

July, 26th 2019

Dear Friends and Members of the Ocean Point Colony Trust

On Friday, July 5th members of the Ocean Point Colony Trust cast their historic votes in the affirmative to proceed forward with the “Build Phase” of the Casino Preservation Project. What we could only dream about will now turn into a reality over the upcoming fall and winter months. It is anticipated that construction will begin shortly after Labor Day and that we will open our new facilities in the spring of 2020. It’s an understatement to say that there is much more work to be done. The Building Committee & Finance Committee are working overtime to make sure the project gets off the ground and that our financial assets are in place to meet our obligations. Here is an update on our progress.

Building Committee & Tennis and Sports Court Committee

After extensive work over many months the Building Committee recommended that Knickerbocker Group be awarded the construction contract for the new casino. The Tennis and Sports Court Committee recommended that Maine Track & Tennis be awarded the construction contract for two Har Tru tennis courts and a multi-use sports court. These recommendations were approved by the Ocean Point Colony Trust Board and by our membership at the July 5th Special Meeting. I want to thank the members of these committees for their dedication and hard work. Along with Patrick McGranaghan, Architect for the project, without their efforts we would not be ready to move forward.

Over the last two years the cost of construction materials has dramatically increased. Local contractors also have the upper hand when it comes to pricing as the number of projects outnumbers the construction labor force on the peninsula. These two factors combined, resulted in an almost 30% increase in the cost of the project over our original estimate. The Building Committee worked tirelessly to find ways to contain costs while staying true to the architectural design the community approved. I believe they succeeded in meeting their objectives.

Finance Committee

The increased cost presented a significant hurdle for the Finance Committee however, they proved up for the task. After many discussions two financial solutions emerged giving us a path forward. The following two options were presented at the Special Meeting.

Option 1:

The Ocean Point Colony Trust will secure a building line of credit with Bath Saving. The amount of the line of credit will be up to \$300,000. We will only pay interest on the line for a period of two years. The interest will be charged on the amount of the drawdown and the interest rate will be locked-in at the time of closing, estimated at 4.25%. The line of credit will help bridge the gap between the cost of the project, donations collected and what has been pledged by our community. This financial arrangement will also allow the Finance Committee more time to raise funds.

The committee now had path forward then, quite unexpectedly, a second option emerged.

Option 2: The Jon and Bev Holt Challenge

The Holts have generously offered a challenge match to the community to help us make up the \$300,000 increase in cost. They will match dollar for dollar any additional amount donated above the \$1,050,000 already pledged by our members up to \$150,000. Simply put, if we can raise an additional \$150,000 from our community the Holts will match \$150,000. If we are successful, this will eliminate our need to take on debt and we will have our new facility paid for in full. Since this challenge match was announced I am pleased to let you know that we have already raised \$70,000 toward the \$150,000. Thank you Jon and Bev for your extraordinary generosity. The community owes you an enormous debt of gratitude.

Friends and Members of the Ocean Point Colony Trust

I want to first thank everyone who has dedicated their time, talent and treasure to this project. I believe it has been a true community effort. On behalf of the Ocean Point Colony Trust Board thank you! What more can you do to make sure that we see this project through to a successful conclusion? I am requesting that if you are on a 3 year payment plan that you make

your second year payment no later than the annual meeting on August 17th. If you can make your final or 3rd payment no later than the first quarter of 2020 we will then be able to meet our financial obligations. The big ask is: can you help us financially to raise the remaining \$80,000 left on the match challenge? The OP community has stepped up in so many ways and shown its love for Ocean Point and commitment to future generations. Let's get this done.

Kind Regards,

Mike Anderson
President, Ocean Point Colony Trust