

PUBLIC OFFERING STATEMENT

Risbara Stroudwater Co., LLC – Declarant

STROUDWATER HEIGHTS CONDOMINIUM

1. The name of Declarant of the Stroudwater Heights Condominium is Risbara Stroudwater Co., LLC, a Maine limited liability company with an address of 197 U.S. Route 1, Scarborough, Maine, and a post office box of 485, Scarborough, Maine 04070.

The name of the condominium is Stroudwater Heights Condominium with a mailing address of 197 U.S. Route 1, Scarborough, Maine, and a post office box of 485, Scarborough, Maine 04070.

2. The Declarant anticipates that construction will be commenced either in the late winter or the spring of 2005, depending upon the availability and closing of financing for the first phase. The infrastructure shown on the **first phase** consisting of the roadways will all be built as part of the first phase and the first eighteen (18) Units will be completed by the fall of 2005.

3. The number of Units in the Condominium which **MUST BE BUILT** is eighteen (18). There are two (2) subsequent phases containing sixteen (16) Units in Buildings 4 and 7 in **Phase II**, and an additional sixteen (16) Units in **Phase III** in Buildings 3 and 2. In the initial phase, Buildings 1, 6 and 5 must be built. The other buildings in Phase II and III **NEED NOT BE BUILT**.

- a) The subdivision Plan which was approved by the Planning Board for the City of Westbrook and recorded in Plan Book 205, Page 80. That Plan was amended to reflect the rotation of a sewer easement across the land of Mark Law and signed by the Planning Board on March 15, 2005. That amended subdivision Plan is recorded in Plan Book 205, Page 173. In addition, the condominium Plat and Plans referred to in the Declaration are recorded in Book 205, Pages 134 through 138.
- b) The sidewalk adjacent to the access road running from Saco Street to the first turn in the development which is approximately 180' long shall be located on the northeasterly side of the access road and shall then cross the access road to join the dedicated sidewalk area along the second leg of the access road and will join sidewalk locations shown at the southeasterly corner of the building envelope. In addition, the hammerhead shown at the southwesterly side of the first leg of the access road from Saco Street and the adjacent property southerly of the hammerhead and easterly of the hammerhead is reserved to the Declarant as a possible future vehicular access easement to the abutter to the southwest of the Condominium Development. That vehicular access will be limited to reasonable hours during work days when the abutter maintains its usual customary and ordinary times of business.
- c) The Declarant also hereby reserves the right to designate a curb cut area for vehicular access on the northeasterly side of the first leg of the access road from Saco Street to the Development for the benefit of property shown on the Plan approved by the City of Westbrook in Plan Book 205, Page 173 owned by Brad and Roxanne James, their successors and assigns, such curb cut to be 30' in width and to be designated by the Declarant. In addition, the said James' their successors and assigns shall have a pedestrian access easement along the entire length of the northeasterly side of said access road to gain

pedestrian access for them and their invitees to their property. The Declarant also reserves a right to grant a sewer easement across the land located northeasterly of and adjacent to the first leg of the access road to the development to connect the owners of the James' property, their successors and assigns, to a municipal sewer line located in the first leg of the access road to the Development. The reserved sewer easement also includes the right to enter the easement area, to repair, replace and maintain the easement hereby reserved. The holder of the easement shall have the duty to restore the premises after each such entry.

4. Each potential interested purchaser will be given a copy of the condominium documents consisting of the Declaration, the Condominium By-Laws, a budget, and copies of prototypes of contracts and leases. The Condominium development is situated in the City of Westbrook and contains approximately 20.8 acres of land. The site is unimproved and the buildings will be built in a tight building envelope. The Stroudwater River forms the northerly boundary of a significant portion of the Condominium and then runs through the property creating unimproved natural terrain including forested land on either side of the Stroudwater River at the easterly extremity. The Declarant may grant trail easements to the City of Westbrook which has acquired numerous walking trail easements adjacent to the Stroudwater River. If all phases of the Condominium are built, the common areas outside of the building envelope will remain unimproved. The Condominium is for residential purposes only and will be served by a private access road off of Saco Street. The Planning Board has recommended that curb cuts on the first 150 feet of the access road be afforded to abutters to improve traffic flow and to limit congestion on Saco Street. There is a small machine shop situated on the southwesterly side of but not adjacent to the access road which may be granted an easement and curb cut at a site to be recommended by the Planning staff of the City of Westbrook. On the northerly side of the first 150 feet of access, a curb cut will be provided to Brad and Roxanne James. In addition, the James' parcel shall have

pedestrian access and sewer line access along that portion of the access road. Aside from those curb cuts, the entire development will be residential in nature subject to access for usual commercial vendors for trash, garbage and waste removal and professional lawn care, snowplowing, and other maintenance-type vendors. Each of the Units in the eight-plex buildings will have an enclosed garage parking space, a parking space in front of the garage door, and a third parking space specifically assigned as a Limited Common Element. Each of the Units will have either a patio or exterior deck.

5. A budget has been proposed for the first year of operation after the first Unit is to be occupied either by a tenant or by a purchaser. With respect to Building 1, the Declarant reserves the right to transfer those Units, modify the construction to provide garages at either end or both ends of those Units, and to excuse those Unit owners from paying general charges for common area maintenance provided that those Unit owners establish their own reserves for building replacement, obsolescence, roof replacement, and sheathing replacement. Those Unit owners must also buy their own casualty and liability insurance.

(a) The Declarant will enter into a contract with a vendor of liquid petroleum gas to supply liquid petroleum gas to the development and the charges for gas will be assessed as a common assessment to all Unit Owners.

- i. Gas shall be used for heat and hot water including a gas fireplace;
- ii. Gas may not be used for a dryer nor for a range.

6. The Declarant anticipates that, for a significant period of time, it will retain ownership of Units and rent them to persons under the terms of leases that will be at least six (6) months in duration. There are no services not reflected in the budget that Declarant anticipates will be additional expenses beyond the common area maintenance expenses and assessments.

7. The Declarant has, in the past, requested a deposit of two (2) months of a Condominium assessment fee from each purchaser in order to capitalize the Association bank account.

8. There are no liens other than liens of lenders which will be released as each Unit is sold. There is a significant probability that the City of Westbrook will be provided an easement for walking trails along the Stroudwater River on both sides of the river where it is included totally within the location of the common area.

9. Take-out financing with local thrift institutions including Banknorth, Gorham Savings Bank, and Norway Savings Bank may be available.

10. The Declarant anticipates that there will be a limitation of warranties for workmanship which will be reduced from six (6) years to two (2) years. Declarant has had a history of dealing with any bona fide complaint expeditiously and responsibly.

11. **(i) UNTIL A PURCHASER HAS RECEIVED AND REVIEWED A COPY OF THIS PUBLIC OFFERING STATEMENT PRIOR TO THE EXECUTION OF A CONTRACT FOR SALE, A PURCHASER BEFORE CONVEYANCE MAY CANCEL ANY CONTRACT FOR PURCHASE OF THE UNIT FROM DECLARANT; AND (ii) IF A PURCHASER ACCEPTS THE CONVEYANCE OF A UNIT HE MAY NOT CANCEL THE CONTRACT.**

12. At the date of publication of this Public Offering Statement, there are no unsatisfied judgments or pending lawsuits against the Association. In the event that the status of this statement changes, the Declarant will amend this Public Offering Statement.

13. Any deposit made in connection with the purchase of the Unit will be held in an escrow account until closing and will be returned to the purchaser if the purchaser cancels the contract pursuant to Section 1604-107. The name of the escrow agent which Declarant will use is:

Risbara Stroudwater Co., LLC
197 U.S. Route 1
Scarborough, Maine 04070

14. Any Condominium Unit may not be sold separate and apart for or from the fractional interest in the common elements.

15. The insurance coverage provided for the benefit of Unit owners through the Association is as follows:

- (a) Casualty insurance for the buildings is provided by One Beacon Insurance Company in the amount of \$1,646,860.00;
- (b) Comprehensive general liability insurance for property damage and personal injury is provided by the following carrier: Peerless Insurance Company; and the amounts of liability coverage are \$1,000,000 for any occurrence and \$2,000,000 for any aggregate for multiple claims under one occurrence.

16. There are no expected fees to be paid by Unit owners for use of common elements other than those amounts which have been projected in the budget.

17. Pursuant to the terms of the Declaration, only Units 27 through 34 in Building 5, Units 35 through 42 in Building 6, the covered garages for those Units, and Units 1 and 2 in Building 1 **MUST BE BUILT**.

18. Common elements may not be alienated to any third party because of zoning density requirements. Easements may be granted for recreational uses of the common elements along with Stroudwater River as may be negotiated between Declarant and the City of Westbrook.

19. The land is the subject matter of a zoning contract for residential purposes only. There are wetlands located within the common elements and no structural improvements will be built outside of the building envelope noted on the Plan.

20. If the Condominium is built with all additional phases, the zoning density will be approximately two and one-half (2-1/2) Units per acre.

21. Any development rights to add future phases to the Condominium must be exercised within seven (7) years from the recording of the Declaration.

22. If all of the Condominium Units are built in all phases, the original fractional interest of the first phase, namely, one-eighteenth (1/18) interest, shall be diluted to be a one-fiftieth (1/50) interest.

23. Any future buildings erected in Phase II or Phase III of the Condominium will be identical to the building footprints shown in the first phase for Buildings 5 and 6. The garage structures will also be identical to the initial garage structure shown between Building 6 and 5. Garage structures may be added to the ends of Building 1 for Units 1 and 2 and will be built with materials as good as or better than materials used in other structures constructed on the premises.

24. Additional improvements may be built but **NEED NOT BE BUILT** in Phases II and III and will be of the same nature or better quality of the constructions materials used in Phase I.

25. Any future limited common elements created pursuant to development rights to create Phase II and III will be of the same type as those limited common elements in Phase I. Further, the decks and patios will be the same as those created in Phase I with the possible exception if there is a code requirement to expand it or there are other compelling reasons to moderately reconfigure the size of patios and decks.

26. All restrictions contained in the Declaration affecting use occupancy and alienation of Units will apply to any Units created in future phases.

This Public Offering Statement is executed by the Declarant on _____, 2005.

RISBARA STROUDWATER CO., LLC

By: _____
William J. Risbara
Its: Co-Manager

By: _____
Rocco C. Risbara, III
Its: Co-Manager