

PUBLIC OFFERING STATEMENT

Water's Edge Motel and Cottages, A Condominium

This statement is to provide useful information to prospective purchasers of units in Water's Edge Motel and Cottages, A Condominium, which is located at 545 Ocean Point Road in Boothbay, Maine. The successor declarant of the condominium is Water's Edge Joint Ventures, LLC, whose mailing address is 545 Ocean Point Road, East Boothbay, Maine 04544.

1. The condominium consists of twenty-one motel and cottage units in nine buildings recently converted to a condominium, with private drives providing access from Ocean Point Road. Eight of the units are in detached cottages, while the remaining units are apartment-style. The condominium buildings and facilities are currently completed.

2. The declaration of the condominium provides for the creation of a maximum of twenty-one units. The unit owners will manage and govern the condominium as members of Water's Edge Motel and Cottages Condominium Association, a Maine nonprofit corporation. The declaration restricts the use of the units to continued use as motel/cottage units. The units are restricted to seasonal use only and are not available for winter occupancy. The specific dates of seasonal use are governed by water supply to the property by the Boothbay Region Water District and the terms and conditions of an overboard discharge license issued by the Maine Department of Environmental Protection. A schedule of maximum daily rates must be posted in each room in compliance with 30-A M.R.S.A. § 3802(1), as may be amended from time to time. A guest register must be maintained in compliance with 30-A M.R.S.A. § 3821, as may be amended from time to time. The condominium must maintain a license under 30-A M.R.S.A. § 3811, as may be amended from time to time. There are no contracts or leases which the declarant has entered into on behalf of the condominium or the association. Copies of the declaration of the condominium and the bylaws of the association are attached to this statement.

3. A projected budget for the association is attached to this statement. The projected budget was prepared by the declarant on the assumptions that the condominium will reach full occupancy within sixty months and that the rate of inflation will not change significantly during the first year of operation. The declarant does not provide any services nor pay any expenses which are not reflected in the proposed budget.

4. There is no initial or special fee due from purchasers at closings. Purchasers will pay the customary fees required of purchasers in property closings. The declarant is not offering or arranging for any financing of the purchase of the units.

5. There are no liens, defects, or encumbrances on or affecting the title to the condominium, except as noted on the condominium plat.

6. The declarant will assign all of the warranty rights concerning the units and the their fixtures and appliances, including especially the warranty that the work will be free from faulty

materials, constructed according to the standards of the applicable building code, constructed in a skillful manner, and fit for vacation habitation.

7. There are no unsatisfied judgments or pending suits against the association nor any pending suits material to the condominium of which the declarant has knowledge.

8. Any deposit made in connection with the purchase of a 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 of the Maine Condominium Act. The escrow agent is James P. Shannon, whose address is P.O. Box 1018, Rochester, New Hampshire 03866.

9. There are no restraints on alienation of the condominium units; the association does not have a right of first refusal to buy any units. The common areas of the condominium may be sold or otherwise transferred only in accordance with the provisions of the Maine Condominium Act and the declaration of the condominium. There are no common elements which may be alienated pursuant to section 1603-112 of the Act.

10. The association will obtain and maintain hazard and liability insurance coverage for the common areas and buildings of the condominium. The units owners will be required to obtain their own insurance to cover the contents of their units.

11. There are no current or expected fees or charges to be paid by unit owners for the use of the common elements or any other facilities related to the condominium.

12. The condominium is subject to the land use ordinances of the Town of Boothbay; any changes or alterations to the use or layout of the condominium may require the approval of the Town of Boothbay. Any amendment of the declaration of condominium 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 of Boothbay, acting by and through its Code Enforcement Officer. The private drives serving the condominium must be maintained by Water's Edge Motel and Cottages Condominium Association.

13. Unless you have received and reviewed a copy of this public offering statement before the execution of a contract for sale, then, before the closing of the sale, you may cancel your contract for the purchase of a unit. If you accept the conveyance of a unit, you may not cancel the contract.

14. The declarant shall promptly amend this public offering statement to report any material change in the information required by the Maine Condominium Act.