

## PUBLIC OFFERING STATEMENT

### **Ridgewood, A Condominium Ridgewood Drive, Falmouth, Maine**

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#### NOTICE

UNLESS 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 OF A UNIT, MAY CANCEL ANY CONTRACT FOR PURCHASE OF A UNIT FROM THE DECLARANT. UNTIL A BUYER RECEIVES AND REVIEWS THE PUBLIC OFFERING STATEMENT, ANY PURCHASE AGREEMENT IS NOT BINDING.

IF A PURCHASER ACCEPTS THE CONVEYANCE OF A UNIT, THE PURCHASER MAY NOT CANCEL THE CONTRACT.

ANY DEPOSIT MADE IN CONNECTION WITH THE PURCHASE OF A UNIT WILL BE HELD IN AN ESCROW ACCOUNT UNTIL CLOSING AT THE OFFICES OF THE PURCHASER'S BROKER. THIS DEPOSIT WILL BE RETURNED TO THE PURCHASER IF THE PURCHASER CANCELS THE CONTRACT PURSUANT TO THE ABOVE, AS SET FORTH IN SECTION 1604-107 OF THE MAINE CONDOMINIUM ACT.

ALL PORTIONS OF THIS PUBLIC OFFERING STATEMENT SHOULD BE READ AND REVIEWED CAREFULLY BY A PROSPECTIVE PURCHASER PRIOR TO SIGNING AN AGREEMENT OF SALE. THE DECLARANT'S SALES PERSONS AND OTHER REPRESENTATIVES ARE NOT PERMITTED TO ORALLY CHANGE ANY OF THE TERMS OR CONDITIONS OF THIS PUBLIC OFFERING STATEMENT OR OF THE DOCUMENTS THAT ARE PART OF THIS PUBLIC OFFERING STATEMENT AND MAY NOT ATTEMPT TO INTERPRET THEIR LEGAL EFFECT.

EFFECTIVE DATE OF THIS PUBLIC OFFERING STATEMENT: **October 12, 2015.**

THIS PUBLIC OFFERING STATEMENT SUPERCEDES AND REPLACES ALL PRIOR PUBLIC OFFERING STATEMENTS AND AMENDMENTS THERETO ISSUED WITH RESPECT TO RIDGEWOOD, A CONDOMINIUM, RIDGEWOOD DRIVE, FALMOUTH, MAINE.

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**RIDGEWOOD, A CONDOMINIUM  
RIDGEWOOD DRIVE, FALMOUTH, MAINE**

**PUBLIC OFFERING STATEMENT**

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**EXHIBITS**  
**EXHIBIT A**

Amended and Restated Declaration of Condominium

- (i) Exhibit A – Legal Description
- (ii) Exhibit A-1 – Legal Description of Land Subject to Withdrawal or Conversion to Common Elements
- (iii) Exhibit B – Percentage Interests in Common Elements and Percentage of Common Expense Liability (Phase I)
- (iv) Exhibit B-1 – Percentage Interests in Common Elements and Percentage of Common Expense Liability (Phases I and II)
- (v) Exhibit C – Recorded Unit Plans

First Amendment to Amended and Restated Declaration

- (i) Amended Exhibit B – Amended Percentage Interest in Common Elements and Percentage of Common Expense Liability
- (ii) Amended Exhibit C – Unit Plans as of June 6, 2013

Second Amendment to Amended and Restated Declaration

- (i) Amended Exhibit B – Amended Percentage Interest in Common Elements and Percentage of Common Expense Liability
- (ii) Amended Exhibit C – Unit Plans as of October 16, 2013

Third Amendment to Amended and Restated Declaration

- (i) Amended Exhibit B – Amended Percentage Interest in Common Elements and Percentage of Common Expense Liability
- (ii) Amended Exhibit C – Unit Plans as of February 11, 2014

Fourth Amendment to Amended and Restated Declaration

- (i) Amended Exhibit B – Amended Percentage Interest in Common Elements and Percentage of Common Expense Liability
- (ii) Amended Exhibit C – Unit Plans as of September 18, 2014

Fifth Amendment to Amended and Restated Declaration

- (i) Amended Exhibit B – Amended Percentage Interest in Common Elements and Percentage of Common Expense Liability
- (ii) Amended Exhibit C – Unit Plans as of October 5, 2015

<b>EXHIBIT B</b>	Copy of Condominium Plat
<b>EXHIBIT C</b>	Amended and Restated Bylaws
<b>EXHIBIT D</b>	Rules and Regulations - including Clubhouse Rules and Regulations (Exhibit D-1) and Pergola Design Guidelines (Exhibit D-2)
<b>EXHIBIT E</b>	Form of Purchase and Sale Agreement
<b>EXHIBIT F</b>	Form of Yard License Agreement
<b>EXHIBIT G</b>	Budget (Contact Declarant or Broker for latest budget)
<b>EXHIBIT H</b>	Encumbrances
<b>EXHIBIT H-1</b>	Department of Environmental Protection Permit and Order for the Condominium, as amended
<b>EXHIBIT H-2</b>	Subdivision Plat of the Condominium approved by the Town of Falmouth, Maine
<b>EXHIBIT H-3</b>	Town of Falmouth Site Plan and Subdivision Approval
<b>EXHIBIT I</b>	Limitation of Warranties
<b>EXHIBIT J</b>	Acknowledgement of Receipt and Review of Public Offering Statement

# PUBLIC OFFERING STATEMENT

## **Ridgewood, A Condominium Ridgewood Drive, Falmouth, Maine**

### **I. Description of the Condominium and the Units.**

Ridgewood, A Condominium (the “**Condominium**”), is located at Ridgewood Drive, off of Falmouth Road, in Falmouth, Maine (the “**Property**”). The Condominium is being developed by **Ridgewood Associates, LLC** (the “**Declarant**”). The Condominium is proposed to consist of up to seventy-five (75) condominium units (the “**Units**”). Each Unit is an individual Residential Unit.

In addition to owning his or her Unit, each individual Owner owns a specified undivided interest in the Common Elements. This is referred to as the “Percentage Interest.” The ownership of this Percentage Interest gives each Owner the right, subject to the terms of Chapter 31 of Title 33 of the Maine Revised Statutes Annotated (the “**Condominium Act**”), the Declaration, the Bylaws and the Plat and Plans, to use and participate in the control of the Common Elements through membership in the **Ridgewood Condominium Association** (the “**Association**”). Included in the Common Elements shall be the open space areas as shown on the Plat and Plans. The Declarant has constructed a Clubhouse building upon the Common Elements, in the general vicinity of the Clubhouse shown on the Plans. The Clubhouse improvements are Common Elements and property of the Condominium, for the exclusive use by the Unit Owners, their guests and invitees. The Clubhouse contains a common meeting room and an exercise room containing exercise equipment. A playground area with playground equipment for the use of the Unit Owners and their guests and invitees is located on the grounds in the vicinity of the Clubhouse. A summary description of the Common Elements can be found in Article III of this Statement.

Some portions of the Common Elements are designated as “Limited Common Elements.” Each Unit will have appurtenant to it as a Limited Common Element those items specified in the Declaration. The Limited Common Elements are for the exclusive use of the Owner to whose Unit the Limited Common Element is assigned by the Declaration and the Plat and Plans, the Declarant or the Association. Some portions of the Common Elements are designated as “Reserved Common Elements.” This is an area immediately surrounding a Unit that is licensed to a Unit Owner by the Association for the exclusive use of that Owner, who is fully responsible for maintenance.

The Condominium shall consist of a series of Phases. As set forth in the Declaration and described herein, the Declarant reserves various Development Rights including the right to withdraw all or part of the land and Units that are shown on the Plat as **Phase II**, other than any portions of Phase II containing Units sold by the Declarant. Any Unit under construction shall be completed within one (1) year from the date construction is commenced.

### **II. The Maximum Number of Units; Sales to Investors.**

The maximum number of Units will be Seventy-Five (75) Units located on approximately 28.11 acres.

The Declarant does not intend to retain any Units for rental by Declarant; however, any or all Units owned by Declarant pending sale may be offered for rent to the general public.

Declarant reserves the right to market Units in blocks to investors.

### **III. Description of the Significant Features of the Declaration, Bylaws and Other Important Documents.**

#### **A. The Declaration.**

The Condominium has been created by the Declarant recording a Declaration (“the **Declaration**”) and the Plat in the Cumberland County Registry of Deeds. A copy of the Declaration, including the First Amendment to the Declaration dated June 6, 2013, the Second Amendment to the Declaration dated October 23, 2013, the Third Amendment to the Declaration dated effective March 1, 2014, the Fourth Amendment to the Declaration dated effective October 1, 2014, the Fifth Amendment to the Declaration dated October 5, 2015, and a reduced copy of the Condominium Plat (the “**Plat**”), are attached as **Exhibit A** and **Exhibit B**, respectively. Individual Unit plans shall be recorded in the Cumberland County Registry of Deeds on or before the conveyance of each Unit (collectively the “**Plans**”) (the Declaration, Plat and Plans, collectively, the “**Condominium Documents**”). The following is a brief narrative description of the significant features of the Declaration.

*Article 1* provides for the submission of the Property as a Condominium under the Condominium Act and states the name and address of the Condominium.

*Article 2* contains the definitions of certain terms used in the Condominium Documents. Article 2 also incorporates the provisions of the Condominium Act (33 M.R.S.A. § 1601-101, *et. seq.*), and states that those Act provisions apply to the operation and government of the Condominium except (where permitted by the Condominium Act) to the extent contrary provisions are found in the Condominium Documents.

*Articles 3 and 4* of the Declaration state that the Condominium shall initially consist of twenty (20) Units in Phase IA, and up to an additional fifty-five (55) Units, for a total of up to seventy-five (75) Units, and describes the boundaries of the Units, the Common Elements, and Limited Common Elements. The initial twenty (20) Units are “Phase IA.” Each additional Unit or Units created shall be designated as an additional separate phase, named in alphabetical order. By way of example, the next Unit or Units created within the area designated as Phase I as shown on the Plat will be “Phase IB.” The first Unit or Units created within Phase II as shown on the Plat will be “Phase IIA.” The purpose of labeling “Phase I” and “Phase II” on the Plat is to show that the Units shown on the portion of the Plat designated as Phase I must be built, and that the Units shown on the area of the Plat designated as Phase II need not be built. Condominium buildings contain either 1 or 2 Units (the latter, a “Duplex”). As of the date hereof, 40 Units have been created in five (5) phases, designated as Phases 1A, 1B, 1C, 1D, 1E, 1F and 2A, all as set forth on Exhibit B of the Fifth Amendment to the Declaration. A Unit includes the entire building or one-half of the Duplex, including all attached appurtenances. Common Elements will be maintained by the Association on behalf of all Owners, and the cost of such maintenance will be shared by all Owners according to their Percentage Interests. All maintenance, repair and replacement of Common Elements will be included in the Common Expenses. Yards surrounding each Unit shall be licensed by the Unit’s Owner as a Reserved Common Element, for the Unit Owner’s exclusive use.

*Article 5* of the Declaration describes the maintenance responsibilities of the Association and the Owners. The Owners are responsible for the maintenance and upkeep of their respective Units, private gardens within their Yards and any portions of their Yards not accessible to maintenance equipment of the Association as a result of fencing or other structure approved for installation by the Association. The Association, or the Association acting through a Managing Agent, is responsible for the maintenance and upkeep of the Common Elements, Limited Common Elements, and the Reserved Common Elements that are licensed to Unit Owners, unless excepted. The cost of maintenance of Limited Common Elements benefitting fewer than all Units shall be allocated by the Association to the Units so benefitted.

**Article 6** of the Declaration establishes the Percentage Interests of the Units in the Common Elements, the Common Expense liability and the voting rights of Owners. The Percentage Interest for each Unit is depicted on Exhibit B to the Declaration, attached hereto. Each Owner will have a vote in the Association corresponding to each Unit as set forth on such Exhibit B, as amended. As additional units are created in subsequent phases, Exhibit B will continue to be amended to show the amended Percentage Interests of the Units in the Common Elements.

**Article 7** of the Declaration sets forth the Association's right to employ a property management firm to act as Managing Agent to oversee daily operation of the Condominium and the allocation of maintenance responsibilities. The Managing Agent will keep the Common Elements, Limited Common Elements and Reserved Common Elements properly maintained and is authorized to replace or repair any Limited Common Elements. Fees and charges for Managing Agent services performed for the Association, including Yard maintenance, are a Common Expense. Individual Unit Owners may, at their option, arrange with the Managing Agent to perform maintenance responsibilities of the Owner directly, including Yard maintenance excepted from the Association's responsibility. Fees and charges for Managing Agent services performed for the Unit Owner is the Owner's expense, payable through the Association.

**Article 8** of the Declaration lists the various easements to which the Condominium or certain portions of the Condominium are subject. It also reserves to the Declarant the right to maintain models, signs and management offices on the Property. (For more information regarding encumbrances to which the Condominium is subject, see Section VI of this Statement.)

**Article 9** of the Declaration imposes various restrictions on the use of the Units and various other portions of the Condominium. For example, all Units are restricted to residential uses and Owners are barred from conducting any activity that unreasonably interferes with the quiet enjoyment of adjacent Units. There are also restrictions concerning Yards, pets and repairs of Units by Owners.

**Article 10** of the Declaration allows the Declarant to reserve certain rights with respect to the development of the Property and describes what those rights are. (For more information regarding development rights reserved by the Declarant, see Section XIX of this Statement.)

**Article 11** of the Declaration provides that all present and future owners, lessees, occupants, mortgagees and holders of Land Installment Contracts ("**Contract Holders**") of Units in the Condominium are subject to the Condominium Documents, and provides for a procedure to be followed in the event of condemnation of all or part of the Common Elements.

**Article 12** of the Declaration describes the makeup of the Executive Board of the Association. The Executive Board consists of three (3) members and, initially, the Declarant will appoint the members of the Executive Board. This Article also provides for the transition from the Declarant-appointed Executive Board to an Executive Board controlled by the Owners (for more information regarding this transition see Section XX of this Statement). Article 12 also sets forth the procedure to be followed to resolve any inconsistency among the various Condominium Documents and to amend the Condominium Documents, and grants to the Executive Board and any aggrieved Owner the power to abate or enjoin any violations of the Condominium Documents by Owners, tenants of Owners or the Association.

**Article 13** of the Declaration provides for a limitation on the liability of the members, officers and employees of the Executive Board and provides for the indemnification of members of the Executive Board against all expenses and liabilities which they may incur in the performance of their duties, except in circumstances involving willful misconduct or gross negligence. Other sections in Article 13 provide for the defense of claims against the Association, a disclaimer of bailee liability of the Association, the

members of the Executive Board and of any Owner for personal property stored on the Common Elements.

**Article 14** deals with the liability of Owners to pay all Common Expense assessments allocated to their Units and provides the procedures to be followed to establish reserves, fix assessments and collect assessments in the event the Owner fails to pay them. Unpaid fees and charges for the Managing Agent for services performed for a Unit Owner are included in the Owner's assessment as a Limited Common Expense.

**Article 15** sets forth the rights of Contract Holders and of lenders who provide mortgages or other financing to purchasers of Units in the Condominium. There are no restrictions on the type of financing; however, lenders and Contract Holders must register with the Association in order to receive notices. Under Article 15.2 and Article 15.3 of the Declaration, mortgagees, Contract Holders, insurers and guarantors of mortgages on the Units are entitled to receive certain notices and are given certain rights.

**Article 16** of the Declaration outlines the types and amounts of insurance that the Association and Owner is each required to obtain and the various provisions governing such insurance. (For more information regarding insurance, see Section XIII of this Statement.)

**Article 17** provides that the Declarant may assign the rights it has reserved to others.

**Article 18** outlines the procedure for amendments of the Declaration. With certain exceptions, the Declaration may be amended by vote or agreement of the Owners of Units to which at least sixty-seven percent (67%) of the votes in the Association are allocated. In certain cases, amendments to the Declaration must be approved by certain mortgagees of Units representing at least fifty-one percent (51%) of the votes of Units that are subject to mortgages held by those mortgagees.

**Article 19** provides the procedure for termination of the Condominium. The Condominium may be terminated only by agreement of the Owners to which eighty percent (80%) of the votes in the Association are allocated, and in certain cases, such termination must be approved by certain mortgagees of Units to which sixty-seven percent (67%) of the votes in the Association allocated to Units subject to mortgages held by those mortgagees are allocated. Otherwise, termination of the Condominium will be governed by the provisions of the Condominium Act.

**Article 20** appoints the Managing Agent, if any, to be the Attorney-in-Fact for each Owner in certain instances regarding personal property, and the management of the Condominium.

**Article 21** sets out several general provisions dealing with the construction and application of the Declaration.

**Article 22** provides guidelines for giving notice to Unit Owners of matters affecting the Condominium.

## **B. Bylaws of the Association.**

The operation and administration of the Association are governed by the Bylaws. A copy of the Bylaws effective as of the date of delivery of this Public Offering Statement is attached to this Statement as **Exhibit C**.

**Article 1** of the Bylaws sets out several general provisions dealing with the application and construction of the Bylaws and the location of the Association office.



*Article 2* of the Bylaws provides that all Owners in the Condominium are members of the Association. Article 2 also sets forth the time, purpose and procedure for annual and special meetings of the Association. The Association is required to conduct meetings at least annually, and at the annual meeting the Treasurer of the Association is required to present an annual financial report for the preceding fiscal year and the projected budget for the current fiscal year.

*Article 3* provides for an Executive Board of three (3) natural persons. It also describes the time, purpose and procedures for meetings of the Executive Board, and sets forth procedures to be followed in the event Executive Board members resign or positions on the Executive Board become vacant. The annual meeting of the Association is initially scheduled to take place on the first Thursday of December of each year. Article 3 also sets forth requirements governing the validity of contracts with interested Executive Board members, and permits the Executive Board to enter into a management contract for the professional management of the Condominium.

*Article 4* contains provisions governing the election of officers of the Association by the Executive Board and enumerates the duties of those officers.

*Article 5* describes the procedure for establishing budgets and the ratification thereof by the Owners. It also sets forth the obligation of Owners to pay Assessments for Common Expenses. Under Article 5.8, the Association, by a two-thirds (2/3) vote may reject any capital expenditure or borrowing approved by the Board, except during the period during which the Declarant may appoint all of the members of the Executive Board.

*Article 6* sets forth the procedure for restoration and repair to the Buildings or other parts of the Condominium if damaged or destroyed.

*Article 7* sets forth the procedure for amending the Bylaws, and also provides certain notification rights for holders, insurers, and guarantors of mortgages secured by Units of the Condominium.

*Article 8* contains general provisions applicable to the Bylaws.

*Article 9* describes the seal of the Association.

### **C. Rules and Regulations.**

The Bylaws provide that the Executive Board may promulgate rules and regulations governing the details of the use and operation of the Condominium. A copy of the Rules and Regulations effective as of the date of this public offering statement is attached to this Statement as **Exhibit D**. These Rules and Regulations generally regulate the Owners' use of the Units, Reserved Common Elements and the Common Elements so as to minimize disruption and interference by one Owner with the rights of others. They further provide that Common Elements may not be obstructed, and they regulate the cleanliness, appearance, and maintenance of the Units, Reserved Common Elements and the Common Elements. They also regulate noise-making by Owners and other interference with the rights of the Owners. The Rules and Regulations also cover the keeping of animals by Owners and the leasing of Units. Included within the Rules and Regulations are the procedures for submitting complaints and enforcing the Rules and Regulations. The Executive Board occasionally develops policies which may also impact Owners, but which are not codified into the Rules & Regulations. Rules and Regulations concerning the use of the Clubhouse and the Playground are attached hereto as **Exhibit D-1**. Guidelines concerning the design of pergolas, which Unit Owners may request, subject to approval by the Executive Board, are attached hereto as **Exhibit D-2**.

**D. Contracts and Leases to be signed by purchasers at closings, Contracts or Leases that May Extend Beyond Period of Declarant Control.**

At closings purchasers are required to sign a Purchase and Sale Contract and those documents required regularly to obtain the financing of a Unit and a Yard License Agreement. A copy of the form of Purchase and Sale Contract, effective as of the date hereof, is attached as **Exhibit E**, unless otherwise provided to the purchaser(s). A copy of the Yard License Agreement is attached as **Exhibit F**.

At the time of purchase there may be in place a contract with a Managing Agent. The Association through the Executive Board has the obligation to employ a professional experienced Managing Agent who shall oversee the daily operation and maintenance of the Condominium; provided, however, no agreement for such professional management of the Condominium will exceed a term of three years but may be renewed upon consent of the Association. Such agreement shall obligate the Managing Agent to provide regular maintenance services directly to Unit Owners at the Unit Owners' option for a fee that is payable through the Association. Such agreement shall be cancelable by either party without cause and without a termination fee upon not less than sixty (60) days or more than ninety (90) days written notice and shall be cancelable by the Executive Board with cause upon not less than thirty (30) days written notice. Any agreement for professional management negotiated by the Declarant shall meet the same requirements for agreements negotiated by the Association and cannot exceed one year but may be renewed upon consent of the Association.

**E. Projected Budget and Current Balance Sheet.**

The Executive Board of the Association, or the Declarant, has prepared a budget for the 12-month period beginning January 1 and ending December 31, of the current calendar year (the "Budget"), which has been adopted by the Members at a meeting of Members duly called and held in accordance with the Bylaws. A copy of the current Budget for the Association is included in this Public Offering Statement as **Exhibit G**, or if not attached, may be obtained from the Broker or the Declarant. In accordance with Section 1603-115 of the Act, and Section 6.2 of the Declaration, the Association may adopt an annual Budget allowing for different categories or amounts of monthly assessments as applicable to Built Units that are (i) fully constructed and benefiting from all Common Expenses and (ii) Un-Built Units that are not fully constructed or otherwise benefiting from all Common Expenses (e.g., incomplete or unoccupied units, may be assessed a lower monthly assessment if such Units do not benefit from common expenses relating to common utilities, trash removal, snow removal, etc.), and may assess Built and Un-Built Units based upon the reduced level of expenses that benefit such Un-Built Units. In order to maintain the monthly assessment at the levels established in the Budget, the Budget may contain an additional amount to be paid by the Declarant to maintain the monthly assessment at levels anticipated to be paid by Unit Owners when the Condominium is fully built. Increases in Condominium assessments payable by Unit Owners may occur in the future to reflect increases in expense items such as grounds keeping services or insurance premiums. Any such adjustments will be reflected in revised or subsequent year budgets to be presented to the Association for approval at a meeting of the Unit Owners.

The Budget has been prepared based upon what the Declarant believes to be the best current estimates of future costs based on information currently available, and maintenance costs of similar properties. The Budget establishes a reserve for future capital expenditures for repair and replacement in the amount of 5% of the Common Expense assessments collected. Such amounts are held by the Association in a separate reserve account. There are no other reserves.

**IV. Declarant Services.**

There are no services the Declarant currently provides not reflected in the Budget or expenses currently

paid which the Declarant expects may become at any future time a Common Expense to the Association.

**V. Initial or Special Fees Due From the Purchaser at Closing.**

At closing, the Purchaser will be required to pay in advance a fee for condominium reserves in an amount equal to two (2) months' Common Expense Assessments for the unit purchased. The purchaser will be required to pay the standard settlement costs as described in the Purchase and Sale Contract and the purchaser's prorated share of any Common Expense Assessment paid by the Declarant.

At each closing on the sale of a Unit to an initial purchaser, purchasers choosing to utilize propane for heating will be required to prepay for the propane inventory utilized to initially fill the propane tank serving their Unit. Some propane tanks may serve more than one Unit, in which case the amount payable at closing will be the cost of a full tank of propane at the cost paid by the Association, divided by the number of Units that will utilize the propane tank. Unit Owners will be billed by the Association for the propane usage as the propane tank is filled by the gas company, based upon the amounts and at the rates charged by the gas company, and in the case of multiple users of one common tank, based also upon each Unit Owner's share of the total propane used since the time of last fill, as measured by submeter and adjusted for any differences between common tank fill volume and the sum of the applicable submeter readings. Association billings for propane and for water and sewer charges are due to the Association at the time such bills are rendered, and such charges are in addition to the Condominium dues assessed against each Unit.

**VI. Liens, Defects and Encumbrances Affecting the Title to the Condominium and Units.**

The Condominium and Units are subject to the terms of the Declaration, as recorded, the conditions shown on the Plat and Plans, as recorded, the Bylaws and any Rules and Regulations issued, as each of these may be amended from time to time. In addition, the condominium is subject to the following:

(a) The encumbrances listed on the attached **Exhibit H**.

(b) Statutory easements granted by the Condominium Act, including (i) the easement provided by Section 1602-114 of the Condominium Act, which provides that a Unit or Common Element is subject to a valid easement to the extent that any other Unit or Common Element encroaches upon it; (ii) the provisions of Section 1602-115 of the Condominium Act which allows the Declarant to maintain sales offices, management offices and models in the Condominium (such right being set forth in Article 8.1 of the Declaration); and, (iii) the easement provided in Section 1602-116 of the Condominium Act, which allows the Declarant an easement through the Common Elements, and, if necessary, through portions of the Limited Common Elements, as may be reasonably necessary to facilitate the completion of the Condominium, to exercise any Development Right or Special Declarant Right reserved by the Declarant in Article 10 of the Declaration and elsewhere in the Condominium Documents.

(c) Unrecorded easements, discrepancies, conflicts in boundary lines, shortages of area and encroachments that an accurate and complete survey of the Condominium as built, would disclose.

(d) Easements and restrictions described in Article 8 of the Declaration including the following:

(1) The Units and all Common Elements are subject to easements in favor of the Declarant, other owners, and appropriate utility service companies and governmental agencies. Further, the Executive Board shall have the right and power to convey permits, licenses and easements over the Common Elements for the installments, maintenance, repair and replacement of utility equipment, roads,

for the protection of the natural, scenic and open space values of the Property, and for other purposes necessary for the proper operation of the Condominium. Such rights are in addition to the Executive Board's right to license the Reserved Common Areas to the appurtenant Unit owner. After the date of the recording of the Amended Subdivision Plat described on **Exhibit H** (the "Subdivision Plan"), an easement deed for the underground power along the roads in the Condominium dated November 3, 2014 has been granted to Central Maine Power Company and is recorded in said Registry of Deeds in Book 31947, Page 61 and an Easement Deed for underground communication lines along the roads in the Condominium dated May 15, 2015 has been granted to Northern New England Telephone Operations, LLC and is to be recorded in said Registry of Deeds.

(2) The areas of the "Proposed Public Access Trail" as shown on the Subdivision Plan (herein the "Trail" or "Trails"), to the extent any such Trails are located on the Condominium Property, are subject to a non-exclusive perpetual easement in favor of the public of the Town of Falmouth, for ingress and egress, by means of pedestrian and non-vehicular and non-motorized access only, for public use of the Trails as natural and undisturbed nature trails, which shall otherwise not be disturbed and shall be left in their natural state (the "Public Trail Easement"). The Declarant, during the period of Declarant Control and the Association thereafter has the right to construct, maintain, repair and replace portions of the Trail and minor structures and improvements within the Trails in accordance with the Town approvals. The Town of Falmouth has the right to vehicular access to the Trails for emergency purposes.

(3) Ridgewood Drive, Applewood Drive, and Sprucewood Lane as shown on the Plan are subject to a non-exclusive perpetual easement in favor of the public of the Town of Falmouth, for pedestrian and automobile travel, for the exclusive purpose of accessing and using the Public Trail Easement. The sidewalks along such roads are subject to a non-exclusive perpetual pedestrian easement in favor of the public of the Town of Falmouth, for the exclusive purpose of accessing and using the Public Trail Easement. Additionally, the parking area adjacent to the Condominium's clubhouse on Applewood Lane, as shown on the Subdivision Plan, is subject to a non-exclusive perpetual easement in favor of the public of the Town of Falmouth for the purpose of parking automobiles used exclusively for the purpose of accessing and using said Public Trail Easement during daytime hours between dawn and dusk only; provided, however, that such automobile parking shall be limited to the use of designated parking spaces identified by the Association for such purpose, on a first-come, first-serve basis, and which spaces may be reasonably limited in number to allow for access by the Condominium Unit Owners to the Condominium clubhouse and Trails.

(4) The Property is subject to a non-exclusive perpetual easement identified as "24' Right-of-Way" on the Subdivision Plan, consisting of an area twenty-four (24) feet in width and extending from the Southwesterly boundary of the Property towards the terminus of Applewood Lane as shown on the Subdivision Plan (the "Right of Way"), for the following purposes: (i) for the ingress and egress of vehicular and pedestrian traffic relating to the future development, if any, of the adjacent parcel identified on the Plan as "N/F Larry G. Anderson & Lora Jane N. Anderson" (the "Future Development Parcel"); and (ii) for the construction, repair, replacement, and maintenance of a roadway and related improvements within said Right-of-Way, by the owner(s) or developer(s) of said Future Development Parcel. The rights and easements relating to the Right-of-Way to associated with the Future Development Parcel are subject to the following terms and conditions: (i) such easement and Right-of Way shall only be effective upon the recording of a subdivision plan or site plan in the Cumberland County Registry of Deeds approved by the Town and relating to the Future Development Parcel, which expressly provides for the use of such Right-of-Way (the "Future Development Plan"); (ii) the use of such easement and Right-of-Way shall be limited to the express terms and conditions provided in the Town approvals evidenced by such Future Development Plan, regardless of whether such terms and conditions are noted or referenced on the Future Development Plan or in any other instrument recorded in the Cumberland

County Registry of Deeds; (iii) except as otherwise provided by written agreement signed by the Declarant or the Association, and recorded in the Cumberland County Registry of Deeds, the purposes of the above easement shall not be amended, or otherwise expanded to include the installation of utilities, and the owner(s) of the Future Development Parcel shall be liable and responsible for the construction, repair, and maintenance of the Right-of-Way; and (iv) the unit owners of the Ridgewood Condominium as shown on the Plan shall also have the rights of ingress and egress over such Right-of-Way, in accordance with the terms and conditions of any such Future Development Plan.

(5) Those portions of the Common Elements not located within the buildings in which the Units are located are subject to an easement in favor of the Declarant to maintain and correct drainage of surface water;

(6) The Common Elements and Units are subject to an easement in favor of the Declarant for the purposes of construction, reconstruction, maintenance, renovation, repair, replacement or correction of the Units or Common Elements;

(7) The Common Elements (not including the Limited Common Elements and licensed Reserved Common Areas) are subject to an easement in favor of the Owners, their invitees, employees, tenants and servants, the Association and the agents and employees of the Association for access through each portion of the Common Elements, subject to the requirements and charges imposed by the Executive Board;

(8) The Common Elements are subject to an easement in favor of the Association, its agents, employees and independent contractors for the purpose of inspection, upkeep, maintenance, repair and replacement of the Common Elements;

(9) The Units and the Limited Common Elements are subject to an easement in favor of the Association, its agents, employees, and independent contractors for inspection of the Units and Limited Common Elements and Property, for inspection, maintenance, repair and replacement of the Common Elements or the Limited Common Elements and Property situated in or accessible from such Units or Limited Common Elements and for the correction of emergency conditions;

(10) The Units and the Limited Common Elements are subject to an easement in favor of the Owner benefited and the Association, its agents, employees and independent contractors for the installation, repair, maintenance, use, removal and/or replacement of pipes, ducts, electrical, telephone, telegraph and other communication systems and all other utility lines which are part of the Common Elements and pass through a portion of one or more Units;

(11) If the construction, reconstruction, repair, shifting, settlement or other movement of any portion of the Condominium results either in the Common Elements encroaching on any Unit, or in any Unit encroaching on the Common Elements or on any other Unit, a valid easement shall exist during the period of the encroachment for the encroachment and for the maintenance thereof;

(12) The Common Elements are subject to an easement in favor of the benefited Units for installation, repair, maintenance, use, removal and/or replacement of pipes, ducts, heating and air conditioning systems, electrical, telephone and other communication wiring and cables and all other utility lines and conduits which are part of or exclusively serve a single Unit and which pass across or through a portion of the Common Elements.

## **VII. Financing Offered or Arranged by the Declarant.**

The Declarant does not plan to offer financing to any buyers. The Declarant may recommend certain lenders who are familiar with the Condominium and who have expertise in condominium lending; however, prospective purchasers are free to choose any lender they desire.

## **VIII. Warranties.**

With respect to the Units being sold and the Common Elements appurtenant thereto, the Condominium Act provides as follows:

### **§ 1604-112. Express warranties of quality.**

(a) Express warranties made by any seller to a purchaser of a unit, if relied upon by the purchaser, are only created as follows:

(1) Any written affirmation of fact or promise which relates to the unit, its use, or rights appurtenant thereto, area improvements to the condominium that would directly benefit the unit, or the right to use or have the benefit of facilities not located in the condominium, creates an express warranty that the unit and related rights and uses will conform to the affirmation or promise;

(2) Any model or description of the physical characteristics of the condominium, including plans and specifications of or for improvements, creates an express warranty that the condominium will substantially conform to the model or description;

(3) Any written description of the quantity or extent of the real estate comprising the condominium, including plat or surveys, creates an express warranty that the condominium will conform to the description, subject to customary tolerances; and,

(4) A provision that a buyer may put a unit only to a specified use is an express warranty that the specified use is lawful.

(b) Neither formal words, such as “warranty” or “guarantee”, nor a specific intention to make a warranty, are necessary to create an express warranty of quality, but a statement purporting to be merely an opinion or commendation of the real estate or its value does not create a warranty.

(c) Any conveyance of a unit transfers to the purchaser all express warranties of quality made by previous sellers.

### **§ 1604-113. Implied warranties of quality.**

(a) A declarant and any person in the business of selling real estate for his own account warrants that a unit will be in at least as good condition at the earlier of the time of the conveyance or delivery of possession as it was at the time of contracting, reasonable wear and tear excepted.

(b) A declarant and any person in the business of selling real estate for his own account impliedly warrants that a unit and the common elements in the condominium are suitable for the ordinary uses of real estate of its type and that any improvements made or contracted for by him, or made by any person before the creation of the condominium, will be:

(1) Free from defective materials; and,

(2) Constructed in accordance with applicable law, according to sound engineering and construction standards and in a workmanlike manner. Construction complying with the National Building Code and Code Administrators (BOCA) Basic Building Code or equivalent applicable local building code, if any, shall be deemed to satisfy such sound engineering or construction standards.

(c) In addition, a declarant warrants to a purchaser from him of a unit that may be used for residential use that an existing use, continuation of which is contemplated by the parties, does not violate applicable law at the earlier of the time of conveyance or delivery of possession.

(d) Warranties imposed by this section may be excluded or modified as specified in section 1604-114.

(e) For purposes of this section, improvements made or contracted for by an affiliate of a declarant, Section 1601-103, paragraph (1), are made or contracted for by the declarant.

(f) Any conveyance of a unit transfers to the purchaser all of the declarant's implied warranties of quality.

**§ 1604-114. Exclusion or modification of implied warranties of quality.**

(a) Except as limited by subsection (b) with respect to a purchaser of a unit that may be used for residential use, implied warranties of quality:

(1) May be excluded or modified by agreement of the parties; and,

(2) Are excluded by expressions of disclaimer, such as "as is", "with all faults", or other language which in common understanding calls the buyer's attention to the exclusion of warranties.

(b) With respect to a purchaser of a unit that may be occupied for residential use, no general disclaimer of implied warranties of quality is effective, but a declarant may disclaim liability in an instrument signed by the purchaser, for a specified defect or specified failure to comply with applicable law, if the defect or failure entered into and became a part of the basis of the bargain.

**§ 1604-115. Statute of limitations for warranties.**

(a) A judicial proceeding for breach of any obligation arising under Section 1604-112 or 1604-113 must be commenced within 6 years after the cause of action accrues, but the parties may agree to reduce the period of limitation to not less than 2 years. With respect to a unit that may be occupied for residential use, an agreement to reduce the period of limitation must be evidenced by a separate instrument executed by the purchaser.

**NOTE: PURSUANT TO § 1604-115(a), PURCHASERS OF UNITS WILL BE REQUIRED TO SIGN A SEPARATE AGREEMENT, ATTACHED HERETO AS EXHIBIT I, TO REDUCE THE PERIOD OF LIMITATION FROM SIX (6) YEARS TO TWO (2) YEARS.**

(b) Subject to subsection (c), a cause of action for breach of warranty of quality, regardless of the purchaser's lack of knowledge of the breach, accrues:

(1) As to a unit, at the time the purchaser to whom the warranty is first made enters

into possession if a possessory interest was conveyed or at the time of acceptance of the instrument of conveyance if a nonpossessory interest was conveyed; and

(2) As to each common element, at the time the common element is completed or, if later:

(i) As to a common element which may be added to the condominium or portion thereof, at the time the first unit therein is conveyed to a bona fide purchaser; or

(ii) As to a common element within any other portion of the condominium, at the time the first unit in the condominium is conveyed to a bona fide purchaser.

(c) If a warranty of quality explicitly extends to future performance or duration of any improvement or component of the condominium, the cause of action accrues at the time the breach is discovered or at the end of the period for which the warranty explicitly extends, whichever is earlier.

#### **IX. Right to Cancel Purchase (Limitations of Warranties).**

The Declarant shall provide a purchaser of a Unit with a copy of this Public Offering Statement and all amendments thereto before the execution of a contract for sale. Unless prior to the execution of a contract for sale, a purchaser acknowledges in writing receipt and review of such Offering Statement, the purchaser, upon written notice to the Declarant, may cancel the contract at any time prior to conveyance of the Unit, unless the purchaser shall, subsequently, expressly and in writing waive such right to cancel after having received and reviewed such Offering Statement. **ACCORDINGLY, PURCHASERS WILL BE REQUIRED TO ACKNOWLEDGE THE RECEIPT AND REVIEW OF THIS PUBLIC OFFERING STATEMENT IN WRITING, BY SIGNING THE FORM ATTACHED AS EXHIBIT J.**

If the Purchaser elects to cancel, he or she may do so by hand delivering a notice thereof or by mailing the notice by prepaid United States mail to the Declarant. The cancellation shall be without penalty and any deposit made by the Purchaser shall be promptly refunded in its entirety.

Once a purchaser accepts the conveyance of a Unit, he may not cancel the contract.

#### **X. Unsatisfied Judgments, Pending Legal Proceedings.**

As of the date of delivery of this Statement, there are no judgments against the Association, nor is the Association a party to any pending litigation. The Declarant has no actual knowledge of any pending litigation that would be of any significance to the Condominium or the Property.

#### **XI. Escrow of Deposits.**

Any deposit made in connection with the purchase or reservation of a Unit from the Declarant shall be placed in escrow by Declarant and held either in this State in an account designated solely for that purpose by a licensed title insurance company, an attorney, a licensed real estate broker or an institution whose accounts are insured by a governmental agency or instrumentality until the deposit is: (1) delivered to the Declarant at closing; (2) delivered to the Declarant because of purchaser's default under a contract to purchase the unit; or (3) refunded to the purchaser.



## **XII. Restraints on Transfers.**

Section 1604-102 of the Condominium Act prohibits the Declarant from offering any interest in a Unit until the Declarant has prepared and delivered to a Purchaser a current Public Offering Statement.

The Condominium Act further provides that no part of the Common Elements may be sold except in conjunction with the sale of an interest in a Unit; provided, however, the Act does permit the sale of Common Elements or portions thereof by the Association upon the required vote of the members. No conditions are placed on this right of the Association by the Declaration.

The Declaration imposes the following restrictions on use of an Owner's Unit.

(a) The Units (with the exception of any such Units during the time period when they are being used by the Declarant as a sample, model or sales office) are restricted to residential use.

(b) No Owner may obstruct the Common Elements in any way. Fences in Yards are permitted only with the approval of the Executive Board, subject to rules and regulations established by the Association.

(c) No Owner may carry on any practice, or permit any practice to be carried on, which unreasonably interferes with the quiet enjoyment of the occupants of any other Unit. The Property, including any portion of the Yard for which the Owner is responsible, is to be maintained in a clean and sanitary condition, and no Owner may place any garbage, trash or rubbish anywhere in the Property other than in his own Unit and in or on such parts of the Common Elements as may be designated for such purpose by the Executive Board.

(d) No Unit shall be used, occupied or kept in a manner that in any way increases the fire insurance premiums for the Property without the prior written permission of the Executive Board.

(e) No Owner of any Unit (other than the Declarant in connection with its marketing and sale of the Units) may erect any sign on or in his Unit or any Limited Common Element which is visible from outside his Unit or from the Common Elements without in each instance having obtained the prior written permission of the Executive Board.

(f) Pets shall be allowed in accordance with the Declaration and Rules and Regulations; outdoor cats are prohibited.

(g) The Executive Board may from time to time promulgate reasonable Rules and Regulations, not in conflict with the provisions of the Declaration, concerning the use and enjoyment of the Property. Copies of the then current Rules and Regulations and any amendments thereto shall be furnished to all Owners by the Association promptly after the adoption of such Rules and Regulations and any amendments thereto.

(h) Except as otherwise provided in the Declaration, no Unit shall be altered, remodeled or renovated unless such alteration, remodeling or renovation shall be approved in writing by a majority vote of the Executive Board of the Association. Any such approval shall identify the alteration, remodeling or renovation to be done in reasonable detail and shall establish a budget therefor. All such alterations, remodeling or renovation shall be conducted by the Owner.

(i) No Owner shall cause any material to be furnished to his Unit or any labor to be

performed therein or thereon except in the manner set forth in the Declaration.

The Declarant shall have the right to operate any Units owned by the Declarant as a rental project. An Owner, other than the Declarant, may sell or lease his or her Unit; however, the Executive Board may prescribe a form of lease or specific provisions.

The Rules and Regulations attached to this Statement as **Exhibits D, D-1 and D-2** further restrict the Owners' use of the Common Elements and of the Units.

### **XIII. Insurance.**

Article 16 of the Declaration sets forth the provisions concerning the types and amounts of insurance coverage to be provided by the Association and maintained by Unit Owners. Each Unit shall be insured by its Owner by a policy of fire and property damage insurance in an amount equal to one hundred percent (100%) of the current replacement cost of the Unit. It will be the individual responsibility of the Owners to insure their Unit, personal property and liability insurance to cover claims arising out of the use or ownership of their Units. Personal property of the Owner will not be insured by the Association. Owners are advised to consult the Executive Board or the Managing Agent before purchasing their own insurance.

The Association will carry, to the extent required by Section 1603-113 of the Act, property insurance on the Common Elements and shall maintain a liability insurance policy on behalf of the Association and all Owners to insure them against liability arising out of the ownership or use of the Common Elements, worker's compensation insurance, directors and officers insurance, flood insurance, if applicable and available, covering anyone who either handles or is responsible for funds held or administered by the Association. The cost of maintaining each of such insurance policies and bonds shall be a Common Expense.

The liability policy will not insure Owners against liability arising from an accident or injury occurring within their Units or from their own negligence.

### **XIV. Fees on the Use of Common Elements; Financial Arrangements for Improvements.**

There are no current or expected fees or charges to be paid by Owners for the use of Common Elements and other facilities related to the Condominium other than the assessments for management and upkeep of the Condominium or for the use of the Clubhouse and its equipment and furnishings and for the Playground Equipment.

The Association is responsible for the cost of heating, insuring, cleaning and maintaining the Clubhouse and the personal property and furnishings located therein, and for the costs of maintaining and insuring the playground equipment. In addition, the Clubhouse exercise equipment and furniture and furnishings and the Playground Equipment will be leased from the Declarant or an affiliate thereof under the terms of a lease transaction, providing for lease payments over a term of seven (7) years, with the Association to become the owner of the exercise equipment, furniture, furnishings and playground equipment at the end of the lease term, upon payment of an option fee. The cost of insuring, heating and maintaining the Clubhouse and its furniture, furnishings, exercise and playground equipment, and the lease costs for the use and acquisition of the furniture, furnishings, exercise and playground equipment shall be payable as a part of the Condominium dues.

**XV. Unusual and Material Circumstances, Features and Characteristics, Zoning and Land Use Requirements Affecting the Condominium.**

A. *Zoning and Land Use Requirements.* The Condominium is located in the Open Space Residential district established by the Zoning Ordinance of the Town of Falmouth. The Property is subject to Maine Department of Environmental Protection Permit Orders containing certain covenants and restrictions for protection of certain natural features on portions of the Condominium property, separate from the location of roads, drives and the Units (collectively, the “DEP Permit”), a Declaration of Buffer Zone Restrictions, an Army Corp of Engineers Wetland Permit, a Conservation Easement granted to the Falmouth Conservation Trust, over certain open space areas shown on the Condominium Plat, and the terms and conditions of the subdivision and site plan approvals granted by the Town of Falmouth (the “Town Approvals”), all further described in **Exhibit H**. In addition to acknowledging receipt and review of this Public Offering Statement on the form attached as **Exhibit J** attached hereto, each purchaser is required to acknowledge receipt and review of the DEP Permit and the Subdivision Plan approved by the Town of Falmouth, Maine, which are attached hereto as **Exhibits H-1 and H-2**.

B. *Conditional Partial Assignment of Declarant Rights.* The Declarant may assign certain rights regarding certain Condominium Units including the right to declare the Units, direct the construction of the Units, and sell the Units.

**XVI. Common Expense Assessments.**

The projected Common Expense Assessments for each Unit are set forth in the 2015 Budget, a copy of which is attached to this Statement as **Exhibit G**. Once the 2016 Budget becomes available, it will be provided to prospective purchasers by the broker or the Declarant and may be attached to copies of this Public Offering Statement provided to prospective purchasers. The assessments do not vary seasonally but may change each year as the annual budget is approved by the Association. If all 75 Units are developed, an Owner’s allocated share would be 1/75, or 1.33%. See Section E above and the Notes on the attached Budget for additional notes and comments concerning the Budget and the assumptions used in the preparation of the Budget.

**XVII. Owner’s Liability for Real Estate Taxes, Assessments and Other Charges.**

By statute, a municipality must separately assess and tax individual Units with each Owner therefore liable only for real estate taxes, municipal assessments and other municipal charges against his or her own Unit, with no liability for such obligations against other Units.

**XVIII. Liens for Assessments and Other Claims.**

All sums assessed by the Association constitute the personal liability only of the Owner thereby assessed. The Condominium Act provides a lien process by which the Association can perfect liens for the non-payment of assessments and foreclose them through a judicial proceeding. That liability constitutes a lien only against that Owner’s Unit.

In addition, other liens such as judgment liens against the Association run against the Units and not the Common Elements. No other property of an Owner is subject to a lien of a judgment creditor of the Association.

## **XIX. Development Rights Reserved by the Declarant.**

In addition to the easement rights reserved in Article 8 of the Declaration, the Declarant reserves to itself and for the benefit of its successors and assigns the right until the construction, marketing and sale of all Units are completed to:

- (a) connect with and make use of utility lines, wires, pipes and conduits located on the Property for construction and sales purposes, provided that the Declarant shall be responsible for the cost of services so used;
- (b) use the Common Elements for ingress and egress, for the repair and construction of Units and Common Elements including the movement and temporary storage of construction materials and equipment, and for the installation of signs and lighting for sales and promotional purposes;
- (c) exercise any and all development rights as are now allowed or in the future may be allowed by the Condominium Act;
- (d) complete all contemplated improvements on the Plat and Plans;
- (e) relocate any improvements shown on the Plat and Plans and construct additional Common Element improvements;
- (f) maintain models and a sales office;
- (g) exercise the easements reserved to it in the Declaration;
- (h) appoint or remove any officer or Executive Board member during any period of Declarant control of the Association set forth in Article 10 of the Declaration; and
- (i) exercise any other Special Declarant Rights as are now allowed or in the future may be allowed by the Condominium Act.

The exercise of any Development Rights shall be in accordance with and governed by the provisions of the Condominium Act, including Section 1602-110.

The Declarant intends to develop the Condominium in a series of phases. Initially, the Declaration created twenty (20) Units, which are designated Phase IA. Each subsequent Unit or Units created will be an additional separate phase, named in alphabetical order. By way of example, the next Unit or Units created within the area designated as Phase I as shown on the Plat will be "Phase IB." The first Unit or Units created within the area of the Plat designated as Phase II will be designated as "Phase IIA." The Declarant has reserved the development right to withdraw Phase II, as shown on the Plat, from the Condominium. Accordingly, the infrastructure and Common Elements for Phase II, as shown on the Plat, need not be built. In the event that the Declarant withdraws Phase II, as shown on the Plat, from the Condominium, the Declarant has the right to grant easements over the Association's roads, trails and utility corridors for the benefit of the withdrawn land.

The First Amendment to the Declaration dated June 6, 2013 created an additional five (5) Units, referred to as Phase IB. The Second Amendment to the Declaration dated October 23, 2013 created an additional three (3) Units, referred to as Phase IC. The Third Amendment to the Declaration dated March 1, 2014 created an additional seven (7) Units, referred to as Phase 1D. The Fourth Amendment to the Declaration

dated October 1, 2014 created an additional two (2) Units, referred to as Phase 1E. The Fifth Amendment to the Declaration dated October 5, 2015 created an additional three (3) Units, referred to as Phases 2A (2 Units) and 1F (1 Unit), bringing the total number of Units created as of the date of this Public Offering Statement to forty (40) Units.

Declarant expressly reserves the right to vary buildings, Units, Limited Common Elements and their locations in its discretion, subject to the restrictions set forth in Section 5.1 of the Declaration. However, all such future Units, Common Elements and Limited Common Elements shall be consistent with the initial Units in terms of the quality of construction, general architectural style and principal materials, provided that the Declarant may substitute construction materials and technique of equal or better quality.

Any Limited Common Elements created pursuant to any Development Right reserved will be of the same general types and sizes as the Limited Common Elements within other parts of the Condominium.

The proportion of Limited Common Elements to Units created pursuant to any Development Right reserved by the Declarant are intended to be approximately equal to the proportion existing within other parts of the Condominium.

All restrictions in the Declaration affecting use, occupancy, and alienation of Units will apply to any Units of the same type created pursuant to any Development Right reserved by the Declarant.

None of the foregoing shall limit the Development Rights reserved in Article 10 of the Declaration. The assurances made in this section do not apply in the event that any Development Right is not exercised by the Declarant.

## **XX. The Owners Association.**

The Condominium Act provides for the self-governing of the Condominium by an Owners Association, in this instance called “Ridgewood Condominium Association.”

The Association is organized as a non-profit condominium corporation under Maine law. The Bylaws provide that the powers and responsibilities of the Association are delegated to the Condominium’s Executive Board, some of which in turn may be sub-delegated to the Managing Agent. The Executive Board has the power and responsibility in administering the Condominium to, among other things:

- (a) Prepare the annual budget;
- (b) Make and collect assessments against the Owners for Common Expenses;
- (c) Provide for the upkeep, maintenance and care of Common Elements;
- (d) Designate and license Reserved Common Areas to Unit Owners;
- (e) Designate, hire and dismiss the personnel necessary for the maintenance of the Condominium;
- (f) Make rules and regulations concerning the use of the Condominium;
- (g) Establish a bank account on behalf of the Association;
- (h) Make alterations to the Condominium;

- (i) Enforce by legal means the provisions of the Condominium instruments;
- (j) Obtain necessary insurance;
- (k) Pay the cost of services rendered to the Condominium; and
- (l) Keep the books of account of the Condominium.

The Declaration describes the makeup of the Executive Board of the Association. The Executive Board consists of three (3) members elected by Owners, except that the Declarant will initially appoint the members of the Executive Board in accordance with Article 12 of the Declaration.

Not later than the earlier of (i) 60 days after the conveyance by the Declarant to Owners other than the Declarant of seventy-five percent (75%) of the Units for the entire project, including any additional Units which may be added to the Condominium in Phase II, or (ii) seven (7) years following conveyance of the first Unit to an Owner other than the Declarant, all members of the Executive Board appointed by the Declarant shall resign and the Owners (including the Declarant to the extent of Units owned by the Declarant) shall elect new members of the Executive Board in accordance with the Bylaws of the Association.

NO PERSON HAS BEEN AUTHORIZED BY THE DECLARANT TO MAKE ANY STATEMENT, REPRESENTATION OR WARRANTY NOT SPECIFICALLY CONTAINED HEREIN; AND NOTHING IN THIS PUBLIC OFFERING STATEMENT MAY BE CHANGED OR MODIFIED ORALLY.

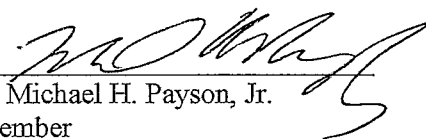
ANY INFORMATION OR DATA ABOUT THE CONDOMINIUM THAT IS NOT INCLUDED IN THIS PUBLIC OFFERING STATEMENT SHOULD NOT AND MUST NOT BE RELIED UPON.

IN WITNESS WHEREOF, Ridgewood Associates, LLC has caused this instrument to be sealed with its company seal and signed in its company name by Michael H. Payson, Jr., its Member, thereunto duly authorized, as of the 12th day of the month of October, 2015.

SIGNED, SEALED AND DELIVERED  
In the presence of:

  
\_\_\_\_\_

**RIDGEWOOD ASSOCIATES, LLC**

By   
Name: Michael H. Payson, Jr.  
Its: Member