



PURCHASE AND SALES AGREEMENT

(August 15, 2006)

UNIT XXXX

THIS AGREEMENT is made and dated XXXXX, 2005 by and between **Forest Village Condominium North LLC** hereinafter referred to as "Seller", whose office is at 1810 Post Road (PO Box 818), Wells, ME 04090, Telephone 207-646-6866, Fax 207-646-5995 and XXXXXXXXXXXXXXXXXXXX, Joint Tenants, XXXXXXXXXXXXX, Home Telephone XXXXX; Work Telephone XXXXXX; Fax XXXXXXXX ;E-Mail: XXXXX hereinafter referred to as "Buyer".

In consideration of mutual covenants and obligations set forth herein, and receipt of the deposit(s) listed in Paragraph II, which are hereby acknowledged, the parties hereby agree as follows:

1. **Property:** Subject to all of the terms and conditions hereinafter set forth, including all of the terms and conditions of the addendum(s) attached hereto which is (are) incorporated herein and made a part hereof, Seller agrees to sell and Buyer agrees to purchase the following described property (the "Unit"):

Condominium Unit: **XXX**

The subject condominium unit is more specifically described as:

A 2 bedroom-2 ½ bath town home; the first floor contains a living/dining room, kitchen, master bedroom and 1- ½ baths. The second floor has a bedroom, loft/study and full bath. There is a (X) foot high basement, single car garage (14' X 24'), and a deck (14' X16'). The total heated space is approximately 1,486 square feet.

Each building contains two condominium homes and shall be built substantially in accordance with the architectural plans and specifications prepared by Philip R. Kendrick, R.A., Dover, New Hampshire, fourteen (14) pages, dated May 20, 2005 and attached as Exhibit C to the Declaration of Condominium at Tab (Exhibit) 1. These plans may be amended from time to time by the Declarant/Developer, in its sole discretion, to improve construction quality and/or to facilitate more efficient construction.

The materials incorporated into the condominium and the construction specifications will be substantially in accordance with the "*Building Specifications and Finish Schedule*" attached as

Appendix A. In the event of a conflict between the plans and the Appendix A specifications the specification are superior.

All construction work will meet or exceed the standards imposed by the Town of Wells building codes and will meet or exceed the performance specifications described in the Declarant Limited Warranty attached as Appendix B.

II.	<u>Purchase Price:</u> (the "unit")	
A.	Unit Base Purchase Price	\$
B.	Total Options <u>(see attached option list)</u>	\$
C.	Total Purchase Price	\$
D.	Earnest Money Deposit received at signing of non-binding reservation agreement	\$
E.	Earnest Money Deposit at signing of this Agreement subject to collection, receipt of which is hereby acknowledged, to be held in a separate escrow account in Rivergreen Bank established by the Seller. Accrued interest at 1.5% annually will be paid to the Buyer unless the Buyer forfeits the deposit pursuant to this Agreement. Balance of 10% on Base Unit Options Deposit Total Additional Deposit	\$ \$ \$
F.	Mortgage Financing (See Financing Provision) Subject to change by Buyer	\$ unk
G.	Cash to Close (excludes mortgage and sales closing costs, prorations, and pre-payments)	\$

III. **Financial Condition Contingency:**

This Agreement is is not contingent upon Buyer obtaining necessary financing, however Buyer may cancel this contract if they notify the Seller in writing no later 5:00 pm, XXXX that their financial condition has changed and they do not desire to proceed. Upon such notification the Buyer's full deposit will be returned within five (5) days and the Buyer and Seller will be released from any further obligations under this Agreement.

IV. **Title:**

A. If desired by Buyer, Buyer may obtain evidence of title at Buyer's expense. If said evidence of title shows that the Seller is vested with a good and insurable title to the property, subject to: (i) the usual exceptions contained in the Chicago Title Insurance Company Owner's Policy Form as customarily used in Portland, Maine; (ii) covenants, limitations, conditions, restrictions, and easements of record;(iii) liens and encumbrances to be discharged at or before closing;(iv) those matters set forth in the Declaration of Condominium and By-Laws contained in the offering documents; and (v) those matters that are to remain on the property as set forth herein then this transaction shall be closed as set forth in Article V. If such evidence of title reveals any defects which are not within the scope of this Contract, the Buyer shall, within

ten (10) days of receipt of such evidence of title, notify Seller in writing of such title defects and the Seller shall have thirty (30) days to cure such defects, in which event this transaction shall be closed within ten(10) days after delivery of evidence to the Buyer that such defects have been cured. If the Seller is unable to convey to the Buyer a good and marketable or insurable title to said property, the Buyer shall have the right to demand and receive from the Seller all sums deposited hereunder without interest, at the same time returning to the Seller all title evidence Buyer has received from the Seller and the Buyer's copy of this Contract, whereupon all rights and liabilities of all the parties hereto shall cease and this contract shall be null and void; or the Buyer shall have the right to accept such title as the Seller may be able to convey, and to close this transaction in accordance with the other terms as stated herein, and without any further recourse against Seller.

B. **Notice of Availability of Title Insurance:** The Seller's closing agent has agreed to offer the Buyer the option to purchase owner's Title Insurance for the Unit, a specimen of which is available for review at the Seller's office. If the Buyer elects to purchase title insurance, Buyer shall pay the premium for such policy at Closing.

V. **Closing:**

A. **Deed:** Title shall be conveyed by a Warranty Deed subject to:

1. General taxes for the year of closing and subsequent years.
2. All grants, covenants, limitations, restrictions, easements, encumbrances, conditions, reservations and rights-of-way of record that do not interfere with the use of the condominium for residential purposes.
3. Those matters set forth in The Declaration, Articles and By-Laws of the Forest Village North Condominium.
4. Declaration of Affordable and Elderly Housing Covenants dated June 15, 2005 attached as Exhibit (Tab) 9.

B. **Costs:**

1. The Seller will pay the following costs:
 - a. One half of the Maine property transfer tax.
 - b. Costs of recording any instrument to clear title.
2. The Buyer will pay the following costs:
 - a. One half of the Maine property transfer tax.
 - b. Costs of recording mortgage and deed.
 - c. The discounted title insurance premium and \$225 title update fee if Buyer elects to purchase owner's title insurance. If Title insurance is not purchased, the \$225 title update fee.
 - d. All other costs related to obtaining the mortgage loan on the subject property.
 - e. Closing Agent Fee of \$250.
 - f. Two months estimated common charges to the condominium association to establish a working capital fund.

C. **Prorations:** Real Estate taxes for the current year will be based on the latest assessment and millage rate. Buyer and Seller agree to prorate the current tax bill if it differs from the closing proration by

more than 10%. This provision shall survive the closing. Fees due to the condominium association will be prorated to the date of closing.

D. **The Location:** This sale shall be closed at the office of Attorney Joseph G. Carleton, 1465 Post Road (US 1) P.O. Box 369, Wells, Maine 04090, Seller's closing agent in Wells, Maine or at such other location as may be mutually agreed upon.

E. **Date of Closing:**

1. Construction of the subject unit is estimated to commence approximately XXXXXX and be substantially complete approximately XXXXXX.

2. **Seller does not guarantee a firm completion date for construction of the unit.** Seller shall make every reasonable and diligent effort to meet the estimated construction schedule, but shall not be obliged to provide or compensate Buyer for any accommodations or inconvenience to Buyer as the result of any construction delays. Further, such delays shall not serve to cancel, amend, or diminish any of the Buyer's obligations herein.

3. Closing shall take place within ten (10) days of unit being issued a Certificate of Occupancy (CO) by the Wells Code Enforcement Officer.

VI. **Possession:** The Buyer shall not enter the subject property in any manner prior to closing without the express permission of the Seller. Possession of the property shall be delivered to the Buyer at closing or as otherwise agreed to in writing between the Buyer and Seller.

VII. **Associations:**

A. **Membership:** Buyer recognizes that in purchasing the subject property in the community, Buyer will automatically become a member of the Condominium Unit Owner's Association ("Association"), and will be subject to the Articles of Association and By-Laws of that Association and all the Rules and Regulations enacted by said Association, and the Declaration of Condominium as may be amended

B. **Condominium Assessments and Payments In Lieu of Assessments:** Buyer acknowledges that as a member of the Association, Buyer shall be obligated to pay assessments for maintenance and management in accordance with the above described documents. Until the Seller/Declarant relinquishes control of the Condominium Association in accordance with the Maine Condominium Statute, Buyers shall make monthly payments in lieu of condominium assessments. The Seller/Declarant shall subsidize Buyer payments funding costs necessary to maintain the condominium common area. Payments in lieu of condominium assessments will be established annually by the Declarant. The initial payments in lieu of assessments will not exceed \$155 in 2005 and \$165 in 2006.

VIII. **Performance:** Except as otherwise set forth herein time is of the essence in the performance of this Contract.

IX. **Color, Material Selections, and Change Orders:** Upon signing this Agreement, the Seller will provide the Buyer with a list of colors and materials to be selected by the Buyer. The Buyer must make all selections within ten (10) days of the contract signing, sign the completed selection list attached as Appendix C, and return it to the Seller in order to avoid construction delays and mistakes. If samples are not currently available, the Buyer will have ten (10) days from the date samples are available to make selection. In the event the Buyers selections are not made as required by this Section, the Seller may make the selections itself. **NO CHANGES ARE PERMITTED TO THE STANDARD PLANS, SPECIFICATIONS, OR OPTIONS.** Pursuant to 10 MRSA Sec. 1488, "any

alteration or deviation from the above contractual specifications that involve extra cost will be executed only upon the parties entering into a written change order.”

X. **Punch List and Warranty:**

A. **Punch List:** Prior to closing, a punch list may be made by the Buyer and Seller of items which are to be corrected and adjusted within sixty (60) days after closing. Closing shall not be delayed by Buyer for Seller's failure to correct such items by the closing date set by Seller. Furthermore, funds shall not be withheld or escrowed to correct Punchlist items.

B. **Warranty:** The Seller guarantees all workmanship and materials in accordance with the terms and conditions of the one-year Limited Warranty attached as Appendix B. Pursuant to MRSA Section 1604-115(a), the Buyer agrees to reduce from six years to two years the period of limitations on actions for the breach of any obligation arising under 33 MSRA Section 1604-112 (express warranties of quality) or 33 MRSA Section 1604-113 (implied warranties of quality) arising out of this Agreement.

XI. **Arbitration:** . If a dispute arises concerning the provisions of this contract or the performance by the parties, then the parties agree to settle this dispute by jointly paying for one of the following (check only one):

- A. Binding arbitration as regulated by the Maine Uniform Arbitration Act, with the parties agreeing to accept as final the arbitrator's decision (**xxx**);
- B. Nonbinding arbitration, with the parties free to not accept the arbitrator's decision and to seek satisfaction through other means, including a lawsuit (____);
- C. Mediation, with the parties agreeing to enter into good faith negotiations through a neutral mediator in order to attempt to resolve their differences (____);
- D. The parties are not required to select one of the above dispute methods. They are optional. If the parties do not select one of these options, check here: _____ .

Each party shall bear all costs of its own attorneys' fees. If the dispute or a portion of the dispute is covered under the attached Limited Warranty, the dispute or portion of the dispute shall be submitted to arbitration pursuant to this provision. The parties hereby expressly agree to be bound absolutely by the decision rendered. This provision shall survive the closing.

XII. **Default by Buyer:** In the event Buyer fails to perform in accordance with this contract, all monies paid hereunder to Seller shall be retained by Seller as and for liquidated damages and not as a penalty, and in consideration for the execution of this Contract, it being understood that Seller's actual damages would be unascertainable.

XIII. **Default by Seller:** If the Seller fails to perform in accordance with this contract, Buyer shall give Seller fifteen (15) days written notice to cure such default and if Seller fails to cure default within 15 days, Buyer may terminate this contract and receive a refund of its deposit monies with interest as prescribed in Section 2E. Buyer shall have no right to specific performance or damages.

XIV. **Attorney's Fees:** In the event Seller or Buyer engages the services of any attorney to enforce or

defend his rights under the terms of this Contract or under the terms of the Limited Warranty attached hereto, the prevailing party shall be entitled to recover all costs incurred, including attorney's fees on appeal to the extent permitted by law. This provision shall survive the closing of this Contract.

XV. **No Recording:** This Contract or any other notice thereof shall not be recordable in any public records.

XVI. **Assignment:** This Contract is not assignable by Buyer unless such assignment is approved in writing by the Seller. Such approval may be withheld for any reason.

XVII. **Agreement Binding:** This Contract shall be binding upon the parties hereto, their respective personal representatives, successors, and assigns.

XVIII. **Omitted**

XIX. **Governing Law:** This Contract of Sale and Purchase shall be governed by and interpreted under the laws of the State of Maine.

XX. **Notices:** All notices and demands required herein shall be made in writing by registered or certified mail, return receipt requested, mailed to the Buyer and Seller at the addresses set forth on page 1.

XXI. **Oral Representations:** This Contract represents the entire agreement between the parties hereto. Any modifications, changes, or alterations to the Contract shall be in writing and signed by both parties.

XXII. **Validity and Survival:** In the event that any provision of this Contract shall be held invalid, the same shall not affect in any respect whatsoever the validity of the remainder of this Contract.

XXIII. **Captions:** All sections and article titles and captions as set forth herein are for convenience only and shall not be deemed a part of the context of this contract.

XXIV. **Quality of Construction:** Construction shall be completed substantially in accordance with the specifications for the condominium in Appendix A and in accordance with the normal standards, practices and procedures of the Seller, provided, however, that Seller may make changes where required by good business or normal construction practices.

XXV. **Omitted:**

XXVI. **Required Notifications and Disclosures.**

By signing this Agreement, Buyer acknowledges that Buyer has received and reviewed the Public Offering Statement.

XXVII. **Real Estate Brokerage:** The Buyer represents that he/she has not utilized a real estate agent in connection with this transaction except the ERA Masiello Group. Robert Satter, President of the Seller is and Peter LaRochelle are the listing brokers at the ERA Masiello Group.

XXVIII. **Survival:** The following provisions of this Agreement shall survive the closing of the contemplated sale: Sections V-C.-Prorations, VII-Associations; X-Punchlist and Warranty; XIV- Attorney's Fees.

XXIV. **Execution of Contract and Receipt of Documents:** In witness whereof, the parties hereto have signed this Contract on the day and year first above written and Buyer expressly indicates that Buyer:

A. Has read this Contract and understands and agrees to all the provisions, terms and conditions contained herein.

B. Acknowledges receipt, review, acceptance, and approval of the Condominium Public Offering Statement with Exhibits.

WITNESS:

SELLER:

Forest Village Condominium North, LLC
Evergreen Partners Development Corporation
Sole Manager

BY_____

BUYER: XXXXXXX
Social Security #: XXXXX

BUYER: XXXXXXX
Social Security #: XXXXX