

**Penobscot Shores**  
**Purchase and Sales Agreement**  
**Document #2**

This agreement is entered into this (day) of (month) 2021 between the ("Shareholder") and the purchaser identified below ("Purchaser") relative to the proposed purchase of a share of stock in **Penobscot Shores Association** ("Cooperative"), which shall entitle Purchaser to enter into a Residency Agreement granting Purchaser exclusive occupancy rights of the residential unit identified below (the "Unit").

1. Basic Data

Shareholder's Name and Address		Purchaser's Name and Address	
Name		Name	
Residential	<b>Shoreland Dr.</b>	Initial Deposit	<b>-\$ 10,000.00</b>
Unit Number	<b>Belfast, ME 04915</b>	Priority List Deposit	<b>-\$ 1,000.00</b>
Purchase Price	<b>\$ 000,000.00</b>	Reductions	\$0,000.00
Projected Monthly Fee: *All fees subject to change per the yearly budget.	\$ 0,000.00	Addition	
Meal Fee	\$ 22.00	4% Contribution to Replacement Reserve	
Closing Date:	<b>No later than</b>	Balance Due	<b>\$000,000</b>
	<b>, 2021</b>	At Closing *Wire transfer costs additional \$60.00	<b>Certified or Bank Check</b>

2. Definitions

Closing Date: As defined in Section 18 of this Agreement.

Cooperative: The Maine corporation known as **Penobscot Shores Association** which owns the cooperative housing known as **Penobscot Shores**.

Deposits: The initial and additional renovation deposits payable by Purchaser under this Agreement.

Ground Lease: The 99 year ground lease between the Landlord and Cooperative granting Cooperative use of the land on which **Penobscot Shores** is located.

Landlord: **Waldo County Healthcare Management Company**, or any successor owner of the land on which **Penobscot Shores** is located.

Manager: **Waldo County Healthcare Management Company**, or any successor professional manager of **Penobscot Shores**.

Penobscot Shores: The retirement community owned by Cooperative located in Belfast, Maine

Residency Agreement: The Residency Agreement representing Purchaser's right to occupy the Unit, to be executed by Purchaser and Cooperative on the Closing Date.

Shareholder: Current Shareholder

Other capitalized terms not defined in this Section 2, are defined elsewhere in this Agreement.

3. Governing Documents and Structure - Landlord is the owner of the land on which **Penobscot Shores** retirement community is situated. From time to time improvements at **Penobscot Shores** will be conveyed by Manager to Cooperative. In exchange for the improvements, the Manager will be given the right to sell a share of stock in Cooperative to Purchaser, and upon such sale Cooperative will be obligated to enter into a Residency Agreement with Purchaser for the Unit. Cooperative has entered into a 99-year ground lease with **Waldo County Healthcare Management Company** (also referred to as the "Landlord") granting Cooperative the right to occupy the land.

Disclosure material has been provided relative to Penobscot Shores so that purchaser has the opportunity to review and receive copies of the residency agreement currently being used to be entered into by the purchaser. Other documents provided include the cooperatives articles of incorporation, bylaws, ground lease, management agreement, and carport agreement. This material is provided to the purchaser for making an informed decision in purchasing a share of stock in the cooperative.

4. Agreement of Purchase and Sale - Shareholder agrees to sell and Purchaser agrees to buy a share of common stock of Cooperative. Upon consummation of such sale, the Cooperative and Purchaser shall enter into a Residency Agreement for the Unit. A plan for **Penobscot Shores** has been delivered to Purchaser and attached as Exhibit A showing the location of the Unit.

5. Purchase Price - The Purchase Price for the share of stock shall be the amount specified in the table on page 1, which shall be paid to Seller as follows:

a. Deposit - Upon execution of this Agreement, Purchaser shall make an initial **NON-REFUNDABLE** deposit with **Waldo County Healthcare Management Company** in the amount of **\$10,000**.

b. Balance - Upon Closing, Purchaser shall remit the balance due **\$000,000.00** to **Waldo County Healthcare Management Company** in cash or by certified bank, cashier's or treasurer's check payable to **Waldo County Healthcare Management Company**. In the event Purchaser has paid a refundable reservation fee to reserve a place on the waiting list for **Penobscot Shores**, the amount of such reservation fee may be applied to the final payment due from Purchaser under this Agreement.

6. The Unit - Unit floor plans are available. Exhibit E is a list of fixtures, appliances and standard features included as part of the Purchase Price. Purchaser shall be obligated to purchase the share of

the Cooperative's stock as intended herein for the Purchase Price. Purchaser acknowledges that **Penobscot Shores** may be built in phases and additional cooperative units, rental space or common areas may be added to it from time to time and that all the common areas and facilities shown on **Exhibit A** will not necessarily be constructed or available on the Closing Date.

7. Services & Maintenance - The Cooperative must maintain certain Core Services for its residents unless there is consent by the management and a Super Majority vote to terminate those services. These Core services include: (a) emergency response system, (b) property and grounds maintenance, (c) meal plan availability (d) health screening and assessments, (e) water and sewer, and (f) scheduled transportation services for residents. Monthly fees shall be charged to all units to cover the costs of such services.

8. Possession/Completion - Full possession of the Unit, free of all tenants and occupants, is to be delivered on the Closing Date, the Unit then to have all mechanical systems and appliances serving the unit in good working order and condition. Attached hereto as Exhibit J is a Refurbishing Work Punch List (the "Punch List") of refurbishing work to be performed at the Unit. The items identifying an allowance amount shall be paid by Manager or Cooperative up to the allowance amount, with any cost above identified on Exhibit F, as well as the custom options requested by the Purchaser pursuant to Paragraph 10, may not be completed prior to the Closing Date. Manager shall have a reasonable amount of time to complete such improvements after the Closing Date, not to exceed sixty (60) days. With the prior consent of Manager, Purchaser may elect to hire an independent contractor to install the custom options, in which case Manager will not be responsible for the quality of the work performed or deadlines for completion. All work performed by independent contractors is not permitted to begin until after the Purchaser proceeds to closing and purchases the share of stock as described herein and must be done in compliance with the Cooperative's Guidelines for Hiring a Third Party Contractor.

9. Finish Selections - Manager shall complete the Unit using standard colors and finishes. Purchaser may, at their own expense, make color and finish selections that are not standard provided Purchaser advises Manager of such selections on a timely basis.

10. Custom Options - Purchaser may elect to have Manager install any of the custom options, including, but not limited to, those listed on the attached Exhibit I. Prior to commencing custom work, option work and the work described in the Punch List (Exhibit J) that is identified as a cost to the Purchaser, Manager shall provide an estimate of the cost and Purchaser shall pay Manager 100% of such estimated cost. Purchaser shall pay Manager in full for the final cost of such custom option work and Punch List work payable by Purchaser, including all changes that are requested by Purchaser during such work that increase cost, within thirty (30) days of receipt of invoice. The parties acknowledge that the estimate of expense provided before the work commences is a preliminary figure based on information available at the time it is prepared and is not a fixed price contract. The scope and cost of the work may be adjusted before completion, including deductions for portions that are removed by change orders from the Purchaser and increases based on costs of material, labor, subcontracts and change orders. For those items that are performed by subcontractors, the final cost will include the actual cost of all subcontracts plus a mark-up to Manager as the general contractor based on Manager's standard schedule. All such options shall be selected by Purchaser and coordinated with the Manager as set forth in Paragraph 8 above. Notwithstanding any contrary provisions of Paragraph 8, 9 and 10, Seller and Purchaser agree that Purchaser may elect to have custom options work performed at the expense of Purchaser prior to the Closing Date subject to the following conditions: In the event that Purchaser does not proceed to closing and purchase the share of stock as described herein for any reason other than a default by Seller, then Purchaser shall pay on

demand the full remaining final cost of all such custom work that was requested by Purchaser, including the cost to finish partially completed custom work.

Permission to make any such custom option modifications is permitted with the understanding that at the time of resale by Purchaser, should a new buyer not desire the custom option modifications made by the Purchaser, or not desire any custom option modifications made by the prior owner that were accepted by Purchaser, then Purchaser shall, at Purchaser's expense and as part of the sale to the new buyer, restore the Unit to the condition it existed before the custom option modifications were made, thereby restoring the unit to the standard features to have Manager perform such work at Purchaser's expense.

11. Carport - If it is noted in Section 1 above that Purchaser intends to lease a covered carport at **Penobscot Shores**, the Purchaser shall have the right to enter into an agreement with Manager to use the covered carport identified on that Section. The initial monthly rental fees for such carport shall be as specified above, but shall be subject to change as set forth in the agreement to be executed on the Closing Date. Purchaser's right under the carport agreement shall automatically terminate upon termination of Purchaser's Residency Agreement at **Penobscot Shores** and may be terminated by Purchaser at any time upon thirty (30) days' notice to Manager.

12. Manager's Limited Warranty - Manager agrees to remedy, at Manager's sole cost and expense, any defect in construction, workmanship or materials of or in the Unit for a period of one (1) year commencing on the Closing Date ("Manager's Limited Warranty"). Purchaser agrees to give Manager prompt written notice of any defects in the Unit, specifying the extent and nature of such defects. Purchaser's failure to give such notice of any defect within the effective period of Manager's Limited Warranty for the Unit shall be deemed a waiver of any rights Purchaser might have otherwise have had against Manager pursuant to the provisions of this Section.

13. Title to the Property; Quiet Enjoyment - On the Closing Date, the Cooperative shall have good, clear, record and marketable fee title to that portion of the improvements which includes the Unit and a valid leasehold interest in the land, subject to the encumbrance listed on attached **Exhibit F** and any other encumbrances of record which will not materially interfere with Purchaser occupancy of the Unit and enjoyment of **Penobscot Shores**. So long as Purchaser is not in default of Purchaser's obligations under the Residency Agreement, including the obligation to pay monthly fees, the Purchaser shall not be disturbed from possession of the Unit notwithstanding any default by Cooperative under the Ground Lease or the default of any other purchaser of a unit at **Penobscot Shores**.

14. Estimated Operating Budget/Fees - Purchaser shall be obligated to pay to Cooperative monthly fees and charges to cover the costs of maintenance, taxes, insurance premiums and other services provided by the Cooperative to residents of **Penobscot Shores**. Monthly fees shall vary from unit to unit based on the level of service provided to occupancy for each unit. Monthly fees for different levels of services offered from time to time shall be set annually by Cooperative's Board of Directors, and shall be subject to increase in the event actual expenses exceed estimates. The current monthly fee for the Unit is listed in the table on page 1.

**Actual results may differ from those estimated at this time.**

15. Restrictions on Transfers of Share.

The purchaser acknowledges that the share may not be transferred, sold, pledged, hypothecated or encumbered except as expressly provided in this agreement, the residency agreement, or in the bylaws and articles of incorporation of the cooperative. All sales of the share will be handled by the Manager

and the maximum price for the share shall be set by the Cooperative's Board of Directors. The Manager will receive an eight percent (8%) transfer fee for all resales of shares.

16. Pledge of Purchaser's Share - As security for Purchaser's obligations to Cooperative under the Residency Agreement, Purchaser will by the terms of the Residency Agreement grant to the Cooperative a first lien on the share purchased under this Agreement.

17. Eligibility Criteria; Death - By execution of this Agreement, Purchaser represents that he or she satisfies the eligibility criteria for **Penobscot Shores** as established by the Cooperative's Board of Directors. If at the time of Closing, the Purchaser no longer satisfies these requirements, this Agreement shall terminate and the Deposits shall be returned to Purchaser, with accrued interest, if any, at such time as a substitute purchaser purchases the share to be purchased under this Agreement. In addition, this Agreement shall automatically terminate upon the death of the last person who was to have been an occupant of the Unit, in which case, the Deposits shall be refunded to Purchaser's heirs immediately, with accrued interest, if any, and neither party shall have any continuing liability to the other.

18. Closing Date - The closing date shall be agreed upon by both the Purchaser and the current Shareholder. The closing shall occur at such location, on such date and at such time as shall be reasonably convenient for the parties.

19. Agreement Merged in Acceptance of the Share - The acceptance of the share by Purchaser shall be deemed to be full performance by Manager of its obligations hereunder, except those which by their express terms survive the closing. To enable the Manager to make the conveyance as herein provided the Manager may, at the time of delivery of the share, use the Purchase Price to clear title to the share of any or all encumbrances.

20. Deposit - The Deposits are **non-refundable** in all circumstances except as may be specifically provided in this Agreement. In all other circumstances, the Manager shall have the right to retain the Deposits as liquidated damages. Purchaser shall not be entitled to receive any interest on the Deposit, except as provided herein, nor shall the Manager be restricted from commingling the Deposits with Manager's other funds. With Manager's approval some or all of the Deposits shall be in the form of a pledge of liquid or marketable investments.

21. Reservation of Rights - Manager shall have, and hereby reserves, the right at any time before or after the Closing Date to raise or lower the price of any or all of the unsold shares of common stock of the Cooperative, except for the share to be purchased by Purchaser. Manager further reserves the right to maintain a sales office and/or model apartment at the Property, to erect and maintain signs and other advertising and selling devices, to enter unsold units in order to show them to potential buyers, and to undertake all usual and customary sales action.

22. Remedies - Purchaser's exclusive remedy for any breach by Manager shall be the return of the Deposits, with accrued interest, if any. In no event shall Manager be liable to Purchaser for any indirect or consequential damages.

23. Insurance - The Cooperative shall maintain fire and extended coverage and comprehensive general liability insurance policies with respect to **Penobscot Shores**. Any supplemental insurance with respect to the Unit or its contents shall be at the sole expense of Purchaser.

24. Brokerage Warranty - Purchaser represents that Purchaser has had no dealings with any broker, agent or so-called "finder" in connection with the transactions contemplated by this Agreement and

Purchaser agrees to indemnify and hold harmless Manager from any claims for brokerage commissions claimed by any broker, agent or finder.

25. Notices - All statements, notices, and mailings of any nature contemplated hereunder shall be sufficient if mailed by certified mail, return receipt requested, addressed to the respective parties at the addresses set forth on the first page of this Agreement, unless a party notifies the other by such notice of a new address, in which event such new address shall be employed for all subsequent mailings.

26. Construction of Agreement - This Agreement, which may be executed in any number of counterpart original copies, is to be construed as a Maine contract, is to take effect as a sealed instrument, and sets forth the entire contract between the parties. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, devisees, executors, administrators, successors and assigns, and may be canceled, modified or amended only by a written instrument executed by both Manager and Purchaser. Purchaser shall not assign this Agreement or any rights hereunder, including without limitation any rights in the share or the Residency Agreement. If two or more persons are named herein as Purchaser, their obligations hereunder shall be joint and several. Captions before each section are for convenience of reference only and shall be of no effect in the construction of this Agreement.

**WALDO COUNTY HEALTHCARE  
MANAGEMENT COMPANY, and**

By: \_\_\_\_\_

**Shareholder(S):**

**Purchaser(S):**

X \_\_\_\_\_

X \_\_\_\_\_

X \_\_\_\_\_

X \_\_\_\_\_

Form of Ownership: **Please select one of the following.**

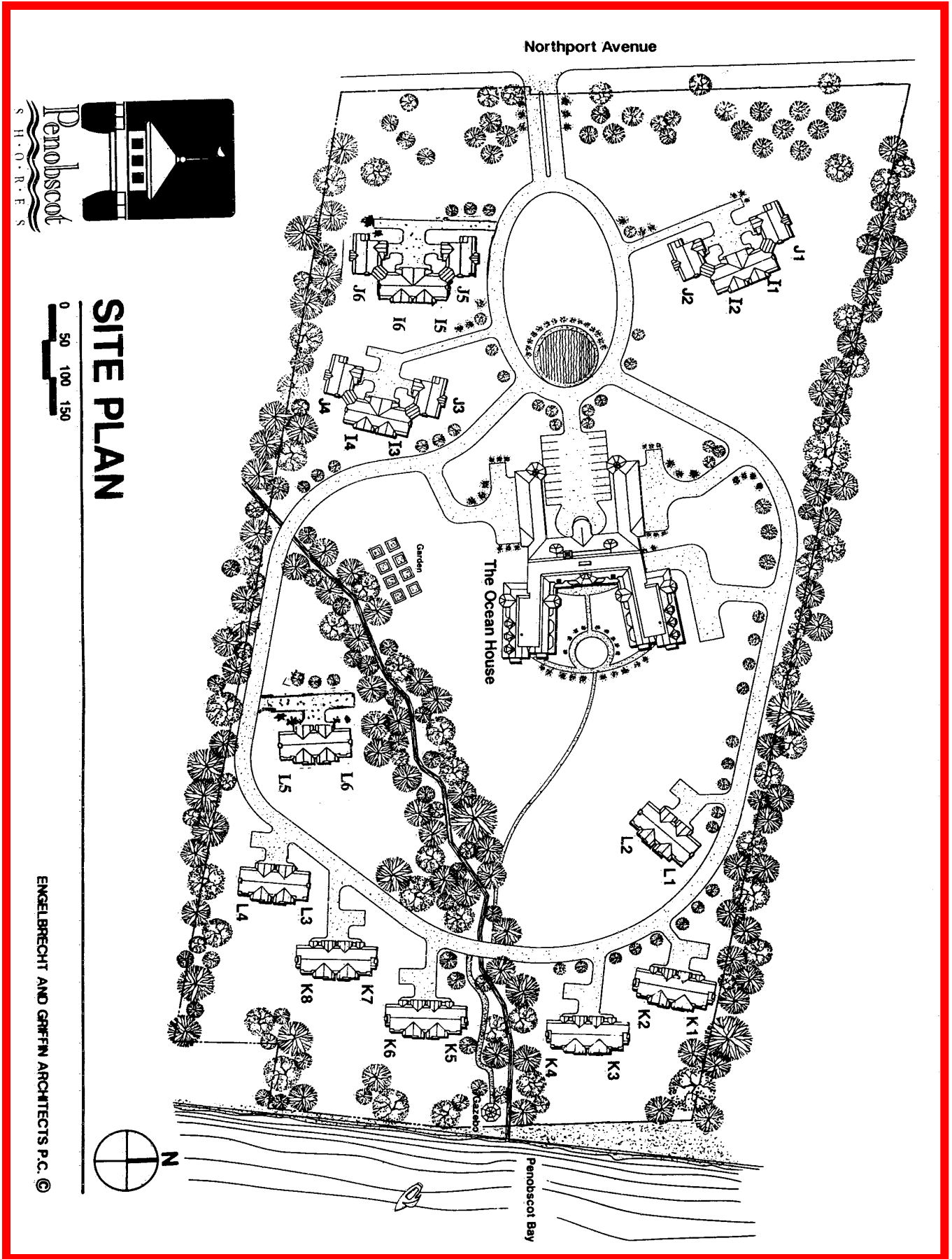
Individual

Tenancy in Common

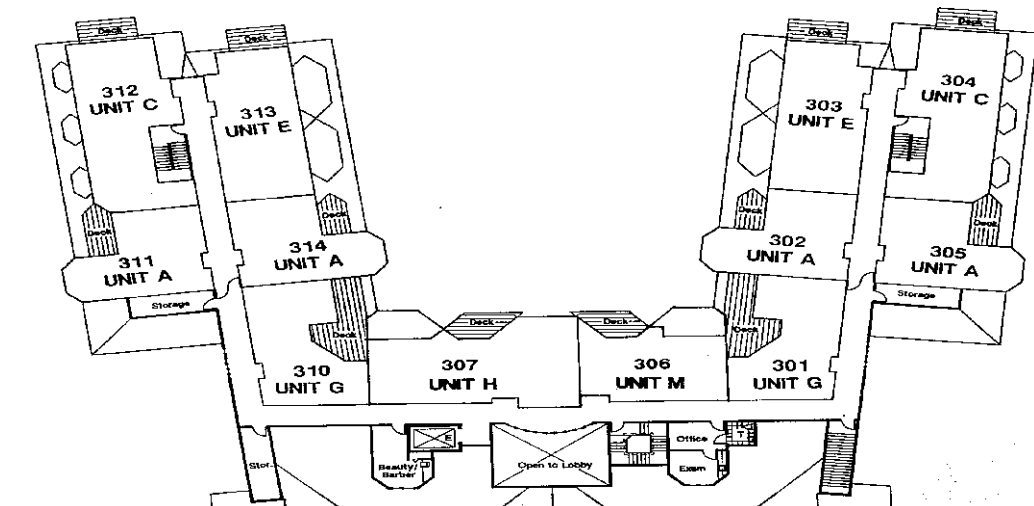
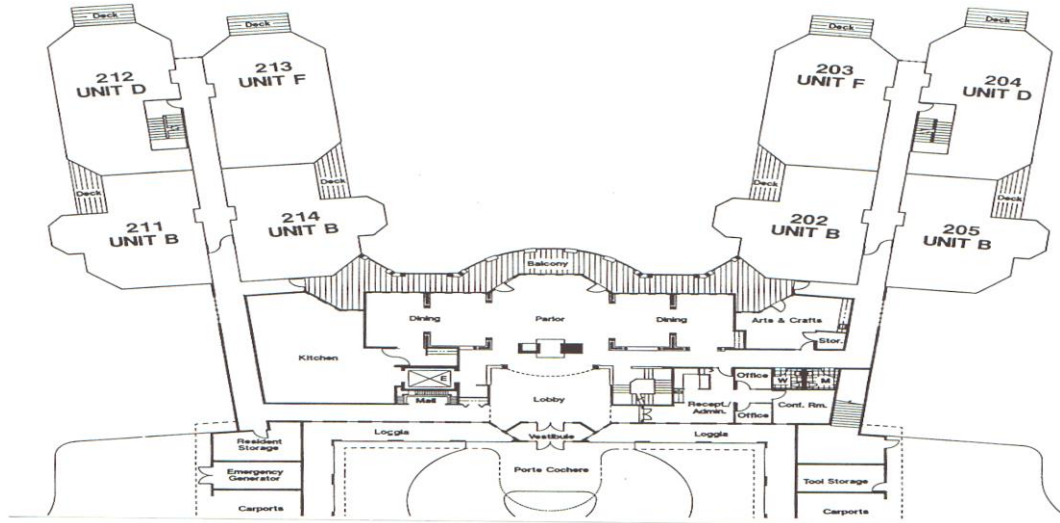
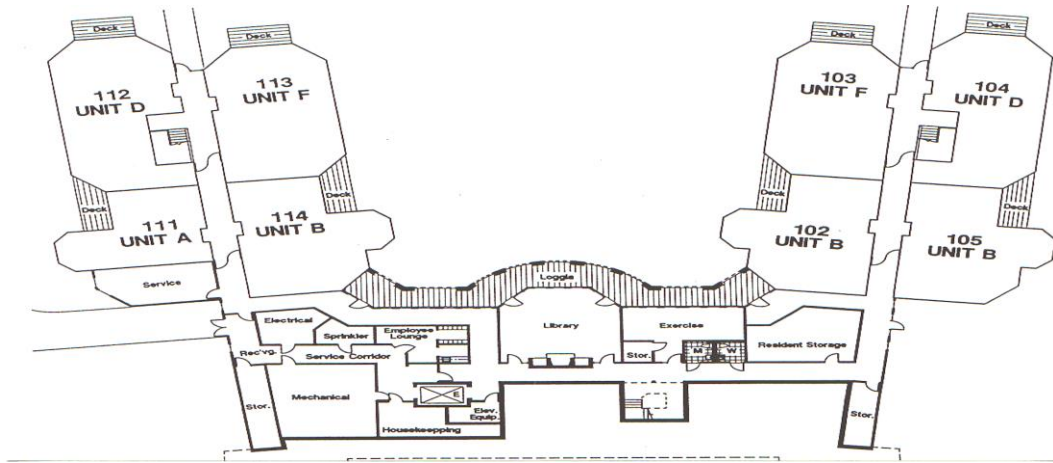
Joint Tenancy with right of survivorship; or

Other (please specify):

Note: If "other" ownership is desired, Manager reserves the right to review and approve the legal documents creating the requested ownership entity.



# Exhibit A - Ocean House





## **Exhibit E**

### **List of Included Fixtures and Appliances**

**All Units:** All residential units at Penobscot Shores contain flooring which may be carpeting, laminate, hardwood, tile and vinyl; refrigerator, stove, microwave, dishwasher, , washer and dryer, telephone and cable television hook ups, individual thermostats to control heat and an emergency call alert (the “Basic Furnishings”).

#### **In Addition**

**Apartment Units:** If the Purchaser/Renter occupies an apartment unit, the Resident will be allocated a designated storage area for Purchaser’s personal use. The Resident will also have the right with other residents to use the uncovered parking spaces around the Ocean House.

**Cottage Units:** If the Resident occupies a cottage unit, the unit will contain an attached garage designated for Resident’s exclusive use.

#### **Special Note**

Window treatments including blinds, shutters, shades and all other like items are the responsibility of the resident. Management does not repair, replace or maintain the window treatments.

## Exhibit F

### Title Encumbrances

All rights and easements of record affecting the Land, including

- (i) Mortgages entered into by Seller in connection with the construction or renovation of the Community.
- (ii) Ground Lease between Landlord (**Waldo County Healthcare Management Company**) and Cooperative.
- (iii) State and local land use restrictions.
- (iv) The right of all residents of Penobscot Shores to use common areas and facilities.
- (v) The right of Landlord **Waldo County Healthcare Management Company** to develop the property and, in connection with the Financing of such development, to pledge its interest in the Land and the Ground Lease.
- (vi) Utility and access easements generally affecting the Premises which do not materially interfere with Buyer's use or enjoyment of the Unit.

## Exhibit I

### Custom Options

<u>Options</u>	<u>Choices</u>		<u>Price</u>
Hardwood/Laminate Floors	Yes	No	\$
Sun Porch Renovation	Yes	No	\$
Interior Fireplace	Yes	No	\$
Kitchen Cabinet Upgrade	Yes	No	\$
Kitchen Counter Upgrade	Yes	No	\$
Heat Pumps/AC	Yes	No	\$
Bathroom Cabinet Upgrade	Yes	No	\$
Bathroom Shower Upgrade	Yes	No	\$
Paint Upgrade	Yes	No	\$
Appliance Upgrades	Yes	No	\$
_____	Yes	No	\$
_____	Yes	No	\$

## **Exhibit J**

### **Punch List – Refurbishing Work**