

**CHURCH STREET VILLAGE
PURCHASE AND SALE AGREEMENT
-for an Existing Home-**

HUFF DEVELOPMENTS, LLC ("Seller"), whose address is 4590 Highway 20, Niceville, Florida 32578, pursuant to the terms of this Agreement, hereby agrees to sell to:

NAME: _____ ("Buyer")
(as name will appear on deed)

ADDRESS: _____
TELEPHONE: Work: _____ Home: _____
FACSIMILE: _____ E-mail Address: _____

SOCIAL SECURITY NUMBERS / FEDERAL EMPLOYER IDENTIFICATION NUMBER:
_____ (Buyer) _____ (Co-Buyer). The Buyer hereby agrees to purchase from Seller the following described lot and dwelling (collectively, the "Home") located within CHURCH STREET VILLAGE, Walton County, Florida upon the following terms and conditions:

1. **HOME DESCRIPTION:** Lot _____, Block _____ **CHURCH STREET VILLAGE**, according to plat thereof to be recorded in Walton County, Florida, and improvements located on the Lot (the lot and dwelling are collectively referred to as the "Home"). **Plan Selection:** _____

2. **PURCHASE PRICE:**

a.	Purchase Price of Home	\$ _____
b.	TOTAL PURCHASE PRICE	\$ _____
c.	Deposit	\$ _____
d.	Balance due at Closing in the form of cashier's check or wire transfer, subject to adjustments and prorations	\$ _____

The sum set forth in paragraph 2.c is referred to herein as "Initial Payment".

The Initial Payment shall be paid to Seller and shall be used by the Seller in the construction of the Home. Except in the event of Seller's Default as outlined in Section 0, the Initial Payment is non-refundable, non-assignable and non-transferable.

3. **CLOSING COSTS:**

a. Buyer will pay for recording fees; documentary stamps on the deed; Buyer's attorney's fees; assessments due to CHURCH STREET VILLAGE Homeowners Association, Inc. ("Homeowners Association") prorated for the month of Closing (as of the Closing Date) and working capital contribution to the Homeowners Association equal to two (2) months of assessments. Buyer shall also pay any costs related to the deposit for electrical service, the cost of obtaining financing (including the cost of a mortgagee's policy of title insurance, if any) and the cost of the title insurance premium if Buyer elects to obtain its own title insurance (i.e., title insurance not covered by Seller under Section 3(b)) and the master surety bond, if applicable.

b. Seller will pay for recording of the partial release; the premium for an owner's title insurance policy; Seller's attorney's fees; and real estate commission.

c. Taxes for the year in which the sale is closed shall be prorated between Seller and Buyer as of the Closing Date based on the taxes for the year of Closing. Buyer shall pay to Seller its prorata share and Seller shall pay the taxes for the year of Closing. Tax prorations based upon an estimate may be re-prorated when the actual tax bill becomes available, if

requested by either party, subsequent to Closing. This Agreement to reproporate shall survive the Closing of the purchase and sale contemplated in this Agreement.

d. BUYER SHOULD NOT RELY ON THE SELLER'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.

4. **COMPLETION, CLOSING DATE AND OCCUPANCY:**

a. For purposes of this Agreement, the construction of the Home shall be deemed "substantially complete" when Seller has obtained a certificate of occupancy from the appropriate governmental authority. Seller will notify Buyer upon substantial completion of the Home, and the consummation of this transaction shall take place within three (3) days from the date on which construction is deemed to be "substantially complete" for the Home ("Closing Date"). If Buyer fails to close on or before the Closing Date, then Seller may treat such failure as a default subject to the terms of Article VI of Addendum No. 1 attached hereto and made apart hereof or Seller may, in its sole discretion, determine to extend the Closing Date upon payment to Seller by Buyer of an extension fee equal to ten (10) percent on the total purchase price, but in no event shall such extension extend beyond the twenty-four (24) month period set forth in subparagraph (b) below. **NO PORTION OF THE PURCHASE PRICE SHALL BE HELD BACK OR ESCROWED AND THE CLOSING SHALL NOT BE DELAYED PENDING COMPLETION OF ANY ITEMS THAT SELLER MUST COMPLETE OR REPAIR PURSUANT TO ARTICLE V.I OF ADDENDUM NO. 1.**

The Closing shall be held at the office of Seller's choice of closing agent, unless the parties agree upon another location for Closing, at the hour and place designated by Seller. If Buyer fails to close at the time and place designated by Seller, Buyer shall be deemed to be in default hereunder and Seller shall be entitled to seek the remedies and damages set forth in Article VI(A) of Addendum No. 1 to this Agreement.

b. In compliance with the requirements of the Interstate Land Sales Full Disclosure Act, Seller acknowledges that it has an absolute obligation to complete the Home within not more than twenty-four (24) months from the Effective Date hereof, provided, however, the time periods set forth herein may be extended due to delays caused by Acts of God.

c. Seller agrees to deliver occupancy of the Home on the Closing Date.

d. If Buyer is unable to obtain hazard, wind, flood or homeowners insurance at reasonable rates, due to extreme weather conditions, then Buyer may delay closing for up to three (3) days after such coverage becomes available; provided, however, that such extension period shall not delay Closing beyond the 24 month period described in Section 4.b above.

5. **BROKERS:** Seller and Buyer acknowledge and agree that Destinctive Realty, Inc. ("Broker") is the procuring cause of the sale described in this Agreement and that Broker is the agent for Seller and will be paid by Seller in an amount provided by separate agreement. Each party hereby agrees to indemnify and hold the other harmless from and against any liability for any claims of any broker other than the Broker.

This Agreement is subject to additional terms and conditions on all addenda attached hereto and made a part of this Agreement. Buyer, by signing below, acknowledges receipt of such Addenda and agrees to be bound by the terms thereof.

This Agreement has important legal consequences that should be read thoroughly prior to signing. If you have any questions about your rights or responsibilities under this Agreement, you may wish to consult an attorney. We, the undersigned, have read and understand and agree to each of the provisions of this Agreement.

IF THE DISCLOSURE SUMMARY REQUIRED BY SECTION 720.401, FLORIDA STATUTES, HAS NOT BEEN PROVIDED TO THE PROSPECTIVE PURCHASER BEFORE EXECUTING THIS AGREEMENT FOR SALE, THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING TO SELLER OR SELLER'S AGENT WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN THREE (3) DAYS AFTER RECEIPT OF THE DISCLOSURE SUMMARY OR PRIOR TO CLOSING, WHICHEVER OCCURS FIRST. ANY PURPORTED WAIVER OF THIS VOIDABILITY RIGHT HAS NO EFFECT. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

“BUYER(S)”

Date of Execution: _____

“SELLER”

HUFF DEVELOPMENTS, LLC, a Florida limited liability company

By: _____

Name: _____

Its Manager

Date of Execution: _____

ADDENDUM NO. 1

Buyer: _____

Seller: Huff Developments, LLC

Project: CHURCH STREET VILLAGE

Home: Lot _____ Block _____

ADDITIONAL TERMS AND CONDITIONS

I. CONSTRUCTION OF THE HOME:

- A. General Construction. Seller shall construct the Home in substantial conformance with the depictions and specifications set forth in the Plans and Specifications (collectively, the "Plans"). **Buyer acknowledges that Buyer has reviewed the Plans.**
- B. Standard Features. The standard features to be included with the Home are set forth on the List of Standard Features for CHURCH STREET VILLAGE on file with Seller. **Buyer acknowledges that Buyer has reviewed the List of Standard Features for CHURCH STREET VILLAGE.**
- C. Changes by Seller. The Buyer acknowledges that in the course of construction of the Home, certain changes, deviations or omissions from the plans and specifications then on file with any governmental regulatory authority may be necessary because of the requirements of governmental authorities having jurisdiction over the Home, of lenders or of particular conditions of the job (hereinafter referred to as "Necessary Changes"). Further, the Buyer acknowledges that in the course of construction of a Home certain Necessary Changes may result in variation of the dimensions of the Home. Seller shall have no obligation to deliver to Buyer notice of such Necessary Changes.

Buyer further acknowledges that in the course of construction of the Home, the Seller may elect to make changes and substitutions of materials, so long as the replacement materials are substantially equivalent to those shown in any model or specified on the Plans (collectively, "Materials Substitutions"). Seller shall have no obligation to deliver notice to Buyer of such Materials Substitutions.

Based upon the foregoing, the Buyer hereby authorizes the Seller to undertake, without the need for specific authorization, any Necessary Changes and/or Materials Substitutions. Buyer further acknowledges that, because the extent of the Necessary Changes and/or Materials Substitutions that may be made to the Home is unknown at present, the representations of the Seller to date with respect to the square footage of the Home, and any Plans that are currently on file with any governmental regulatory authority do not reflect and cannot be relied on to reflect Necessary Changes and/or Materials Substitutions.

During the course of negotiations, the Seller may have shown Buyer model homes, drawings, brochures, maps or other documents depicting the Home. The Buyer understands that certain items and improvements to the Home may vary and may differ from samples shown to Buyer. Certain items in model Homes are for display only, and unless listed in this Agreement, only the Standard Features are included in this transaction. **Buyer acknowledges that Seller has the right to make the**

Necessary Changes and the Materials Substitutions without Buyer's consent.

- D. Changes by Buyer. Costs not included in the Total Purchase Price (“Additional Costs”) as set forth above or as specifically provided for herein to be paid by Seller shall be paid by Buyer and shall be in addition to the Total Purchase Price. Additional Costs shall be paid by Buyer at the time a change or modification is requested and approved by Buyer and Seller. Seller shall not be obligated to make any modification in allowance items or deviate from the plans and specifications except as otherwise stated herein until the Additional Costs are paid by Buyer. Such Additional Costs are costs not contemplated or known by the parties at the time of the execution of this Agreement and include, without limitation, modifications and change orders subsequently authorized by Owner in writing.
- E. Insulation: The insulation in the roof of the Home will be fiberglass batt will have a minimum thickness of five and one half (5.5”) inches and will, according to manufacturers, yield an R-Value of 19; the insulation in the exterior walls will be fiberglass batt to a minimum thickness of five and one half (5.5) inches and will, according to manufacturers, yield an R-value of 19 for the exterior wall assembly as it will be constructed. “R-Value” means the resistance of insulation to heat flow. The higher the R-Value, the greater the insulating power. Seller shall not independently verify the R-Value of the building components that it installs in the Home. Instead, Seller shall rely solely on the R-Value data provided to it by the manufacturer of such building components. Buyer acknowledges that this R-value information is based solely upon information supplied by the manufacturer or installer and Seller does not represent or warrant the accuracy of this information. Buyer further acknowledges that R-value may vary based upon normal construction variances and constitutes only one element of the total energy package.
- F. Interim Inspections. Buyer understands and agrees that during construction of the Home, due to hazardous conditions and insurance and security requirements, neither Buyer nor his or her representatives shall go into CHURCH STREET VILLAGE or onto the construction site unless accompanied by an authorized representative of Seller. Buyer may inspect the Home during the construction of the Home, if, and only if, safe site conditions exist and Buyer is accompanied by an authorized representative of Seller.
- G. Construction Control. Direction and supervision of the construction of the Home rests exclusively with Seller. Buyer shall not issue any instructions to, or otherwise interfere with, Seller or Seller’s contractors, subcontractors or suppliers. Buyer shall not contract for additional work with Seller’s contractors or subcontractors. Buyer hereby agrees that no work will be permitted within the Home by anyone other than Seller until title is transferred. Buyer’s obligations under this paragraph shall survive the Closing.
- H. Homeowner Orientation. When construction of the Home is substantially complete, Seller shall deliver written notice thereof to Buyer and schedule a tour of the Home (the “Homeowner Orientation”) by Buyer and a representative of Seller. Following the Homeowner Orientation, Buyer shall sign an acknowledgment pursuant to which Buyer shall acknowledge that Buyer accepts the Home as its “AS IS” condition, subject only to the warranties described in Article V.I of this Addendum.
- I. NOTICE REGARDING DEFECTIVE CONSTRUCTION LAWSUITS. CHAPTER 558, FLORIDA STATUTES CONTAINS IMPORTANT REQUIREMENTS

YOU MUST FOLLOW BEFORE YOU MAY BRING ANY LEGAL ACTION FOR AN ALLEGED CONSTRUCTION DEFECT IN YOUR HOME. SIXTY DAYS BEFORE YOU BRING ANY LEGAL ACTION, YOU MUST DELIVER TO THE OTHER PARTY TO THIS CONTRACT A WRITTEN NOTICE REFERRING TO CHAPTER 558 OF ANY CONSTRUCTION CONDITIONS YOU ALLEGE ARE DEFECTIVE AND PROVIDE SUCH PERSON THE OPPORTUNITY TO INSPECT THE ALLEGED CONSTRUCTION DEFECTS AND TO CONSIDER MAKING AN OFFER TO REPAIR OR PAY FOR THE ALLEGED CONSTRUCTION DEFECTS. YOU ARE NOT OBLIGATED TO ACCEPT ANY OFFER WHICH MAY BE MADE. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER THIS FLORIDA LAW WHICH MUST BE MET AND FOLLOWED TO PROTECT YOUR INTERESTS.

II. **TITLE:**

- A. At least ten (10) days prior to the Closing Date, Seller shall deliver to Buyer a Commitment for Title Insurance (the "Commitment"), along with copies of the exceptions set forth therein. The Commitment will show the status of record title to the Home and commit to insure marketable title to the Home in Buyer, upon payment of the policy premium by Seller and the satisfaction of certain requirements by Seller, subject to the standard printed exceptions and all matters of record appearing in the Commitment. Notwithstanding the foregoing, if the Closing Date is fewer than ten (10) days after the date of this Agreement, Seller shall be obligated to deliver the Commitment to Buyer only two (2) days prior to the Closing Date.
- B. If Buyer asserts the existence of any encumbrance, encroachment or defect in title which renders title to the Home unmarketable and which Buyer does not waive (all of which are called "Defects of Title"), Buyer shall give written notice of such Defects of Title to Seller within five (5) days after its receipt of the Commitment or the Closing Date, whichever is earlier. If Buyer fails to give such notice, then Buyer shall be deemed to have waived any such defect and accepted the condition of the title as satisfactory. After its receipt of such notice, Seller may, but shall not be obligated to, remove or cure such Defects of Title. If Seller attempts to remove or cure such Defects of Title, Seller shall be entitled to an adjournment of the closing for a period of thirty (30) days in which to remove or cure such Defects of Title. Seller shall be entitled to (i) use the proceeds from the closing to cure or remove any Defect of Title; or (ii) provide Buyer with title protection against any such Defect of Title and such title insurance protection shall be deemed to satisfy Seller's obligation to remove or cure any Defect of Title. If Seller is unable or unwilling to remove or cure all Defects of Title within such period, Buyer may elect to waive such Defects of Title or to terminate this Agreement.
- C. As soon as practicable following Closing, Seller shall, at Seller's expense, furnish to Buyer an Owner's policy of title insurance in the amount of the Purchase Price.

III. **CLOSING OF TITLE**

At the Closing, the following shall occur, each being a condition precedent to the others and all being considered as occurring simultaneously:

- A. Buyer shall deliver to Seller the balance of the Purchase Price in cash or a cashier's check or wire transfer.

- B. Seller shall deliver to Buyer an executed and acknowledged special warranty deed to the Home subject only to matters of record.
- C. If applicable, Seller shall deliver to Buyer an executed and acknowledged assignment of any warranties of personal property that may be unexpired and assignable pursuant to Article V.I of this Addendum.
- D. Seller shall deliver to Buyer an executed and acknowledged non-foreign person affidavit to assure compliance with § 1445 of the Internal Revenue Code of 1986, as amended.
- E. Buyer and Seller shall execute and deliver such other documents and shall take such other actions as may be necessary to carry out their obligations under this Agreement, including without limitation a closing statement.

IV. **HOME OWNERSHIP AND USE SUBJECT TO HOMEOWNERS ASSOCIATION DOCUMENTS AND MASTER DECLARATION:** Buyer agrees that the purchase of the Home, the occupancy of the Home and all of the obligations of the Buyer will, at all times, be subject to and bound by the provisions of the instruments and documents comprising the Homeowners Association documents, specifically including, but not limited to all terms and conditions of the Declaration of Easements, Covenants, Conditions and Restrictions for CHURCH STREET VILLAGE, as amended from time to time (“Homeowners Declaration”).

V. **DISCLOSURES, ACKNOWLEDGMENTS AND WAIVERS:**

- A. **Responsibility for Utilities.** Buyer acknowledges and agrees that all separately metered utilities to the Home will be applied for and turned on in the Buyer’s name no later than three (3) days prior to the Closing Date, and that the Buyer shall be obligated to pay the costs of such utilities.
- B. **Price and Agreement.** Buyer acknowledges and agrees that the Purchase Price is the result of an arm’s-length negotiation with Seller and is not based on (i) any agreement, guaranties, promises, representations or warranties concerning property values, or (ii) the past, present or future prices paid or to be paid for other Homes in CHURCH STREET VILLAGE. Buyer further acknowledges and agrees that Seller has no obligation to take any action or refrain from taking any action in connection with the development or marketing of Homes in CHURCH STREET VILLAGE that would support or enhance the value of the Home.
- C. **Development.** Buyer acknowledges and agrees that Seller retains the right to develop CHURCH STREET VILLAGE according to its plans, which may change from time to time, including the right to build Homes which may differ substantially from the models of Homes, if any, offered to Buyer or built elsewhere in CHURCH STREET VILLAGE. Buyer further acknowledges and agrees that Seller retains the right at any time, and from time to time, without notice, for whatever reason Seller deems appropriate, in its sole and absolute discretion: (i) to change the style, design, size, or any other feature of any Homes the Seller may build in CHURCH STREET VILLAGE; (ii) to change the timing of its construction of any other Homes or decide not to build at all any or all other Homes contemplated by Seller’s development plan, as such plan may be amended from time to time; and (iii) to use any method or marketing to sell, lease or otherwise dispose of any or all of its remaining or future inventory of Homes.

- D. Radon Gas. Radon 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 your county public health unit. Seller makes no representation to Buyer concerning the presence or absence of radon gas in the Home at any time or in any quantity. Buyer hereby expressly releases Seller from any loss, claim, liability or damage now or hereafter arising from or related to the presence at any time of radon gas in the Home.
- E. Termite Bond. Seller agrees to furnish to Buyer the remainder of the termite soil treatment one year guarantee and service agreement. Buyer shall be responsible for renewing the bond when due.
- F. Energy Efficiency. In accordance with Section 553.996, Florida Statutes, notice is hereby given that the Buyer may have the building's energy efficiency rating determined at Buyer's cost and expense. Buyer acknowledges receipt of the energy efficiency rating information brochure prepared by the State of Florida, Department of Community Affairs at the time of or prior to Buyer signing this Agreement.
- G. Flood Zone. Buyer is advised to verify with appropriate government agencies whether flood insurance is required and what restrictions apply to improving the Home and rebuilding in the event of casualty.
- H. Construction Industries Recovery Fund. Payment may be made available from the Construction Industries Recovery Fund if you lose money on a project performed under contract, where the loss results from specified violations of Florida Law by a State 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: (850) 487-1395; 1940 North Monroe Street, Tallahassee, Florida 32399-0783.
- I. Limitations on Seller's Warranty and on Damages in Warranty Claims.

The specimen copies of all manufacturer's warranties will be passed through to Buyer at Closing.

Buyer hereby expressly accepts the scope, nature and limitations contained in Seller's one year limited warranty AS ITS SOLE AND EXCLUSIVE WARRANTY FROM SELLER, and understand that no other warranty is to be provided by Seller.

BUYER ALSO EXPRESSLY ACKNOWLEDGES AND AGREES THAT, EXCEPT FOR THE ONE YEAR LIMITED WARRANTY, BUYER IS PURCHASING THE HOME IN ITS "AS IS" CONDITION AND ANY AND ALL OTHER WARRANTIES, EXPRESS, IMPLIED, VERBAL OR WRITTEN, STATUTORY OR ARISING BY COMMON LAW, INCLUDING WITHOUT LIMITATION, WARRANTIES OF HABITABILITY, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, CREATED BY STATE OR FEDERAL LAW, ARE HEREBY SPECIFICALLY DISCLAIMED AND WAIVED. THE FOREGOING DISCLAIMER AND WAIVER SHALL ALSO APPLY TO ALL EXPRESS AND IMPLIED WARRANTIES AS TO ANY "CONSUMER PRODUCT" AS DEFINED IN THE MAGNUSON-MOSS WARRANTY ACT, WHICH CONSUMER PRODUCTS SHALL NOT BE WARRANTED BY SELLER; PROVIDED, HOWEVER, THAT SELLER SHALL

ASSIGN TO BUYER ANY MANUFACTURER'S OR SUPPLIER'S WARRANTY WITH RESPECT TO SUCH CONSUMER PRODUCTS. IN ADDITION, SELLER MAKES NO REPRESENTATION OR WARRANTY CONCERNING ANY GEOLOGICAL OR ENVIRONMENTAL MATTERS.

In any claim arising under or related to the terms and conditions of this paragraph I, Buyer shall be limited to the recovery of actual damages. Buyer hereby expressly disclaims and waives the right to recover any special, secondary, incidental or consequential damages, including lost revenue or profits and any damages based on a claimed diminution in the value of the Home (even if Seller has been advised of the possibility of such damages). This paragraph shall survive the closing.

- J. Legal Counsel. Buyer acknowledges and agrees that Seller has advised Buyer to seek its own legal counsel regarding examination of title and the transactions contemplated by this Agreement.
- K. Independent Investigation. Buyer acknowledges and agrees that it must independently investigate the use and character of all property adjacent to CHURCH STREET VILLAGE (whether in CHURCH STREET VILLAGE or not) and may not rely on any statements of any sales agent or any broker or any brochure or displays in the sales office about the use or character of any property other than the Home.
- L. Mold / Mildew Disclosure. Mold (mildew) is a common, naturally occurring organism that grows indoors and outdoors. Mold may produce adverse health effects although the scientific evidence is unclear as to the extent of health risk or the amount of mold necessary to cause health impact. Modern building codes, practices and materials provide living space that is energy efficient. However, this energy efficiency is a result of minimizing air flow into or out of the building. New buildings do not “breathe” like older buildings and are therefore more susceptible to mold growth when the building air is not conditioned; however, all buildings are susceptible to mold growth. Seller makes no representation to Buyer, and Buyer is not relying on Seller, concerning the presence or absence of mold or mildew in the Home at any time or in any quantity. Buyer hereby expressly waives, assumes the risk of and releases Seller from any loss, claim, liability or damage now or hereafter arising from or related to the presence at any time of mold or mildew in the Home.
- M. Terrorist Act. The parties represent and warrant that they are not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by the United States Treasury Department as a Specially Designated National and Blocked Person, or for or on behalf of any person, group, entity or nation designated in Presidential Executive Order 13224 as a person who commits, threatens to commit, or supports terrorism; and that they are not engaged in this transaction directly or indirectly on behalf of, or facilitating this transaction directly or indirectly on behalf of, any such person, group, entity or nation.
- N. Survival. The acknowledgements, agreements, waivers, disclaimers and releases contained in this Article V shall survive the Closing.

VI. DEFAULT

Buyer's Default: If **Buyer** fails to perform this Contract within the time specified, including timely payment of all deposits, **Seller** may choose to retain and collect all deposits paid and agreed to be paid without waiving the right to seek damages, or to seek specific performance.

Seller's Default: In the event that Seller fails to complete the Home as required in paragraph 4.b), Buyer shall be entitled to return of its Initial Payment as Buyer's sole remedy.

VII. **SUBORDINATION**: Buyer hereby subordinates all of its right, title and interest in and to the Home arising by virtue of this Agreement to the lien of any mortgage which may be executed by Seller to acquire, develop or construct the Home.

VIII. **RISK OF LOSS**:

- A. Seller shall bear the risk of loss to the Home until the Closing Date. From and after the Closing Date, Buyer shall bear all such risk of loss.
- B. If the Home is destroyed during the construction thereof, the Buyer shall determine if it desires to have the Home reconstructed. If so, Seller shall reconstruct the Home in accordance with the plans and specifications for the purchase price described herein, however, the time for completion will be extended in accordance with the reconstruction schedule. In the event that material and/or labor prices substantially increase from the original construction costs, Seller shall provide Buyer evidence of the increased price and Buyer, if Buyer elects to rebuild, shall be responsible for increased price. If Buyer elects not to have the Home reconstructed, then Seller shall return the Initial Payment, together with any interest, and this Agreement shall terminate.

IX. **MISCELLANEOUS**:

- A. Time: Time is of the essence for the purposes of this Agreement.
- B. Recording This Agreement: This Agreement shall not be recorded. If Buyer records this Agreement, it shall be deemed a default under Article VI of this Addendum.
- C. Attorney's Fees And Costs: In the event that either party hereto shall default in the performance of any terms and conditions hereunder, the party found to be in default hereunder agrees to pay all costs, charges and expenses of enforcement, including reasonable attorney's fees, whether incurred before or at trial, on appeal, in arbitration, in bankruptcy court or in post judgment collection.
- D. Waiver of Jury Trial: Each party agrees that as a material part of the consideration hereunder and as an inducement to enter into this Agreement, each party hereby waives the right to a jury trial.
- E. Assignment: This Agreement shall not be assignable by Buyer without the written consent of the Seller. Any attempt at assignment shall be deemed a default as provided under Article VI of this Addendum. This Agreement shall be freely assignable by Seller.
- F. Complete Agreement: This Agreement together with all addenda, if any, constitute the sole and entire agreement between the parties. All agreements between the parties are contained herein and no amendments or modifications to this Agreement, written or verbal, as to the parties' rights and obligations hereunder shall be binding upon either party unless made in writing and executed and delivered by the party to be bound thereby. Each provision of this Agreement is severable from every other provision and if any provision is unenforceable, the remainder of the Agreement will remain valid and enforceable. This Agreement shall inure to the benefit of the heirs,

personal representatives, successors and assigns of Seller and Buyer respectively as permitted. Upon delivery of the deed all terms and conditions of this Agreement shall merge into the deed, except as specifically set forth to the contrary herein.

- G. Effective Date: This Agreement will become effective when the Agreement has been executed by Seller and Buyer ("Effective Date"). Delivery of the signed Agreement may be made from the Seller to the Buyer by (i) personal delivery, (ii) by deposit of the Agreement in the U. S. Mail, postage prepaid, to the address set forth in the heading of this Agreement or (iii) by facsimile transmittal to the Buyer at the facsimile number provided by Buyer on the first page of this Agreement. Delivery of the signed Agreement may be made from the Buyer to the Seller by (i) personal delivery, (ii) by deposit of the Agreement in the U. S. Mail, postage prepaid, to the address set forth in the heading of this Agreement or (iii) by facsimile transmittal to the Seller at the following facsimile number: (850) 897-7577.
- H. Governing Law: This Agreement shall be governed by the laws of the State of Florida and the proper venue for any action brought to enforce the provisions of this Agreement shall be Walton County, Florida.
- I. Notices: Any notice required or permitted to be delivered under this Agreement may be personally delivered or mailed by certified mail, return-receipt requested, to the parties at the addresses set forth in the introductory paragraph of this Agreement and shall be effective upon receipt if delivered by personal delivery or two days after deposit of the notice with the United States Postal Service.
- J. Execution of this Agreement: This Agreement may be signed in counterparts and when signed in counterpart by all parties will be deemed to be binding upon all parties. This Agreement may be signed and delivered by facsimile.

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ADDENDUM NO. 2
DISCLOSURE SUMMARY FOR CHURCH STREET VILLAGE

Buyer: _____
Seller: Huff Developments, LLC
Project: CHURCH STREET VILLAGE
Home: Lot _____ Block _____

Disclosure Summary: In accordance with Section 720.401, Florida Statutes, the following disclosure summary is added to the Contract:

1. AS A PURCHASER OF PROPERTY IN THIS COMMUNITY, YOU WILL BE OBLIGATED TO BE A MEMBER OF A HOMEOWNERS' ASSOCIATION.
2. THERE HAVE BEEN OR WILL BE RECORDED RESTRICTIVE COVENANTS GOVERNING THE USE AND OCCUPANCY OF PROPERTIES IN THIS COMMUNITY.
3. YOU WILL BE OBLIGATED TO PAY ASSESSMENTS TO THE ASSOCIATION. ASSESSMENTS MAY BE SUBJECT TO PERIODIC CHANGE. IF APPLICABLE, THE CURRENT AMOUNT IS \$185.00 PER MONTH. YOU WILL ALSO BE OBLIGATED TO PAY ANY SPECIAL ASSESSMENTS IMPOSED BY THE HOMEOWNERS' ASSOCIATION. SUCH SPECIAL ASSESSMENTS MAY BE SUBJECT TO CHANGE. IF APPLICABLE, THE CURRENT AMOUNT IS \$ N/A PER N/A .
4. YOU MAY BE OBLIGATED TO PAY SPECIAL ASSESSMENTS TO THE RESPECTIVE MUNICIPALITY, COUNTY, OR SPECIAL DISTRICT. ALL ASSESSMENTS ARE SUBJECT TO PERIODIC CHANGE.
5. YOUR FAILURE TO PAY SPECIAL ASSESSMENTS OR ASSESSMENTS LEVIED BY A MANDATORY HOMEOWNERS' ASSOCIATION COULD RESULT IN A LIEN ON YOUR PROPERTY.
6. THERE MAY BE AN OBLIGATION TO PAY RENT OR LAND USE FEES FOR RECREATIONAL OR OTHER COMMONLY USED FACILITIES AS AN OBLIGATION OF MEMBERSHIP IN THE HOMEOWNERS' ASSOCIATION. IF APPLICABLE, THE CURRENT AMOUNT IS \$ N/A PER N/A .
7. THE DEVELOPER MAY HAVE THE RIGHT TO AMEND THE RESTRICTIVE COVENANTS WITHOUT THE APPROVAL OF THE HOMEOWNERS' ASSOCIATION MEMBERSHIP OR THE APPROVAL OF THE PARCEL OWNERS.
8. THE STATEMENTS CONTAINED IN THIS DISCLOSURE FORM ARE ONLY SUMMARY IN NATURE, AND, AS A PROSPECTIVE PURCHASER, YOU SHOULD REFER TO THE COVENANTS AND THE HOMEOWNERS' ASSOCIATION GOVERNING DOCUMENTS BEFORE PURCHASING PROPERTY.
9. THESE DOCUMENTS ARE EITHER MATTERS OF PUBLIC RECORD AND CAN BE OBTAINED FROM THE RECORD OFFICE IN THE COUNTY WHERE THE PROPERTY IS LOCATED, OR ARE NOT RECORDED AND CAN BE OBTAINED FROM THE DEVELOPER.

_____ BUYER(S)

_____ BUYER(S)

Exhibit A
Additional Terms & Items

Option:	Price:	Initial for Included:
A. _____	\$ _____	_____
B. _____	\$ _____	_____
C. _____	\$ _____	_____

Total Increase to Price: \$ _____

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of this _____ day of _____, 20__.

<p>“BUYER(S)”</p> <p>_____</p> <p>(signature)</p> <p>Print Name: _____</p> <p>_____</p> <p>(signature)</p> <p>Print Name: _____</p> <p>Date of Execution: _____</p>	<p>“SELLER”</p> <p>HUFF DEVELOPMENTS, LLC, a Florida limited liability company</p> <p>By: _____</p> <p>Name: _____</p> <p>Its: Manager</p> <p>Date of Execution: _____</p>
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IMPORTANT NOTICE

FLORIDA LAW REQUIRES THAT REAL ESTATE LICENSEES PROVIDE THIS NOTICE TO POTENTIAL SELLERS AND BUYERS OF REAL ESTATE.

You should not assume that any real estate broker or sales person represents you unless you agree to engage in a real estate licensee in an authorized brokerage relationship, either as a single agent of as a transaction broker. You are advised not to disclose any information you want to be held in confidence until you decide on representation.

NO BROKERAGE RELATIONSHIP NOTICE

FLORIDA LAW REQUIRES THAT REAL ESTATE LICENSEES WHO HAVE NO BROKERAGE RELATIONSHIP WITH A POTENTIAL SELLER OR BUYER DISCLOSE THEIR DUTIES TO SELLERS AND BUYERS.

As a real estate licensee who has no brokerage relationship with you, Kruse Realty, Inc. and it sales associates, owe to you the following duties:

1. Dealing honestly and fairly.
2. Disclosing all known facts that materially affect the value of residential real property which are not readily observable to the buyer; and
3. Accounting for all funds entrusted to the licensee.

Date

Buyer

Date

Buyer

Date

Seller