

REVISED 9/26/2012
August 29, 2012

Daniel M Groff
Lesley K Groff
120 OakStreet
New Canaan, CT 06840,

Subject Property: [REDACTED] CT 06840

Dear Mr. and Mrs. Groff:

CONGRATULATIONS: We are pleased to inform you that we have approved your application for a Construction/Permanent mortgage loan (the "loan") on the Subject Property described above (the "property"). (The words "you" and "your" refer to each and all persons to whom this letter is addressed. The words "we", "us", "our" and Bank refer to The Bank of New Canaan).

This commitment is made on the condition that all the information submitted to us in connection with your application is accurate. By signing this letter you are committing yourself to work in good faith to close the loan. You are not contracting or becoming obligated on the credit transaction itself. That will occur if there is a closing.

We urge you to read this commitment carefully. It contains conditions and requirements that you will need to satisfy at or before the closing. In some cases, you will need to deliver documentation before we can schedule a closing. We want to avoid last minute problems that could delay the closing, so we urge you to start addressing the required conditions as soon as possible.

TERMS OF LOAN:

Amount and Length of Loan: We have approved a loan to you in the amount of **\$2,000,000.00** with a repayment period of **360** payments.

Interest Rate: The interest rate we charge on your note will be as follows:

Variable Rate: Your note will have a variable rate feature, and your starting rate will be **3.500%**, per annum.

Your loan will be a **10 Yr / 1 Yr ARM**. During the construction term of 18 months, you will be required to pay interest only on all amounts drawn. At the time of application, you received a disclosure statement that described some of the features of that Adjustable Rate Mortgage Program. Your particular loan will have a "margin" of **2.750%** percentage points. Additional details concerning the adjustable rate feature will be included in the loan documents you sign at closing.

If you choose to make automatic payments from a Free Checking Account that you have with us, the interest rate on this loan shall be reduced by 0.125% during the fixed rate period. If the automatic payments are terminated for any reason by any person, the interest rate discount will no longer be effective, and the interest rate will increase by 0.125%, effective the next business day after the automatic payments are terminated.

Monthly Payment: You will be required to repay the loan by making monthly payments of interest, and then principal and interest. Please refer to the Truth in Lending Disclosure you were provided separately, which is incorporated in this Commitment Letter by reference. Since your loan has a variable rate feature, those payments will be adjusted from time to time to reflect changes in interest rate. In addition, at the time of disbursement we may require you to pay interest from the date of the disbursement to the first day of the next month ("odd days' interest").

You must also pay the following "escrow" amounts with your monthly payment:

- One-twelfth (1/12) of the estimated annual real estate taxes upon completion of construction.
- One-twelfth (1/12) of the estimated annual hazard insurance premium.
- One-twelfth (1/12) of the estimated annual flood insurance premium.

Late Charge: If we do not receive the full amount of your monthly payment by the end of 15 calendar days after the date it is due, we will charge you 5% of the amount of principal and interest due as a late charge.

Prepayment Penalty: If I make any Prepayments on or before the Twenty Fourth (24th) scheduled payment date, I will pay a Prepayment charge of one percent (1.00%) of the amount prepaid in excess of 20% of the original Principal balance within any consecutive twelve month period. Thereafter, I may make full Prepayment or partial Prepayments in any amount without paying any Prepayment charge. The Note Holder will use my Prepayment to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount before applying my Prepayment to reduce the Principal amount of this Note. If I make a partial Prepayment, there will be no changes in my due dates of my monthly payments unless the Note Holder agrees in writing to those changes. My partial Prepayment may reduce the amount of my monthly payments during the interest only period or after the first Payment Change Date following my partial Prepayment. However, any reduction due to my partial Prepayment may be offset by an interest rate increase.

ACCEPTANCE OF COMMITMENT: We must receive a copy of this commitment letter signed by all the persons who will be signing the note by **10/6/2012** or we will not have to make the loan. We have enclosed a second copy of this letter for you to keep for your records.

TIME FOR CLOSING:

Within Rate Lock-in Period: The Rate Lock-In Agreement that you have entered into with us provided for a Lock-In Period that expires on **10/06/2012**. Unless the law or the Rate Lock-in Agreement provide otherwise, if the loan is not disbursed before that date, we will not have to make the loan to you.

Commitment Expiration Date: If the loan is not closed on or before **10/06/2012** we will not have to make the loan to you. You may ask us to extend this commitment. We do not have to agree to an extension. If we agree to extend this commitment, we will decide the terms of the loan at that time.

Rescission Period: At the closing, we will provide a notice that gives the owners of the property the right to cancel the transaction within three business days. Connecticut law prohibits us from disbursing the loan proceeds until after that three day period has expired and the owners have elected not to cancel.

DOCUMENTS REQUIRED ON OR BEFORE THE CLOSING: We must receive the following documents on or before the closing:

Title Insurance: We must receive evidence of title insurance in the amount of the loan naming us as the party to be paid in the event of loss ("lender's policy").

This title insurance protects us against a claim by someone else of rights in your property. You will pay the premium for this insurance but it will only protect our interest in the property. The policy must be issued by a company approved by us and the policy must be issued on forms acceptable to us.

The policy must insure that our mortgage is a first lien mortgage. The policy must not take exception for any liens, encumbrances, encroachments, restrictions, or other matters without our approval. We reserve the right to require removal of any exception to the policy or, in our discretion, require such affirmative endorsements to coverage as we may deem advisable or prudent.

Hazard Insurance: We have attached a document entitled "Important Insurance Coverage Notice – Please Read Carefully". That document is a part of this commitment letter and summarizes our requirements for insurance. We have included a second copy of that document and urge you to pass that copy along to your insurance agent and/or your lawyer, if any. We will not be able to close unless we receive appropriate evidence of coverage at least four (4) business days in advance of your desired closing date.

ADDITIONAL AMOUNTS TO BE PAID AT CLOSING: You must pay us the following amounts at the closing:

Non-Refundable Origination Fee: \$5,000.00 as a non-refundable fee for making this loan.

Non-Refundable Discount Points (zero points): as a non-refundable fee for making this loan.

Tax Escrow: You agree to pay a pro-rated portion of your real estate taxes to us "in-escrow" at closing so that we have sufficient funds to pay your next estimated tax installment due. We also require a [two] month "cushion".

Other Fees: By accepting this commitment, you agree to pay all borrower closing costs including recording fees, appraisal fees, credit report fees, tax service fees, fees or premiums for title examination, title insurance, underwriting fees, document preparation fees, inspection fees and attorney's fees. Additional fees payable by you are listed in the Good Faith Estimate you were provided separately, which is incorporated in this Commitment letter by reference.

The funds you provide at closing must be in the form of a certified check, bank check or wire transfer.

LAWYER REQUIRED: We require a lawyer to review the title and represent us at the loan closing. As a condition of this loan, we require that you pay all legal fees for this loan including the fees of the lawyer representing us.

We have previously advised you that you may have different legal interests from us and you may wish to be separately represented by a different lawyer. We have also told you that, if you wish, you may choose to have your lawyer, if any, also represent us in the transaction. You have advised us that you would like your lawyer to be: **Attorney Christina Colbert, Telephone number: .**

OTHER REQUIREMENTS: We will send instructions to the applicable lawyer to search the land records to see whether your title to the property will be "clear" at the time of the closing. Even if the loan does not close, you will be responsible for paying the lawyer's fees for searching the land records, preparing documents and for any other services required to be performed for the closing.

NO ADVERSE CHANGE IN FINANCIAL CONDITION OR PROPERTY CONDITION: Our Commitment to make this loan is subject to the condition that there has been no material adverse change in your financial condition or in the condition of the property prior to closing.

PRIOR TO CLOSING CONDITIONS: Below are other conditions that you must meet before the date of the closing. They are:

Any change in the loan could result in the loan being re-underwritten

Satisfactory receipt of a field review appraisal supporting a maximum LTV of 75% (BNC to obtain) RECEIVED

All credit documents including the appraisal cannot be more than 90 days old at time of closing

Satisfactory receipt and review of 4506T IRS transcripts for 2011 and 2010 (BNC to obtain)RECEIVED

Satisfactory signed and dated Flood Insurance disclosure RECEIVED

Satisfactory verbal verification of employment for both Borrower 24 to 48 hours prior to closing

Satisfactory verification of mortgage, with no late payments, for the current first mortgage on the subject property and 120 Oak St. held by First Republic. RECEIVED

Satisfactory payoff letter for the first mortgage with First Republic on the subject property.

Satisfactory signed and dated revised disclosure for the increase in loan amount and rate lock.

Satisfactory signed and dated final construction contract which much include the final cost to construct.

Satisfactory budget review (BNC to obtain)

Satisfactory builder approval by The Bank of New Canaan

Satisfactory draw schedule

Satisfactory final inspection prior to final advance

All draw request require a bank inspection

Satisfactory copy of CT GC license for builder

Satisfactory builder risk insurance

Hazard insurance will be required upon completion of construction and final advance

CLOSING CONDITIONS: Below are other conditions that you must meet at the date of the closing. They are:

This loan must be in first lien position
Borrower to sign and date final mortgage application
Borrower to sign and date final HUD, TIL and 4506T
Borrower to sign and date 2011 and 2010 Federal Tax Returns
The escrow for taxes is required upon completion
Satisfactory payoff and release of current first mortgage held by First Republic.
No secondary financing allowed
Rescission does not apply as the Borrower has not occupied residence.

ATTENDANCE AT CLOSING: Each of you will be required to attend the closing to sign the note and other related closing documentation. Power(s) of Attorney will generally not be accepted.

If the property is owned (or expected to be owned) in whole or in part by someone other than you, we will require that person to attend the closing as well (in order to sign the mortgage deed and other related documents).

NO RELIANCE. Site inspections which we may make and surveys, appraisals and other documents which we obtain, are for our own use. We do not expect you to rely on them.

If you have any questions about this commitment letter, please call us at (203) 972-3838 and ask for the mortgage department. Please be reminded that you must return a signed copy of the commitment letter to us no later than **10/06/2012**.

Sincerely,

The Bank of New Canaan

Christine M. Ericson
Vice-President, Retail Lending
NMLS# 867538

By signing this commitment letter you are saying that you have received a copy of, and agree to the terms of, this commitment letter.

Daniel M Groff

Date

Daniel M Groff

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 K Groff

_____ Date

IMPORTANT INSURANCE COVERAGE NOTICE – PLEASE READ CAREFULLY

Hazard Insurance

The Borrower (Mortgagor) must provide the Lender (Mortgagee) with an insurance policy providing protection against loss or damage from fire and other hazards by the standard extended coverage endorsement in a dollar amount not less than the dollar amount of the loan or replacement cost of coverage, whichever is less. The maximum allowable deductible is the lesser of \$1,000 or 1% of the policy face amount. The policy must be of standard form with the mortgagee clause exactly as follows:

The Bank of New Canaan
its successors and/or assigns, as their interest may appear
208 Elm St
New Canaan, CT

The declarations page of the policy or a binder showing 12 month's coverage with the proper mortgagee clause must be delivered to the Bank not less than **four (4) business days prior to the date of your closing**, together with a receipt for at least the first annual premium (in the case of a refinancing, the evidence of payment must show that at least six months of paid coverage remains before expiration). Please give these instructions to your insurance agent immediately so as to avoid any delay or error. If you or your agent has any questions regarding any of the above, please contact our Loan Administration department at (203) 972-3838. **YOUR CLOSING DATE WILL NOT BE CONFIRMED UNTIL WE HAVE THIS INFORMATION WITH THE CORRECT MORTGAGEE CLAUSE. VARIATION FROM THESE INSTRUCTIONS WILL DELAY YOUR CLOSING.**

NOTE: FOR PURCHASE LOANS, THE INCEPTION DATE OF YOUR INSURANCE POLICY SHOULD READ THE DATE OF YOUR CLOSING OR THE 1ST OF THAT MONTH.

Special Rules For Condominium Units

If the property is a condominium unit, you must provide us with an original certificate of insurance from the master policy holder of the condominium complex, naming the Bank as mortgagee with respect to the unit and with a mortgagee clause that reads exactly as set forth above. **EVIDENCE OF COVERAGE MUST BE DELIVERED TO THE BANK AT LEAST FOUR (4) BUSINESS DAYS PRIOR TO THE DATE OF YOUR DESIRED CLOSING. YOUR CLOSING DATE WILL NOT BE CONFIRMED UNTIL WE HAVE THIS INFORMATION. VARIATIONS FROM THESE INSTRUCTIONS WILL DELAY YOUR CLOSING. YOU MAY WANT TO PASS THIS FORM ALONG TO YOUR CLOSING LAWYER.**

Flood Insurance

If it is determined **before** closing that some or all of the structures on the property are located in a federally designated "flood hazard" area, we will advise you by letter that flood insurance is required. In such a case, at least **four (4) days** before closing, you must provide the Bank with the carbon copy of your signed application for flood insurance, and a paid receipt for the full first year's premium.