Date: May 23, 2014

To: Harborside Owners

From: Harborside Trustees

Re: Ballot Authorization

During the balloting process regarding the requested approval of a borrowing by the Trust to fund repairs and rebuilding of Building B, some Owners have asked questions regarding the ballot language, which appears to give the Trustees significant latitude regarding the proposed loan. The Trustees have been requested to reiterate their intention regarding that authority as well as the use of the proceeds from the loan.

- The ballot provides the Trustees with the authority to borrow an amount not to exceed $900,000 to "fund necessary repairs and rebuilding to Building B of the Harborside Condominium". The Trustees' commitment is to use the proceeds of the loan solely for that purpose. Should the costs of construction amount to less than this amount, the loan will be reduced to the amount required and any pre-paid amounts will be returned to Owners proportionately when the construction is completed.
- The ballot also approves the "execution by the Trustees of notes and other instruments with respect to said borrowing, including, but not limited to, extensions, renewal and refinancing of such borrowing, and instruments granting security or other interests in common assets of the Trust to secure such obligations…." The Trustees' commitment is to limit the use of such authority strictly to the purpose of carrying out necessary repairs and rebuilding to Building B. Any change in this authority beyond that narrow purpose will be put before the Ownership for approval.

Ballots are to be returned today. Owners will be informed of the outcome of the balloting as soon as the results are available. Results will be given only in terms of the percentage received.

Thank you,

The Harborside Trustees