

I. EVIDENCE OF FINANCIAL CAPACITY

TERM SHEET

December 12, 2016

Lachman Architects & Planners
Denis Lachman & Karen Smith
165 State Street
Portland, ME 04101

Dear Denis and Kiya:

The proposed terms and conditions are provided for discussion purposes only and do not constitute an offer, agreement, or commitment to lend. The actual terms and conditions upon which the Bank might extend credit to the Borrower are subject to satisfactory completion of due diligence, internal approval, satisfactory review of documentation, and such other items and conditions as are determined by the Bank.

BORROWER: Lachman Architects & Planners or new entity TBD

AMOUNT: \$1,046,000

PURPOSE: To finance redevelopment / construction of mixed-use commercial/residential property located at 502 Stevens Avenue, Portland ME and provide permanent financing following the construction phase

INTEREST RATE:

Interest only at a variable interest rate of Wall Street Journal Prime + 1.00% during construction phase, followed by choice of:

Option 1: A fixed interest rate for five (5) years at the Androscoggin Bank Fixed Rate Equivalent of LIBOR Plus 2.50%. The actual fixed rate shall be set as of the day of closing. The indicative fixed rate as of 12/12/16 is 4.24%.

Option 2: A fixed interest rate for seven (7) years at the Androscoggin Bank Fixed Rate Equivalent of LIBOR Plus 2.50%. The actual fixed rate shall be set as of the day of closing. The indicative fixed rate as of 12/12/16 is 4.46%.

Option 3: A fixed interest rate for ten (10) years at the Androscoggin Bank Fixed Rate Equivalent of LIBOR Plus 2.65%. The actual fixed rate shall be set as of the day of closing. The indicative fixed rate as of 12/12/16 is 4.81%.

Fixed rate period to be followed by a variable rate at WSJ Prime + 1% or a new fixed rate to be negotiated.

TERM: Eighteen (18) month construction phase, followed by Twenty (20) year term

REPAYMENT: Eighteen (18) monthly payments of interest only, followed by Two hundred and forty (240) monthly payments of principal and interest in an amount sufficient to amortize the loan amount over the term of the loan.

PREPAYMENT PENALTY:

No prepayment penalty during construction phase.

Option 1: 5%, 4%, 3%, 2%, and 1%

Option 2: 5%, 4%, 3%, 2%, 2%, 1%, and 1%

Option 3: 5%, 5%, 4%, 4%, 3%, 3%, 2%, 2%, 1%, and 1%

Prepayment penalty applies only in the case of refinance by another lender.

ORIGINATION FEE: 0.25% of loan amount

PROCESSING FEE: \$395

COLLATERAL: 1st real estate mortgage and assignment of leases and rents on property located at 502 Stevens Avenue, Portland ME

1st priority assignment of plans, specifications, contracts, permits, and approvals for the project.

GUARANTEES: Unlimited personal guaranties of Denis Lachman and Karen Smith

OTHER TERMS AND CONDITIONS:

- Borrower to establish and maintain its primary deposit relationship with Androscoggin Bank.
- Subject to appraisal completed on subject property showing a value yielding a maximum loan-to-value ratio of 75% on an as-complete basis.
- Subject to satisfactory environmental due diligence on subject property.
- Subject to satisfactory review of budget, plans, contracts and specifications for the project.

- Subject to a fixed price or guaranteed maximum price contract from a general contractor satisfactory to Bank.
- The contractor's performance under the construction contract shall be supported by a payment and performance bond.
- Proceeds shall be advanced under a Construction Loan Agreement to finance the construction of the Project in accordance with plans and specifications and assignable contracts, which shall be subject to Lender's approval.
- Subject to 3rd party construction monitoring with inspection fees to be paid by Borrower.
- Necessary authorizations and resolutions for Borrower

Thank You,



Catherine Buffum
Vice President
Commercial Lending Division
(207) 518-6311

This term sheet contains information from Androscoggin Bank and is intended only for the person and/or business to whom addressed in the text above. As such, it may contain privileged or confidential information. If you are not the intended recipient or the person identified in the text above, any use of this document is prohibited.

I EVIDENCE OF TECHNICAL CAPACITY

<p>Applicant – must be owner, Lessee or Buyer</p> <p>Name: Denis Lachman</p> <p>Business Name, if applicable: 502 Deering Center LLC</p> <p>Address: 55 Hamblet Ave</p> <p>City/State : Portland, ME Zip Code: 04103</p>	<p>Applicant Contact Information</p> <p>Work #: 207 831 8585</p> <p>Home #: 207 772 1195</p> <p>Cell #: same as work Fax#: none</p> <p>e-mail: denis@lachmanarchitects.com</p>
<p>Owner – (if different from Applicant)</p> <p>Name:</p> <p>Address:</p> <p>City/State : Zip Code:</p>	<p>Owner Contact Information</p> <p>Work #:</p> <p>Home #:</p> <p>Cell #: Fax#:</p> <p>e-mail:</p>
<p>Agent/ Representative</p> <p>Name: Pat Carroll, Carroll Associates</p> <p>Address: 217 Commercial Street, Suite 200</p> <p>City/State : Portland, ME Zip Code: 04101</p>	<p>Agent/Representative Contact information</p> <p>Work #: 207.772.1552</p> <p>Home #:</p> <p>Cell #: Fax#:</p> <p>e-mail: pcarroll@carroll-assoc.com</p>
<p>Engineer</p> <p>Name: Tom Greer, Pinkham and Greer, Civil Engineers</p> <p>Address: 28 Vannah Ave</p> <p>City/State : Portland, ME Zip Code: 04103</p>	<p>Engineer Contact Information</p> <p>Work #: 207.781.5242</p> <p>Home #:</p> <p>Cell #: Fax#:</p> <p>e-mail: TGreer@pinkhamandgreer.com</p>
<p>Surveyor</p> <p>Name: Don Dostie Four Points Associates, Inc</p> <p>Address: 9 Ralph Ave, Unit 1</p> <p>City/State : Lewiston, ME Zip Code: 04240</p>	<p>Surveyor Contact Information</p> <p>Home #:</p> <p>Work #: 207 577 5840</p> <p>Cell #: Fax#:</p> <p>e-mail: ddostie@fourpoints-survey.com</p>
<p>Architect</p> <p>Name: Lachman Architects & Planners</p> <p>Address: 58 Fore St, Bldg 30</p> <p>City/State : Portland, ME Zip Code: 04101</p>	<p>Architect Contact Information</p> <p>Work #: 207 831 8585</p> <p>Home #:</p> <p>Cell #: same Fax#: none</p> <p>e-mail: denis@lachmanarchitects.com</p>
<p>Attorney</p> <p>Name: Nelson Toner, Bernstein Shur</p> <p>Address: 100 Middle St</p> <p>City/State : Portland, ME Zip Code: 04101</p>	<p>Attorney Contact Information</p> <p>Work #: 207 228 7299</p> <p>Home #:</p> <p>Cell #: Fax#:</p> <p>e-mail: ntoner@bernsteinshur.com</p>