

**PURCHASE AGREEMENT
PALMA SOLA BAY CLUB, A CONDOMINIUM**

The undersigned, _____, whose address is _____, (the "Buyer"), agrees to purchase, and **Palma Sola Bay Development, Inc.**, a Florida corporation, whose address is 477 Commerce Way, Suite 103, Longwood, Florida 32750 (the "Developer") agrees to sell, upon the terms and conditions set forth in this Purchase Agreement (the "Agreement"), the following Condominium Parcel in Manatee County, Florida (the "Property" or the "Unit").

Property Address: _____, Bradenton, Florida, 34209

Unit _____, (Building _____) of Palma Sola Bay Club, a condominium, according to Declaration thereof recorded or to be recorded in the Public Records of Manatee County, Florida, as amended (the "Declaration"), together with the exclusive use of two parking spaces and one storage area .

Capitalized terms unless otherwise defined shall have the meanings given them in the Declaration.

ANY PAYMENT IN EXCESS OF TEN (10%) PERCENT OF THE PURCHASE PRICE MADE TO DEVELOPER PRIOR TO CLOSING PURSUANT TO THIS PURCHASE AGREEMENT MAY BE USED FOR CONSTRUCTION PURPOSES BY THE DEVELOPER.

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. FOR CORRECT REPRESENTATIONS, REFERENCE SHOULD BE MADE TO THIS PURCHASE AGREEMENT AND THE DOCUMENTS REQUIRED BY SECTION 718.503, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE.

1. Purchase Price and Terms of Payment.

- (a) Base price. \$ _____
- (b) Extras and change orders per attached Addendum. \$ _____
- (c) Total Purchase Price. \$ _____

The Purchase Price shall be paid as follows:

- (d) Initial deposit (the "Initial Deposit" receipt of which is hereby acknowledged (including Reservation Deposit, if any.) \$ _____
- (e) Additional deposit (the "Additional Deposit") due and payable on or before _____ (date) \$ _____
- (f) Balance of Purchase Price (in U.S. Dollars), payable in cash, certified or local cashier's check at the time of Closing (subject to adjustments and prorations). \$ _____

Additional extras may be ordered by Buyer but shall be paid for in cash in advance at the time of order. Any furniture, window treatments, decorative items, special painting and wallpaper, upgraded or optional floor coverings, appliances, or any other features or items used for sales promotional purposes in model units, or displayed in brochures, are not included in the price unless specifically identified as such. Refer to Developer's list of standard features included in the base price.

2. Financing. *Unless Mortgage Loan is checked, this is a cash transaction, and there is no financing contingency.* (Check here if there is to be a Mortgage Loan): (_____) **Mortgage Loan.** If a part of the Purchase Price is to be paid from the proceeds of an institutional first mortgage loan, Buyer shall, at Buyer's expense, make a good faith effort to obtain a mortgage loan commitment, prequalification, or other indication of the availability to Buyer at Closing of mortgage financing acceptable to the Buyer (the "Financing Indicator"). Buyer shall seek such Financing Indicator within three (3) business days after the Effective Date of this Agreement, being the date this Agreement is executed by an authorized representative of Developer, and shall use reasonable diligence to obtain same. If Buyer is unable to obtain a Financing Indicator acceptable to Buyer within thirty (30) days following the Effective Date, Buyer may cancel and rescind this Agreement, and thereupon be entitled to a refund of the Deposit, less any expenses incurred by Developer for extras, options, upgrades or special items. Buyer may so cancel and rescind by notifying Developer in writing of such inability within such thirty (30) day period. If such written notice is not received by Developer within such thirty (30) day period, Buyer shall be deemed to have waived the financing contingency, and failure to obtain a mortgage loan, or a loan with terms acceptable to Buyer, at the time of Closing, for whatever reason, shall not be grounds for cancellation or rescission of this Agreement. Buyer shall notify Developer and Escrow Agent of the identity and address of Buyer's lender at least thirty (30) days prior to Closing.

3. Escrow Agent. The Initial Deposit and Additional Deposit (collectively the "Deposit") are payable to Berlin Patten Ebling, PLLC, a Florida professional limited liability company, f/k/a Berlin-Patten, PLLC (the "Escrow Agent"), whose address is 3700 South Tamiami Trail, Suite 200, Sarasota, Florida 34239, and shall be held and disbursed pursuant to the terms of this Agreement and the Condominium Act. All Deposits shall be held by the Escrow Agent as set forth herein and shall not be commingled with the general funds of the Escrow Agent. Such Deposits may, at the election of Escrow Agent, be deposited in separate accounts, or in a common escrow or commingled with other escrow monies received or handled by the Escrow Agent, so long as such funds are separately accounted for. Deposits up to ten (10.0%) percent of the Purchase Price (the "Ten Percent Deposit") shall be placed in a non-interest bearing escrow account. Deposits in excess of ten (10%) percent of the purchase price (the "Excess Deposit") shall be placed in a Special Escrow Account, which shall also be a noninterest bearing account. If a Buyer properly terminates the Agreement pursuant to its terms or pursuant to the Condominium Act, the Deposit shall be paid to Buyer, without interest. Buyer may obtain a receipt for the Deposit from the Escrow Agent upon request. All of the Ten Percent Deposit, and any part of any Excess Deposit not previously released to Developer, shall be released to Developer at Closing.

4. Use of Excess Deposits. Once "Work" (as hereinafter defined) has begun upon the Condominium Property, Developer may, in the exercise of its discretion, withdraw the Excess Deposit and use such funds for the actual construction and development of the Condominium Property. However, no part of these funds may be used for salaries, commissions, or expenses of sales persons or for advertising purposes. To effectuate the use of the funds which Developer is entitled to withdraw for construction and development of the Condominium Property, the Developer may cause Excess Deposits to be paid over to a construction loan account and/or any other account for the payment of actual construction and development of the Condominium Property and such account or accounts need not be then a separate account or accounts. For the purposes of this Paragraph 4 and the determination of which construction and development cost deposits may be used for, the word "construction" and the word "improvements" shall be deemed to include, but not be limited to, activity to make a building site ready for construction, including excavation, the installation of utilities, the driving of piles and the like. For the purposes of this Paragraph 4, "Work" shall be deemed to have begun upon the commencing of the clearing of the land which is the site of the Condominium and the commencement of any site work.

5. Title Insurance. Prior to Closing, the Developer will provide Buyer a title insurance commitment for the Property (the "Commitment") and, after Closing, an owner's policy, in the amount of the Purchase Price, reflecting title consistent with this Agreement, and after Closing an owner's policy consistent with such Commitment. The Commitment and policy shall agree to insure and insure, respectively, Buyer's marketable title to the Property, subject to such covenants, conditions, restrictions, easements, reservations and matters of record, land use restrictions, prohibitions and other requirements of governmental authorities as are not inconsistent with this Agreement and which do not unreasonably interfere with the use of the Property as a condominium residence (the "Permitted Exceptions"). Buyer shall have five (5) days from the date of receiving the Commitment to examine same and, if title is found to be defective, to notify Developer in writing specifying the material defect(s) which render title unmarketable and inconsistent herewith. Developer shall have sixty (60) days from receipt of notice to cure such defect(s) and the Closing shall be extended accordingly. If the defects are not cured by the extended Closing Date, Buyer may elect (a) to waive uncured defects and complete the purchase without adjustment in the price, or (b) if timely objection has been made, to terminate this Agreement and receive a refund of all Deposits, thereby terminating this Agreement and releasing Developer and Buyer from all further obligations under this Agreement. The Commitment and policy shall be prepared by Berlin Patten Ebling, PLLC, f/k/a Berlin-Patten, PLLC, or another title insurer of Developer's choosing, and all costs associated with the Commitment and policy shall, as provided below, be paid by Developer. Developer's title agent will provide mortgagee title insurance and closing services to Buyer, unless Buyer shall make other arrangements for such services, and Buyer shall pay such agent for such insurance, services and costs. Developer does not require Buyer, as a condition of this sale, to obtain or purchase either owner's or mortgagee's title insurance from a particular insurer or agency. In the event Buyer desires to make other arrangements for the Commitment and owner's and/or mortgagee title insurance, Buyer shall notify Developer within thirty (30) days of the Effective Date as to the title insurance agent who will be issuing such title insurance. If Buyer does not notify Developer within said thirty (30) day period, Seller will select the title insurance company or agent to issue the Commitment and owner's policy of title insurance.

6. Expenses and Adjustments.

(a) Closing Costs. Developer shall pay the cost of documentary stamps required on the deed, recording the deed, and all costs associated with the Owner's title insurance commitment and policy (unless Buyer makes other arrangements), and the cost of recording any corrective instruments. Buyer shall pay for Buyer's attorney's fees, costs associated with any mortgage loan Buyer elects to obtain if Buyer's Unit is to be mortgaged, including mortgage title insurance premiums and mortgage loan closing fees and expenses. Buyer shall also pay to Developer at closing an administrative fee equal to one and one half (1.5%) percent of the total Purchase Price, to help defray Developer's legal, overhead, and administrative expenses incurred in the development and documentation of the Condominium and offering of the Units.

(b) Prorations and Adjustments. Ad valorem property taxes, and assessments levied by the Association against the Property shall be prorated as of the Closing Date, using the maximum discount available. Tax prorations may be based on an estimate, including an allocation of prior year's taxes on all the land that may be in the Condominium. Developer and Buyer agree, upon request of either party, to re-prorate taxes once the final tax bill is issued, if the actual proration varies from the estimated proration by more than \$100, and one party shall pay the other the appropriate adjustment amount necessary to effect the adjustment. On request of either party, the parties shall execute a tax proration agreement at Closing.. This provision shall survive Closing.

(c) Capital Contribution. At Closing, Buyer shall pay an amount for deposit in the condominium reserves in an amount equal to three (3) months Regular Assessments in the estimated budget in effect as of the Closing, based on the estimated budget for all Phases, but excluding reserves in such budget (the "Capital Contribution"). The Capital Contribution is not an advance payment of Regular Assessments or any Special Assessments, but rather is Buyer's contribution to the reserves of the Condominium. Capital Contributions shall be allocated to the various

reserve items pro rata based on the estimated budget for all Phases, and shall be subject to all provisions of the Condominium Documents and the Amended Act with respect to reserves.

7. Conveyance. Developer shall convey title to the Property by special warranty deed subject to taxes and assessments for the year of Closing, the Condominium Documents, other Permitted Exceptions, and any matters waived by Buyer.

8. Possession. Developer agrees to deliver possession of the Property to Buyer at Closing. Prior to such delivery, Buyer understands that the Condominium is a construction site, which can constitute a danger to those who may enter thereon. Buyer shall not enter onto the Property prior to Closing and transfer of possession unless authorized and accompanied by Developer's authorized representative. Any unauthorized, unaccompanied entry by Buyer shall be a breach of this Agreement, and at Buyer's own risk, for which Buyer waives, releases and indemnifies Developer from any claims, losses or damages suffered by Buyer or his family members or guests, as a result of any such unauthorized, unaccompanied entry on to the Property. Buyer agrees not to issue any instructions to any person working on the Property, nor will Buyer have any work done on the Property, nor store any of Buyer's possessions thereon, prior to Closing. Equitable title to the Property shall remain with Developer.

9. Delivery and Receipt of Certain Documents. Buyer is entitled to receive from Developer a copy of the Prospectus for the Condominium, including all exhibits thereto, a copy of the floor plan of the Property, and all other items required by Sections 718.503 and 718.504, Florida Statutes, and Buyer is required to execute a separate receipt for such documents in the form required by the Condominium Act, and rules promulgated pursuant thereto.

THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF BUYER'S INTENTION TO CANCEL WITHIN FIFTEEN (15) DAYS AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY BUYER, AND RECEIPT BY BUYER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO BUYER BY DEVELOPER UNDER SECTION 718.503, FLORIDA STATUTES. THIS AGREEMENT IS ALSO VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF BUYER'S INTENTION TO CANCEL WITHIN FIFTEEN (15) DAYS AFTER THE DATE OF RECEIPT FROM DEVELOPER OF ANY AMENDMENT WHICH MATERIALLY ALTERS OR MODIFIES THE OFFERING IN A MANNER THAT IS ADVERSE TO BUYER. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN FIFTEEN (15) DAYS AFTER BUYER HAS RECEIVED ALL OF THE ITEMS REQUIRED. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING. FIGURES CONTAINED IN ANY BUDGET DELIVERED TO THE BUYER PREPARED IN ACCORDANCE WITH THE CONDOMINIUM ACT ARE ESTIMATES ONLY AND REPRESENT AN APPROXIMATION OF FUTURE EXPENSES BASED ON FACTS AND CIRCUMSTANCES EXISTING AT THE TIME OF THE PREPARATION OF THE BUDGET BY THE DEVELOPER. ACTUAL COSTS OF SUCH ITEMS MAY EXCEED THE ESTIMATED COST. SUCH CHANGES IN COSTS DO NOT CONSTITUTE MATERIAL ADVERSE CHANGES IN THE OFFERING.

10. Assignability. This Agreement is personal to Buyer and may not be assigned by Buyer without express written consent of Developer, which consent may be granted or withheld in Developer's sole discretion, or if granted, may be given subject to such conditions as Developer may determine. Withholding of consent or imposition of such conditions shall not give rise to any claim for damages against Developer. Notwithstanding the foregoing, however, the Developer will consent to an assignment to Buyer's spouse, or to the trustees of the trust in which Buyer and/or Buyer's spouse is/are primary beneficiary. If Developer consents, as a condition of its approval, Developer may require a transfer fee in an amount determined by Developer, in its sole discretion. Buyer acknowledges and agrees that Developer's ability to sell other Units within the Condominium and the value thereof will be diminished if Buyer attempts to resell the Property through local brokers or advertising the property for sale in publications in the general area where the Property is located, prior to Closing under this Agreement, and that Developer would be irreparably harmed by such actions. Accordingly, the Buyer covenants and agrees not to enter into any listing agreement for the sale of the Property with a broker with offices in Sarasota, Manatee, Charlotte, Hillsborough, or Pinellas Counties, Florida, or to advertise or cause or permit the Property to be advertised for sale in any newspaper, trade magazine, or other publication which is sold or in general circulation in such counties, nor to advertise the Property or this Agreement as for sale on the internet, nor to enter into any agreement to sell the Property or Buyer's interest under this Agreement, prior to the Closing hereunder. Any such assignment without consent, and any such listing or advertising, or sale of the Property prior to the Closing, is a material breach of this Agreement by the Buyer, which shall permit Developer to terminate the Agreement as a result of such default, in which event Developer shall be entitled to the liquidated damages provided in Section 15, or, if Closing has occurred, to bring suit against the Buyer for damages. Any and all of Developer's interest in this Agreement shall be freely assignable by Developer, and no such assignment shall be deemed materially adverse to Buyer.

11. Notices. Any and all notices, objections, requests or other communications required or permitted by this Agreement or by law to be served on or given to any party hereto by any other party hereto shall be in writing and shall be given by personal delivery to any of the parties to whom it is directed, or by a commercial overnight carrier, or by depositing in the United States Mail, first class postage prepaid and properly addressed to the addresses set forth above. Mailed notices shall be effective three (3) days after mailing. Notice by personal delivery or by commercial overnight carrier shall be deemed to be given when delivered. Any party may change its address for the purposes of this paragraph by giving written notice of such change to the other party or parties in the manner provided for in this paragraph.

12. Construction of the Condominium.

- (a) Developer will construct and equip the condominium buildings in substantial compliance with the plans and specifications therefore, which are available for inspection by Buyer at the office of Developer. Plans and specifications filed with Manatee County, or any other governmental agency, shall not be deemed incorporated herein by reference. Developer hereby reserves the exclusive right, in its sole discretion, to make revisions to the plans and specifications and to make substitution of materials, equipment, or appliances used in the construction of the Property, including variations in color, brand, grade and dimensions, provided such revisions and substitutions are of comparable or better quality, and to make minor changes in the layout and dimensions of the Property, which do not substantially and adversely affect the value of the Property. Dimensions, specifications and features as shown in any floor plan are approximate and subject to change without notice. Buyer acknowledges that due to expansion, contraction, settlement or natural shrinkage, cracks may appear in stucco, concrete walkways, driveways and slabs, and agrees that such cracks, within industry standards, shall be deemed natural and expected conditions, and not construction defects. If any material feature of the plans and specifications is deleted for any reason, and if such deletion has a substantial affect on the value of the Property ,and if the effect of such deletion is not offset by the addition of a substitute feature, then the purchase price shall be reduced by the amount of the direct cost attributable to the Property which would have been incurred by Developer upon installing such feature, such reduction constitutes the total extent of Developer's liability to Buyer in connection with such deletion. If, however, any such deletion or change is an amendment to the offering which is material and affects the offering in a manner that is adverse to the Buyer, then the Buyer shall have the right to cancel this Agreement in accordance with the Condominium Act. Construction of the Condominium (including the Property) shall be in compliance with applicable governmental codes and regulations, and the final inspection and acceptance by such governmental agency, as evidenced by issuance of a Certificate of Occupancy, shall constitute conclusive evidence that the Property has been completed in accordance with this Agreement and the obligations of Developer hereunder have been fully satisfied, subject to "Punch List" items described below.
- (b) Buyer acknowledges that Buyer has been shown a floor plan of the Unit. All dimensions, area, specifications and features as shown in any floor plan are approximate and subject to change without notice. Developer will complete construction of the Unit similar to the floor plan except for additions and deletions that may be agreed upon in writing by Buyer and Developer. In the event that the configuration, size or layout of the Unit as depicted on any floor plans, sales materials or brochures differs from, or conflicts with the configuration, size or layout of the Unit as depicted in the Condominium Documents, the configuration, size and layout of the Unit as depicted on the Condominium Documents shall control. Such variations shall not be material.
- (c) Developer agrees that the Unit shall be completed and ready for occupancy by the Buyer within twenty-four (24) months from the Effective Date, as such period may be extended by delay due to matters legally recognized as a defense under Florida law based upon impossibility of performance for reasons beyond Developer's control.

13. Color Selection and Appliance Package.

- (a) Developer will provide reasonable advance notice to Buyer in writing of a date by which Buyer must complete Buyer's selection of choice of colors, floor coverings, appliances, options, upgrades and any other item(s) with respect to which Buyer has a choice. Buyer shall make such selections in writing on or prior to such date. If Buyer fails to make any required selection during such time, then Developer's standard selection shall apply, and where there is no such standard, Developer is entitled to select on behalf of Buyer and such selection is binding on Buyer. After such date, Developer shall not be obligated to permit Buyer to change any selection, or to order any extra, upgrade or option. To the extent Developer, in its sole discretion, agrees to allow any such change, Buyer shall pay a non refundable administrative fee of \$200.00 for each such change, together with any cost, fee or expense associated with such change, including any charge with respect to any delay occasioned by such change. No such change shall be effective unless in writing, and unless Buyer shall pay the administrative fee and all costs associated therewith at the time such change is effected. Buyer acknowledges and agrees that, if the Unit is complete or substantially complete, that the options and choices that otherwise might be available to Buyer will be limited and Buyer agrees that the Unit shall have those colors and features already in place as of the date Buyer signs this Agreement unless Developer agrees to allow Buyer to make changes, which shall be as set forth in a separate agreement or an addendum attached hereto, and in either instance the additional cost to Buyer shall be reflected and unless expressly otherwise provided such additional cost is not included in the Purchase Price set forth in Section
- (b) If any options or changes selected or requested by Buyer are omitted by the Developer for any reason whatsoever, Buyer shall receive a refund of any amounts paid for each item omitted, and in such event the Developer will have no further liability to the Buyer. The omission of any option or change shall not give Buyer the right to terminate this Agreement, or require Developer to install or provide the omitted option. If any options or upgrades have been installed by Developer in the Unit which have not been agreed upon in writing by Developer and Buyer, Buyer may elect to purchase such options or upgrades, in which event Developer shall collect the selling price of the option or upgrade from Buyer at Closing (or thereafter if discovered after Closing). In the event Buyer does not elect to purchase such options or upgrades, Developer, at its option, may either allow the option or upgrade to remain at no cost to Buyer, or cause the option or upgrade to be removed from the Unit. Developer shall be afforded reasonable access to the Unit after Closing to effect any such removal. The provisions of this section shall survive Closing hereunder.

14. Closing.

(a) The closing of this transaction (the "Closing") shall occur at the office of Berlin Patten Ebling, PLLC, f/k/a Berlin Patten, PLLC, whose address is 3700 South Tamiami Trail, Suite 200, Sarasota, Florida 3423, or at such other place as Developer may designate, on the date and at the time specified by Developer (the "Closing Date"). Developer will notify Buyer of the date, time and place of the Closing in advance of that date when, in Developer's opinion, the Property will be ready for occupancy, as evidenced by an issuance of a Certificate of Occupancy; provided, however, that Developer may by notice to Buyer defer the Closing if a Certificate of Occupancy is not issued by the tentatively scheduled Closing Date. If Buyer fails, for any reason, to close at the date, time and place specified by the Developer, the Developer shall have the option either to (i) declare Buyer in default and seek remedies provided in this Agreement below, or (ii) charge Buyer \$300.00 per day for each day after the Closing Date so specified by Developer until and including the date of actual Closing. Such sums shall be due and payable in full at Closing. If Developer agrees to an extension of the Closing Date for more than 10 days, Developer may condition such extension on Buyer first prepaying Developer the amount for such extension. Amounts payable for extensions pursuant hereto are liquidated damages, and not a penalty, and are intended to reimburse Developer for all expenses, costs, and damages it may incur as a result of Buyer's delay, it being agreed that actual damages are impractical or very difficult to determine. Any scheduled completion date is a good faith estimate only, and Developer makes no promise or guaranty concerning the date of completion and Buyer agrees that he has not and will not rely upon any estimated completion date for any purpose, except that the provisions of Paragraph 12(c) above shall control. Provided however, if the Property is completed and ready for occupancy, as evidenced by a Certificate of Occupancy, as of the date Buyer signs this Agreement, then the Closing Date shall be _____, 201__.

(b) At least five (5) days prior to Closing, Developer shall notify Buyer that the Property is ready for formal pre-Closing inspection by the Buyer, accompanied by Developer's authorized representatives. Such notice shall specify a date and time for such inspection, commonly called a "walk-thru." If Buyer is unable to conduct a personal inspection of the Property, Buyer shall designate a person(s) to inspect the Property on his behalf and the inspection activities of such representative shall be binding upon the Buyer. If a Buyer, or Buyer's representative, does not inspect prior to the Closing, Buyer shall be deemed to have waived his right to such an inspection. During such inspection, Buyer, or Buyer's representative, and a representative of the Developer shall prepare and execute a "punch list" of items yet to be completed or corrected. The existence of such a punch list is acknowledged by Buyer as customary, and shall not be deemed a reason to delay Closing, to withhold any part of the Purchase Price at Closing, nor to impose any other condition on Closing. By inspecting the Property and executing a punch list with Developer's representative, Buyer shall be deemed to have accepted the condition of the Property, subject only to completion of the work specified in the punch list. Developer will exercise reasonable diligence to complete the work specified in the punch list, and shall, if at all possible, complete same within forty-five (45) days after Closing, unless materials are not readily available or there are other reasons beyond the control of Developer. Buyer's failure to inspect the Property, either personally or through a representative, or to make and agree upon a punch list with the Developer's representative, shall be deemed an unconditional acceptance by Buyer of the condition of the Property, Closing shall occur as scheduled, and Buyer shall be deemed to have released Developer from liability for any incomplete work or visible defects not specifically noted. With respect to Developer's completion of the punch list items, Buyer will provide Developer's representatives, at pre-arranged appointment times, with access to the Property after Closing during Developer's regular work hours in order for the punch list to be completed. Once Developer has completed the items on the punch list, Buyer agrees that he will promptly execute an acknowledgement that the punch list items have been completed. Except for completion by Developer of the agreed upon punch list items, the Closing of this transaction and acceptance of the deed shall be conclusive of the compliance by Developer of Developer's obligations under this Agreement. The provisions of this paragraph shall survive the Closing.

(c) Risk of loss pertaining to the Property, prior to Closing, shall be borne by Developer.

15. Default. Failure of Buyer to close pursuant to the provisions of this Agreement, make payments within the time provided above, or comply with the provisions of this Agreement within the time provided herein, shall be considered defaults by Buyer hereunder. In such event, the parties hereto have considered the matter and have agreed that the amount of damages suffered by Developer because of Buyer's default shall be liquidated and paid in the following manner: the liquidated sum to be due to Developer shall be all sums heretofore paid by Buyer to Developer and/or Escrow Agent pursuant to the terms of this Agreement, but in no event shall such liquidated sum exceed twenty (20.0%) percent of the Purchase Price, together with the retention of any monies to cover the cost of any extras or other items specially ordered by Buyer for his Unit, plus any interest that accrues on the Deposit. All sums paid by Buyer in excess of such liquidated sums shall be paid forthwith to Buyer, together with a statement of Developer's election to terminate this Agreement and describing Buyer's default hereunder. Buyer shall be liable for reasonable attorney's fees and costs incurred by Developer in enforcing its rights under this Agreement. In the event of default by Developer, Buyer shall be entitled to all those remedies provided under Florida law, both in law and equity, including, but not limited to, specific performance.

16. Insulation. The Property has Fi-Foil VR Plus Shield insulation insulation in the exterior masonry walls, which has an R-value of R-7. The roof has insulation which has an R-value of R-30. There is sound insulation in the internal walls around the master bedroom and master bath. There is sound insulation in framed walls between Units, but no R-value is given or required for these conditions.

17. Radon Gas. Radon gas is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from the Manatee County Public Health Unit, Manatee County, Florida.

18. Developer's Right to Amend Condominium Documents. Developer reserves the right and Buyer hereby authorizes Developer to make changes in any of the Condominium Documents as the Developer, governmental authorities having jurisdiction over the Condominium Property, the Veteran's Administration, FHA, FNMA, FHLMC, title insurance companies and mortgage lenders require or deem necessary, provided the changes do not materially change the configuration or size of Buyer's Unit, or materially alter or modify the appurtenances to such Unit, or change the proportion or percentage by which the Owner of the Unit shares the Common Expenses and owns the Common Surplus.

19. Security Not Represented. Buyer hereby acknowledges that Developer has not made and does not make any representations or warranties whatsoever relating to security services to be provided to Buyer, to the Condominium, or to Buyer's individual Unit. Developer shall have absolutely no responsibility for providing any security services for Buyer, for the Condominium, or the Buyer's individual Unit. Buyer assumes responsibility for providing security services for Buyer and Buyer's Guests and invitees, and Buyer shall not hold Developer liable with respect to failure to provide such security services. Buyer is not purchasing the Property based upon any representations or warranties by Developer with respect to any security or safety measures, procedures or actions to be undertaken by Developer. Developer specifically disclaims any warranty, of any type, with regard to any security measures with respect to the Condominium or any security system that may be installed in individual Units of the Condominium.

20. Energy Performance and Energy-Efficiency Rating Disclosure. (a) In accordance with Section 553.9085, Florida Statutes, at the time of completion of the Property, the Developer will be able to complete and certify an Energy Performance Level Display Card which will be furnished to Buyer upon request, and be deemed an addendum to this Agreement. (b) A copy of the energy-efficiency rating brochure prepared by the Florida Department of Community Affairs in accordance with Section 553.996, Florida Statutes, has been furnished to Buyer, who acknowledges receipt thereof, and (c) Developer is providing this Disclosure Statement to Buyer in compliance with Sections 553.9085 and 553.996, Florida Statutes.

21. Florida Homeowner's Construction Recovery Fund. Payment may be made available from the Florida Homeowner's Construction Recovery Fund if you lose money on a project performed under contract where the loss results from specified violations of Florida Law by a Licensed Contractor. For information about the Recovery Fund and filing a claim, contact the Florida Construction Industry Licensing Board at the following telephone number and address: 1940 North Monroe Street, Suite 60, Tallahassee, Florida, 32399-2202; (850) 921-6593.

22. Subordination to Mortgages. Prior to the Closing, this Agreement and all rights hereunder are subordinate and inferior to any mortgage now or hereafter encumbering the Property and any Subsequent Phase Land (the Property shall, however, be released from any such mortgages upon conveyance to Buyer at the Closing). The subordination herein contained is automatic and shall not require any further instrument of subordination; however, in the event any mortgagee contemplated in this paragraph shall require it, Buyer shall execute a subordination agreement suitable in mortgagee's opinion to confirm and implement the provisions of this paragraph. Buyer agrees and acknowledges (a) that no construction lender is guaranteeing or warranting the completion of the Condominium, nor is any construction lender guaranteeing or warranting the fitness, merchantability or other quality of any Unit or of the Condominium; (b) that any periodic inspections of the construction of the project, and any review or approval of any of Developer's requests for disbursement of escrow deposits or any other funds made by, through or for the construction lender, are for the construction lender's loan administration purposes only, and that neither the construction lender nor any of its representatives, agents, or contractors assume any responsibility or liability to the Buyer or any other person by reason of such actions; (c) that Buyer may not rely upon any such actions for any purpose whatsoever, including but not limited to matters of design, adequacy of workmanship or materials, compliance with law, engineering detail and conformance to any approved plans and specifications; (d) that the construction lender shall assume no responsibility for the proper application of the security of all or any portion of any Deposit made hereunder by Buyer; and (e) that the construction lender shall have no responsibility whatsoever to Buyer for assuring the Developer's compliance with the terms of this Agreement or with any escrow agreement between Developer and Buyer.

23. CHAPTER 558 NOTICE. *ANY CLAIMS FOR CONSTRUCTION DEFECTS ARE SUBJECT TO THE NOTICE AND CURE PROVISIONS OF CHAPTER 558, FLORIDA STATUTES.*

24. Limited Warranty and Disclosure. The Property and the Common Elements reasonably shall meet the ordinary standards of the home building industry in Manatee County, Florida, for improvements of a comparable nature and price. Developer warrants that, for a period of one (1) year following Closing, Developer shall repair any construction defect that materially and adversely affects the value or use of the Property, not including expected minor defects, provided that such defect is promptly identified by written notice from Buyer to Developer, and subject to Buyer providing reasonable access for the repair thereof. Buyer acknowledges that, pursuant to Paragraph 14(b) above, Buyer will have inspected and evaluated the Property and Common Elements and listed defects on Buyer's punch list, or waived the right to do so, and that following Closing, the Property and Common Elements will also be subject to natural and expected conditions which do not materially and adversely affect structural integrity or safety, such as but not limited to, reasonable wear, tear or deterioration, reasonable shrinkage, expansion, or settlement, reasonable squeaking, peeling, chipping, cracking or fading, necessity for touch up painting and similar items, and that such items, which are deemed expected minor defects, are not construction defects, and not covered by warranty. *BUYER IS ENTITLED TO ALL STATUTORY WARRANTIES UNDER THE CONDOMINIUM ACT. TO THE MAXIMUM EXTENT PERMITTED BY LAW, DEVELOPER HEREBY EXPRESSLY DISCLAIMS, AND BUYER HEREBY EXPRESSLY WAIVES, ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, WHETHER OF MERCHANTABILITY, HABITABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, OR OTHERWISE. AS TO ANY IMPLIED WARRANTY WHICH CANNOT BE DISCLAIMED ENTIRELY, ALL SECONDARY, INCIDENTAL AND CONSEQUENTIAL DAMAGES ARE SPECIFICALLY EXCLUDED AND DISCLAIMED. THIS PARAGRAPH SHALL SURVIVE THE CLOSING.*

25. Mold Information Disclosure and Limitation of Liability. There are many different types of indoor environmental contaminants, such as pet dander, dust mites and mold. Molds and other potential contaminants have been a part of our environment for millions of years. Contaminants are everywhere, indoors and outdoors. Therefore, everyone is exposed to some contaminants on a daily basis without evident harm. Mold will grow wherever the conditions are favorable, which includes dark, damp and warm spaces. Due to a number of factors, including the fact that sensitivities to various types of molds and other potential contaminants vary from person to person, there are no state or federal standards concerning acceptable levels of exposure to mold. According to the Consumer Product Safety Commission and the American Lung Association, some diseases or illnesses have been linked with biological pollutants in the indoor environment, including some forms of mold. However, many of these conditions also have causes unrelated to the indoor environment. Therefore, it is unknown how many potential health problems relate exclusively to poor indoor air. Buyer should determine for him/herself whether Buyer, Buyer's Family members, Tenants, Guests, or any other individuals who will occupy or use their Property have special needs or increased risk to these conditions. Buyer should carefully monitor the conditions in Buyer's Property for mold growth and other contaminants.

When excessive moisture or water accumulates indoors, mold growth can and will occur, particularly if the moisture problem remains unaddressed. There is no practical way to eliminate all molds or mold spores in an indoor environment. The key to controlling indoor mold growth is to control moisture. See Section 24.7 of the Declaration of Condominium-Mold and Mildew Awareness and Prevention

Buyer acknowledges and agrees that neither the Developer nor any of its contractors or subcontractors, (a "Contractor"), will be liable to the Buyer for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the sole negligence or willful misconduct of Developer or Contractor. Buyer, on behalf of herself/himself and his/her Family members, Tenants, Guests, invitees and licensees, hereby releases and agrees to indemnify Developer and each Contractor and their respective officers, directors, partners, members, successors and assigns from and against any and all claims, actions, damages, causes of actions, liabilities and expenses (including without limitation, attorneys fees and costs of enforcing this release and indemnity) for property damage, injury or death resulting from the exposure to microscopic spores, mold and/or mildew and from any loss of resale value caused by the negligence or willful misconduct of Buyer, and his/her Family members, Tenants, Guests, licensees, invitees, and contractors; provided, however, that in no event is Buyer releasing or indemnifying Developer or Contractor as a result of the presence and/or existence of mold, mildew and/or microscopic spores if caused by the sole negligence or willful misconduct of Developer or Contractor.

26. PROPERTY TAX DISCLOSURE SUMMARY. BUYER SHOULD NOT RELY ON THE DEVELOPER'S CURRENT PROPERTY TAXES AS THE AMOUNT OF PROPERTY TAXES THAT THE BUYER MAY BE OBLIGATED TO PAY IN THE YEAR SUBSEQUENT TO PURCHASE. A CHANGE OF OWNERSHIP OR PROPERTY IMPROVEMENTS TRIGGERS REASSESSMENTS OF THE PROPERTY THAT COULD RESULT IN HIGHER PROPERTY TAXES. IF YOU HAVE ANY QUESTIONS CONCERNING VALUATION, CONTACT THE COUNTY PROPERTY APPRAISER'S OFFICE FOR INFORMATION.

27. Presale Contingency. Although Developer fully expects that the Units in this Condominium will sell within a reasonable time, if for some unforeseen reason there are not enough sales to warrant construction of, or to enable Developer to obtain appropriate construction financing for, the Condominium, or any particular Phase, then Developer will not be obligated to build the Condominium or such Phase at this time. Accordingly, this Agreement is contingent upon (a) Developer obtaining "Binding Purchase Agreements" for not fewer than four (4) Units in the specific Phase in which the Unit is located, on or before 180 days after the first Purchase Agreement is signed by a purchaser of a Unit in the same Phase as the Unit which is the subject of this Agreement (the "Presale Deadline). For the purposes hereof, a "Binding Purchase Agreement" is a Purchase Agreement which, as of the Presale Deadline, is not subject to any contingencies (other than a presale contingency), and with respect to which the buyer therein does not have the unilateral right to terminate the Purchase Agreement pursuant to the Condominium Act. If Developer does not obtain Binding Purchase Agreements for four (4) Units in such Phase in which the Unit is located by the Presale Deadline, then the Developer shall have the right and option, at its election, to terminate this Agreement by notice to the Buyer given within ten (10) days after the Presale Deadline.. If Developer timely elects to terminate, then the Agreement shall terminate, the Deposit shall be returned to the Buyer, and each party shall be relieved of all liability to the other under this Agreement. If Developer does not so elect to terminate, then this Agreement shall remain in effect according to its terms. Nothing contained in this paragraph shall extend the deadline for completion of the Unit pursuant to Paragraph 12(c).

28. Governing Law. Buyer certifies that this Agreement was not solicited either by telephone, mail or otherwise in a state other than Florida. The obligations under this Agreement shall be performed in the State of Florida and governed by Florida law. This Agreement shall not be construed more strongly against either party, regardless of the extent to which such party participated in the preparation hereof.

29. Cable Agreement. Buyer acknowledges and agrees that the Condominium is or may be subject to a bulk cable services agreement entered into by the Association, and that Buyer shall be bound by the terms of any such cable services agreement and that, pursuant thereto, Buyer will or may receive certain services, the cost of which will be paid by the Association as a Common Expense, and that additional services selected by Buyer will be at Buyer's expense. Such agreement may provide an exclusive right to provide cable services to the Condominium.

30. Attorney's Fees. In the event of litigation to enforce or construe this Agreement, or in the event that legal fees are incurred due to issues arising out of or related to this Agreement, the prevailing party shall be entitled to receive all reasonable attorney's and paralegal's fees incurred therein (including fees for appeals and bankruptcy proceedings) together with costs and disbursements, from the non prevailing party. In no event shall said attorney's fees be based on a contingency basis. Attorney's fees shall be computed on an hourly basis. Any suit or proceeding brought to enforce or construe this Agreement shall be brought in the Circuit Court for Manatee County, Florida, or the United States District Court, Middle District of Florida, Tampa Division, as the same is now constituted

or any court in the future that may be the successor to the courts contemplated herein. Buyer hereby waives the right to trial by jury and consents to a trial by the court without a jury. This paragraph shall survive the Closing of this transaction.

31. Offer to Purchase and Effective Date. This document constitutes but an offer by the Buyer to purchase the Property, and shall not become a binding contract upon Developer unless and until executed by an authorized representative of the Developer. The date of such execution by Developer is the Effective Date of this Agreement.

32. Broker's Compensation: A Co-operating Broker [] is or, [] is not participating in the sale. The co-operating broker is : _____, address: _____, telephone: _____ . Email: _____ agent's name: _____ .

33. Miscellaneous Provisions. This Agreement is binding upon the parties hereto, their heirs, legal representatives, successors and assigns, but nothing contained in this provision is intended to constitute a consent to an assignment by Buyer of this Agreement. All pronouns and variations thereof shall be construed so as to refer to the masculine, feminine, neuter, singular or plural thereof, as the identity of the person or persons or as the situation may require. This Agreement shall not be recorded in the Public Records unless Buyer obtains written consent from Developer. Any recording of this Agreement without said written consent of Developer shall constitute a breach of this Agreement and shall terminate this Agreement, at Developer's option. If any provision of this Agreement is invalid or unenforceable, all of the other terms and provisions thereof shall remain in full force and effect. Time is of the essence of this Agreement. This Agreement may be executed in counterparts and facsimile signatures shall be deemed the same as originals.

ANY PAYMENT IN EXCESS OF TEN (10.0%) OF THE PURCHASE PRICE MADE TO DEVELOPER PRIOR TO CLOSING PURSUANT TO THIS PURCHASE AGREEMENT MAY BE USED FOR CONSTRUCTION PURPOSES BY THE DEVELOPER.

Acknowledgment of Initial Deposit,
subject to collection.

Sales Representative

Date of Buyer's Signature

Buyer

Social Security # _____

Telephone Number: _____

Email Address: _____

Buyer

Social Security # _____

Telephone Number: _____

Email Address: _____

**PALMA SOLA BAY DEVELOPMENT, INC., a
Florida corporation**

Effective Date of Agreement

By: _____

Authorized Representative

Michael Saunders & Company®

LICENSED REAL ESTATE BROKER