OPTION FOR THE PURCHASE OF REAL ESTATE

This OPTION AGREEMENT (the "Option") is made as of _____, 2013 (the "Effective Date"), by and between **HANCOCK LAND COMPANY, INC.** (together with its successors and assigns, "Seller"), and **LOON ECHO LAND TRUST, INC.**, a Maine nonprofit corporation (together with its successors and assigns, "Buyer").

WITNESSETH:

1. Option Period. The Seller agrees that this Option will remain in effect until 5:00 p.m. on December 31, 2014, and after exercise by Buyer, until closing except for such covenants and warranties that survive closing. This Option shall be exercised by written notice to the Seller by personal delivery, or by posting at the address specified herein below by certified mail, return receipt requested. The Option period may be extended by the mutual agreement of the parties in writing, referencing this document.

2. Premises. The Premises to be conveyed consists of seven unimproved lots or parcels of land situated in the Town of Raymond, County of Cumberland, State of Maine, situated westerly and easterly of Conesca Road. The Premises is identified as:

(a) all of Town of Raymond Tax Map 15, Lot 7, and

(b) all of Town of Raymond Tax Map 15, Lots 91, 91-1, 91-2, 91-3, 91-4 and 91-5,

(together with all improvements located thereon and all easements and all rights, privileges, licenses and appurtenances thereto, all fixtures located thereon, all timber located thereon and all timber rights, riparian rights and mineral interests applicable thereto, and all right, title, and interest in and to all public and private ways and easements adjoining or serving the same, and all interests in water bodies and the beds of water bodies, on or adjacent to the described land described, hereinafter referred to as the "Premises").

3. Option Consideration. Buyer shall pay Seller the sum of One Thousand Dollars ($1,000) upon execution of this agreement (hereinafter referred to as the "Option Consideration"). The Option Consideration shall be credited toward the Purchase Price (as defined in Paragraph 4 herein) in the event Buyer exercises this Option and the transaction is consummated. In event that the Buyer notifies Seller that it is releasing this Option, or in the event that the Option Period expires without Buyer exercising the Option, the Seller may keep the Option Consideration.

4. Purchase Price.

A. The purchase price for the Premises shall be One Thousand Four Hundred Fifty Dollars ($1,450) per acre, rounded to the nearest complete acre, as determined by a standard boundary survey of the Premises (hereinafter the "Survey"). Buyer and Seller shall equally share the cost of the Survey.

B. The Purchase Price shall be paid by certified or bank check, by Buyer's attorney's trust account check, or by wire transfer at the time of delivery of the deed.

C. Buyer shall make its best efforts to obtain the Survey by no later than the exercise of the Option. Upon receipt of the Survey, Buyer shall promptly provide a copy to Seller.

5. Closing. Transfer of title, payment of the purchase price, and delivery of all documents necessary for the completion of the purchase of the Premises shall take place after all conditions referred to in Paragraphs 7, 8 and 10 hereof have been satisfied but no later than December 31, 2015, unless extended pursuant to Paragraph 8 or upon the mutual written agreement of the Buyer and Seller, at the offices of Buyer, or as otherwise agreed by the parties in writing.

6. Taxes and Costs at Closing.

(a) All taxes, assessments, and encumbrances, which became due and payable for all prior years, will be satisfied of record by the Seller at or before the closing, and all such taxes and assessments for the year of the closing (if any) will be prorated as of the date of closing. If the Seller fails to so pay, the Buyer may pay any such taxes, assessments, and encumbrances and deduct such payments from the purchase price. Buyer will pay any costs of title search or updates and title insurance, and the recording fee for the deed.

(b) Seller and Buyer will each pay one half of the Maine real estate transfer tax required by law.

(c) Seller shall provide evidence to Buyer at Closing that all tax bills and betterments have been paid.

7. Title. Upon execution of this Option, Seller shall provide the Buyer with a current abstract of title, title commitment, or owner's certificate of title, if available. Seller shall execute and deliver to Buyer, at Closing, a good and sufficient general warranty deed, under seal, conveying a good, insurable and marketable title of record to the Premises, including legal vehicular access, in accordance with the Standards of Title adopted by the Maine State Bar Association, together with all rights and hereditaments and appurtenances thereunto belonging, in fee simple, free and clear of all liens, encumbrances, or exceptions. Seller shall deliver full possession of the Premises to the Buyer at the Closing. Buyer shall make all title objections known to Seller contemporaneously with or prior to Buyer’s exercise of the Option.

8. Buyer's Conditions to Closing.

(a) The Seller agrees that the Premises shall remain substantially in its natural, unaltered and undeveloped state, as it now is, and that the Seller will prevent and refrain from the removal of any vegetation, alteration of the surface, or placement of structures until closing, except for reasonable and customary upkeep to roads, boundaries, culverts, and other existing structures and surface alterations. Seller agrees that the risk of loss, damage, or condemnation of the Premises (or any part thereof) shall remain with Seller until the transfer of title.

(b) The Seller shall remove any known trash, rubbish, and debris from the Premises prior to Closing. If, after notice from Buyer, Seller shall fail to remove any such trash, rubbish, or debris, Buyer may remove or cause to be removed such trash, rubbish, or debris and subtract its costs from the Purchase Price due at the Closing.

(c) The Buyer shall have the right to enter upon the Premises at reasonable times for surveying, and other reasonable purposes related to this transaction. The Buyer shall have the right to conduct an environmental inspection and assessment of the Premises, which shall be to its satisfaction.

(d) If, at the time of the Closing, any of the conditions of Paragraph 7 or this Paragraph 8 are not met, or Seller cannot satisfy any warranty or representation in Paragraph 10, Buyer, at Buyer's sole option, may (i) waive any and all of these conditions and proceed to Closing; (ii) extend the Closing date another sixty (60) days or for such reasonable periods of time as may be necessary for Seller to satisfy the conditions; or (iii) terminate this Option, whether or not extended, in which event the Option Consideration shall be refunded and the obligations of the parties to one another shall cease.

9. Default. Subject to the satisfaction of the conditions contained in this Option and performance by Seller of Seller's obligations hereunder, if Buyer fails to perform hereunder, Seller may terminate this Option and Buyer shall forfeit the Option Consideration, which shall be retained by Seller as liquidated damages, and such liquidated damages shall be Seller's sole remedy. If Buyer's failure to perform is occasioned by Seller's failure to perform, Buyer may, at Buyer's option, employ all available legal and equitable remedies. If Seller shall fail to perform hereunder, Buyer may, at Buyer's option, seek specific performance of the terms of this Option under the laws of the State of Maine, or may terminate this Option, shall be entitled to a refund of the Option Consideration, and the obligations of the parties to one another shall cease.

10. Seller's Representations and Warranties. The Seller hereby warrants and represents to the Buyer the matters contained in the following subparagraphs to the best of Seller's knowledge, after reasonable inquiry, and Seller agrees to indemnify, defend and hold harmless the Buyer from any loss or liability resulting therefrom. Said representations, indemnities and warranties shall survive closing.

a. **Notices.** The Seller has not received any notices issued by any municipal or other public authority with regard to any work or improvements done or ordered by such authority to be done either before or after the date of this Option. The Seller has no reason to believe that any such notice will be issued after the date of this Option. The Seller shall be responsible for any public improvements, assessments, notices or orders received prior to closing.

b. **Title to the Premises.** The Seller is now (or will be at closing) the sole legal owner of the Premises in fee simple, and the Premises are not subject to any lease or to any other estate or to any outstanding option, interest, or agreement of sale.

c. **No Condemnation.** There are no condemnation proceedings pending with regard to any portion of the Premises and the Seller does not know of or have

reason to know of any proposed condemnation proceedings with regard to any portion of the Premises.

d. **No Persons in Possession.** Seller represents that the Premises are not subject to any lease or to any other possession or estate or to any option, right of refusal or contract of sale, and that no portion of the property shall be occupied by any person or entity under any oral or written lease, easement, license, other claim or contract or in any other manner at Closing.

e. **No Hazardous Substance.** To the best of Seller's knowledge and belief after due inquiry, no hazardous substance or toxic waste has been generated, treated, stored, used, disposed of or deposited in or on the Premises, and there is no hazardous substance or toxic waste in or on the Premises that may affect the Premises or any use thereof or that may support a claim or cause of action under the common law or under any federal, state or local environmental statute, regulation, ordinance or other environmental regulatory requirement, nor has any action been instituted for enforcement of same.

f. **Underground Storage Tanks.** To the best of Seller's knowledge and belief, after due inquiry, there have not been and there are not now any underground storage tanks located on or under the Premises or if there have been or are any such tanks located on the Premises, their location has been identified to the Buyer in writing, they have been properly registered with all appropriate authorities, they are in full compliance with all applicable statutes, ordinances and regulations, and they have not resulted in the release of any hazardous or toxic substance, material, or waste into the environment.

g. **Subsurface Waste Disposal.** There are no subsurface waste-water disposal systems on the Premises, or, if there are, the system has not malfunctioned within the one hundred eighty (180) days preceding the date hereof.

h. **Non-Foreign Persons.** The Seller is not a foreign person within the meaning of the Internal Revenue Code at 26 U.S.C. Section 1445 and regulations thereunder.

i. **Current Use Tax Programs.** Portions of the Premises are currently classified under the Maine Tree Growth Tax Law and the Open Space Tax Program.

j. **Compliance with Land Use Laws.** Seller represents that the Premises currently contains no structures except for stone walls, boundary markers and old fencing. The Seller represents that there has been no illegal division of land which requires or which will require municipal subdivision approval. Seller shall take no action prior to the Closing to render the above statements untrue.

k. **Compliance With Liquidation Harvesting Law.** Buyer has not conducted any forest products harvest that would render this transaction subject to the liquidation harvesting prohibitions of 12 M.R.S.A. §8868, sub-§6 or the regulations promulgated thereunder.

l. **No Broker's or Finders Fees.** Each party represents and warrants to the other that there are no claims for brokerage commissions or finder's fees incurred by reason of any action taken by that party with respect to this transaction. Each of the parties hereto will pay or discharge any and all claims or liabilities for brokerage commissions or finder's fees incurred by reason of any action taken by that party, or its agents with respect to this transaction.

In addition to the satisfaction of any other conditions in this Option, Buyer's obligation to purchase shall be specifically contingent upon the facts and warranties represented by Seller as being true are actually true on the date hereof and on the date of closing.

11. Affidavits. The Seller agrees at or prior to closing hereunder to furnish the Buyer with any incidental and necessary affidavits, including without limitation those that may be required by the title insurance company issuing a title insurance commitment for the premises.

12. Binding Effect. The terms and conditions of this Option shall apply to and bind the heirs, successors and assigns of the Seller, and the successors and assigns of Buyer.

13. Waiver. No provision of this Option may be waived, changed, or modified orally, but only by an agreement in writing signed by the party against whom the enforcement of any waiver, change, or modification is sought.

14. Notices. Any communications, requests, or notices required or appropriate to be given under this Option shall be in writing and mailed via U. S. Mail Certified or Registered Mail, Return Receipt Requested, or sent via a recognized commercial carrier, such as but not limited to Federal Express, which requires a return receipt delivered to the sending party. Said communications, requests or notices shall be sent to the other party and its attorney as follows:

Buyer:

Loon Echo Land Trust
Attention: Executive Director
8 Depot St. Suite 4
Bridgton, ME 04009

With a Copy to:

Robert H. Levin, Esq.

94 Beckett St., 2nd Floor
Portland, Maine 04101

Seller:

Hancock Land Company
P.O. Box 299
4 Edes Falls Road
Casco, ME 04015

With a copy to:

_____
_____
_____

These addresses may be changed by notice as provided herein. Notices shall be deemed given when mailed as aforesaid, postage prepaid.

15. Capacity. Each party represents to the other that: Such party has full power and authority to perform its obligations hereunder and that any person or entity executing this Option by or on behalf of the representing party has the authority to act on behalf of and bind the representing party, and that any person or entity executing any closing documents by or on behalf of the representing party has been and will be duly authorized to act on behalf of the representing party, and that the performance of this Option will not be in violation of the representing party's charter or any law, ordinance, rule, regulation or order of any governmental body having jurisdiction, or the provisions of any agreements to which the representing party is a party or by the terms of which is bound and, at the Closing, each party shall furnish to the other party and to Buyer's title insurance company, if any, reasonably satisfactory evidence of such authority and approval.

16. Miscellaneous.

a. This Option constitutes the entire agreement between the parties, supersedes all prior negotiations and understandings among them and shall not be altered or amended except by written amendment signed by Seller and Buyer.

b. This Option shall be construed and enforced in accordance with and governed by the laws of the State of Maine.

c. If any terms, covenant or condition of the Option or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this

Option or the application of the term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Option shall be valid and be enforced to the fullest extent permitted by law.

d. Upon Buyer's request, Seller shall execute a Memorandum of Option Agreement, attached hereto and incorporated herein as **Exhibit A**, in recordable form for recording in the Cumberland County Registry of Deeds. Buyer may elect to record such Memorandum, in its sole discretion.

e. Regardless of whether the transactions contemplated pursuant to this Option are consummated, each party hereto, unless this Option expressly provides otherwise, shall pay all costs and expenses incurred by it and incident to the preparation and performance of this Option, and matters relating thereto, and such costs and expenses shall not be reimbursable by the other party hereto.

f. Buyer makes no representation or warranty whatsoever regarding the tax consequences of the transaction contemplated by this Option. Each party acknowledges and agrees that it has not received and is not relying upon tax or other advice from any other party hereto, and that it has and will consult its own independent tax and legal advisors.

g. This Option may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument. This Option may be executed and delivered by facsimile transmission, with the intention that such facsimile signature and delivery shall have the same effect as an original signature and actual delivery.

IN WITNESS WHEREOF, WE, the duly authorized representatives of **HANCOCK LAND COMPANY, INC.** and **LOON ECHO LAND TRUST, INC.**, have hereunto signed and sealed this Option as of the date indicated above.

SELLER

HANCOCK LAND COMPANY, INC.

_____
By: Kevin Hancock, President
EIN#: _____

BUYER

LOON ECHO LAND TRUST, INC.

By: _____
_____
President

Exhibit A

Memorandum of Option

This shall serve as notice to all parties of the existence of a certain Option Agreement, as set forth herein.

1. The name and address of the Optionor/Seller is **Hancock Land Company, Inc.** having a mailing address of PO Box 299, Casco, ME 04015.

2. The name and address of the Optionee/Buyer is **Loon Echo Land Trust, Inc.**, a Maine nonprofit corporation, whose mailing address is 8 Depot St., Suite 4, Bridgton, ME 04009.

3. The effective date of the Option Agreement is _____, 2013.

4. The description of the real property subject to the options granted in the Option Agreement: Certain lots or parcels of land located easterly and westerly of Conesca Road in the Town of Raymond, Cumberland County, Maine, all as more particularly described in the Option Agreement (the "Premises").

5. The term of the option granted in the Option Agreement commences upon the date hereof, and expires on December 31, 2014, unless exercised or extended.

6. During the term of the Option Agreement, Optionor grants to Optionee the right, under certain circumstances, to purchase the Premises.

7. Copies of said Option Agreement are on file at the offices of Optionor and Optionee.

This instrument, being intended to be a Memorandum of Option executed for the purpose of giving constructive notice of said Option Agreement, is not intended to affect in any way the rights and obligations of the parties to said Option Agreement.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Option as of _____, 2013.

WITNESS:

HANCOCK LAND COMPANY, INC.

_____ _____

By: Kevin Hancock, President

WITNESS: LOON ECHO LAND TRUST, INC.

_____ By: _____

_____

President

STATE OF MAINE
CUMBERLAND, ss _____, 2013

Personally appeared the above-named Kevin Hancock, President of Hancock LandCompany, Inc. and acknowledged this instrument to be his free act and deed and the free act and deed of said corporation.

Before me,

_____

name:

Notary Public