

OPTION AGREEMENT

This OPTION is granted this January _____, 2017, by **Loran Properties**, a Maine _____, successor in interest to Vantage Properties, whose mailing address is _____ (hereinafter called the "Optionor") to the **Town of Falmouth**, a body corporate and politic whose mailing address is 271 Falmouth Road, Falmouth, ME 04105 (hereinafter called the "Town").

1. **Grant.** Optionor hereby grants to Town the exclusive right and Option to purchase the Optionor's property situated in the Town of Falmouth, Cumberland County, Maine approximately shown as the hatched area on **Exhibit A**, being a 50' wide parcel described in a deed from Falmouth Properties to Vantage Properties, predecessor in interest to the Optionor, dated May 29, 1985 and recorded in the Cumberland County Registry of Deeds in Book 6772, Page 163 (the "Premises").

2. **Option Price; Purchase Price.** Within **fourteen (14) days** from the date that this Agreement is duly executed and delivered by both of the parties hereto, the Town shall pay the Optionor **\$1,000.00** (the "Option Price"). The Purchase Price, upon exercise of this Option, if at all, shall be **\$20,000.00**, payable at Closing, as described herein. Any Option Price paid by the Town hereunder shall be credited towards the Purchase Price in the event Town exercises this Option.

3. **Term; Extension; Increased Option Price.** The Town may exercise this Option by written notice to Optionor delivered within **six (6) months** of the date hereof. If this Option is not exercised within such initial term, the Town may extend the term of the Option for one additional term of **six (6) months**, by delivering payment to Optionor of an additional **\$1,000.00** prior to the end of the initial 6-month term. Upon such payment to Optionor, if at all, all references to the "Option Price" herein shall mean the total \$2,000 payment made to the Optionor.

4. **Exercise of Option.** This Option may be exercised by the Town giving written notice to Optionor by regular U.S. mail, overnight delivery service or hand delivered prior to the expiration of the Option term, or as applicable, the Option extension term, at the address set forth above. Notices shall be deemed delivered the next business day after mailing by U.S. mail or overnight service, or the business day when delivered in the case of hand delivery.

5. **Closing; Title.** If the Option is exercised, the closing ("Closing") shall occur at a date, time, and location reasonably specified by Town, at the offices of the Town's attorney, Drummond Woodsum, 84 Marginal Way, Suite 600, Portland, Maine. The Purchase Price, subject to credits and prorations as set forth herein, shall be paid to the Optionor by wire transfer or bank check. Title to the Premises shall be conveyed by warranty deed, conveying good and marketable title to the Premises free from all liens, encumbrances and claims of others except for: the Portland Water District easement described in the deed recorded in the Cumberland County Registry of Deeds in Book 3027, Page 318 and the easement rights reserved by Emery Waterhouse in the deed recorded in said Registry in Book 7052, Page 36. In the event the Town obtains a survey of the Premises, Optionor agrees to convey the Premises using a metes and bounds legal description based on such survey. Real property taxes and any other municipal assessments for the then-current year shall be apportioned as of the closing date.

In addition to any other documents referred to in this Option, at the Closing, the Optionor shall deliver to the Town a transfer tax declaration, nonforeign person affidavit, Maine resident affidavit, oil storage tank certification, title affidavits, a partnership resolution authorizing the sale of the Premises and any other documentation reasonably required by the Town's attorneys to complete the transaction.

6. **Title Defects.** At any time prior to Closing, if the Town notifies the Optionor of a title defect, Optionor shall have 30 days to remove such defect in title, or such greater period that Town may in writing permit. Unless the Town shall waive a defect in title to the Premises, the Optionor shall make commercially reasonable efforts to remove any such defect, and the Closing shall be extended accordingly. In case the Optionor, after 30 days from the date of such notice, or such greater period that the Town may permit, shall have failed to do so, the Town may elect to (a) terminate this Option Agreement without further recourse to either party, in which case the Option Price and any other payments made to Optionor shall be refunded to the Town, in addition to the Town's other remedies hereunder, or (b) accept title notwithstanding such defect or defects.

7. **Default.** In the event of default by Optionor, Town shall be entitled to all remedies at law or in equity, including without limitation specific performance or return of the Option Price paid.

8. **Failure to Exercise; Failure to Close.** If the Town fails to exercise the Option before the expiration of the term or any extension thereof, as the case may be, the Optionor shall retain the Option Price paid. If the Town exercises the Option but fails to close for reasons other than (a) a default by the Optionor hereunder, or (b) the Optionor's inability to convey good and marketable title to the Premises as required hereunder, then the Optionor shall, as the Optionor's sole and exclusive remedy, be entitled to terminate this Option Agreement by written notice to the Town, and the Optionor shall retain the Option Price paid.

9. **Optionor's Representations and Warranties.** To the best of Optionor's knowledge, there are no litigation, liens, judgments, violations, or disputes pending or threatened relating to the Premises, nor does Optionor know of any basis for any such action. The execution and delivery of this Agreement and the sale of the Premises as herein described have been duly authorized by the Optionor, and such action constitutes all necessary authorization on behalf of the Optionor. Optionor shall immediately notify the Town of any changes as to any material warranties and representations set forth in this Agreement of which Optionor has knowledge and, in the event of any material adverse change, the Town may, at the Town's election, terminate this Agreement in which case the Option Price and any other payments made to the Optionor hereunder shall be refunded to the Town. All warranties and representations expressed herein shall survive the Closing and any termination of this Agreement.

10. **Inspections.** Town shall have reasonable access to the Premises at any time following execution of this Option, at its own risk, to conduct any surveys, tests, and inspections it deems appropriate, at its sole expense, including without limitation environmental site assessment (collectively, the "Due Diligence") and shall promptly restore the Premises following any disturbance to the surface of the Premises caused by the Due Diligence.

11. **Risk of Loss.** Until delivery of possession of the Premises from Optionor to Town, risk or loss or damage to the Premises by fire or otherwise shall be on Optionor.

12. **Brokerage.** No brokers, agents or consultants have been employed with respect to this transaction by either party and Optionor and Town 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 either Optionor or Town, as the case may be. This agreement to indemnify and hold harmless shall survive the closing or termination of this Option.

13. **Memorandum of Option Agreement.** This Agreement shall not be recorded but the parties agree to execute the Memorandum of Option Agreement attached hereto as **Exhibit B** and it shall be recorded in the Registry of Deeds at the Town's expense.

14. **Miscellaneous.** This Agreement shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties. This Agreement may not be modified except in a writing signed by both parties. Any prior and contemporaneous discussions, undertakings, agreements and understandings of the parties are merged in this Agreement and the exhibits hereto, which alone fully and completely express the parties' entire agreement with respect to the subject matter hereof. 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 one and the same instrument. This Agreement may be transmitted between the parties by fax or e-mail which shall be as binding as the original. Time is of the essence with respect to this Agreement. Any part of this Agreement held to be void or unenforceable by a court shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon the parties. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Maine.

16. **Time for Acceptance.** This Option when submitted to Optionor shall constitute an offer which must be accepted by Optionor by signing and delivering this Option to the Town no later than **4:00 pm on January _____, 2017**; otherwise, the offer shall expire automatically at that time and neither party shall have any further rights or obligations.

IN WITNESS WHEREOF, the undersigned have caused this Option Agreement to be executed as of their respective representatives, duly authorized, as of the day and year first above stated.

LORAN PROPERTIES

Witness

By: _____
Printed name: _____
Title: _____

TOWN OF FALMOUTH

Witness

By: _____
Nathan Poore, Town Manager

EXHIBIT A

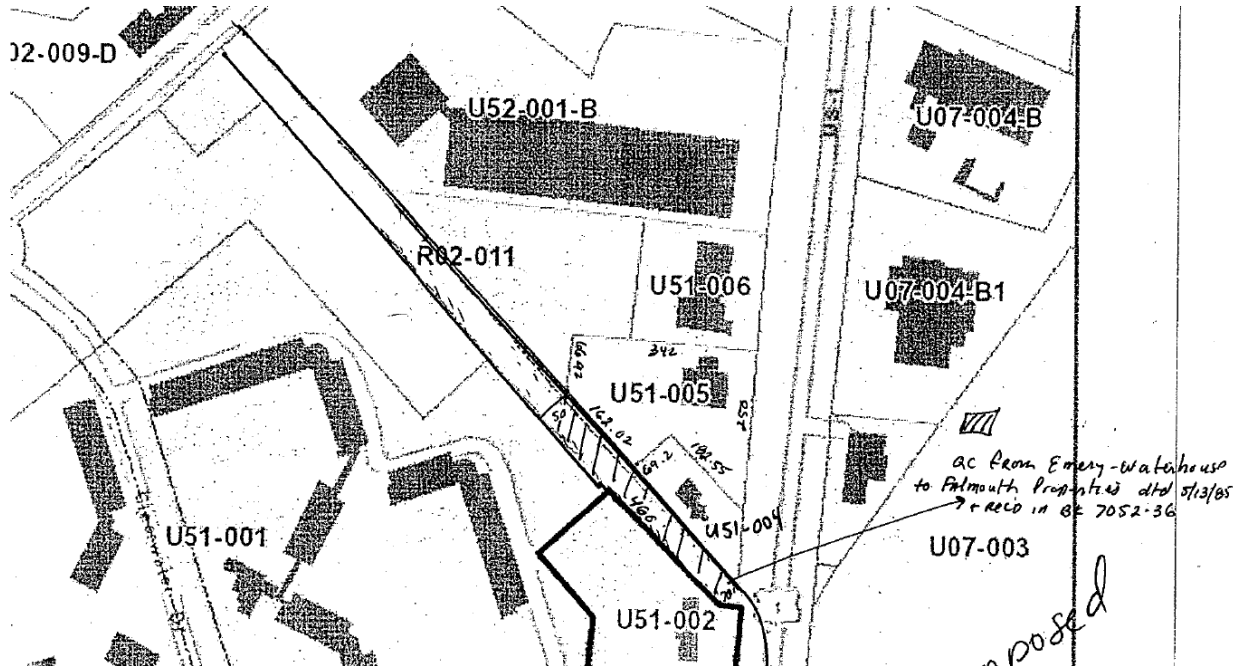


EXHIBIT B

MEMORANDUM OF
OPTION AGREEMENT

MEMORANDUM is made this ____ day of January, 2017 pursuant to Title 33, Section 201 of the Maine Revised Statutes with respect to the following described purchase option:

OPTIONOR: **Loran Properties**, a Maine _____ with an address of

OPTIONEE: **Town of Falmouth**, a body corporate and politic with a business office at 271
Falmouth Road, Falmouth, Maine 04105

DATE OF OPTION
AGREEMENT: January _____, 2017

PREMISES: Optionor has granted to Optionee an exclusive option to purchase a certain 50
foot wide strip of land near US Route One, in the Town of Falmouth, County of
Cumberland and State of Maine, being more particularly described in **Exhibit A**.

OPTION TERM: The purchase option commences on the date of the Option and terminates on the
date that is six (6) months later, unless the Optionee elects to renew the Option
for one additional term of six (6) months. No new Memorandum shall be
recorded to evidence any such renewal.

This Memorandum is intended to provide public notice of the Option Agreement between
Optionor and Optionee and shall not modify or amend any of the terms of the Option Agreement. In the
event of any conflict between this Memorandum and the Option Agreement, the terms of the Option
Agreement shall control.

IN WITNESS WHEREOF, the Optionor and Optionee have executed this Memorandum of
Purchase Option Agreement as of the date set forth above.

OPTIONOR:

LORAN PROPERTIES

Witness

Printed name:
Title:

STATE OF MAINE
COUNTY OF CUMBERLAND, ss.

January _____, 2017

Then personally appeared the above-named _____, the
_____ of Loran Properties and acknowledged the foregoing instrument to be his
free act and deed, and the free act and deed of Loran Properties.

Before me,

Notary Public / Attorney At Law

Printed name: _____

My Commission expires: _____

OPTIONEE:

TOWN OF FALMOUTH

Witness

By: _____
Nathan Poore
Its Town Manager

STATE OF MAINE
COUNTY OF CUMBERLAND, ss.

January _____, 2017

Then personally appeared the above-named Nathan Poore, Town Manager of Town of Falmouth and acknowledged the foregoing instrument to be his free act and deed in his said capacity and the free act and deed of said Town of Falmouth.

Before me,

Notary Public / Attorney At Law

Printed name: _____

My Commission expires: _____

Exhibit A to Memorandum