

Cove Pointe Lot Contract

1. **Sale and Purchase.** Cove Preservation Partners, Inc., a Florida corporation (“**Seller**”) agrees to sell, and _____ (“**Buyer**”) agrees to buy the property described below on the terms and conditions set forth herein:

The property is part of that larger tract more particularly described on **Exhibit A** attached hereto (the “Subdivision Property”). **Buyer** understands and acknowledges that **Seller** intends to legally subdivide the Subdivision Property by plat or replat generally in the form of the sketch titled “Preliminary Plat of Cove Pointe” attached hereto as **Exhibit B**, subject, however, to such modifications, adjustments and additions as are deemed necessary or desirable by any governmental entity or agency having authority or jurisdiction over the approval of the plat or the permitting of any of the subdivision improvements (as finally modified, approved and recorded, such shall be referred to herein as the “Final Plat”). The property is described as that real property located in Bay County, Florida, which is depicted on the Preliminary Plat as Lot _____, but is subject to adjustment as provided above. Upon the recording of the Final Plat, such Final Plat shall be automatically, without further action on the part of **Buyer** or **Seller**, substituted herein for the Preliminary Plat for all purposes and the Property shall be identified with respect to reference thereto. Notwithstanding anything contained herein to the contrary, in the event a modification of the Preliminary Plat results in an increase or a decrease in the gross area of the Property by five percent (5%) or greater, then upon notification of such change, either **Buyer** or **Seller** shall have ten (10) days in which to exercise a right to cancel this Contract by providing written notice of such cancellation to the other. Upon cancellation pursuant to this provision, the Contract shall be null and void and the earnest money deposit shall be returned to **Buyer**.

2. **Terms.** The purchase price shall be \$_____ payable by **Buyer** in Certified U.S. funds as follows:

- (a) Earnest money deposit check provided by **Buyer** with this agreement, payable to Bay County Land & Abstract Co., 2518 S. Highway 77, Suite A, Lynn Haven, Florida 32444 (the “Escrow Agent”), in the amount of \$_____; and
- (b) Balance to close, subject to adjustments and prorations, to be made with cash, locally drawn certified or cashier’s check or wire transfer in the amount of \$_____.
- (c) **Buyer’s** obligations under this contract are not subject to any financing contingency. The Escrow Agent will hold the earnest money deposit in a non-interest bearing account.

3. **Seller’s Obligation to Complete Subdivision Improvements.** **Seller** represents and warrants that when the subdivision Improvements have been substantially completed that the Property will have ingress and egress by public roadway and that electricity and public water and sewer will be available to the Property. **Seller** agrees to proceed with reasonable due diligence to obtain the approval of the Final Plat and the substantial completion of the subdivision improvements contemplated by the Final Plat. Within seven (7) days of the substantial completion of the subdivision improvements contemplated by the Final Plat, **Seller** will deliver notice thereof to **Buyer** (the “Notice of Substantial Completion”).

4. **Closing Date.** This Contract will be closed and the deed and possession delivered within thirty (30) days after delivery by **Seller** to **Buyer** of the Notice of Substantial Completion.

(initials) _____
 buyer buyer buyer seller

5. Title and Survey.

- (a) *Title.* No later than five days after the delivery by **Seller** to **Buyer** of the Notice of Substantial Completion, **Seller** shall deliver to **Buyer** a title insurance commitment issued by a Florida licensed title insurer agreeing to issue to **Buyer**, upon the recording of the deed to **Buyer**, an owner's policy of title insurance in the amount of the purchase price, insuring title to the Property, subject only to the Permitted Exception which are listed on **Exhibit C** attached hereto, and liens, encumbrances and exceptions to be discharged by **Seller** at or before closing. At closing, **Seller** shall convey marketable title to the Property by statutory warranty deed subject only to the Permitted Exceptions. Marketable title shall be determined according to applicable Title Standards adopted by the authority of The Florida Bar. **Buyer** shall have five (5) days from the date of the delivery of the title insurance commitment to examine it and, if title is found to be defective, to notify **Seller** in writing specifying the defect. **Seller** will have ten (10) days from receipt of **Buyer's** notice of defects to cure the defects, but **Seller** shall not be obligated to incur any expense to do so. If **Seller** cures the defects within such ten day period, the **Seller** will deliver written notice to **Buyer** and the parties will close the transaction on the Closing Date. If the defects are not cured by **Seller** within such ten day period then **Seller** will deliver written notice to **Buyer** and **Buyer** shall thereupon have five (5) days to cancel this Contract by providing written notice to **Seller**. If **Buyer** delivers such notice of cancellation in a timely manner, then this Contract shall thereafter be null and void and the earnest money deposit shall be returned to **Buyer**. If **Buyer** fails to deliver such notice of cancellation in a timely manner then **Buyer** shall be deemed to accept title with existing defect (which thereupon shall constitute Permitted Exceptions hereunder) and the parties shall close this transaction on the Closing Date.
- (b) *Survey.* **Buyer** may, prior to the Closing Date, and at **Buyer's** expense, have the Property surveyed and deliver to **Seller**, within five (5) days of receipt of the survey but not later than five (5) days after delivery of the title commitment, written notice of any encroachments on the Property. Any such encroachment will be treated in the same manner as a title defect and **Buyer's** and **Seller's** rights and obligations will be determined in accordance with subparagraph (a) above.

6. Closing Procedure; Costs. The Closing will take place at the offices of the Escrow Agent. In addition to other expenses paid as provided in this Contract, **Seller** and **Buyer** will pay the costs indicated below:

- (a) **Seller's costs.** **Seller** will pay documentary stamp taxes on the deed, recording fees for documents needed to cure title, and the cost of the owner's policy of title insurance.
- (b) **Buyer's costs.** **Buyer** will pay recording fees on the deed, taxes and recording fees on any of **Buyer's** purchase money notes or mortgages, all expenses related to **Buyer's** loan, the cost of any lender's title policy at the simultaneous issue rate, the **Capitalization Assessment** which is levied on the Property upon the closing of this Contract pursuant to the terms of the Restrictive Covenants (see list of Permitted Exceptions for definition of the Restrictive Covenants), and the Annual Assessment assessed against the Property for the year of closing.
- (c) *Other Usual and Customary.* All other costs and expenses of closing shall be borne and paid as provided in this Contract, or if this Contract is silent, as is usual and customary in Bay County, Florida.
- (d) *Prorations.* Property taxes will be made current and prorated as of the day before the Closing Date, based on the then current year's tax. If closing occurs when either the then current year's millage is not fixed or the then current year's assessment is not

(initials) _____
 buyer buyer buyer seller

available, then taxes will be prorated based on the best information available from the Bay County Property Appraiser. A tax proration based on an estimate shall, at the request of either party, be readjusted upon receipt of tax bill on condition that a statement to that effect is signed at closing.

7. **Land Use.** Buyer acknowledges and agrees that upon substantial completion of the subdivision improvements as contemplated by the Final Plat that the Property will be suitable for Buyer's purposes, and that the Restrictive Covenants and other pertinent regulation and restrictions, concurrency, growth management and environmental conditions, including possible jurisdictional wetlands, are acceptable to Buyer. This Contract is not contingent on Buyer conducting any further investigations.

8. **Effective Date; Time.** The "Effective Date" of this Contract is the date on which the last of the parties initials or signs the latest offer. **Time is of the essence for all provisions of this Contract.** All time periods expressed as days will be computed in calendar days. If any deadline falls on a Saturday, Sunday or national legal holiday, performance will be due the next business day (a "business day" is every calendar day except Saturday, Sunday or national legal holidays). All time periods will end at 5:00 p.m. Central Standard Time.

9. **Notices.** All notices will be made to the parties by certified mail, facsimile, personal delivery, or electronic media, at the addresses, fax number or email address set forth below or at such other address as has been substituted by notice given in the manner required hereby.

As to **Seller:**
Cove Preservation Partners, Inc.
338 Bunkers Cove Road
Panama City, FL 32401
facsimile: (850) 872-2093
email: cove@panamacityera.com

with copy to:
ERA Neubauer Real Estate, Inc.
740 S Tyndall Parkway
Panama City, FL 32404
facsimile: (850) 872-2093
email: tom@panamacityera.com

If Buyer is represented by a broker (noted hereinbelow), an additional copy of any notice to Buyer shall be sent to Buyer's broker as follows:

As to **Buyer:**

facsimile: _____
email: _____

facsimile: _____
email: _____

10. **Complete Agreement.** This Contract is the entire agreement between Buyer and Seller. No prior or present agreements will bind Buyer, Seller or Broker unless incorporated into this Contract. Modifications of this Contract will not be binding unless in writing, signed and delivered by the party to be bound. Signature, initials, documents referenced in this Contract, counterparts and written modifications communicated electronically or on paper will be acceptable for all purposes, including delivery, and will be binding. Handwritten or typewritten terms inserted in or attached to this Contract and initialed by the parties will prevail over preprinted terms. If any provision of this Contract is or becomes invalid or unenforceable, remaining provisions will continue to be fully effective. This Contract will not be recorded in any public record.

(initials) _____
 buyer buyer buyer seller

11. **Assignability; Persons Bound.** **Buyer** may not assign this Contract without **Seller's** written consent, (see exhibit D). The terms "**Buyer**," "**Seller**," and "**Broker**" may be singular or plural. This Contract is binding on the heirs, administrators, executors, successors, personal representatives and assigns (if permitted) of **Buyer**, **Seller** and **Broker**.

12. **Default.** If **Seller** fails, refuses or neglects to perform in breach of its obligations under this Contract, **Buyer** may choose to receive a return of **Buyer's** earnest money deposit without waiving the right to seek damages or to seek specific performance. If **Buyer** fails, refuses or neglects to perform in breach of **Buyer's** obligations under this Contract, **Seller** may choose to retain and collect all earnest money deposits paid as liquidated damages or to seek specific performance, or to seek a judgment for actual damages. If, on account of any breach or default by **Seller** or **Buyer** of their respective obligations under this Contract, it shall become necessary for the other to employ an attorney to enforce or defend any of its rights or remedies hereunder, and should such party prevail, such prevailing party shall be entitled to any reasonable attorneys' fees and costs incurred in connection therewith, including any costs and fees incurred at the appellate level.

13. **Escrow Agent.** **Buyer** and **Seller** authorize Bay County Land and Abstract Company (Address: 2518 S. Highway 77, Suite A, Lynn Haven, Florida 32444; Telephone: (850) 265-5656) to act as "Escrow Agent" to receive funds and other items and, subject to clearance, disburse them in accordance with the terms of this Contract. If Escrow Agent receives conflicting demands or has a good faith doubt as to Escrow Agent's duties or liabilities under this Contract, Escrow Agent may hold the subject matter of the escrow until the parties mutually agree to its disbursement or until issuance of a court order determining the parties' right regarding the escrow. The parties agree that Escrow Agent will not be liable to any person for misdelivery to **Buyer** or **Seller** of escrowed items, unless the misdelivery is due to Escrow Agent's willful breach of this Contract or gross negligence.

14. **Brokers.** Check one, as applicable:

Neither **Buyer** nor **Seller** has utilized the services of, or for any other reason owes compensation to a licensed real estate broker. **Buyer** hereby agrees to defend, indemnify and hold harmless **Seller** from and against any claim or assertion (and related loss, damage or liability arising therefrom, including attorneys fees and costs) by any licensed real estate broker or agent entitled to a commission or fee in connection with this transaction, which is predicated on any action, representation or agreement of **Buyer**.

The licensee(s) and brokerage(s) named below are collectively referred to as "Broker." **Seller** and **Buyer** acknowledge that the brokerage(s) named below are the procuring cause of this transaction, and upon the closing of this Contract shall be entitled to a total brokerage fee equal to three percent (3%) of the purchase price. The brokerage fee shall be borne by the **Seller**. The parties represent to each other that neither **Buyer** nor **Seller** has utilized the services of any licensee or brokerage except those specifically named below, and that neither **Buyer** nor **Seller** for any other reason owes compensation to a licensed real estate broker, except as specifically set forth herein. **Buyer** hereby agrees to defend, indemnify and hold harmless **Seller** from and against any claim or assertion (and related loss, damage or liability arising therefrom, including attorneys fees and costs) by any licensed real estate broker or agent other than those specifically named below entitled to a commission or fee in connection with this transaction which is predicated on any action, representation or agreement of **Buyer**. Instruction to Escrow Agent: **Seller** and **Buyer** direct the Escrow Agent as the closing agent to disburse at closing to the Broker the full amount of the brokerage fee.

Specified Broker: _____

(initials) _____
 buyer buyer buyer seller

15. Professional Advice: Broker and Seller Liability. Seller and Broker advises Buyer to verify all facts and representations that are important to Buyer and to consult an appropriate professional for legal advice (for example, interpreting contracts, determining the effect of laws on the Property and transaction, status of title, foreign investor reporting requirements, etc.), and for tax, property condition, environmental and other specialized advice. Buyer agrees to rely solely on professional inspectors and governmental agencies for verification of the Property condition, Property status, and facts that materially affect Property value, as well as written representations of Seller. This paragraph will survive the closing.

16. Miscellaneous. The parties hereby agree from time to time to execute and deliver such further and other assurances, assignments and documents and do all matters and things, which may be convenient or necessary to more effectively and completely carry out the intentions of this Contract. Each of the parties irrevocably and unconditionally agrees that any suit, action or legal proceeding arising out of or relating to this Contract shall be brought in the courts of record of the State of Florida in Bay County.

This is intended to be a legally binding contract. If not fully understood, seek the advice of an attorney prior to signing.

Buyer: _____ Date: _____

Buyer: _____ Date: _____

Buyer Information			
Mailing Address:	_____		
Telephone:	home: _____	work: _____	fax: _____
	mobile: _____	email address: _____	

Seller:
Cove Preservation Partners, Inc.

By: _____ Date: _____

Its: _____

(initials) _____
 buyer buyer buyer seller

Exhibit A

SUBDIVISION PROPERTY

BEGIN AT THE NORTHEAST CORNER OF LOT 7, BLOCK 59, AS PER PLAT OF BUNKERS COVE, BEING H.L. SUDDUTH REALTY COMPANY'S FOURTH ADDITION TO PANAMA CITY, FLORIDA LOCATED IN SECTIONS 9 AND 10, TOWNSHIP 4 SOUTH, RANGE 14 WEST, ACCORDING TO PLAT ON FILE WITH THE CLERK OF THE CIRCUIT COURT IN PLAT BOOK 1 AT PAGE 72 OF THE PUBLIC RECORDS OF BAY COUNTY, FLORIDA; THENCE NORTH 00°21'09" EAST ALONG A NORTHERLY EXTENSION OF THE EAST LINE OF LOTS 1, 2, 3, 4, 5, 6 AND 7 OF SAID BLOCK 59, FOR A DISTANCE OF 535 FEET, MORE OR LESS, TO THE WATER'S EDGE OF WATSON BAYOU; THENCE EASTERLY AND SOUTHERLY ALONG SAID WATER'S EDGE FOR THE FOLLOWING COURSES: SOUTH 56°10'12" EAST FOR A DISTANCE OF 58.08 FEET; THENCE SOUTH 65°00'17" EAST FOR A DISTANCE OF 34.32 FEET; THENCE NORTH 44°09'27" EAST FOR A DISTANCE OF 86.82 FEET; THENCE NORTH 83°43'22" EAST FOR A DISTANCE OF 45.36 FEET; THENCE NORTH 62°32'59" EAST FOR A DISTANCE OF 55.49 FEET; THENCE NORTH 45°47'11" EAST FOR A DISTANCE OF 51.01 FEET; THENCE NORTH 67°16'50" EAST FOR A DISTANCE OF 86.07 FEET; THENCE NORTH 69°56'49" EAST FOR A DISTANCE OF 39.32 FEET; THENCE NORTH 85°42'40" EAST FOR A DISTANCE OF 45.68 FEET; THENCE NORTH 77°02'24" EAST FOR A DISTANCE OF 66.98 FEET; THENCE NORTH 87°08'30" EAST FOR A DISTANCE OF 45.36 FEET; THENCE NORTH 69°34'16" EAST FOR A DISTANCE OF 50.69 FEET; THENCE NORTH 76°38'29" EAST FOR A DISTANCE OF 106.85 FEET; THENCE NORTH 64°58'09" EAST FOR A DISTANCE OF 50.09 FEET; THENCE NORTH 63°45'55" EAST FOR A DISTANCE OF 27.43 FEET; THENCE SOUTH 78°20'11" EAST FOR A DISTANCE OF 50.49 FEET; THENCE SOUTH 64°21'07" EAST FOR A DISTANCE OF 45.69 FEET; THENCE SOUTH 25°41'02" EAST FOR A DISTANCE OF 50.99 FEET; THENCE SOUTH 23°56'49" EAST FOR A DISTANCE OF 77.55 FEET; THENCE SOUTH 03°43'14" EAST FOR A DISTANCE OF 53.56 FEET; THENCE SOUTH 24°09'25" EAST FOR A DISTANCE OF 38.38 FEET; THENCE SOUTH 03°25'38" EAST FOR A DISTANCE OF 284.95 FEET; THENCE SOUTH 06°06'39" EAST FOR A DISTANCE OF 122.38 FEET; THENCE SOUTH 20°55'54" EAST FOR A DISTANCE OF 67.79 FEET; THENCE SOUTH 16°43'47" EAST FOR A DISTANCE OF 48.34 FEET; THENCE SOUTH 26°09'12" EAST FOR A DISTANCE OF 39.50 FEET; THENCE SOUTH 14°29'06" EAST FOR A DISTANCE OF 129.54 FEET; THENCE SOUTH 10°15'56" EAST FOR A DISTANCE OF 25.73 FEET; THENCE SOUTH 67°15'28" EAST FOR A DISTANCE OF 26.45 FEET; THENCE SOUTH 04°34'23" WEST FOR A

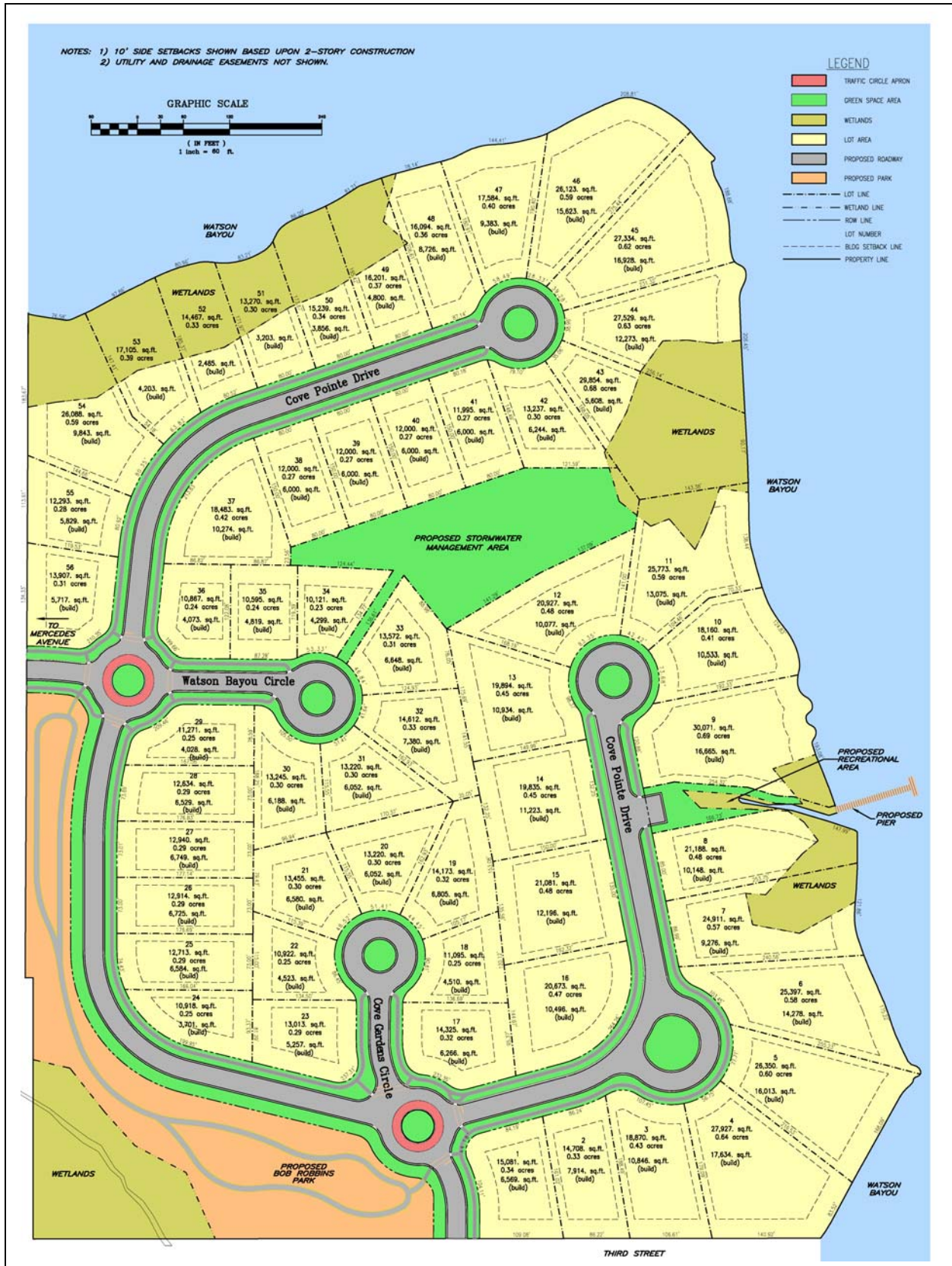
(initials) _____
 buyer buyer buyer seller

DISTANCE OF 57.42 FEET; THENCE SOUTH 00°26'42" EAST FOR A DISTANCE OF 58.48 FEET; THENCE SOUTH 15°47'04" EAST FOR A DISTANCE OF 68.12 FEET; THENCE SOUTH 21°26'52" EAST FOR A DISTANCE OF 76.45 FEET; THENCE SOUTH 18°30'35" EAST FOR A DISTANCE OF 44.04 FEET; THENCE SOUTH 31°53'36" EAST FOR A DISTANCE OF 22.05 FEET; THENCE SOUTH 27°31'09" WEST FOR A DISTANCE OF 72.62 FEET; THENCE SOUTH 38°15'40" WEST FOR A DISTANCE OF 33.86 FEET; THENCE SOUTH 24°09'56" WEST FOR A DISTANCE OF 87.53 FEET; THENCE SOUTH 34°19'17" WEST FOR A DISTANCE OF 53.79 FEET TO THE NORTH LINE OF LOT 4, BLOCK 96, FIRST ADDITION TO COVE TERRACE (BUNKER'S COVE) , BENIG SUDDUTH'S TWELTH ADDITION, AS PER PLAT RECORDED IN PLAT BOOK 7, PAGE 51 OF THE PUBLIC RECORDS OF BAY COUNTY, FLORIDA, SAID LINE BEING THE NORTH RIGHT OF WAY LINE OF THIRD STREET PROJECTED EASTERLY FROM THE SOUTH LINE OF BLOCKS 50, 52 AND 57 AS PER PLAT OF BUNKERS COVE, SAID SUDDUTHS FOURTH ADDITION; THENCE NORTH 89°57'41" WEST, ALONG SAID NORTH RIGHT OF WAY LINE FOR A DISTANCE OF 1,030 FEET, MORE OR LESS, TO A POINT OF INTERSECTION WITH A SOUTHERLY EXTENSION OF THE AFORESAID EAST LINE OF SAID LOTS 1, 2, 3, 4, 5, 6 AND 7 OF SAID BLOCK 59; THENCE LEAVING SAID NORTH RIGHT OF WAY LINE, NORTH 00°21'09" EAST, ALONG SAID EAST LINE AND A SOUTHERLY EXTENSION THEREOF, FOR A DISTANCE OF 715.64 FEET TO THE POINT OF BEGINNING

LESS AND EXCEPT: Any portion of the above described property lying within the West Half of Lot 18 or the West Half of Lot 11, Block 57 or within that portion of the vacated alley way lying within Block 57, and adjacent to said West Half of Lots 11 and 18, all according to the Plat of Bunkers Cove, being H.L. Sudduth Realty Company's Fourth Addition to Panama City, Florida, according to the plat recorded in Plat Book 1, Page 72, in the Office of the Clerk of the Circuit Court of Bay County, Florida.

(initials) _____
 buyer buyer buyer seller

Exhibit B



(initials)

buyer

buyer

buyer

seller

Exhibit C

Permitted Exceptions

1. Any rights, interest or claims affecting the Property, which a correct survey would disclose and which are not shown by the public records.
2. Any dispute as to the boundaries caused by a change in the location of any water body with or adjacent to the land prior to the date of Closing, and any adverse claim to all or part of the Property that is, at the date of Closing, or was previously under water.
3. Taxes or special assessments not shown as lien in the public records or in the records of the local tax collecting authority, at the date of Closing.
4. Any minerals or mineral rights leased, granted or retained by current or prior owners.
5. Taxes and assessments for the year of Closing and subsequent years, which are not yet due and payable.
6. Declaration of Covenants, Conditions, Restrictions and Easements, which contain provisions for charge or assessments, to be recorded (this document is available for review on Seller's website www.covepointe.com, and is subject to such modifications, adjustments and additions as are deemed necessary or desirable by any governmental entity or agency having authority or jurisdiction over the approval of the Final Plat or the permitting of any of the subdivision improvements) (the "Restrictive Covenants").
7. Riparian rights are not guaranteed or insured. Title to no portion of the Property lying below ordinary high water mark is insured.
8. Due to all or part of the Subdivision Property being artificially filled in land in what was formerly navigable waters, the title policy provided at Closing is subject to the right of the United States Government, arising by reason of the United States Government's control over navigable waters in the interest of navigation and commerce.
9. Terms, conditions and easements as set forth in the conveyance from the United States of America to City of Panama City, Florida recorded in Book 2421, Page 2008; and conveyance from City of Panama City, Florida to Cove Preservation Partners, Inc. recorded in Book 2423, Page 524.
10. Matter appearing on the Final Plat, to be recorded, including, but not limited to, any building setback lines and/or easements lying within the Property.

Exhibit D

Assignment and Pre-closing Marketing & Access

Parties acknowledge that paragraph 11 of the Cove Pointe Lot Contract and the terms of this exhibit are of material significance to this agreement.

- (1) Buyer agrees that prior to the closing of this transaction, the Property or this Contract may not be advertised for sale by Buyer in any media.
- (2) Buyer shall not install any signage on the property whatsoever, including, but not limited to, "for sale" signs.
- (3) After this offer has become a contract, Buyer will continue to observe all access and security rules during the construction period, further ensuring compliance with contractor safety requirements and regulations.
- (4) Should Buyer wish to send inspectors, building contractors, engineers, or others to inspect the Property, it is agreed that any such visits will be coordinated with the on-site job foreman or otherwise occur on days and times when the property is open for public viewing.

(Contact and access information will be posted on the project website www.covepointe.com and will change from time to time.)