

September 3, 2014

Via Hand Delivery
Marc Chadbourne
24 Deering Street, Unit #5
Portland, Maine 04101

Re: Unit #5, Deering Heights Condominium, 24 Deering Street, Portland, Maine
Notice of Intent to Convert / Option to Purchase

Dear Marc,

As you know, I intend to establish a condominium to be known as “Deering Heights Condominiums” at 24 Deering Street, Portland, Maine. As part of the conversion process, I am required by Article VIII, Section 14-565 *et seq.* of the City of Portland’s Code of Ordinances (the “Ordinance”) and the Maine Condominium Act, 33 M.R.S.A. §1601-101 *et seq.* (the “Act”), to give you this notice, which not only memorializes my intention to convert 24 Deering Street to Deering Heights Condominiums, but also outlines certain other rights and protections that you are afforded by the City’s Ordinance and the Act.

For a period of sixty (60) days’ following the date of your receipt of this notice you shall have an exclusive and irrevocable right to purchase Unit #5 (the “Unit”) of Deering Heights Condominium for the sum of One Hundred Sixty Thousand Dollars (\$160,000), with a Five Thousand Dollar (\$5,000) concession which you may use towards your closing costs. Such right may be exercised by signing and returning to me, during the sixty (60) days’ following the date of your receipt of this notice the Unit Purchase and Sale Agreement being delivered to you together with your deposit.

If you do not exercise your right to purchase the Unit during the next sixty (60) day period then please know that I may not convey or offer to convey the Unit to any other person during the following one hundred eighty (180) day period at a price or on terms more favorable than the price or terms that I offered to you, unless I first offer the more favorable price or terms first to you for an additional sixty (60) day period.

If you do not wish to purchase the Unit, you may continue to live in the Unit (even if your lease has expired) for a period of one hundred twenty (120) days from the time you receive this notice. The terms of your tenancy, including rent, will not be altered during such one hundred twenty (120) days period, except as expressly provided in any pre-existing written lease.

Additionally, if you choose not to purchase the Unit, I am obligated by Section 14-569 of the City’s Ordinance, before I require you to vacate the Unit, 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 to any tenant whose gross income exceeds eighty percent (80%) 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 is given to you. I am further obligated to, upon demand by you, to provide assistance in the form of referrals to other reasonable accommodations and in determining your eligibility for relocation payments as provided by the Ordinance.

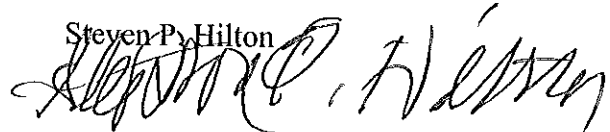
This notice must be either hand delivered to you or mailed by certified mail, return receipt requested, postage prepaid to you at the address of the Unit or such other address as you may provide. This notice shall be effective when actually received. You will not be required to vacate your Unit without having been given this notice as required under said Ordinance or Act, except for the reasons specified in the applicable law of forcible entry and detainer, and in accordance with the procedures thereof.

The enclosed "Public Offering Statement" contains material required by the Act in order to help you make a decision as to whether you should purchase the Unit. You should review it before you make your decision.

Please let me know if you have any questions.

Very truly yours,

Steven P. Hilton



REQUIRED NOTICE

If you do not buy your apartment, the developer of this project is 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 the developer, 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).