

CONSENT AGREEMENT

THIS AGREEMENT is entered into this _____ day of January, 2008, by WATER'S EDGE JOINT VENTURES, LLC, a Maine limited liability corporation with a mailing address of 545 Ocean Point Road, East Boothbay, ME 04544 (hereinafter "Water's Edge"), and the INHABITANTS OF THE TOWN OF BOOTHBAY, a municipal corporation located in the County of Lincoln, State of Maine (hereinafter "the Town").

WHEREAS, the Town is a municipal corporation organized under the laws of the State of Maine;

WHEREAS, Marian L. Cadrette-Anderson is the duly appointed Code Enforcement Officer and Local Plumbing Inspector (collectively "CEO") of the Town of Boothbay authorized under law to administer and enforce the provisions of the Zoning Ordinance of the Town of Boothbay ("Zoning Ordinance") and the State of Maine internal and external plumbing codes;

WHEREAS, since August 3, 2007, Water's Edge has been the owner of certain real property located at 545 Ocean Point Road, Boothbay, Lincoln County, Maine and described in a deed recorded at the Lincoln County Registry of Deeds in Book 3889, Page 1 and currently shown on Assessor's Tax Map U10 as Lot 9 as of the April 1, 2007 assessment date (the "Property");

WHEREAS, just prior to Water's Edge's purchase of the Property, the former owner of the Property, Gordon A. Frizzell, converted the Property to the condominium form of ownership by means of the Declaration for "Water's Edge, A Condominium" dated August 3, 2007 and recorded at the Lincoln County Registry of Deeds in Book 3888, Page 314 (the "Declaration");

WHEREAS, prior to Water's Edge's purchase of the Property, the Property had been operated as the "Water's Edge Motel and Cottages," consisting of thirteen (13) attached, seasonal motel rooms and eight (8) detached, seasonal cottages;

WHEREAS, by letter dated August 8, 2007, the CEO indicated to Water's Edge that it was not clear from the Declaration whether the condominium conversion had been completed in

compliance with the Zoning Ordinance and requested additional information about the transaction;

WHEREAS, following the submission of additional information by Water's Edge, the CEO determined that the transaction had not been completed in compliance with the Zoning Ordinance or the State subdivision statute, 30-A M.R.S.A. § 4401 *et seq.*;

WHEREAS, the CEO formally notified Water's Edge of the land use violations by written Notice of Violation dated August 23, 2007;

WHEREAS, violations of the Zoning Ordinance and the State subdivision statute carry civil penalties of between \$100 and \$2,500 per day under State and local law; and

WHEREAS, the Town, its CEO and Water's Edge have subsequently been cooperating with each other in an attempt to reach an out-of-court settlement of this matter;

NOW, THEREFORE, the Town, its CEO and Water's Edge agree as follows:

1. Water's Edge has, at the Town's request, revised the Declaration (the "Revised Declaration"), the Bylaws of Water's Edge Condominium Association, the Public Offering Statement for the Water's Edge Condominium, the plat depicting the condominium property and the floor plans of the condominium buildings (the "Revised Condominium Documents") so as to ensure that the historic use of the Property as a motel and cottages will continue and that the motel/cottage units have not and will not be converted to dwelling units. Copies of the Revised Condominium Documents are on file in the office of the CEO. The Revised Declaration and the revised plat and floor plans shall be duly recorded by Water's Edge at the Lincoln County Registry of Deeds within 30 days of the date of this Agreement.

2. Any amendment of the Revised Declaration relating to the relocation of unit boundaries, subdivision of units or use, occupancy or lease of the units must be first approved in writing by the Town, acting by and through its CEO.

3. Unless otherwise approved by the Town in accordance with applicable law, the Property shall only be used in accordance with the Revised Condominium Documents.

4. Upon execution of this Agreement by the parties, Water's Edge shall withdraw its administrative appeal that is currently pending before the Boothbay Board of Appeals.

5. Simultaneously upon execution of this Agreement by the parties, Water's Edge shall pay (a) a civil penalty to the Town in the amount of \$_____; and (b) the Town's attorney's fees and costs in the amount of \$_____. Such payments shall be made by two separate bank, cashier or law firm trust account checks, each made payable to the Town of Boothbay. All payments shall be made to the Town c/o Town Manager, Boothbay Town Offices, 1011 Wiscasset Road, P.O. Box 106, Boothbay, ME 04537-0106.

6. Only upon completion of Water's Edge's compliance with Paragraphs 1, 4 and 5 above may Water's Edge offer for sale and/or sell any of the 21 units of "Water's Edge Motel and Cottages, a Condominium" in accordance with the Revised Condominium Documents.

7. The Town and its agents may enter the Property at reasonable hours to inspect for compliance with this Agreement.

8. Water's Edge shall comply with all terms and conditions of the Maine Department of Environmental Protection Waste Discharge Conditional Permit Renewal and Transfer #W003852-5C-H-R issued to Water's Edge on December 17, 2007 (or any subsequent renewal or transfer licenses) for the discharge of treated sanitary wastewater to Linekin Bay in East Boothbay, including, without limitation, the limitation on the amount of effluent that may be discharged and the limitation of discharge to the time period May 1 to October 31 of each year.

9. In the event that Water's Edge, its successors and assigns, fail or refuse to comply with any of the terms of this Agreement, Water's Edge, its successors or assigns, shall be deemed to be in violation of this Agreement and shall be liable to the Town for a civil penalty of one hundred dollars (\$100) per day for each day the violation continues and such further relief as a court may deem appropriate, including, without limitation, injunctive relief and payment of the attorney's fees and costs incurred by the Town to bring an action to enforce this Agreement.

10. This Consent Agreement shall be binding on Water's Edge, its successors and assigns, and it shall be duly recorded by the Town at said Registry within 30 days of the date of this Agreement.

11. At the meeting of the Boothbay Board of Selectmen on January ____, 2008, the Board of Selectmen approved the resolution of those matters described in the Notice of Violation dated August 23, 2007 based on the terms and conditions set forth herein and authorized the CEO to sign this Agreement on behalf of the Town.

**WATER'S EDGE JOINT
VENTURES, LLC**

Dated: _____, 2008

James P. Shannon, Member

**INHABITANTS OF THE
TOWN OF BOOTHBAY**

Dated: _____, 2008

By: Marian L. Cadrette-Anderson
Its Code Enforcement Officer

STATE OF MAINE
LINCOLN, ss.

_____, 2008

Personally appeared before me the above-named Marian L. Cadrette-Anderson and acknowledged the foregoing instrument to be her free act and deed and the free act and deed of said Inhabitants of the Town of Boothbay.

Before me,

Notary Public/Attorney at Law

Print Name

STATE OF _____
_____, ss.

_____, 2008

Personally appeared before me the above-named James P. Shannon and acknowledged the foregoing instrument to be his free act and deed and the free act and deed of said Water's Edge Joint Ventures, LLC.

Before me,

Notary Public/Attorney at Law

Print Name