

STATE OF ALABAMA

TUSCALOOSA COUNTY

## CONDOMINIUM PURCHASE CONTRACT

This Contract is entered into on the Effective Date by and between Seller (identified below) and \_\_\_\_\_ (whether one or more "Purchaser").

Seller agrees to sell to Purchaser and Purchaser agrees to purchase from Seller the Subject Property (as hereafter described) for the price and on the terms and conditions set forth in this Contract.

Subject Property. The Subject Property consists of Unit \_\_\_\_\_, of Houndstooth, a Condominium, Phase \_\_\_\_\_ ("Unit"), created pursuant to the Declaration covering a Building, or proposed Building, as applicable, being built, or to be built, as applicable, on land located in Tuscaloosa County, Alabama as described in the Declaration; together with an undivided interest, appurtenant to the Unit, in and to the Common Elements estimated as follows: (a) if the Unit is located in Phase 1 of the Condominium, the percentage designated for the Unit shall be as shown on Exhibit "C" attached to the Declaration or (b) if the Unit is anticipated to be in a proposed additional Phase, as shown on Appendix 10 to the Offering Statement (the actual percentage to be included on the amended Declaration prior to Closing) (either of which, as applicable (the "Undivided Interest"). The Undivided Interest is subject to change prior to Closing. The Unit is depicted on Exhibit "A" hereto.

Purchase Price. The Purchase Price for the Subject Property is \$\_\_\_\_\_.

Earnest Money Deposit. Upon execution of this Contract, Purchaser shall pay as the Deposit an amount equal to 10% of the Purchase Price in cash or the delivery of a letter of credit in accordance with the terms of Section 2.2 of this Contract for all or portion of the Deposit which Purchaser does not pay in cash.

Closing Date. The Closing Date shall mean a business day, designated by Seller on not less than ten days advance notice to Purchaser, occurring on or before \_\_\_\_\_, 20\_\_\_\_, which Closing Date may be extended by delays caused by Force Majeure. **[The date inserted in the blank may not be more than 2 years after the date Purchaser executes this Contract.]**

Method of Payment. Purchaser agrees to pay, and Seller agrees to accept as consideration for the conveyance of the Subject Property, the Purchase Price at the Closing on the Closing Date in funds immediately available in Tuscaloosa, Alabama. If Purchaser is obtaining an extension of credit to pay any portion of the Purchase Price,

Purchaser shall be solely responsible for doing so and acknowledges that Seller is neither providing such financing nor paying any of the costs associated therewith. UNLESS PURCHASER PROVIDES ACCEPTABLE EVIDENCE (AS DETERMINED IN SELLER'S SOLE AND ABSOLUTE DISCRETION) TO SELLER OF PURCHASER'S ABILITY TO PURCHASE THE SUBJECT PROPERTY WITHOUT FINANCING, PURCHASER, WITHIN 30 DAYS AFTER THE EFFECTIVE DATE, SHALL FURNISH SELLER WITH A PRE-APPROVAL LETTER FROM A LENDER ACCEPTABLE TO SELLER AND PURCHASER AGREES TO ACCEPT SUCH FINANCING AS MAY BE AVAILABLE TO THE THEN PREVAILING MARKET INTEREST RATES TERMS AND DISCOUNTS.

Contract Terms. The terms set forth in pages (i) through (iv), pages 1 through 15 of the General Contract Terms and Exhibits "A" through "C" attached hereto are incorporated herein by reference for all purposes and constitute all of the terms and conditions of this Contract.

**SUBJECT TO PURCHASER'S RIGHT OF RESCISON AS PROVIDED IN SECTION 7.17 HEREOF, THIS IS A LEGALLY BINDING CONTRACT AND FULLY ENFORCEABLE AGAINST PURCHASER UNDER ALABAMA LAW. PRIOR TO SIGNING, PURCHASER SHOULD THOROUGHLY UNDERSTAND IT AND, IF PURCHASER DOES NOT THOROUGHLY UNDERSTAND IT, PURCHASE SHOULD CONSULT WITH INDEPENDENT LEGAL COUNSEL.**

**(Signature Page Follows)**

IN WITNESS WHEREOF, this Condominium Purchase Contract has been executed as of the Effective Date.

SELLER:

PURCHASERS:

HOUNDSTOOTH HOMES, LLC  
An Alabama limited liability company

\_\_\_\_\_  
\_\_\_\_\_

By: ELLIS-TRICK DEVELOPMENT II, LLC  
Its: Manager

PRINTED NAME(S) IN WHICH TITLE  
IS TO BE TAKEN:

By:

Its:

\_\_\_\_\_  
\_\_\_\_\_

Date of Execution: \_\_\_\_\_

Seller's Notice Address:

Houndstooth Homes, LLC  
c/o Ellis-Trick Development II, LLC  
1641 McFarland Boulevard , Suite A-1  
Tuscaloosa, AL 35406  
Telephone No.: (205) 364-0116  
Facsimile No.: (205) 758-1831  
Attn: Bill Trick

Buyer's Notice Address:

\_\_\_\_\_  
\_\_\_\_\_

Telephone No (\_\_\_\_\_) \_\_\_\_\_  
Facsimile No. (\_\_\_\_\_) \_\_\_\_\_  
Attn: \_\_\_\_\_

With a copy, which shall not constitute notice,  
to:

Richard L. Ellis, Sr.  
Advantage Realty Group, Inc.  
1641 McFarland Blvd, Suite A-1  
Tuscaloosa, AL 35406

and

C. Barton Adcox, Attorney at Law  
611 Helen Keller Boulevard  
Tuscaloosa, AL 35404

**REAL ESTATE BROKERS**

The Principal Broker to this sale is:  
Advantage Realty Group, Inc.

Attention: Andy Turner  
Address: 1641 McFarland Blvd. North,  
Suite A-1  
Tuscaloosa, AL 35406  
Telephone No.: (205) 345-0116  
Facsimile No.: (205) 758-1831

The Cooperating Broker to this sale (if  
applicable) is:

\_\_\_\_\_  
Attention: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Telephone No.: (\_\_\_\_) \_\_\_\_\_  
Facsimile No.: (\_\_\_\_) \_\_\_\_\_

(a) At the Closing, Seller will pay Cooperating Broker a commission equal to \_\_\_\_\_ . Principal Broker is representing only Seller, and Seller will pay Principal Broker in accordance with a separate commission agreement.

(b) The real estate commissions identified in (a) above will only be due if this sale is consummated in accordance with the terms and conditions of this Contract and will be paid, if due, in Tuscaloosa, Alabama. Seller authorizes Escrow Agent to pay Cooperating Broker from Seller's proceeds at the Closing Cooperating Broker's above referenced commission as shown on the Closing Statement (HUD 1) signed by Seller at the Closing.

(c) Principal Broker and Cooperating Broker are not parties to this Contract. The joinder of neither Principal Broker nor Cooperating Broker is required to amend or terminate this Contract. This Contract will not be amended by Seller and Purchaser to reduce the commission amount of Cooperating Broker identified in (a) above without the consent of Cooperating Broker.

**CLOSING AGENT**

Receipt of \$\_\_\_\_\_ constituting the Earnest Money Deposit (both cash and promissory note) is acknowledged. The Closing Agent is hereby designated as, and accepts the designation as, the "Reporting Person" pursuant to Section 6045 of the Internal Revenue Code and the regulations promulgated thereunder.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

CLOSING AGENT:

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

Name: C. Barton Adcox, Attorney at Law

Current Address \_\_\_\_\_

\_\_\_\_\_

## GENERAL CONTRACT TERMS

### ARTICLE I DEFINITIONS

Section 1.1 **Terms Defined.** As used in this Contract, the following terms shall have the meanings set forth in this Section 1.1:

**"Act."** The Alabama Uniform Condominium Act, Ala. Code Sections 35-8A-101, et seq., as amended from time to time.

**"Association."** Houndstooth Condominium Association, Inc., a Delaware corporation, as described in the Declaration.

**"Available to Purchaser for Occupancy."** The date on which the Unit is ready for occupancy by Purchaser, as determined by Seller's architect, which date shall not be prior to the receipt by Seller of certificates of occupancy (from all Governmental Authorities required to issue such certificates) for the Unit.

**"Bank Holiday."** A day when national banks are closed for business.

**"Closing."** The consummation of the purchase and sale transaction provided for in this Contract.

**"Closing Agent."** C. Barton Adcox, Attorney at Law, Adcox, Lewis, Smyth & Winter PC, with an address of 611 Helen Keller Boulevard, Tuscaloosa, Alabama, 35404.

**"Closing Date."** Shall have the meaning set forth on the page numbered (i) of this Contract.

**"Common Elements."** All Common Elements as set forth in the Declaration.

**"Condominium."** The condominium created by the Declaration.

**"Condominium Documents" or "Governing Documents".** The Declaration, the Articles of Incorporation, Bylaws and Rules and Regulations of the Association, together with all attachments, exhibits, schedules and amendments thereto.

**"Contract."** This Condominium Purchase Contract including all exhibits attached hereto.

**"Cooperating Broker."** Shall mean the Person indicated as "Cooperating Broker" under the heading "Real Estate Brokers" on page (ii) of this Contract.

**"County."** Tuscaloosa County, Alabama.

**"Declaration."** The Condominium Declaration for Houndstooth, a Condominium, to be recorded in the Probate Office of the County (a draft of which is attached to the Offering Statement), and all amendments and revisions thereto.

**"Deed."** A Statutory Warranty Deed substantially in form and substance as set forth on Exhibit "B" attached hereto, executed and acknowledged by Seller conveying to Purchaser good and indefeasible title in fee simple to the Unit and the Undivided Interest, and any applicable interest to Limited Common Elements, all free and clear of any and all liens, encumbrances, conditions, easements, assessments, reservations and restrictions, except for the Permitted Exceptions.

**"Deposit."** An amount equal to 10% of the Purchase Price in cash. Alternatively, all or a portion of the Deposit may be delivered pursuant to the terms of a letter of credit in accordance with the terms set forth in Section 2.2 of this Contract. The Deposit may sometimes be referred to herein as the Earnest Money Deposit.

**"Development."** The Units, together with all improvements to be constructed on the land described in the Declaration substantially in accordance with the Plans and Specifications, as such may be amended.

**"Earnest Money Deposit."** An amount equal to the Deposit.

**"Easements."** The easements described in the Declaration.

**"Effective Date."** The date on which the last of Purchaser and Seller executes this Contract.

**"Escrow Fee"** The amount charged by Escrow Agent for maintaining the Earnest Money Deposit pending the disbursement at Closing or other disbursement as provided herein.

**"Feasibility Date."** \_\_\_\_\_ (THIS DATE ONLY APPLICABLE TO PHASES OTHER THAN PHASE 1. IF INAPPLICABLE, LINE SHOULD REMAIN BLANK OR N/A INSERTED).

**"Feasibility Period."** The period from the Effective Date until the Feasibility Date, which period shall not extend the time under this Contract for Seller's performance of its unconditional obligation under this Contract to construct and have Available to Purchaser for Occupancy, the Unit, in accordance with Section 2.1 of this Contract. (THIS DEFINITION N/A IF FEASIBILITY DATE IS N/A).

**"Force Majeure."** Events or occurrences outside the control of Seller resulting in a delay in the construction of the Subject Property, including any event or action that is legally recognized as a defense to a contract action in the State of Alabama, acts of God, casualty losses, unavoidable accidents, labor strikes or lockouts, shortages of materials, acts of any Governmental Authority (including eminent domain), civil riot, terrorism, flood, fire, explosion, inclement weather, impossibility of performance and any delay referenced in Section 4.1(g) of this Contract.

**"Governmental Authority."** Any nation or government, any state or political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

**"Insulation Information."** The information relating to insulation installed or to be installed in the Unit, as required by the Federal Trade Commission regulations.

**"Limited Warranty."** The Limited Warranty substantially in form and substance as attached hereto as Exhibit "C".

**"Map."** The plats and plans described on Exhibit "B" to be attached to the Declaration (the current version of which is the attached to the current version of the Declaration included in the Offering Statement) and all amendments thereto.

**"Monthly Assessments."** The monthly assessment allocated to the Unit established pursuant to the Declaration including the proportionate share of the Common Expenses allocated to the Unit.

**"Offering Statement"** That certain Offering Statement and related appendices and exhibits attached thereto and which Purchaser has had ample opportunity (including, without limitation, the seven (7) day period prior to the Effective Date hereof) to review, accept and approve, and with respect to which Purchaser has acknowledged receipt..

**"Occupancy Notice."** Written notice from Seller to Purchaser that the Unit is Available to Purchaser for occupancy and that the Unit is available for inspection.

**"Permitted Exceptions."** (a) The terms and provisions of the Declaration and any other restrictive covenants of record affecting the Subject Property; (b) the real estate taxes for the year in which the Closing occurs (prorated to the Closing Date) and subsequent years; (c) the existing building and zoning ordinances and platting requirements; (d) liens created by Purchaser as security for the Purchase Price; (e) the Easements and any other covenants, restrictions, conditions, reservations, exceptions, easements and other matters shown on Schedule B of the Title Commitment affecting the Subject Property; (f) the utility easements and other matters shown on the final plat affecting the Subject Property; (g) the standard printed exceptions on the Title Policy to be issued by the Title Company; and (h) any other exception or encumbrance that does not materially affect the use and enjoyment of the Subject Property.

**"Permitted Termination."** A termination that is permitted under the provisions of Sections 2.5(a), 2.5(b), 2.7 and 4.2 of this Contract.

**"Person."** Any corporation, limited liability company, limited liability partnership, general partnership, limited partnership, association, joint venture, trust or any other association or legal entity, as well as any natural person.

**"Plans and Specifications."** The latest version of the plans and specifications, as of the Effective Date, for the improvements that will comprise the Subject Property.

**"Principal Broker."** Shall mean the Person indicated as "Principal Broker" under the heading "Real Estate Brokers" on page (iii) of this Contract.

**"Purchase Price."** The amount set forth adjacent to the words "Purchase Price" on the page numbered (i) of this Contract.

**"Purchaser."** The Person or Persons identified as purchaser on the page numbered (i) of this Contract.

**"Purchaser's Default."** Shall have the meaning set forth in Section 2.5(a) of this Contract.

**"Seller."** Houndstooth Homes, LLC, a Alabama limited liability company, or its assignee.

**"Seller's Obligations."** Shall have the meaning set forth in Section 2.5(b) of this Contract.

**"Seller's Default."** Shall have the meaning set forth in Section 2.5(b) of this Contract.

**"Subject Property."** Shall have the meaning set forth on the page numbered (i) of this Contract.

**"Title Commitment."** A commitment from the Title Company to issue the Title Policy to Purchaser, and containing a commitment to provide owner's title insurance coverage to Purchaser in the amount of the Purchase Price subject to Permitted Exceptions, any exceptions or conditions existing in the standard form title insurance commitment of Title Insurance Company existing at the time of delivery referenced in Section 2.3 of this Contract.

**"Title Company."** First American Title Insurance Company, through an agent, selected by Seller prior to Closing.

**"Title Policy."** An ALTA Owner's Policy of Title Insurance is issued by Title Company.

**"Undivided Interest."** Shall have the meaning set forth on the page numbered (i) of this Contract.

**"Unit."** Shall have the meaning set forth on the page numbered (i) of this Contract, and **"Units"** shall mean the aggregate of all dwelling units in the Condominium.

**"Working Capital Contribution."** An amount equal to the Monthly Assessment multiplied by two to be contributed to the Association by Purchaser at the Closing, which amount does not include, and is payable separately from, the Monthly Assessment.

Section 1.2 **Number and Gender.** Whenever the context requires, references in this Contract to the singular number shall include the plural and, likewise, the plural number shall include the singular, and words denoting gender shall include the masculine, feminine and neuter.

## **ARTICLE II SALE TERMS**

Section 2.1 **Construction of the Unit.** For good and valuable consideration and upon the terms and conditions hereinafter stated, Seller agrees to construct or cause to be constructed and have Available to Purchaser for Occupancy the Unit by the Closing Date, subject to delays resulting from Force Majeure or a Purchaser's Default

(in the event of any inconsistency between the above-described time period and the corresponding time period described in 15 USC §1702(a)(2) and the Regulations thereunder, the latter shall control for the purposes of this Contract).

Section 2.2 **Earnest Money Deposit.** The Deposit shall be due and payable to the Closing Agent in cash simultaneously with Purchaser's execution of this Contract. However, all or a portion of the Earnest Money Deposit may also be made, at Purchaser's election, by a Letter of Credit (fulfilling the requirements set forth herein), as provided in this Section 2.2 of this Contract. If all or portion of the Earnest Money Deposit is made in the form of a Letter of Credit in lieu of cash, the instrument must be issued by a financial institution acceptable to Seller and in a form acceptable to Seller, both in Seller's sole discretion, and such letter of credit shall (a) be irrevocable and unconditional; (b) be in the full amount of the Earnest Money Deposit delivered in the form of such Letter of Credit; (c) have an expiration date at least 180 days after the Closing Date; (d) name Closing Agent as the beneficiary, on behalf of Seller; and (e) include the following statement under the draw requirement:

- “1) Your certification to us as follows: HOUNDSTOOTH HOMES, LLC (“Seller”) and \_\_\_\_\_ (“Purchaser”) entered into a Condominium Purchase Contract dated \_\_\_\_\_, 200\_\_\_\_ (“Contract”). The Contract provides that Purchaser may make all or any portion of the Earnest Money Deposit, at Purchaser’s election, by a Letter of Credit issued pursuant to the terms of the Contract. Purchaser has made the election to make \$\_\_\_\_\_ of the Earnest Money Deposit by causing the delivery to Seller of this Letter of Credit.
  
- 2) The Closing Date of the Contract has been scheduled for \_\_\_\_\_ 20\_\_\_\_. This draft is presented to you in order to notify you that we hereby demand the draw of the sum of \$\_\_\_\_\_ under the Letter of Credit and further demand and direct you to immediately pay such sum of the \_\_\_\_\_, as Closing Agent under the Contract. If the Closing does not occur, the Closing Agent shall disburse the Earnest Money Deposit in the manner provided for in this Contract. The Closing Agent shall be authorized to invest the Earnest Money Deposit in an interest bearing account; provided, however, that the Closing Agent shall invest the Earnest Money Deposit only in such manner as will allow the Closing Agent or Title Company to disburse the Earnest Money Deposit upon not more than 24 hours notice. Purchaser agrees to look solely to the Closing Agent for payment of such interest and hereby releases Seller from any liability therefor, and Purchaser further agrees that this provision will survive the termination of this Contract or the Closing. All interest or other earnings on the Earnest Money Deposit shall become a part of the Earnest Money Deposit and be disbursed to the party entitled to the Earnest Money Deposit (for example, at Closing, or thereafter, with interest earned shall be payable to Seller).”

Section 2.3 **Title Commitment.** Purchaser acknowledges that, prior to the Closing Date, the Title Company shall deliver the Title Commitment to the Purchaser. Provided the Title Commitment shall conform with the requirements of the Contract (as provided in the definition of the Title Commitment contained herein) Purchaser hereby agreed to accept the Title Commitment as in compliance with the Contract).

Section 2.4 **Condition Precedent.** Seller shall not be obligated to perform under this Contract unless and until Seller and Purchaser have fully executed and delivered this Contract to the Closing Agent and Purchaser has delivered all of the Earnest Money Deposit to the Closing Agent as required by this Contract.

Section 2.5 **Termination and Default.**

(a) If Purchaser breaches or fails to perform any provision of this Contract, such breach or failure shall be an event of default (each a "Purchaser's Default"). Following the occurrence of a Purchaser's Default, Seller shall deliver written notice to Purchaser of a Purchaser's Default allowing Purchaser seven days to cure such Purchaser's Default. If a Purchaser's Default is not cured within said seven-(7) day period, Seller shall be entitled to terminate this Contract, or (ii) enforce specific performance of this Contract against Purchaser. A termination of this Contract by Seller as provided in this Section 2.5(a) is a Permitted Termination.

(b) If the Unit shall not be constructed and Available to Purchaser for Occupancy within the time period described in Section 2.1 of this Contract, subject to delays resulting from Force Majeure or a by Seller hereunder Purchaser's Default or if Seller shall fail to any of its obligations hereunder ("Seller's Obligations"), such event or failure shall constitute an event of default ("Seller's Obligation Default"). Following the occurrence of a Seller's Default and the failure of Seller to cure such Seller's Default on or before the expiration of thirty (30) days after written notice from Purchaser to Seller (provided Seller shall have a reasonable length of time to cure beyond such thirty (30) period if such Seller's Default shall be of such nature as to require more than thirty (30) days to cure) Purchaser shall be entitled to terminate this Contract as a Permitted Termination.

(c) If a Permitted Termination occurs under this Contract, the terminating party shall notify the non-terminating party, the Escrow Agent and the Closing Agent in writing of the Permitted Termination, the terminating party shall receive the Earnest Money Deposit from the Escrow Agent as liquidated damages as its sole and exclusive remedy under this Contract, provided, however, that if Seller terminates this Contract under the provisions of Section 2.7 of this Contract, the Earnest Money Deposit shall be refunded to the Purchaser, and neither Seller nor Purchaser shall have any further rights or obligations under this Contract; except pursuant to provisions of this Contract that expressly survive termination. **If Seller or Purchaser elects a Permitted Termination under this Contract and receipt of the Earnest Money Deposit as such party's sole and exclusive remedy under this Contract, Seller and Purchaser agree that the damages incurred by Seller or Purchaser from a default, pursuant to which a Permitted Termination occurs, are difficult to ascertain and that the**

**Earnest Money Deposit represents a fair and reasonable estimate of those damages. The receipt by Seller or Purchaser of the Earnest Money Deposit is not intended by Seller or Purchaser as a penalty. The liquidated damages specified in this Section 2.5(c) shall be retained by Seller or Purchaser, as applicable, in lieu of all other damages, claims and remedies to which Seller or Purchaser may be entitled pursuant to a Permitted Termination under this Contract. This Section 2.5(c) shall survive the termination of this Contract.**

(d) If either Purchaser or Seller becomes entitled to the Earnest Money Deposit upon a Permitted Termination of this Contract, Purchaser hereby irrevocably instructs the Closing Agent to immediately present the Letter of Credit (if a Letter of Credit has been utilized as the Earnest Money Deposit) to the issuing bank for immediate payment, and Purchaser and Seller covenant and agree to deliver a letter of instruction to the Closing Agent directing the disbursement of the Earnest Money Deposit to the party entitled thereto. If Purchaser or Seller fails or refuses to sign or deliver such an instruction letter, then the party failing or refusing to sign or deliver such letter shall pay, upon the final order of the court with appropriate jurisdiction stating that such other party is entitled to such disbursement, all costs and reasonable attorney's fees incurred by the party so entitled in connection with its recovery thereof and both the costs and reasonable attorneys' fees of the Closing Agent. This Section 2.5 (d) shall survive the termination of this Contract.

(e) Notwithstanding anything contained in this Contract to the contrary, it is understood and agreed by the parties hereto that Seller shall not be responsible or liable to Purchaser for any costs, expenses or damages suffered or incurred by Purchaser as a result of (i) a Seller's Default, (ii) any delay caused by Purchaser, or (iii) any delay due to the occurrence of an event of Force Majeure, including any costs and expenses incurred by Purchaser in obtaining alternate accommodations pending the completion of construction of the Subject Property or for any costs incurred in having to store or move Purchaser's furniture or other belongings pending such completion or repair work. This Section 2.5 (e) shall survive the termination of this Contract.

Section 2.6 **Sale or Lease by Purchaser.** Purchaser shall not offer the Subject Property for sale or lease or advertise or otherwise market or attempt to market the Subject Property for sale or lease in any way prior to Closing, without the prior written consent of the Seller, which may be withheld at the sole and absolute discretion of the Seller. Purchaser acknowledges and agrees that Purchaser shall not assign this Contract or the rights contained in this Contract without complying with Section 7.6 below. Purchaser acknowledges and agrees that breach of the foregoing covenants by Purchaser shall be a Purchaser's Default that shall entitle Seller to exercise Seller's remedies pursuant to Section 2.5 (a) of this Contract. Further, Purchaser acknowledges that Purchaser's right to sell the Subject Property after the Closing is restricted during the Sales Restriction Period, as provided in the Declaration. The provisions of this Section 2.6 shall survive the Closing and Purchaser agrees that the breach of the covenant set forth above after the Closing but during the Sales Restriction Period shall entitle the Seller to exercise any remedy available at law or in equity.

Section 2.7 **Feasibility Period.** If less than \_\_\_\_\_% of the total number of Units in Phase \_\_\_\_\_ are the subject of fully executed Condominium Purchase Contracts between the Seller and purchasers of Units within the Feasibility Period, Seller reserves the right to terminate this Contract on or before the Feasibility Date and such termination is a Permitted Termination. If Seller fails to provide written notice to Purchaser of its election to terminate this Contract under the provisions of this Section 2.7, on or before the Feasibility Date, this condition shall be deemed to be waived by the Seller, and all of the rights of the Seller to terminate this Contract under the provisions of this Section 2.7 shall cease. Neither commencement of construction with respect to Phase \_\_\_\_\_ of the Development nor any other development activity in relation to Phase \_\_\_\_\_ of the Development shall be deemed to be a waiver of this condition. The provisions of this Section 2.7 are for the sole benefit of Seller and may be waived (which waiver must be in writing and executed by Seller) at any time, in whole or part, by Seller without any notice to Purchaser.

Section 2.8 **"As-Is, Where Is".** EXCEPT AS SPECIFICALLY PROVIDED IN THIS CONTRACT, THE DEED AND THE LIMITED WARRANTY, SELLER MAKES NO REPRESENTATIONS OR WARRANTIES IN CONNECTION WITH THE SUBJECT PROPERTY, AND PURCHASER AGREES THAT PURCHASER IS ACQUIRING THE SUBJECT PROPERTY "AS IS" AND "WHERE IS." THIS SECTION 2.8 SHALL SURVIVE THE CLOSING.

THE LIMITED WARRANTY EXTENDS TO THE ORIGINAL PURCHASER ONLY AND IS NOT TRANSFERABLE TO SUBSEQUENT OWNERS. THE COMMENCEMENT DATE OF THE LIMITED WARRANTY SHALL BE THE CLOSING DATE OR THE DATE OF OCCUPANCY, WHICHEVER SHALL FIRST OCCUR.

THE LIMITED WARRANTY IS THE ONLY WARRANTY EXTENDED TO PURCHASER BY SELLER IT IS EXPRESSLY UNDERSTOOD THAT THE WARRANTY IS IN LIEU OF ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, HABITABILITY AND WORKMANSHIP, EACH OF WHICH IS HEREBY WAIVED BY

**PURCHASER (*Initials* \_\_\_\_\_).**

There shall be included as part of the Unit those appliances and fixtures located in the Unit at the time of Closing. As to these items, and as to any other consumer products (as that term may be defined under applicable federal laws) that may be contained in the Unit, Seller neither makes nor adopts any warranty of any nature regarding such appliances, fixtures or other consumer products. The only warranties made with respect to such appliances, fixtures, and consumer products are those, if any, of the manufacturer, installer or other supplier. SELLER DOES HEREBY DISCLAIM ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE PERSONAL PROPERTY AND FIXTURES CONTAINED

**THEREIN. ALL PROVISIONS OF THIS SECTION 2.8 SHALL SURVIVE THE CLOSING.**

**ARTICLE III  
THE CLOSING**

Section 3.1 **Place of the Closing.** The Closing shall take place at the office of the Closing Agent.

Section 3.2 **Closing.**

(a) At the Closing (or otherwise as set forth below), Seller shall do the following:

(i) deliver the Deed, duly executed and acknowledged, conveying to Purchaser the Subject Property, subject to the Permitted Exceptions;

(ii) at Seller's sole cost and expense, cause to be delivered to Purchaser, promptly after the Closing in accordance with the usual practice of the Title Company, the Title Policy. The Title Policy shall be issued by the Title Company in the amount of the Purchase Price and shall insure in Purchaser good and indefeasible title in fee simple to the Unit and the Undivided Interest, in each case subject to the Permitted Exceptions. EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE DEED DELIVERED TO PURCHASER AT THE CLOSING, PURCHASER HEREBY WAIVES ANY AND EVERY CLAIM OR CAUSE OF ACTION AGAINST SELLER, ITS AGENTS, EMPLOYEES, REPRESENTATIVES, MEMBERS, MANAGERS, DIRECTORS AND OFFICERS, RELATING TO OR ARISING OUT OF TITLE TO THE SUBJECT PROPERTY (INCLUDING (WITHOUT LIMITATION) ALL IMPLIED WARRANTIES), AND PURCHASER HEREBY AGREES TO PROCEED SOLELY AND EXCLUSIVELY AGAINST THE TITLE COMPANY IN THE EVENT OF ANY SUCH CLAIM. THIS WAIVER AND RELEASE SHALL SURVIVE THE CLOSING;

(iii) deliver to Purchaser a copy of the Limited Warranty executed by Seller; and

(iv) execute and deliver all other documents reasonably required by the Title Company to complete the Closing.

(b) At the Closing, Purchaser shall do the following:

(i) pay the Purchase Price, less any portion thereof previously paid to Seller by Purchaser in cash or by full or partial draw on the Letter of Credit, in funds immediately available in Tuscaloosa, Alabama, by wire transfer to an account designated by the Title Company, at which time the Title Company will return the Letter of Credit, to the extent not yet drawn, to Purchaser;

(ii) deliver to Seller a copy of the Limited Warranty executed by Purchaser; and

(iii) execute and deliver all other documents reasonably required by the Title Company to complete the Closing.

Section 3.3 **Possession.** Seller shall deliver possession of the Subject Property to Purchaser upon consummation of the Closing, subject to the Permitted Exceptions.

Section 3.4 **Adjustments at the Closing.** Ad valorem taxes and assessments for the Subject Property for the calendar year in which the Closing occurs shall be prorated between Seller and Purchaser as of the Closing Date, with the amount due for the Closing Date attributable to Purchaser. If actual ad valorem taxes for the Subject Property for the year in which the Closing occurs are not available at the Closing, proration of taxes shall be made on the basis reasonably determined by Seller, with a subsequent cash adjustment of such proration to be made between Seller and Purchaser, if necessary, when actual tax figures become available. Further, Purchaser shall pay this subsequent adjustment provision shall survive the Closing. At the Closing, Purchaser shall pay the Association (a) the Monthly Assessments for (i) the month in which the Closing occurs (prorated from and including the Closing Date), and (ii) the first full calendar month following the Closing; (b) the amount of the Working Capital Contribution, any other amounts specified in the Offering Statement to be paid by Purchaser at Closing.

Section 3.5 **Closing Costs.** Unless otherwise expressly provided for in this Contract all of the Closing costs and expenses shall be paid by Purchaser, including, without limitation, all costs of Purchaser's financing, if any, and the Closing Agent fee. Seller shall only pay one half (1/2) of the Escrow Fee (Purchaser shall pay the remaining one half (1/2)), the cost of preparation of the Deed and any release of lien (including filing fees for such release), the basic premium for the Title Policy, and other costs or expenses directly and expressly incurred by Seller.

#### **ARTICLE IV CONSTRUCTION MATTERS**

Section 4.1 **Construction; Changes.**

(a) Purchaser acknowledges and accepts that the interior dimensions and area of the Unit as represented or reflected in any marketing or other Seller materials are approximate and that some construction-related variances could occur. In addition, the final street address and unit numbering of the Units has not been determined and could change from that reflected in Seller's marketing and other materials. The Purchase Price shall not be subject to any adjustment based upon any such changes and Seller shall not be liable to Purchaser as a result thereof.

(b) Purchaser acknowledges that Seller may, from time to time, substitute such other equipment, appliances, finishes or materials utilized in the construction of the Units and/or the Common Elements from those specified or contemplated in the Plans and Specifications or referred to by Seller or any sales agent or in any marketing or other Seller materials, provided that the quality of any substituted equipment, appliances, finishes or materials is substantially equal to or better than that originally indicated in the Plans and Specifications as reasonably determined by Seller. It is

understood and agreed that Seller is not building the Development, the Unit or any other parts of the Condominium to the precise specifications or designs of any model Unit, marketing display, Seller's marketing materials, to the specifications of Purchaser. Any model Unit, marketing display or Seller's marketing or other materials are displayed for illustrative purposes only and shall not constitute an agreement or commitment on the part of Seller to deliver the Unit in exact accordance with any such model Unit, marketing display, Seller's marketing or other materials, to the specifications of Purchaser. Consultation with Purchaser with respect to the specifications of the Unit to be built shall not, in any case, be deemed a waiver of Seller's rights under this Section 4.1(b). None of the items of furnishings shown in any model Unit are included in this Contract unless Seller specifically agrees in writing to deliver the same as part of the Purchase Price by inclusion as optional items or by subsequent written instrument signed by Purchaser and Seller. The Unit is being sold unfurnished and will contain only the appliances and equipment installed at the time of the inspection of the Unit by Purchaser and Seller.

(c) PURCHASER ACKNOWLEDGES THAT AS OF THE CLOSIN DATE CONSTRUCTION OF ALL OF THE UNITS AND ALL OF THE DEVELOPMENT (OTHER THAN THE UNIT) MAY NOT BE COMPLETED AND, OTHERWISE, "NEED NOT BE BUILT".

(d) Construction of the Subject Property shall be deemed to have been satisfactorily and fully performed on the date when the Unit are Available to Purchaser for Occupancy and Seller shall be deemed to be have completed the Unit in full compliance with the terms of this Contract (except for "punch-list" items referenced below) when Seller issues the Occupancy Notice. Within ten (10) days of receipt of the Occupancy Notice, Purchaser shall promptly arrange for an appointment with Seller's representative to make the inspection. At the inspection, Purchaser and Seller shall mutually determine and list in writing the minor "punch-list" items to be completed. If Purchaser is unwilling or fails to attend the appointment arranged by Seller, Seller shall inspect the property and prepare the "punch-list" of items to be completed. Seller shall complete the "punch-list" items prior to the Closing or as soon thereafter as reasonably possible.

(e) The provisions of this Section 4.1 shall survive the termination of this Contract or the Closing.

Section 4.2 **Condemnation and Casualty**. If all or a substantial part of the Development has been taken by or is threatened with condemnation or been damaged or destroyed after the Effective Date of this Contract but before the Closing, Seller may prior to the Closing, terminate this Contract pursuant to this Section 4.2; provided, however, if Seller elects to repair such damage and such damage may reasonably be repaired in a period not to exceed 180 days from the occurrence thereof, this Contract shall remain in full force and effect. Seller shall give the Purchaser notice within 30 days following such damage, destruction or taking (or threat of taking) by condemnation, of Seller's election to either terminate or repair such damage and the Closing Date shall be extended to a date designated by Seller in an Occupancy Notice from Seller to Purchaser, which notice must be given at least

ten days prior to Closing. If Seller does not elect to repair such damage, or if such repairs cannot be completed within said 180-day period or if Seller fails to complete such repairs within the 180-day period, then the Purchaser may elect to terminate this Contract by sending written notice of such termination to Seller. Any termination pursuant to this Section 4.2 shall be a Permitted Termination. Upon the Closing, all risk of loss for damage to the Unit shall be assumed by Purchaser and such assumption of loss shall survive the Closing.

**ARTICLE V  
CONDOMINIUM INFORMATION STATEMENT AND DOCUMENTS**

PURCHASER ACKNOWLEDGES RECEIPT OF THE OFFERING STATEMENT AS REQUIRED BY THE ACT. SELLER HEREBY RECOMMENDS THAT PURCHASER READ THE OFFERING STATEMENT, AND FULLY UNDERSTAND THE SAME, BEFORE EXECUTING THIS CONTRACT. Purchaser hereby acknowledges receipt of a copy of the Condominium Documents attached to the Offering Statement. Purchaser agrees to be bound by the provisions of the foregoing documents, as amended from time to time in accordance with the provisions of each document. The budget contained in the Offering Statement has been prepared in accordance with generally accepted accounting principles and is based upon assumptions that, to the best of Seller's knowledge and belief, are reasonable for the initial year of operation of the Condominium. Purchaser acknowledges that such budget does not constitute a representation or warranty on the part of Seller thereof. The provisions of this Article V shall survive the Closing.

**ARTICLE VI  
BROKERAGE COMMISSION; ABSTRACTS**

**SELLER AGREES TO INDEMNIFY PURCHASER AND HOLD PURCHASER HARMLESS FROM ANY LOSS, LIABILITY, DAMAGE, COST OR EXPENSE (INCLUDING REASONABLE ATTORNEYS' FEES) PAID OR INCURRED BY PURCHASER BY REASON OF ANY CLAIM TO ANY BROKER'S, FINDER'S OR OTHER FEE IN CONNECTION WITH THIS TRANSACTION BY ANY PARTY CLAIMING BY, THROUGH OR UNDER SELLER BUT NOT OTHERWISE. PURCHASER AGREES TO INDEMNIFY SELLER AND HOLD SELLER HARMLESS FROM ANY LOSS, LIABILITY, DAMAGE, COST OR EXPENSE (INCLUDING REASONABLE ATTORNEYS' FEES) PAID OR INCURRED BY SELLER BY REASON OF ANY CLAIM TO ANY BROKER'S, FINDER'S OR OTHER FEE IN CONNECTION WITH THIS TRANSACTION BY ANY PARTY CLAIMING BY, THROUGH OR UNDER PURCHASER BUT NOT OTHERWISE, EXCEPT THAT SELLER SHALL PAY A COMMISSION TO COOPERATING BROKER ONLY AS PROVIDED ON PAGE (iii) OF THIS CONTRACT. BY ITS EXECUTION OF THIS CONTRACT, PURCHASER ACKNOWLEDGES THAT, AT THE TIME OF EXECUTION OF THIS CONTRACT, PURCHASER WAS ADVISED BY THIS WRITING THAT PURCHASER SHOULD HAVE AN ATTORNEY OF ITS OWN SELECTION EXAMINE AN ABSTRACT OF TITLE TO THE SUBJECT PROPERTY OR PURCHASER SHOULD BE FURNISHED WITH OR OBTAIN A POLICY OF TITLE INSURANCE COVERING THE SUBJECT PROPERTY. THIS ARTICLE VI SHALL SURVIVE THE CLOSING.**

## ARTICLE VII MISCELLANEOUS

Section 7.1 **Notices.** All notices, demands, requests and other communications required or permitted hereunder shall be in writing and shall be deemed to be delivered when actually received or, if earlier and regardless of whether actually received (except in Section 7.17 of this Contract where actual receipt is specified), two days following deposit in a regularly maintained receptacle for the United States mail, registered or certified, postage fully prepaid, addressed to the addressee. Notice may additionally be provided by facsimile transmission so long as a copy of such notice is promptly forwarded by the other method described above and the facsimile notice shall be deemed delivered when actually received. The proper addresses and facsimile numbers for Seller and Purchaser are as provided below each party's signature. Each party to this Contract (and/or any person, firm or entity entitled to receive copy(ies) of notice(s)) shall have the right to change its address hereunder to any other location within the continental United States by the giving of 30-days notice to the other party(ies) in the manner set forth herein.

Section 7.2 **Subordination.** Purchaser agrees that all the rights of Purchaser pursuant to the terms and conditions of this Contract are and shall be subject and subordinate to the lien of any mortgage now existing or hereafter made to finance the acquisition of any real property described in the Declaration and the cost of construction and other costs during construction of the improvements thereon and to any and all advances made thereon and to any and all sums which may become a lien pursuant to the terms of such mortgage or any other agreement relating to the acquisition of such real property and construction of such improvements, including cost of services provided incidental to such construction. The subordination of Purchaser's rights as herein provided shall be self operating and no further instrument of subordination shall be required. However, in confirmation of such subordination, Purchaser agrees to promptly execute and deliver any instrument that the holder of any mortgage as above described or its successors in interest may require to evidence such subordination, and Seller agrees that any liens referenced in this Section 7.2 shall be released with respect to the Subject Property at or prior to the Closing. Specifically, Purchaser acknowledges and agrees that this Contract may be collaterally assigned to Seller's lender as security for the payment and performance of certain obligations of Seller pursuant to a Construction Loan Agreement between Seller's lender and Seller Closing. . If Seller's lender ("New Owner") forecloses on, accepts a deed-in-lieu of foreclosure with respect to or otherwise becomes the owner of the Condominium, Purchaser agrees to recognize New Owner as "Seller" hereunder, comply with, observe and perform all of Purchaser's obligations hereunder and accept conveyance of the Subject Property by New Owner pursuant hereto. This Section 7.2 shall survive the Closing.

Section 7.3 **Governing Law; Waiver of Jury Trial.** THIS CONTRACT WILL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ALABAMA (WITHOUT REGARD TO THE PRINCIPLES OF CONFLICTS OF LAW) APPLICABLE TO A CONTRACT EXECUTED AND PERFORMABLE IN SUCH STATE. REGARDLESS OF ANY PLACE TO WHICH THE PURCHASER MAY MAINTAIN HIS/HER/ITS RESIDENCE OR LEGAL DOMICILE, TO THE FULL EXTENT PERMITTED BY LAW, THE PURCHASER CONSENTS THAT SUIT MAY BE INSTITUTED IN THE CIRCUIT

COURT OF TUSCALOOSA COUNTY, ALABAMA, AND HEREBY IRREVOCABLY CONSENTS TO THE JURISDICTION OF SUCH COURT AND WAIVES ANY AND ALL JURISDICTIONAL DEFENSES THAT THE UNDERSIGNED MAY HAVE TO THE INSTITUTION OF SUCH AN ACTION IN SUCH COURT. PURCHASER WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THESE PARTIES HERETO AGAINST THE OTHER ON OR WITH RESPECT TO ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT, THE RELATIONSHIP OF COMPANY AND PURCHASER HEREUNDER, OR ANY CLAIM OF INJURY OR DAMAGE.

Section 7.4 **Time is of the Essence.** With respect to all provisions of this Contract, time is of the essence. Notwithstanding the foregoing, if the last day of any time period stated herein shall fall on a Saturday, Sunday or a Bank Holiday, then the duration of such time period shall be extended (other than the time period relating to Seller's obligation to construct the Unit as provided in Section 2.1 of this Contract, which shall not be extended pursuant to this Section 7.4) so that it shall end on the next succeeding day which is not a Saturday, Sunday or a Bank Holiday.

Section 7.5 **Further Assurances and Corrections.** From time to time at the request of Seller, Purchaser will promptly correct any defect, error or omission that may be discovered in the contents of this Contract or in the execution or acknowledgement thereof.

Section 7.6 **Assignment.** Purchaser shall not have the right to assign, transfer, pledge, mortgage or encumber this Contract or its rights contained in this Contract without Seller's prior written consent (that may be withheld in the sole and absolute discretion of the Seller) and any purported attempt to do so shall be a Purchaser's Default and shall be void and of no effect; provided, however, that as a condition to Seller's consent Purchaser shall be required to pay to the Seller a fee equal to three (3%) percent of the total Purchase Price at the time of assignment, which fee shall be non-refundable and Purchaser shall remain responsible for all of Purchaser's covenants and representations in this Contract until Purchaser's assignee shall consummate the purchase under and pursuant to this Contract as amended from time to time. Seller shall have the right to assign its rights and obligations under this Contract and, if the assignee assumes the obligations of Seller under this Contract, the Seller shall be automatically released and shall have no further obligations under this Contract or any documents delivered pursuant to this Contract. This provision shall survive the termination of this Contract and the Closing.

Section 7.7 **Entire Contract.** THIS CONTRACT EMBODIES AND CONSTITUTES THE ENTIRE UNDERSTANDING BETWEEN THE PARTIES WITH RESPECT TO THE TRANSACTIONS CONTEMPLATED HEREIN AND ALL PRIOR OR CONTEMPORANEOUS AGREEMENTS, UNDERSTANDINGS, REPRESENTATIONS AND STATEMENTS (ORAL OR WRITTEN) ARE MERGED INTO THIS CONTRACT. NEITHER THIS CONTRACT NOR ANY PROVISION HEREOF MAY BE WAIVED, MODIFIED, AMENDED, DISCHARGED OR TERMINATED EXCEPT BY AN INSTRUMENT IN WRITING SIGNED BY THE PARTY AGAINST WHOM THE ENFORCEMENT OF SUCH WAIVER, MODIFICATION, AMENDMENT, DISCHARGE OR TERMINATION IS SOUGHT AND THEN ONLY TO THE EXTENT SET FORTH IN SUCH INSTRUMENT. NO BROKER, SALESMAN, EMPLOYEE OR

AGENT OF SELLER HAS AUTHORITY TO MODIFY THE TERMS HEREIN NOR ANY AUTHORITY WHATSOEVER TO MAKE ANY REFERENCE, REPRESENTATION OR AGREEMENT NOT CONTAINED IN THIS CONTRACT AND NO REFERENCE, REPRESENTATION OR AGREEMENT NOT CONTAINED HEREIN SHALL BE BINDING UPON SELLER OR IN ANY WAY AFFECT THE VALIDITY OF THIS CONTRACT OR FORM ANY PART HEREOF. PURCHASER ACKNOWLEDGES THAT NO REPRESENTATIONS HAVE BEEN MADE BY SELLER, ANY BROKER, ITS AGENTS OR EMPLOYEES OR IN ANY MARKETING OR OTHER MATERIALS IN ORDER TO INDUCE PURCHASER TO ENTER INTO THIS CONTRACT, OTHER THAN AS EXPRESSLY STATED HEREIN. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, PURCHASER ACKNOWLEDGES THAT NEITHER SELLER, ANY BROKER, NOR ITS AGENTS OR EMPLOYEES HAVE (A) MADE ANY REPRESENTATION OR STATEMENT TO PURCHASER OF THE INVESTMENT POTENTIAL OR RESALE AT ANY FUTURE DATE, AT A PROFIT OR OTHERWISE, OF THE SUBJECT PROPERTY; (B) RENDERED ANY ADVICE OR EXPRESSED ANY OPINIONS TO PURCHASER REGARDING ANY TAX CONSEQUENCES OF OWNERSHIP OF THE SUBJECT PROPERTY; OR (C) MADE ANY STATEMENT OR REPRESENTATION NOT SET FORTH IN THIS CONTRACT, INCLUDING ANY STATEMENT OR REPRESENTATION AS TO THE VIEWS FROM THE UNIT NOT BEING IMPACTED IN THE FUTURE. PURCHASER ACKNOWLEDGES THAT PURCHASER HAS READ AND UNDERSTANDS EACH AND EVERY PART OF THIS CONTRACT. THE PROVISIONS OF THIS SECTION 7.7 SHALL SURVIVE THE TERMINATION OF THIS CONTRACT AND THE CLOSING.

Section 7.8 **Counterpart Execution.** This Contract may be executed in several counterparts, each of which shall be fully effective as an original and all of which together shall constitute one and the same instrument. A facsimile signature of Purchaser or Seller shall be the same as an original signature for all purposes hereunder.

Section 7.9 **Headings; Construction.** The headings that have been used throughout this Contract have been inserted for convenience or reference only and do not constitute matter to be construed in interpreting this Contract. The words "herein", "hereof", "hereunder" and other similar compounds of the word "here" when used in this Contract shall refer to this entire Contract and not to any particular provision or section. The word "including" shall be deemed to be followed by the words "but not limited to."

Section 7.10 **Invalid Provisions.** If any one or more of the provisions of this Contract or the applicability of any such provision to a specific situation shall be held invalid or unenforceable, such provision shall be modified to the minimum extent necessary to make it or its application valid and enforceable and the validity and enforceability of all other provisions of this Contract and all other applications of any such provision shall not be affected thereby.

Section 7.11 **Binding Effect.** This Contract shall be binding upon and inure to the benefit of Seller and Purchaser and their respective heirs, personal representatives, successors and permitted assigns. Except as expressly provided herein, nothing in this Contract is intended to confer on any person other than the parties hereto and their respective heirs, personal representatives, successors and permitted assigns, any rights or remedies under or by reason of this Contract.

Section 7.12 **Further Acts.** In addition to the acts recited in this Contract to be performed by Seller and Purchaser, Seller and Purchaser agree to perform or cause to be performed at the Closing or after the Closing any and all such further acts as may be reasonably necessary to consummate the transactions contemplated hereby.

Section 7.13 **Exhibits.** All Exhibits attached hereto are made a part hereof for all purposes the same as if set forth herein verbatim, it being expressly understood that if any Exhibit attached hereto which is to be executed and delivered at the Closing contains blanks, the same shall be completed in accordance with the terms and provisions contained herein and as contemplated herein prior to or at the time of execution and delivery thereof.

Section 7.14 **Attorneys' Fees.** If it shall be necessary for either Purchaser or Seller to employ an attorney to enforce its rights pursuant to this Contract, the defaulting party shall reimburse the non defaulting party for reasonable attorneys' fees and costs. The provisions of this Section 7.14 shall survive the termination of this Contract and the Closing.

Section 7.15 **Credit Report.** PURCHASER AUTHORIZES SELLER TO ORDER, OBTAIN AND REVIEW A CREDIT REPORT RELATING TO PURCHASER.

Section 7.16 **INSULATION.** INSULATION INFORMATION IS AS SET FORTH IN THIS SECTION 7.16:

- (a) THE EXTERIOR WALLS OF IMPROVED LIVING AREAS SHALL BE INSULATED WITH FIBERGLASS INSULATION TO A THICKNESS OF 3.5 INCHES. THE THROUGH WALL R VALUE EQUALS R-13.
- (b) THE PARTY WALLS SHALL BE INSULATED WITH ONE LAYER OF 3.5 INCH FIBERGLASS INSULATION. THE THROUGH WALL R VALUE EQUALS R-11.
- (c) THE CORRIDOR WALLS WILL BE INSULATED WITH ONE LAYER OF 3.5 INCH FIBERGLASS INSULATION. THE THROUGH WALL R-VALUE EQUALS R-13.
- (d) THE MIDFLOORS WILL BE INSULATED WITH FIBERGLASS INSULATION TO A THICKNESS OF 3.5 INCHES. THE THROUGH FLOOR R VALUE EQUALS R-11.
- (e) THE CEILINGS IN IMPROVED LIVING AREAS OF THE TOP FLOOR ONLY SHALL BE INSULATED WITH 10 INCHES OF FIBERGLASS INSULATION. THE THROUGH CEILING R VALUE EQUALS R-13.

(R VALUE MEANS RESISTANCE TO HEAT FLOW; THE HIGHER THE R VALUE, THE GREATER THE INSULATING POWER.)

THE INSULATION INFORMATION WAS FURNISHED TO SELLER BY THE INSTALLER AND/OR MANUFACTURER OF THE INSULATION AND IF THERE IS A CHANGE OF THE INSULATION INFORMATION, SELLER WILL

**FURNISH TO PURCHASER A WRITTEN STATEMENT OF SUCH INFORMATION.**

**Section 7.17 Right to Rescind this Contract Within Seven Days of Effective Date.**

BY WRITTEN NOTICE TO SELLER RECEIVED BY SELLER ON OR BEFORE 5:00 P.M. CENTRAL STANDARD OR DAYLIGHT SAVING TIME, AS APPLICABLE, ON THE SEVENTH (7<sup>TH</sup>) DAY FOLLOWING THE EFFECTIVE DATE, PURCHASER SHALL HAVE THE RIGHT TO RESCIND AND CANCEL THIS CONTRACT. IF PURCHASER TIMELY EXERCISES THIS RIGHT TO RESCIND, THIS CONTRACT SHALL BE VOID AND OF NO FURTHER FORCE OR EFFECT AND NEITHER PARTY SHALL HAVE ANY FURTHER OBLIGATION TO THE OTHER. THE ESCROW AGENT SHALL PROMPTLY RETURN TO PURCHASER 100% OF THE EARNEST MONEY DEPOSIT AND ANY ACCRUED INTEREST RELATED THERETO.

**Section 7.18 Certain Disclosures.**

(A) PURCHASER ACKNOWLEDGES AND UNDERSTANDS THAT SELLER MAY BE CONSTRUCTING PORTIONS OF THE CONDOMINIUM AND ENGAGING IN OTHER CONSTRUCTION ACTIVITIES RELATED TO THE CONSTRUCTION OF COMMON ELEMENTS OR LIMITED COMMON ELEMENTS AND THE CONSTRUCTION OR DEVELOPMENT OF OTHER UNITS AND ADJOINING/ADDITIONAL PROPERTY (FOR EXAMPLE, CONSTRUCTION OF ADDITIONAL PHASES AS CONTEMPLATED BY THE DECLARATION). SUCH CONSTRUCTION ACTIVITIES MAY, FROM TIME TO TIME, PRODUCE CERTAIN CONDITIONS ON THE PROPERTY UPON WHICH THE SUBJECT PROPERTY IS INCLUDED, INCLUDING, WITHOUT LIMITATION, NOISE AND SOUND.

(B) NO REPRESENTATIONS ARE MADE THAT THE UNIT IS OR WILL BE SOUNDPROOF OR THAT SOUND MAY NOT BE TRANSMITTED FROM ONE UNIT TO ANOTHER.

(C) ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS ACCURATELY STATING THE REPRESENTATIONS OF SELLER. FOR ACCURATE AND CORRECT REPRESENTATIONS, REFERENCES SHOULD BE MADE TO THIS AGREEMENT, THE OFFERING STATEMENT, THE DECLARATION OF CONDOMINIUM, THE ARTICLES OF INCORPORATION AND BYLAWS OF THE ASSOCIATION, AND THE RULES AND REGULATIONS.

(D) THE VIEWS FROM THE UNIT MAY CHANGE OVER TIME DUE TO, AMONG OTHER THINGS, ADDITIONAL DEVELOPMENT AND THE REMOVAL OR ADDITION OF LANDSCAPING.

(E) CONCRETE SURFACES IN PORTIONS OF THE CONDOMINIUM WHICH ARE AND ARE NOT HEATED AND COOLED ARE SUBJECT TO CRACKING DUE TO (I) WATER PENETRATION, (II) EXPANSION AND CONTRACTION OF THE CONCRETE WITH TEMPERATURE CHANGES, AND (III) BUILDING SETTLEMENT.

(F) MOLD AND/OR MILDEW CAN GROW IN ANY PORTION OF THE CONDOMINIUM THAT IS EXPOSED TO VARIOUS LEVELS OF MOISTURE. THE SELLER MAKES NO WARRANTY AS TO THE NON-EXISTENCE OF MOLD WITH THE CONDOMINIUM. EACH UNIT OWNER AGREES TO: (I) REGULARLY INSPECT THE PARTS OF THE CONDOMINIUM THAT THE PURCHASER MAINTAINS, AND WHICH ARE VISIBLE AND ACCESSIBLE WITHOUT HAVING TO FIRST CONDUCT INVASIVE TESTING, FOR THE EXISTENCE OF MOLD, MILDEW, AND/OR WATER INTRUSION AND/OR DAMAGE; (II) UPON DISCOVERY, IMMEDIATELY REPAIR IN A GOOD AND WORKMANLIKE CONDITION THE SOURCE OF ANY WATER INTRUSION IN THE PARTS OF THE CONDOMINIUM THAT THE PURCHASER MAINTAINS; (III) REMEDIATE OR REPLACE ANY BUILDING MATERIAL LOCATED IN THE PARTS OF THE CONDOMINIUM THAT THE PURCHASER MAINTAINS THAT HAS ABSORBED WATER OR MOISTURE AS A RESULT OF WATER INTRUSION; AND (IV) PROMPTLY AND REGULARLY REMEDIATE ALL MOLD AND/OR MILDEW DISCOVERED IN THE PARTS OF THE CONDOMINIUM THAT THE PURCHASER MAINTAINS IN ACCORDANCE WITH CURRENT INDUSTRY-ACCEPTED METHODS. (f) THE SUBJECT PROPERTY IS LOCATED NEAR AN ACTIVE RAILROAD TRACK, AND THERE AMY BE NOISE AND DISTURBANCE REALTED TO THE PASSING OF TRAIN.

