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Via E-Mail (ecallahan@sswbgg.com)

Eric W. Callahan, Esq.
Suisman Shapiro
2 Union Plaza, Suite 200
New London, CT 06320

Re: Town of Groton and Respler Homes, LLC
Mystic Education Center

Dear Eric:

As you know, this office represents Respler Homes, LLC (“Respler Homes”) in connection with its proposed development of the Mystic Oral School site (the “Project”). As the successful responder to a Request for Proposals by the State of Connecticut and the Town of Groton (the “Town”) for the development of the Mystic Oral School site, Respler Homes entered into a Development Agreement, dated February 11, 2020 with the Town. The Development Agreement serves as the framework for the Project and allocates certain rights and responsibilities to Respler Homes and the Town. The parties are currently in a dispute regarding their respective performances under the Development Agreement, and a mediation under the Mediation Procedures of the American Arbitration Association has been scheduled for March 3rd and 4th. Both sides have attempted to resolve the dispute and consider alternatives for the site. One alternative suggested is to provide a fresh start to the Project with a different development team and a different development plan.

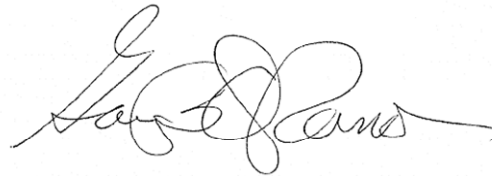
To that end, Jeffrey Respler, the managing member of Respler Homes, has been approached to sell 100% of the membership interests in Respler Homes to Blue Lotus Group, LLC, (“Blue Lotus”) a national real estate development company, which specializes in luxury senior housing and assisted living facilities. Contracts were signed, today, under which Blue Lotus has agreed to purchase all the membership interests in Respler Homes as well as two additional parcels owned by Mr. Respler, which are related to the Project. The contracts have relatively short due diligence periods (60 days) and provide for closing dates within 30 days of the expiration of the due diligence periods. It is our understanding that Blue Lotus intends to propose a development that is substantially smaller than the one currently planned by Respler Homes.

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Although not expected, Blue Lotus has the ability to terminate the contracts during the respective due diligence periods. Accordingly, Respler Homes reserves its right to move forward with its current project should the deal with Blue Lotus not close.

If you have any questions, please do not hesitate to contact me.

Regards,

A handwritten signature in black ink, appearing to read "Gary B. O'Connor". The signature is fluid and cursive, with a large initial "G" and "O".

Gary B. O'Connor

GBO:jr