement whereupon the Deposit shall be promptly returned to Buyer and the parties shall be relieved of all further obligations under this Agreement.

7. USE OF PURCHASE MONEY TO CLEAR TITLE. To enable Seller to make conveyance as herein provided, Seller may, at the time of delivery of the deed, use the purchase money or any portion thereof to clear the title of any or all encumbrances or interests.

8. POSSESSION. Full possession of the Unit, free of all tenants and other encumbrances, except as hereinabove set forth, is to be delivered to Buyer at the closing.

9. LEAD-BASED PAINT. This Agreement is contingent upon a risk assessment or inspection of the Unit for the presence of lead-based paint and/or lead-based paint hazards at Buyer's expense to be completed within fourteen (14) days following the date of this Agreement. This condition will terminate at the end of said fourteen (14) day period unless Buyer delivers to Seller a written contract addendum listing the specific existing deficiencies and corrections needed, together with a copy of the inspection and/or risk assessment report. Seller may, at Seller's option, within five (5) days after delivery of the addendum, elect in writing whether to correct the condition. Seller shall furnish Buyer with a certification from a risk management assessor or inspector demonstrating that the condition has been remedied before the Closing. If Seller does not elect to make the repairs, or if Seller makes a counteroffer, Buyer shall have three (3) days to respond to the counteroffer or remove this condition and take the Unit in a "as is" condition or this Agreement shall become void. Buyer may remove this condition at any time without cause. The Disclosure of Information on Lead-Based Paint and Lead-Based Hazards regarding lead-based paint attached hereto and signed by Seller and Buyer is incorporated within this Agreement.

10. INSPECTION. In addition to such other conditions to closing as may be set forth herein, the obligations of Buyer under this Agreement are subject to Buyer completing an inspection of the Unit within fourteen (14) days following the date of this Agreement, which inspection will be performed by an inspector chosen and paid for by Buyer. In the event such inspection discloses material defects in, or other material adverse matters with respect to, the Unit, Buyer may terminate this Agreement by giving Seller notice of Buyer's intention to do so within said fourteen (14) day period, or proceed with the purchase of the Unit without any reduction in the purchase price. In the event Buyer should terminate this Agreement due to an unsatisfactory inspection, Seller shall return the Deposit to Buyer and the parties shall be relieved of all further obligations under this Agreement. If Buyer does not notify Seller that such

inspection is unsatisfactory within the time period set forth above, this contingency shall be deemed to have been waived by Buyer.

11. BUYER FINANCING. In the event Buyer requires financing in order to purchase the Unit, this Agreement is subject to Buyer obtaining such financing upon the following terms:

- a. Buyer obtaining a loan of not less than eighty percent (80%) of the purchase price.
- b. Buyer's ability to obtain financing is not subject to the sale of any other property.
- c. Buyer shall provide Seller with a written statement from Buyer's lender, within five (5) business days of the date of this Agreement, stating that Buyer has made application for financing and, subject to verification of information, is qualified for the loan requested. If Buyer fails to provide Seller with such statement within said time period, Seller may terminate this Agreement and the Deposit shall be returned to Buyer.
- d. Buyer shall provide Seller with a loan commitment letter from Buyer's lender showing that Buyer has secured the requested loan within thirty (30) days of the date of this Agreement. If Buyer fails to provide Seller with said loan commitment letter within said time period, Seller may terminate this Agreement and the Deposit shall be returned to Buyer.
- e. Buyer is under a good-faith obligation to seek and accept financing on the above-described terms. Buyer acknowledges that a breach of this good-faith obligation will be a breach of this Agreement.

12. PROPERTY DISCLOSURE STATEMENT. Buyer acknowledges by Buyer's execution of this Agreement that Buyer received and reviewed a Residential Property Disclosure Statement of Seller required under 33 M.R.S.A. § 172 and the Public Offering Statement for 199 Spring Street Condominium required to be delivered by Seller to Buyer under the Maine Condominium Act, which Public Offering Statement consists of (a) the proposed Declaration of 199 Spring Street Condominium, (b) the proposed Plat and Plans for 199 Spring Street Condominium, (c) and the proposed Bylaws of 199 Spring Street Condominium Owners Association, prior to Buyer's execution and delivery of this Agreement. Said documents comprising said Public Offering Statement are hereby incorporated herein by reference and made a part of this Agreement with the same force and effect as if set forth in full herein.

13. BUYER'S DEFAULT. If Buyer fails to perform hereunder for any reason other than reasons specified in this Agreement as giving rise to a right in Buyer to terminate the transaction contemplated herein, Seller may, at Seller's option, retain the Deposit as Seller's sole and exclusive remedy at law or in equity for Buyer's default under this Agreement without recourse to Buyer and Buyer shall be relieved of all obligations hereunder, or pursue all available remedies, including specific performance and reasonable attorney's fees. The parties recognize that it is difficult to estimate the loss suffered by Seller in the event of Buyer's default, so the