WBD (US) 52191628v2

**THIS AGREEMENT IS SUBJECT TO BINDING ARBITRATION PURSUANT TO THE SOUTH CAROLINA UNIFORM ARBITRATION ACT, FOUND AT SECTION 15-48-10, *ET SEQ*., CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED**

**THE CAPE ON KIAWAH HORIZONTAL PROPERTY REGIME**

**PURCHASE AGREEMENT**

THIS PURCHASE AGREEMENT (“Agreement”) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_ by and between Beachwalker Development, LLC, a Delaware limited liability company (the “Seller”), with an address c/o East West Partners, 299 East Bay Street, Charleston, SC 29401, and the following Buyer (the “Buyer”):

Buyer #1 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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E-mail Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Phone: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Buyer #2 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Fax No: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

E-mail Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Phone: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

If more than one Buyer is listed above, they are jointly and severally referred to in this Agreement as the “Buyer.” Seller and Buyer are sometimes referred to in this Agreement as the “parties” or separately referred to as a “party.” The “Effective Date” of this Agreement is defined in Section 40 of this Agreement.

**RECITALS:**

WHEREAS, Seller is the owner of the real property located on in the Town of Kiawah Island, Charleston County, South Carolina, as more particularly described in Exhibit “A” attached hereto and incorporated herein by reference (the “Property”), upon a portion of which Seller is building a multi-phase condominium project, with the first phase of improvements consisting of approximately forty (40) residential condominiums or units (the “Project”), and which Project may be expanded in phases to contain up to eighty-four (84) units; and

WHEREAS, Buyer desires to purchase a residential condominium unit within the Project and the Regime, as defined below, in accordance with the terms set forth below.

NOW, THEREFORE, in consideration of the premises and the terms, covenants and benefits provided for herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties hereto do hereby agree as follows:

1. **GENERAL**.

1. Seller agrees to sell, and Buyer agrees to purchase, in accordance with the terms and conditions of this Agreement, Unit No. \_\_\_\_\_\_\_ (the “Unit”) of The Cape on Kiawah Horizontal Property Regime (the “Regime”), a horizontal property regime development located in the Town of Kiawah Island, Charleston County, South Carolina, as shown on the Conceptual Unit Plan for such Unit as set forth in Exhibit “C” attached hereto and incorporated herein by reference (the “Conceptual Unit Plan”), and the outline specifications for which are set forth in Exhibit “D” attached hereto and incorporated herein by reference (the “Outline Specifications”). The Regime shall be created pursuant to and is governed by the Master Deed with attached Exhibits (the “Master Deed”) and By-Laws (the “By-Laws”) for The Cape on Kiawah Horizontal Property Regime, which shall be recorded in the Register of Deeds Office (“ROD Office”) for Charleston County, South Carolina, prior to the Closing of the purchase and sale contemplated by this Agreement. The Unit, together with its percentage of undivided interest in the Common Elements of The Cape on Kiawah Horizontal Property Regime, and its interest in the Limited Common Elements, if any, assigned to such Unit, shall be more particularly described in the Master Deed. Pursuant to the Master Deed and By-Laws, The Cape on Kiawah Condominium Owners Association, Inc. (the “Condominium Association”) shall be incorporated as a South Carolina non-profit corporation. For purposes of this Agreement, the term “Unit” shall include such Unit’s percentage of undivided interest in the Common Elements of the Regime and its interest in the Limited Common Elements, if any, assigned to such Unit, as more particularly described in the Master Deed. Pursuant to the Master Deed and By-Laws, the Condominium Association shall provide services to the various unit owners within the Regime, shall manage and maintain the Common Elements (as defined in the Master Deed) of the Regime, shall administer and enforce all covenants and restrictions dealing with the Regime, and shall provide such other functions as shall be provided in the Master Deed and By-Laws.
2. In accordance with the provisions of the Master Deed, Seller reserves the right, but not the obligation, to add additional phases to the Regime, which may consist of up to eighty-four (84) units. Seller also reserves the right to exclude from the Regime at the time of recording the Master Deed certain portions of the Property that are reserved for future development, in which event the Master Deed will be revised to reflect such change.
3. A portion of the land within the Property is leased to Kiawah Resort Associates, L.P., a Delaware limited partnership (together with its successors and assigns, the “Cape Club Owner”) pursuant to that certain Ground Lease, Use and Access Agreement dated June 19, 2020, between Seller and Cape Club Owner as amended, modified, supplemented or replaced from time to time, a Memorandum of which is recorded in the ROD Office in Book 0891, at Page 991 (the “Cape Club Lease and Access Agreement”), upon which are to be constructed certain amenities to be operated as part of the Kiawah Island Club as provided therein (the “Cape Club”). The Cape Club Owner will own and operate the Cape Club facilities. Buyer will have access and use rights to the Cape Club as provided in the Cape Club Lease and Access Agreement, and Buyer will be required to pay dues and fees as provided therein and in the Master Deed either as a member of the Kiawah Island Club or as an Amenity Member (as defined in the Cape Club Lease and Access Agreement). [NOTE: need to check Fannie and Freddie restrictions on required participation in Cape Club.] **BUYER ACKNOWLEDGES THE CAPE CLUB IS NOT PART OF THE CAPE ON KIAWAH HORIZONTAL PROPERTY REGIME, THAT ACCESS AND USE THEREOF IS SUBJECT TO THE TERMS AND CONDITIONS OF THE CAPE CLUB LEASE AND ACCESS AGREEMENT, THAT THE AMENITIES AND OPERATIONS OFFERED BY THE CAPE CLUB MAY BE ALTERRED OR CHANGED FROM TIME TO TIME, INCLUDING SEASONAL ADJUSTMENTS TO OPERATING HOURS, AND THAT NO OFFICER, AGENT OR EMPLOYEE OF SELLER OR THE LISTING BROKERS HAS BEEN AUTHORIZED TO MAKE REPRESENTATIONS REGARDING THE AMOUNT OF THE PARTICIPATION DUES OR FEES OR ANY COSTS OR EXPENSES RELATING TO BUYER’S USE OF THE CAPE CLUB, EXCEPT AS SET FORTH IN THE CAPE CLUB LEASE AND ACCESS AGREEMENT.**
4. Buyer will have the option to purchase a membership in the Kiawah Island Club at the time of closing on the Unit. If Buyer does not elect to purchase a membership at closing, Buyer will not have a subsequent right to purchase a membership in the Kiawah Island Club. [NOTE: run this by Kiawah Partners and add a reference to whom Buyers should contact for more information on the Kiawah Island Club.] If Buyer does not elect to purchase a membership in the Kiawah Island Club, Buyer will be required to participate in the Cape Club as an Amenity Member.
5. In addition, the Property and the units within the Regime will be subject to that certain Declaration of Covenants and Restrictions of The Kiawah Island Community Association, Inc., recorded in Book T108, Page 337 in the ROD Office, as amended, pursuant to which the Kiawah Island Community Association, Inc. (“KICA”) owns and operates streets and other common area facilities on Kiawah Island. The Unit will be subject to additional assessments of KICA, payable through the Condominium Association in accordance with the Master Deed. The Condominium Association shall have the sole right to vote in KICA [NOTE: confirm if correct.] for all units within the Regime, including the Unit subject to this Agreement.

2. **PURCHASE PRICE**. The purchase price for the Unit (the “Purchase Price”) shall be \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ($\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_), payable as follows:

1. Upon Buyer's execution of this Agreement, Buyer shall make an earnest money deposit in an amount equal to Twenty-Five Thousand and No/100ths Dollars ($25,000.00) (the “Initial Deposit”), said Initial Deposit to be paid to Dodds, Hennessey & Stith, LLP (the “Escrow Agent”), to be held and disbursed in accordance with the provisions of this Agreement. Purchaser shall have five (5) business days (the “Due Diligence Period”) from the Effective Date to review floor plans, Regime Documents (as defined herein), the Cape Club Lease and Access Agreement, and any other documents and items related to the Project, time being of the essence. PURCHASER SHALL HAVE THE RIGHT TO TERMINATE THIS AGREEMENT FOR ANY REASON UPON WRITTEN NOTICE TO SELLER AT ANY TIME DURING THE DUE DILIGENCE PERIOD. UPON TERMINATION PURSUANT TO THIS SECTION 2(a), PURCHASER SHALL RECEIVE A FULL AND IMMEDIATE REFUND OF THE INITIAL DEPOSIT. IF PURCHASER FAILS TO DELIVER TO SELLER WRITTEN NOTICE OF TERMINATION PRIOR TO THE EXPIRATION OF THE DUE DILIGENCE PERIOD, THEN PURCHASER SHALL NO LONGER HAVE ANY RIGHT TO TERMINATE THIS AGREEMENT PURSUANT TO THIS SECTION 2(a) AND, SUBJECT TO ANY CONTRARY PROVISIONS OF THIS AGREEMENT, PURCHASER SHALL BE BOUND TO PROCEED TO CLOSING AND CONSUMMATE THE TRANSACTION CONTEMPLATED HEREBY PURSUANT TO THE TERMS OF THIS AGREEMENT. TIME IS OF THE ESSENCE WITH RESPECT TO THE PROVISIONS OF THIS SECTION 2.
2. Unless sooner terminated pursuant to Section 2(a) above, then not later than one (1) business day following expiration of the Due Diligence Period, Buyer, shall make an additional earnest money deposit (the “Second Deposit”) in an amount equal to five percent (5%) of the Purchase Price, payable to Escrow Agent, less a credit for the $25,000.00 Initial Deposit, said Second Deposit to be held and disbursed in accordance with the provisions of this Agreement. The Initial Deposit and the Second Deposit shall equal a cumulative total of five percent (5%) of the Purchase Price.
3. Not later than forty-five (45) days following the Effective Dateof this Agreement, Buyer shall make an additional earnest money deposit (the “Third Deposit”) in the amount of five percent (5%) of the Purchase Price, payable to Escrow Agent, to be held and disbursed in accordance with the provisions of this Agreement. The Initial Deposit, the Second Deposit and the Third Deposit shall equal a cumulative total of ten percent (10%) of the Purchase Price, and are hereinafter collectively sometimes referred to as the “Deposit”.
4. Subject to any prorations or adjustments provided for herein (including, without limitation, the prorations described in Section 8 hereof), the balance of the Purchase Price plus all Closing Costs or other payments which are the responsibility of Buyer hereunder, shall be paid by Buyer by confirmed wire transfer at the Closing of the purchase and sale of the Unit.

Buyer acknowledges and agrees that the Initial Deposit, the Second Deposit and the Third Deposit shall be deposited by Escrow Agent into Escrow Agent’s non-interest bearing IOLTA trust account. Buyer shall not be entitled to a credit for accrued interest on the Deposit at Closing. If this Agreement is not terminated pursuant to Section 36 hereof, Buyer further acknowledges and agrees that upon request by Seller, the Deposit shall be disbursed to Seller by Escrow Agent and used by Seller in accordance with the provisions of Section 3 of this Agreement.Any failure by Buyer to timely pay the Initial Deposit, the Second Deposit, the Third Deposit or the balance of the Purchase Price due at the time of Closing, shall be deemed a material default hereunder. The Deposit shall be non-refundable except as otherwise expressly stated in this Agreement. At Closing, the Deposit shall be credited towards the Purchase Price except as otherwise expressly stated in this Agreement. Escrow Agent shall hold and disburse the Deposit in accordance with the terms of this Agreement.

3. **USE OF DEPOSITS IN CONSTRUCTION AND FOR COMMISSION PAYMENTS.** Provided this Agreement is not terminated pursuant to the provisions of Section 36 hereof, [**once Seller has entered into \_\_\_\_\_\_\_\_\_ (\_\_) Purchase Agreements with buyers for the purchase and sale of units in the Project,] then Seller shall have the right to use all or a portion of the Deposit (i) for payment of costs related directly to the development and construction of the Project, provided, however, Seller agrees that no Deposit funds shall be utilized for such purpose or purposes until the Commencement of Construction, as defined below, shall have occurred, and (ii) to prepay one-half of the real estate commission due on the sale of the Unit pursuant to Section 9 of this Agreement**. Buyer hereby authorizes and directs Escrow Agent to release such portion of the Deposit to the Seller to be used by Seller to pay costs or commissions as described herein. For purposes of this Agreement, the term “Commencement of Construction” shall mean the issuance of a construction permit by the applicable governmental agency or agencies, and the commencement of construction of the foundation for the Project.

4. **PLANS AND SPECIFICATIONS; BUYER SELECTIONS**.

1. Plans and Specifications. The plans and specifications for the Unit and construction of the Unit shall be in substantial conformity to the Conceptual Unit Plan attached hereto as Exhibit “C” and the Outline Specifications attached hereto as Exhibit “D”. The Unit will include connections for sanitary sewer, electricity, natural gas,water and cable television. Buyer acknowledges and agrees that any floor plans, renderings, drawings, and the like, furnished by Seller to Buyer which purport to depict the Unit, or any portion thereof, or the building containing the same, are merely approximations, and do not necessarily reflect the actual as-built conditions of the same. Buyer further acknowledges and agrees that the decorations, furniture, furnishings, wallpaper, custom finishes, appliances, fixtures, and the like, contained in any model unit for the Project are for demonstrative purposes only.
2. Changes in Materials and Equipment; Square Footage. If the quality and value of the Unit will not be substantially and adversely affected, Seller may, at no additional cost to Buyer, change or substitute materials, fixtures and equipment of comparable or better quality, and make minor changes in dimensions, color, details, and mechanical, electrical and structural elements when warranted, in Seller's reasonable opinion, because of material shortages, cost increases, field conditions, applicable laws, codes and governmental authorities, or the recommendations of engineers, architects, landscape architects or other consultants. Buyer acknowledges that square footage calculations may be made in a variety of ways, are approximate, and, as long as the Unit is constructed in substantial conformity with the Conceptual Unit Plan and the Outline Specifications, Buyer will have no claim for breach of this Agreement for alleged differences in square footage. In general, the approximate square footages of units shown on the Conceptual Unit Plan are calculated as follows: the area within a line that extends to the following extremities of a unit: (i) exterior face of exterior walls (no jogs at windows, just straight line of masonry or stucco), (ii) centerline of walls shared by two units, (iv) centerline of any stair or elevator walls, and (iv) centerline of demising and corridor walls. Unit square footages include columns and chases within the area referenced in (i), (ii), (iii) and (iv) that may be Common Elements, as defined in the Master Deed. **BUYER ACKNOWLEDGES THAT BUYER HAS REVIEWED AND ACCEPTED THE CONCEPTUAL UNIT PLAN AND OUTLINE SPECIFICATIONS AND HAS INDEPENDENTLY VERIFIED SQUARE FOOTAGES CONTAINED THEREIN, OR HAS WAIVED THE OPPORTUNITY TO INDEPENDENTY VERIFY THE SQUARE FOOTAGE OF THE UNIT. BUYER FURTHER ACKNOWLEDGES THAT SQUARE FOOTAGE CALCULATIONS FOR EACH UNIT IN THE MASTER DEED WILL BE DIFFERENT THAN THE SQUARE FOOTAGE CALCULATIONS AS SET FORTH ABOVE AND AS SHOWN ON THE CONCEPTUAL UNIT PLAN SINCE THE SQUARE FOOTAGE CALCULATIONS IN THE MASTER DEED ARE CALCULATED BASED ON THE UNIT BOUNDARIES, AS MORE PARTICULARLY SHOWN AND DESCRIBED IN THE MASTER DEED, WHICH ARE DIFFERENT FROM THE BOUNDARIES DESCRIBED ABOVE WHICH ARE USED FOR PURPOSES OF CALCULATING SQUARE FOOTAGES AS SHOWN ON THE CONCEPTUAL UNIT PLAN.**

(c) Selections and Other Buyer Decisions. If Seller offers Buyer any no cost options (such as, for example only, choice of paint or cabinet color) or requests a decision from Buyer regarding any other matter relating to the Unit, Buyer shall notify Seller of Buyer’s decision within twenty (20) calendar days after written notice from Seller (or such additional time as Seller may authorize in writing). If Buyer does not make any selection or decision in a timely manner, Seller may make the selection or decision and construct the Unit in accordance therewith, and any such selection or decision by Seller shall be binding on Buyer.

(d) Seller is Not Buyer’s Contractor. Buyer acknowledges and agrees that Buyer is purchasing the Unit as a completed unit and Seller is not acting as a contractor for Buyer in the construction of the Unit. Buyer shall acquire no right, title or interest in or to the Unit except the right and obligation to purchase the Unit upon Substantial Completion of the Unit in accordance with the terms of this Agreement.

5. **CHANGE ORDERS**.

(a) Change Orders. Any changes to the Unit (“Change Orders”) requested by Buyer prior to Closing shall be subject to Seller’s approval and further subject to a separate agreement between Buyer and Seller’s Contractor. Seller makes no representation or warranty that Seller or Seller’s Contractor will agree to make any Change Orders or as to the cost or availability thereof.

(b)Additional Change Order Conditions.Any Change Orders requested by Buyer and agreed to by Seller’s Contractor shall be subject to the following additional conditions: (i) all construction work pursuant to such Change Order must be performed by Seller’s Contractor pursuant to a separate agreement between Buyer and Seller’s Contractor; (ii) to the extent any such Change Order requires design changes to the Unit, all such design changes must be made by Seller’s design team, including, without limitation, the Project Architect (as defined herein); (iii) such Change Order request shall result in no delay in the completion of the Unit or the Project; (iv) such Change Order shall not affect the exterior appearance of the Project or any structural components of the Project; (v) such Change Order shall not affect any of the mechanical, electrical, communications, or plumbing systems in the Unit or the Project as a whole unless expressly approved in writing by Seller; (vi) such Change Order must not adversely impact any adjacent unit or units or any unit or units above or below the Unit being purchased by Buyer; (vii) such Change Order shall not increase Seller’s construction or architectural costs; (viii) Buyer shall pre-pay 100% of the cost of any such Change Order to Seller’s Contractor; (ix) to the extent such Change Order requires any architectural changes to the Unit, all such architectural changes shall be designed and approved by the Project Architect and any other applicable members of the Seller’s design team, with Buyer pre-paying 100% of the cost thereof to the Project Architect and any other applicable members of the Seller’s design team; and (x) such Change Order request shall have been approved in writing by Seller.

(c) Work by Contractors. Work by contractors not under the control of Seller can disrupt and delay construction of the Project and cause potential security, noise, insurance, lien, parking, debris, delivery and other problems. For this reason, until after Closing, unless expressly approved in writing by Seller, no work will be permitted on or in the Unit by anyone other than Seller’s general contractor, Trident Builders, LLC (“Seller’s Contractor”), or such subcontractors as may be employed by Seller’s Contractor. Buyer acknowledges and agrees that Seller must maintain control of construction personnel for the Unit. Buyer further acknowledges and agrees that direction and supervision of all construction personnel, including, but not limited to, any and all contractors and subcontractors, rests exclusively with Seller, and Buyer agrees that it shall not issue any instructions to, or otherwise interfere with, Seller’s Contractor or any other contractor, subcontractors, or any construction personnel working to create the Unit without the express written approval of Seller. Should Buyer interfere with the construction personnel, or otherwise impede the construction, or affect the construction schedule of the Unit, Buyer shall be considered to be in material breach of this Agreement and Seller may terminate this Agreement, at Seller’s election in its sole discretion, and pursue all remedies contained herein for Buyer’s default.

6. **CLOSING**.

(a) Closing. Unless otherwise approved by Seller in writing, or unless additional time is reasonably required for the Seller to comply with Section 6(b) below, closing of the purchase and sale of the Unit (the “Closing”) shall occur no later than ten (10) business days after written notice from Seller to Buyer (the “Closing Notice”) that Substantial Completion (as defined herein) of the Unit has occurred and that Seller is ready to close. The Closing shall take place at the office of Dodds Hennessy & Stith, LLP (“Seller’s Preferred Closing Attorney”), or such other place as mutually agreed upon by Buyer and Seller, on such date and at such time during normal business hours, as determined by Seller. For purposes of this Agreement, “Substantial Completion” shall mean the issuance of a certificate of occupancy by the City of Charleston, SC, the Unit is ready for occupancy, and that all necessary and customary utilities have been extended to such Unit. **Punchlist items identified in the pre-closing inspection described in Section 19 shall not constitute grounds for delay of the Closing or hold back of any monies due Seller at the Closing of the Unit**.

(b) Closing Delays. In the event that Buyer is unable or unwilling to close in accordance with this Agreement, Buyer shall be deemed to be in default under the terms of this Agreement, and, in addition to any other remedies provided hereunder, Seller may elect to either (i) terminate this Agreement by written notice to Buyer, in which case Seller may retain the Deposit as liquidated damages as provided herein, and Buyer shall have no further right or interest in the Property; or (ii) extend Buyer’s time to close, in which case Buyer shall pay to Seller an amount equal to one and one-half percent (1.5%) of the Purchase Price per month for any time extensions granted by the Seller (the “Extension Fee”). Such payments shall be prorated as of the date of Closing, and shall not be credited against the Purchase Price. If no notice of termination is sent by Seller to Buyer, it shall be assumed that this option (ii) has been elected and that, until Closing or termination of this Agreement, the Extension Fee described above will be due and payable monthly. **TIME OF CLOSING SHALL BE OF THE ESSENCE.** Buyer acknowledges that at the time of Closing, construction may be proceeding on other condominium units and common areas within the Project or adjacent to the Project or on the Cape Club and that a portion of that construction may be occurring in locations which are proximate to the Unit. Buyer’s obligation to close in accordance with this Section shall in no way be affected by the status of construction throughout the balance of the Project or the Cape Club.

7. **TITLE**.

1. Title. Title to the Unit shall be conveyed to Buyer by limited warranty deed. Seller shall tender good and marketable or insurable title subject to all covenants, easements, conditions and restrictions of record, including, but not limited to, those covenants, easements, conditions and restrictions set forth in Exhibit “B” attached hereto and incorporated herein by reference (collectively, the “Permitted Exceptions”). Good and marketable title shall be deemed to be title insurable by a national insurance company licensed to do business in South Carolina at its normal rates and containing only standard policy exceptions and those Permitted Exceptions, as defined herein.
2. Owner’s Title Insurance Commitment. At least five (5) business days prior to Closing, Seller, at its expense, shall deliver or cause to be delivered to Buyer or Buyer’s designated attorney an owner’s title insurance commitment (the “Title Commitment”) issued on behalf of a licensed title insurer identified by Seller (the “Title Insurer”) by an attorney designated by Seller (which may include Seller’s Preferred Closing Attorney) offering to insure title to the Unit in Buyer’s name for the Purchase Price. If Buyer elects to accept the Title Commitment and elects to use Seller’s Preferred Closing Attorney as Buyer’s Closing attorney, then Seller agrees to pay the owner’s title insurance premium for the Title Insurer to issue to Buyer an owner’s title insurance policy in conformity to the Title Commitment. Buyer shall pay any additional title insurance premiums and fees for coverage for any mortgage lender of Buyer and any requested endorsements to the title insurance. Buyer shall have the right to elect to use any other closing attorney, title agent or title insurance company, but in such event, all title insurance premiums and fees for both owner’s and mortgage lender’s title insurance shall be payable by Buyer.

1. RESPA Disclosure. As required by the Real Estate Settlement Procedures Act of 1974, as amended (“RESPA”), Buyer acknowledges that Seller has not directly or indirectly required Buyer, as a condition of sale, to purchase either an owner or mortgagee's title insurance policy from any particular title company or particular title agent or to use any particular closing attorney. Buyer may elect to obtain such insurance from a title company and/or title agent of Buyer's choice and except as provided herein, Buyer shall pay, at Closing, the title insurance premium for such policy or policies; Buyer may also use any closing attorney of Buyer’s choice.
2. Restriction on Time Shares. Seller specifically discloses to Buyer that the condominium Regime Documents (as defined below) will contain restrictions prohibiting individual Buyers from enacting a Time Sharing Ownership Plan, a Time Sharing Lease Plan or a Vacation Multiple Ownership Interest with respect to any condominium unit in the Regime, as those terms are defined under the South Carolina Vacation Time Sharing Act.
3. Cure of Title Defects.

(i) If the Title Commitment provided to Buyer discloses any purported title defects other than the Permitted Exceptions and Buyer is unwilling to waive such title defects, Buyer shall give Seller written notice of such purported title defects (the “Title Objections”) within five (5) business days from the date of receipt of the Title Commitment. Seller shall have ten (10) calendar days from receipt of notice from Buyer, or such longer period as Seller shall request and Buyer shall approve in writing (the “Title Cure Period”) within which to (1) cure any title defect(s), or (2) submit reasonable evidence or a legal opinion that there is no title defect or obtain title insurance to cover such title defects (in either of which instances no title defect shall be deemed to exist). If there is a title defect and Seller is unable or unwilling to correct the title defect or obtain title insurance to cover such defects, Seller shall so notify Buyer (the “Title Notice”) within the Title Cure Period, and Buyer shall have ten (10) business days from receipt of the Title Notice to notify Seller in writing whether Buyer elects to terminate this Agreement or proceed to Closing.

(ii) If Buyer terminates this Agreement in writing within ten (10) business days from receipt of the Title Notice, the Deposit shall promptly be refunded to Buyer and the parties shall be released from all further obligations under the Agreement. If Buyer does not demand a refund of the Deposit and Change Order amounts, if any, within ten (10) business days from receipt of the Title Notice, then Buyer shall be deemed to have waived the Title Objections and all claims relating to such Title Objections and Closing shall occur within ten (10) business days from receipt of the Title Notice by Buyer, without adjustment in the Purchase Price, in which case all such Title Objections shall be deemed additional Permitted Exceptions.

8. **CLOSING COSTS AND PRORATIONS**.

(a) Closing Costs. At Closing, Seller shall provide or pay for the preparation of the deed, recording fees as set forth in Sections 12-24-10 *et seq*., South Carolina Code of Laws, 1976, as amended, and all costs necessary to deliver title as provided herein, including recording of satisfactions. Except for the Settlement Credit (if any) as defined herein, Buyer shall pay all additional costs and fees incident to the securing of financing and the closing of the purchase and sale contemplated hereunder including, but not limited to, the premium for any owner’s or mortgagee’s title insurance binder or policy, any costs associated with a loan to acquire the Unit and all costs, if any, associated with wiring of money and courier or delivery fees that are incurred at Closing. Buyer shall also pay all Closing costs associated with Buyer’s mortgage loan, all prepaid costs and discount points and any private mortgage insurance premium. In addition, Buyer agrees to pay, and Seller agrees to collect, the pro-rated assessments, insurance and taxes and the working capital contribution as set forth herein. Notwithstanding the foregoing, if Seller’s Preferred Closing Attorney is selected by Buyer as Buyer’s Closing attorney, Seller agrees to pay the title insurance premium for Buyer’s owner’s title insurance premium (the “Settlement Credit”). This provision is intended to encourage a smooth Closing process by using attorneys who are familiar with the Regime Documents, and Buyer and Seller waive any possible conflict of interest that may arise as a result of the Seller’s Preferred Closing Attorney’s limited representation of both Buyer and Seller. Nothing contained herein shall obligate Buyer to use Seller's Preferred Closing Attorney to close the purchase and sale of the Unit, and Buyer shall be free to choose any other attorney or title company that Buyer wishes to use. If Buyer elects not to have the Closing handled by Seller’s Preferred Closing Attorney, then Seller shall not pay the Settlement Credit and Buyer shall be solely responsible for all Buyer’s Closing costs.

(b) Common Expense Assessments. Buyer shall be obligated to pay Buyer’s pro rata share of the common expense assessment levied against the Unit, as provided in the Master Deed, pro-rated through the end of the quarter in which the Closing shall take place, which common expense assessment shall commence as of the date of Closing; provided, however, that if Closing shall occur within the thirty (30) day period prior to the end of the applicable quarter, then, in such event, Buyer’s pro rata share of the common expense assessment levied against the Unit shall be pro-rated through the end of the following quarter. Such common expense assessment shall be payable to the Condominium Association by Buyer at Closing for the remainder of the quarter in which Closing shall take place (or, if applicable, for the remainder of the quarter in which Closing takes place and the following quarter), and thereafter in equal monthly or quarterly installments, as determined by the Condominium Association, commencing on the first day of the first calendar month of the following quarter, or as otherwise provided by the Board of Directors of the Condominium Association. Buyer acknowledges that common expense assessments will be levied in full without regard to the state of completion or readiness for use of the various common facilities within the Regime, and Buyer agrees to pay such amounts in full as and when due. Buyer understands that, as an owner of a condominium unit within the Regime, Buyer shall be liable for annual, special or other assessments for the purpose of insuring, maintaining, repairing and replacing the Common Elements of the Regime, and for such other purposes as outlined in the Master Deed and By-Laws. Buyer acknowledges Buyer’s continuing obligation, as a condominium unit owner within the Regime and member of the Condominium Association, to pay his or her pro rata share of any common expenses assessed against the Unit purchased hereby pursuant to the Master Deed and Regime Documents. Such assessments shall be for any authorized purposes as set forth in the Master Deed and By-Laws, including but not limited to, expenses incurred for landscaping, maintenance, security, repairs, general area maintenance, administration, supplies, professional services, utilities, garbage services, insurance, etc., and including assessments payable through the Condominium Association to KICA. Seller may control the composition of the Board of Directors of the Condominium Association as established under the Master Deed and Bylaws after Closing in accordance with the provisions thereof. The Condominium Association’s Board, while controlled by Seller, may enter into management and other contracts for the operation of the Condominium Association, and for maintenance, property management or other services for common elements of the Project which may extend beyond the period during which the association board is under Seller’s control.

1. Contribution to Working Capital of the Association. In addition to all other sums due hereunder, Buyer agrees at Closing to make a **nonrefundable** contribution to the Condominium Association in an amount equal to three (3) months general assessments for the Unit for working capital of the Condominium Association [NOTE: is there also a KICA working capital contribution that we should reference?]. The working capital contribution set forth herein shall be in addition to, and not in lieu of, the pro-rata assessments described in Section 8(b) above and in addition to any assessments thereafter coming due.

(d) Ad Valorem Taxes.

(i) Buyer acknowledges that, as of the year in which Closing takes place, the Unit may not have been a separately described and assessed parcel of real estate and that, in such event, ad valorem taxes for the Unit for the year in which Closing takes place will be assessed under a tax bill in the name of Seller for the Property. Should the Unit not be a separately described and assessed parcel of real estate for the year in which Closing takes place, Buyer agrees to pay Seller at Closing that portion of the tax for the year in which Closing takes place (based on the prior year if the tax bill for the year in which Closing takes place is not yet available) which shall be determined by multiplying the total tax bill by the percentage interest in the Common Elements assigned to the Unit in the Master Deed and then prorating the product of such multiplication as of the date of Closing. Seller agrees to pay the entire tax bill before it becomes delinquent and, upon written request from Buyer or any first mortgagee of the Unit, to provide Buyer or such mortgagee with proof of payment. If the amount allocated to the parties is based upon an estimate and the actual bill varies from the estimate, the party who paid too much shall have the right to adjust the prorated amount and the party who paid too little shall pay any increased amount based on the actual tax bill to the other party within ten (10) days of receipt of notice, provided such notice is given to the other party on or before January 15 of the year following the year in which Closing takes place.

(ii) If, as of December 31of the year prior to the year in which Closing takes place, the Unit is a separately described and assessed condominium unit with its own tax map parcel number, then ad valorem taxes applicable to the Unit shall be prorated between Seller and Buyer as of the date of Closing based on the assessed value of such Unit for ad valorem tax purposes. If the amount allocated to Buyer is based upon an estimate and the actual bill varies from the estimate, the party who paid too much shall have the right to adjust the prorated amount and the party who paid too little shall pay any increased amount based on the actual tax bill to the other party within ten (10) days of receipt of notice, provided such notice is given to the other party on or before January 15 of the year following the year in which Closing takes place.

1. Insurance Premiums. Buyer acknowledges that, prior to Closing, either: (i) Seller will have pre-paid directly the Unit's pro rata portion of the annual premium for the hazard and liability insurance policies maintained by the Condominium Association or Seller; or (ii) the Condominium Association will have pre-paid such premium with funds previously contributed by Seller to the Condominium Association's account. At Closing, Buyer shall reimburse the appropriate party for the Unit’s pro rata portion of said annual premium(s) from the date of Closing through the expiration date of such insurance policy or policies. Buyer further acknowledges that such insurance policies shall be paid one year in advance. At Closing, Buyer shall also pay to the Condominium Association the difference between the amount of the Unit’s share of the then current year’s full premium, and the amount paid by Buyer as reimbursement for the Unit’s pro rata portion of such annual premium, as set forth above, in order to ensure that the Condominium Association has sufficient funds on hand to pay the cost of the next annual premium(s) when due. At Closing, Buyer shall be solely responsible for any separate insurance policy on Buyer’s Unit, commonly referred to as an “HO-6” insurance policy, as provided in the Master Deed.

9. **BROKERAGE AND AGENCY; KIRE EXCLUSIVE RIGHT TO LISTING ON RESALE OF UNIT BY BUYER**.

1. Seller shall pay a real estate commission to Kiawah Island Real Estate, LLC and East West Realty, LLC (collectively, the “Listing Broker”) pursuant to a separate Co-Marketing/Listing Agreement between Seller and Listing Broker. The commission payable pursuant to this Agreement to Listing Broker shall be set forth in the separate Co-Marketing/Listing Agreement signed by Seller and the Listing Broker. [In addition to the commission to be paid to the Listing Broker, Seller shall pay an additional referral fee in the amount of \_\_\_\_\_\_ percent (\_\_\_%) of the Gross Purchase Price to the “Referring Broker,” if any, identified below, as more particularly set forth in the separate Co-Marketing/Listing Agreement signed by Seller and the Listing Broker, but subject to the limitations set forth therein. For purposes of determining the referral fee payable to Referring Broker, if any, the term “Gross Purchase Price” shall mean an amount equal to the Purchase Price but reduced by any discounts, concessions, or credits against such purchase price granted to Buyer by Seller and shown on the closing settlement statement. The Gross Purchase Price shall not include (i) any additional amounts paid by Buyer to Seller’s Contractor or the Project Architect for Change Orders requested by Buyer and approved by Seller, (ii) the value of any concessions or upgrades provided at no cost to Buyer by Seller, and (iii) any amounts paid to Seller for Extension Fees, such that no real estate commission shall be paid on any portion of the Purchase Price attributable to Change Order costs, the value of any concessions or upgrades, and/or Extension Fees. The Referring Broker, if any, is \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.] [NOTE: may want to only include the referral fee provision if there is a referring agent.] Seller shall not be obligated to pay any commission, broker’s fee, or referral fee other than pursuant to its agreement with Listing Broker or as set forth in this Section 9. In the event Closing fails to occur for any reason, no commission, broker’s fee, or referral fee shall be due or paid to Listing Broker or any other broker, agent, or person. Except as set forth in this Section, Buyer and Seller represent and warrant to the other that each party has not dealt with another broker, agent, or finder in connection with this transaction and Buyer and Seller covenant and agree, each to the other, to indemnify and hold each other harmless from any and all losses, damages, costs and expenses including, but not limited to, attorneys’ fees and court costs that may be incurred or suffered as a result of any claim for any fee, commission, or similar compensation with respect to this transaction made by any person or entity and arising through the actions of the indemnifying party, whether or not such claim for any fee, commission, or similar compensation with respect to this transaction made by any person or entity is meritorious.
2. Following Closing, Buyer hereby agrees that Kiawah Island Real Estate, LLC (“KIRE”), which is not affiliated with Seller, shall have a first right to be the exclusive listing agent for the resale of the Unit at such time as Buyer may elect to sell the Unit. At such time as Buyer elects to offer the Unit for resale by listing the Unit with a broker, Buyer shall provide written notice to KIRE. If KIRE elects to exercise its right to be the exclusive listing agent for the resale, then Buyer and KIRE shall enter into a listing agreement on current standard KIRE terms with a current market rate commission to be payable thereunder. If KIRE does not elect to exercise its right, then Buyer may list the Unit for resale with any licensed broker. [NOTE: need to run this by Kiawah Partners/KIRE.]

10. **DISCLAIMER**. Buyer and Seller acknowledge that they have not relied upon any advice, representations or statements of Brokers and waive and shall not assert any claims against Brokers involving the same. The term “Broker” as used herein shall mean the Listing Broker and any referring broker, if applicable. Buyer and Seller agree that Brokers shall not be responsible to advise Buyer and Seller on any matter, including but not limited to the following: any matter which could have been revealed through a survey, title search or inspection of the Unit; the condition of the Unit, any portion thereof, or any item therein; the tax or legal consequences of this transaction; the availability and cost of utilities or community amenities; the appraised or future value of the Unit; any condition(s) existing on the Regime that may affect the Regime; the terms, conditions and availability of financing; and the uses and zoning of the Regime whether permitted or proposed. Buyer and Seller acknowledge that Brokers are not experts with respect to the above matters and that, if any of these matters or any other matters are of concern to them, they shall seek independent expert advice relative thereto.

11. **FINANCING**.

(a) Buyer's Responsibility. Buyer will be solely responsible for obtaining any financing for the purchase of the Unit. By suggesting a source of financing and/or providing the application for such financing, the Seller will not be deemed to have assumed any responsibility for obtaining such financing for Buyer or to represent or warrant that such financing will be available to Buyer.

(b) No Financing Contingency. Buyer financing for the purchase of the Unit shall not be a contingency of this Agreement, and the failure of Buyer to secure financing for the purchase of the Unit shall not be deemed grounds for Buyer to terminate this Agreement or to avoid Buyer’s obligation to close on the purchase of the Unit.

12. **POSSESSION**. Permanent possession of the Unit shall be delivered to Buyer at the Closing.

13. **REGIME DOCUMENTS AND CONDOMINIUM ASSOCIATION**.

1. Regime Documents. Buyer acknowledges that the Unit being purchased is a portion of the Regime and that the Regime and all improvements that have been or will be made on the Property shall be subject to the Master Deed. The nature and extent of the rights and obligations of Buyer in acquiring and owning the Unit will be controlled by and subject to the Master Deed and all Exhibits thereto, as well as the Articles of Incorporation, By-Laws and the Rules and Regulations of the Condominium Association and any other rules and regulations established pursuant to the Master Deed (all of the above-referenced documents are collectively referred to herein as the “Regime Documents”). The Master Deed and the By-Laws of theCondominium Association shall be created and formed pursuant the provisions of the South Carolina Horizontal Property Act, Sections 27-31-10, et seq., South Carolina Code of Laws, 1976, as amended. The Master Deed and the By-Laws shall provide, in part, that every Owner of a unit shall be liable for assessments for the purpose of insuring the Regime and maintaining, repairing and replacing the Common Elements of the Regime. **BUYER ACKNOWLEDGES THAT PRIOR TO SIGNING THIS AGREEMENT, BUYER RECEIVED FROM SELLER AND HAS READ, REVIEWED AND HAD AN OPPORTUNITY TO ASK QUESTIONS REGARDING (1) THE DRAFT MASTER DEED WITH ATTACHED EXHIBITS FOR THE CAPE ON KIAWAH HORIZONTAL PROPERTY REGIME, (2) THE DRAFT BY-LAWS OF THE CONDOMINIUM ASSOCIATION, (3) THE INITIAL DRAFT OF THE RULES AND REGULATIONS OF THE CONDOMINIUM ASSOCIATION, (4) THE BUDGET OR AN ESTIMATED BUDGET OF THE CONDOMINIUM ASSOCIATON, (5) DRAFTS OF ANY OTHER REGIME DOCUMENTS, AND (6) THE CAPE CLUB LEASE AND ACCESS AGREEMENT. In addition, Buyer acknowledges and understands that the Regime Documents, ALTHOUGH BASED ON CAREFUL PLANNING, ENGINEERING AND ARCHITECTURAL STUDY, ARE SUBJECT TO AMENDMENT AS PROVIDED THEREIN. LENDER REQUIREMENTS, GOVERNMENTAL REGULATIONS AND/OR LEGAL CONSIDERATIONS MAY REQUIRE REVISIONS TO THE REGIME DOCUMENTS AND THE CAPE CLUB LEASE AND ACCESS AGREEMENT. prior to Closing, BUYER UNDERSTANDS AND AGREES THAT Seller shall have the right to modify, change, revise, and amend the Regime Documents AND THE CAPE CLUB LEASE AND ACCESS AGREEMENT without Buyer's approval PROVIDED SUCH CHANGES DO NOT MATERIALLY ADVERSELY AFFECT BUYER’S RIGHTS, and that such modifications, changes, revisions, and amendments TO the Regime Documents OR THE CAPE CLUB LEASE AND ACCESS AGREEMENT shall not affect the validity of this Agreement AND SHALL NOT BE THE BASIS ON WHICH BUYER MAY TERMINATE THIS AGREEMENT. tHE information AND PROJECTIONS as may have been or may hereafter be furnished to Buyer concerning MONTHLY REGIME ASSESSMENTS AND operating expense of the Regime to be formed are projections only and Seller does not warrant the accuracy of such projections. BUYER AGREES TO COMPLY WITH ALL OF THE TERMS, CONDITIONS AND OBLIGATIONS SET FORTH IN ALL SUCH REGIME DOCUMENTS AND THE CAPE CLUB LEASE AND ACCESS AGREEMENT.**

(b) Membership in the Condominium Association. Upon conveyance of title to the Unit to Buyer, Buyer shall automatically become a member of the Condominium Association and shall be subject to the assessment obligations and other provisions set forth in the Regime Documents, including, without limitation, the obligation of Buyer to pay a contribution to the Working Capital of the Condominium Association referred to in Section 8 above.

(c) Insurance. Buyer hereby acknowledges that the Master Deed and By-Laws mandate that Buyer maintain insurance on those portions on his or her Unit not insured by policies held by the Condominium Association and Buyer further agrees to provide proof of such insurance prior to or at Closing. In the event that Buyer fails to obtain insurance as required by this subsection and the Master Deed and By-Laws, the Condominium Association may purchase such insurance on behalf of Buyer and assess the cost thereof to Buyer, to be collected in the manner provided for collection of assessments under the Master Deed.

14. **NONASSIGNABILITY BY BUYER.** Buyer’s interest in this Agreement may not be transferred or assigned, in whole or in part, without the prior written consent of Seller, which consent may be withheld for any reason. Grant of said consent or assignment regarding another unit shall not estop or otherwise limit Seller’s right to deny such consent to Buyer.

15. **DEFAULT**.

(a) If Seller defaults in the performance of or compliance with its responsibilities, duties, or obligations under the terms of this Agreement, then Buyer shall give written notice to Seller specifying the default. Seller shall have thirty (30) days from receipt of such notice to cure and correct the default. Buyer shall not be entitled to terminate this Agreement on account of a default by Seller which has been cured. If the default is not corrected within thirty (30) days to the reasonable satisfaction of Buyer, then Buyer, at its option, may declare Seller in default and elect to terminate this Agreement. At Buyer's option, Buyer may either (i) enforce this Agreement through binding arbitration, including without limitation, the remedy of specific performance; or (ii) terminate this Agreement by giving written notice to Seller, whereupon Buyer’s Deposit, together with any other funds paid by Buyer to Seller, shall be immediately returned to Buyer, and all further rights, obligations and liabilities created hereunder shall be deemed terminated and of no further force and effect. In the event that Buyer elects to enforce this Agreement by specific performance through binding arbitration, or to pursue any other remedies for Seller’s default hereunder, the parties agree that in view of the difficulty of determining actual damages resulting from Seller’s default, no action for damages may be brought by Buyer and Buyer shall not be entitled to recover incidental, consequential, special, punitive, or other damages arising from Seller’s default under this Agreement.

(b) If Buyer defaults in the performance of or compliance with its responsibilities, duties, or obligations under the terms of this Agreement, then Seller may elect to terminate this Agreement and may retain the Deposit and any other funds paid by Buyer to Seller as liquidated damages, which are fixed and agreed by the parties as the reasonable estimate of the damages Seller will suffer because of Buyer’s default and are not in the nature of a penalty. In the alternative, at its option in the event of Buyer’s default, Seller may enforce this Agreement through binding arbitration, including, without limitation, the remedy of specific performance.

16. **ARBITRATION**. Any and all claims, disputes, demands, actions, causes of action, and other matters in question between Seller and Buyer of every nature and kind arising out of or in any manner whatsoever relating to this Agreement or the breach thereof, the development, design, construction, sale, repair, maintenance, habitability of, or condition, of the Common Elements, Limited Common Elements, the individual Unit, or the Project, or any alleged defects or deficiencies relating to the Unit and/or the Project, including without limitation, claims based on workmanship, design, product liability and personal injury (collectively, a “Dispute”), shall, upon demand of either party, be submitted to binding arbitration in Charleston County, South Carolina in accordance the Commercial Arbitration Rules published by the American Arbitration Association (the “AAA”), as amended and in effect on the date of service of the demand for arbitration. In the event of a conflict between the SC Arbitration Act and the terms of this Agreement, this Agreement shall govern. Demands for arbitration shall be served in accordance with the notice provisions of this Agreement using the demand for arbitration forms prescribed by the AAA in effect on the date of any demand for arbitration hereunder. Written notice of the demand for arbitration shall be filed with the other party to this Agreement and with the AAA within the time allowed by the applicable statute of limitation or repose. Once the arbitration notice has been given, no other disputes related to the Dispute that has been submitted to arbitration may be decided in any other forum, and either party shall be entitled to petition for an injunction prohibiting any such proceedings. The Dispute shall be submitted to a single arbitrator who is knowledgeable in the multi-family residential condominium or construction industry, as applicable depending on the issues involved in the Dispute, unless the claim exceeds one million U.S. dollars (US $1,000,000.00), in which case there shall be a panel of three arbitrators. The arbitrator(s) shall be agreed by the parties within thirty (30) days after the dispute has been submitted to arbitration, or if the parties do not agree within such time period, then AAA shall choose such arbitrator in accordance with the AAA Rules. The arbitrator shall have the right to order any remedy available at law or in equity to the extent authorized under this Agreement, including, without limitation, the right to order specific performance; provided, however, in no event shall such award include incidental, special, punitive, exemplary, or treble damages or damages for emotional or mental distress. The award rendered or decision made by the arbitrator shall be final and binding upon both parties, and may be entered in any court of competent jurisdiction. In arriving at its decision, the arbitrator shall consider the pertinent facts and circumstances and shall be governed by the terms and conditions of this Agreement or if those terms and conditions need to be interpreted or a solution is not found within the terms of this Agreement, the arbitrator shall apply the law of South Carolina, without regard to its conflicts of laws rules. Each party shall be responsible for its own attorneys’ fees. All other arbitration costs, including fees for arbitrator’s time and rental of arbitration facilities, shall be allocated among the parties in the award according to the sound discretion of the arbitrator. In determining the allocation of the fees and expenses of the parties, the arbitrator may review the settlement offers of the parties.

Except as otherwise required by law, neither of the parties to this Agreement nor the arbitrator may make any public disclosure of any of the following: (i) the existence of any controversy, dispute or claim arising out of or related to this Agreement or the breach or alleged breach of this Agreement or the Project; (ii) the existence of an arbitration proceeding under this Agreement; or (iii) the results of any arbitration proceeding under this Agreement; provided, however, the filing of a civil action in a Circuit Court of Charleston County, South Carolina, confirming an arbitration award pursuant to this Section 16 shall not be deemed a violation of this confidentiality provision. The terms of this Section 16 shall survive the Closing or termination of this Agreement.

Because this Agreement provides for binding arbitration, the parties agree to refrain from commencing any action at law or in equity pursuant to a default by either party under the terms of this Agreement or otherwise with respect to a Dispute, including, but not limited to, the commencement of an action for specific performance and the filing of a notice of lis pendens. If either party maintains such an action at law or in equity, including the filing of a notice of lis pendens, the other party shall be entitled to petition the presiding judge of the Circuit Court of Charleston County, South Carolina for and obtain an immediate order dismissing the action, and/or removing the lis pendens of record.

In any arbitration proceeding conducted pursuant hereto, the parties may exchange written discovery and depositions may be taken as allowed by the arbitrator, who shall reasonably limit the number and duration of said depositions in order to avoid excessive expense and delay. The parties shall exchange witness lists at least forty-five (45) days prior to the arbitration hearing and shall exchange exhibits and lists of those witnesses who will testify at the arbitration hearing at least ten (10) days prior to such hearing.

The written decision of the arbitrator may be confirmed and enforced in any court of competent jurisdiction.

All known claims, disputes, demands, actions, and causes of action shall be asserted in a single arbitration proceeding, and all persons and entities which are subject to this arbitration provision or subject to the arbitration provisions under the Master Deed may be joined in said proceeding so that all issues may be resolved in one forum.

The arbitrator shall issue a written decision identifying with specificity each claim or cause of action asserted in and resolved by the arbitration, including claims for injunctive relief. The principles of res judicata and collateral estoppel shall be applicable to any arbitration award.

**IN THE EVENT THAT THIS ARBITRATION PROVISION IS DEEMED INVALID OR UNENFORCEABLE BY A COURT OF COMPETENT JURISDICTION, THE PARTIES, AND THEIR HEIRS, SUCCESSORS, AND/OR ASSIGNS HEREBY AGREE THAT ANY AND ALL DISPUTES, CLAIMS, DEMANDS, AND CAUSES OF ACTION SHALL BE TRIED NON-JURY, AND THEY EXPRESSLY WAIVE ALL RESORT TO TRIAL-BY-JURY OF ANY AND ALL ISSUES OTHERWISE SO TRIABLE.**

Prior to and as a precondition to any demand for arbitration, if the Dispute cannot be settled through direct discussions, the parties shall endeavor to resolve the Dispute between themselves, as well as between the parties and any other related contractor, architect, engineer, or construction or design professional, by participating in a mediation before a mediator mutually agreed upon by the parties.

**Buyer specifically understands and agrees that these provisions related to arbitration shall survive Closing or the termination of this Agreement.**

17. **UNIT COMPLETION; INSULATION; HOLD HARMLESS**.

(a) Construction of the Unit. Except as provided in Section 4(b) of this Agreement and except for Change Orders that have been agreed upon by Buyer and Seller’s Contractor and which have been approved by Seller, the cost of which shall be paid by Buyer in accordance with the provisions of Section 5hereof, the Unit shall be constructed substantially in conformance with the Conceptual Unit Plan, the Outline Specifications, and the no-cost options selected by Buyer in accordance with the provisions of Section 4(c) of this Agreement. Buyer understands and agrees that materials used in construction and completion of the Unit may vary somewhat from any samples provided, and that such variations are inherent in manufacturing and construction and shall not be grounds for any refusal by Buyer to accept the Unit or decrease the Purchase Price.

1. Insulation. Pursuant to the Federal Trade Commission's Trade Regulation Rule on labeling and advertising of home insulation (16CFR, Part 460), the type, thickness and R-Value of the insulation that will be installed on each part of the Unit are as follows:

|  |  |  |
| --- | --- | --- |
| **LOCATION** | **TYPE OF INSULATION** | **R-VALUE** |
|  |  |  |
| Roof | Extruded – Polystyrene Board | 20\* |
| Walls | Glass – Fiber Blanket | 19 |
| Below Second Floor | Spray Applied Fiberglass | 8.3 |

[NOTE: to be revised.]

“R-Value” means the resistance of insulation to heat transfer. The higher the R-Value, the greater the insulation power. Seller reserves the right to make substitutions as to the type, thickness and R-Value of insulation installed without obtaining Buyer’s consent so long as there are no substantial changes in the R-Value of the insulation installed; provided, however, that Seller shall provide Buyer with a new disclosure setting forth the type, thickness, and R-Value of the insulation installed when the information is available to Seller, whether on or before closing date. Buyer understands and acknowledges the data on insulation, thickness and R-values may vary depending on local conditions and vagaries in construction including, but not necessarily limited to, such items as window openings in walls (which cannot carry the same R-value as the rest of the wall, or plumbing or other structures within walls which displace insulation thickness, etc.). Buyer agrees that information regarding R value is based solely on information given to Seller by the appropriate manufacturers based on the thicknesses listed. Buyer agrees that Seller is not responsible for any such manufacturer's errors. All of the foregoing information is also subject to Seller's general rights to make changes in Seller's Plans or otherwise, and to applicable limitations of Seller's liability to Buyer.

1. Hold Harmless. **CONSTRUCTION SITES ARE INHERENTLY DANGEROUS AND HAZARDS MAY EXIST THAT ARE NOT OBSERVABLE.** Buyer agrees not to enter the construction site that includes the Unit or the Cape Club without the express prior written permission of the Seller or without being accompanied by an agent of Seller. Buyer may be required to sign a waiver of liability in form and substance satisfactory to Seller to be allowed to enter the construction site before closing, and must be accompanied by an agent of Seller. Under no circumstances may any work be performed on the Unit prior to the closing date by Buyer or any agents of Buyer, or anyone other than Seller and its authorized agents, without Seller’s written consent. Seller shall retain exclusive possession of the Unit until the Closing. Buyer acknowledges that certain units in the Regime or the Cape Club may not be completed prior to and/or after the Closing and that construction in, on and around certain units and the Common Elements of the Regime or the Cape Club may take place prior to and/or after the Closing. In the event that Buyer or its agents, invitees, or guests at any time access the construction site (“Construction Site”), and recognizing that construction sites are inherently dangerous, Buyer hereby agrees as follows: (i) Buyer has assumed all risk of injury and damage to both persons and property which may be occasioned by the undersigned’s having access to and being present upon the Construction Site, (ii) Buyer hereby releases Seller and the Listing Broker, and each of their affiliates, subsidiaries, members, successors, assigns, attorneys, agents, employees, officers, shareholders, and directors, from all losses, costs and expenses incurred or suffered by them resulting from the undersigned’s having had access to the Construction Site, and (iii) Buyer agrees to indemnify, defend and hold harmless each of the above-named parties and their affiliates, subsidiaries, successors, assigns, attorneys, agents, employees, officers, shareholders, and directors, from and against any costs, expenses, including without limitation, attorney's fees, which any of them may suffer or which may result from the undersigned's having had access to the Construction Site.
2. **SO LONG AS THE UNIT IS READY FOR OCCUPANCY AND ALL NECESSARY AND CUSTOMARY UTILTIES AS PROVIDED HEREIN HAVE BEEN EXTENDED TO THE UNIT, OBTAINING A CERTIFICATE OF OCCUPANCY SHALL CONSTITUTE CONCLUSIVE EVIDENCE OF SUBSTANTIAL COMPLETION OF CONSTRUCTION BY SELLER. EXCEPT AS EXPRESSLY PROVIDED HEREIN, SELLER MAKES NO REPRESENTATION AS TO THE ACTUAL DATE OF COMPLETION OF THE UNIT OR THE PROJECT AND SELLER IS NOT RESPONSIBLE FOR ANY INCONVENIENCE, LOSS OR EXPENSE TO BUYER RESULTING FROM DELAYS IN CONSTRUCTION.** [NOTE: Purchase Agreement does not have a deadline to deliver the Unit if we are not using the “improved lot” exemption under ILSA. Discuss whether to add.]

18. **EXPRESS LIMITED WARRANTY**. **Except as provided herein, for a period of one (1) year from the date of Closing or occupancy by Buyer, whichever first occurs, Seller will at no cost to Buyer, repair or replace, at Seller’s option, any portion of the Unitwhich is defective as to materials or workmanship. Buyer shall allow Seller or its representatives prompt access to the Unit for correction of warranty items. Failure of Buyer to do so shall relieve the Seller of the obligation to complete such items. This warranty excludes damage or defects caused by abuse, improper or insufficient maintenance or improper operation by Buyer, its agents or licensees, and Unit occupants or visitors; modifications or construction by Buyer, its agents or licensees, and Unit occupants or visitors; or wear and tear resulting from normal usage. All claims under this warranty shall be made in writing to Seller within fourteen (14) days after Buyer’s discovery of the defect and within the one (1) year warranty period. The claim shall identify the purported defect with reasonable specificity. The liability of Seller shall be limited to replacement or repair of the defect, and Seller shall not be liable for incidental or consequential damages or loss of use resulting from the defect. The warranty of Seller does not extend to appliances or tangible personal property in the Unit, such as, for example only, stoves, refrigerators, hot water heaters, cable television or security systems, or any work by contractors employed directly by Buyer or Buyer’s agents, but any transferable warranties of manufacturers for such fixtures or tangible personal property that benefit Seller shall be deemed to be assigned to Buyer at Closing and shall be enforceable by Buyer or Seller, to the maximum extent permitted by law.**

**THIS WARRANTY IN THE FIRST PARAGRAPH OF THIS SECTION 18 IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, RELATING TO THE UNIT. SELLER MAKES NO WARRANTY REGARDING APPLIANCES OR OTHER ITEMS OF TANGIBLE PERSONAL PROPERTY, WHETHER OR NOT WARRANTED BY THE MANUFACTURER. EXCEPT AS EXPRESSLY STATED, SELLER MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THOSE OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, HABITABILITY, DESIGN, WORKMANSHIP, GOOD AND WORKMANLIKE MANNER, CONDITION OR QUALITY OF THE UNIT. BUYER ACKNOWLEDGES THAT NO OTHER REPRESENTATIONS REGARDING SUCH MATTERS HAVE BEEN MADE TO BUYER BY SELLER OR ITS AGENTS. BUYER (a) ACKNOWLEDGES AND ACCEPTS THE WARRANTY PROVISIONS SET FORTH ABOVE, (b) RELEASES SELLER FROM ANY LIABILITY FOR DAMAGES, INCLUDING WITHOUT LIMITATION INCIDENTAL OR CONSEQUENTIAL DAMAGES TO ANY PERSON, THE UNIT, OR ANY OTHER PROPERTY RESULTING FROM A DEFECT AND (c) WAIVES ALL OTHER CLAIMS RELATING TO THE MATTERS SET FORTH ABOVE. THE PROVISIONS OF THIS SECTION SHALL SURVIVE CLOSING.**

**BY INITIALING ON THE LINE BELOW, IN CONSIDERATION OF THE LIMITED WARRANTY PROVIDED BY SELLER AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, BUYER HEREBY (1) AGREES TO WAIVE ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THOSE OF MERCHANTIBILITY, FITNESS FOR A PARTICULAR PURPOSE, HABITABILITY, DESIGN, WORKMANSHIP, GOOD AND WORKMANLIKE MANNER, CONDITION OR QUALITY OF THE UNIT, AND (2) ACKNOWLEDGES THAT BUYER HAS DISCUSSED THE LIMITED WARRANTY WITH SELLER OR ITS AGENT AND UNDERSTANDS THIS LIMITED WARRANTY AND WAIVER. THE PROVISIONS OF THIS SECTION SHALL SURVIVE CLOSING OR THE TERMINATION OF THIS AGREEMENT.**

**SELLER’S INITIALS: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ BUYER’S INITIALS: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

19. **ORIENTATION AND INSPECTION BY BUYER.**

1. Following issuance of a certificate of occupancy for the Unit, Seller shall notify Buyer that the Unit is Substantially Complete and ready for inspection. Upon receipt of such notice, Buyer shall have five (5) business days from the date of such notice to conduct an inspection of the Unit and shall promptly arrange for an appointment with Seller to make the inspection and complete the process of orientation to the Unit (the “Orientation Process”). Failure of Buyer to arrange such an appointment within such five (5) business day period or failure of Buyer to keep the appointment shall constitute full acceptance of the Unit by Buyer. The purpose of the Orientation Process is for the Seller or Seller's agent to review the systems, functions and maintenance requirements for the Unit, and to inspect and identify any items that do not comply with this Agreement and need to be corrected by Seller (the “Punchlist Items”). Seller and Buyer shall prepare and sign a written list of all Punchlist Items prior to completion of the Orientation Process. If Buyer and Seller disagree on whether an item should be included in the list of Punchlist Items, then [Hart Howerton] \_\_\_\_\_\_\_\_\_\_\_\_\_, the architectural firm preparing the plans and specifications for the Project (the “Project Architect”), or the Project Architect’s designee, shall determine whether the item should be included on the list of Punchlist Items. Buyer acknowledges that Seller (or Seller’s authorized agent) will use diligent efforts to complete all Punchlist Items on a timely basis as soon as reasonably possible, but the fact that any repairs, touch ups, adjustments, corrections or other Punchlist Items are incomplete shall not constitute a valid reason for Buyer’s failure to close on the date of Closing as set forth in Section 6 above. Buyer further agrees that under no circumstances shall the Closing be delayed or postponed due to Buyer’s inability to inspect the Unit prior to Closing or Seller’s failure to complete any outstanding Punchlist Items prior to Closing, and there shall be no withholding of any or all of Seller’s proceeds at Closing for any such Punchlist Items. Completion of any Regime amenities, landscaping, other units, exterior finishes and similar items that do not materially affect Buyer’s ability to occupy and use the Unit shall not be deemed a Punchlist Item or grounds for delay of Closing, but Seller shall cause such items to be completed within a reasonable period of time following Closing of the Unit. Completion of the Cape Club shall not be deemed grounds for delay of Closing.
2. Except for items set forth in the list of Punchlist Items, if any, Buyer expressly acknowledges acceptance of all conditions or circumstances existing in the Unit and waives and releases Seller, the Listing Broker, and each of their affiliates, subsidiaries, agents, architects, contractors, employees and subcontractors, members, successors and assigns from any claim, rights of action or suits seeking rescission of this Agreement, damages or other relief based upon, or relating to, any condition or circumstances existing on or in the vicinity of the Unit, except as may be covered by express warranty given Buyer by the Seller. Upon satisfactory disposition of the items set forth in the list of Punchlist Items, this acceptance, waiver and release shall apply to such items as well, except as may be covered by any express warranty.

20. **MARKETING MATERIALS AND OCCUPANCY CONDITIONS**.

1. Marketing Materials. From time to time, Seller or Listing Broker may present to the public renderings, plans, models, visual statements or presentations discussing the Project, or any other advertising or marketing materials (collectively, the “Marketing Materials”), and Marketing Materials may change based on economic conditions, market response and other factors. Seller does not warrant that the concepts set forth in the Marketing Materials will be accomplished. The obligations of Seller are limited to those set forth in this Agreement.
2. Issues after Occupancy. Buyer acknowledges that other units or common areas within the first phase of the Project and the Cape Club may be under development or for sale for a period beyond the Closing and that future phases of development are anticipated to continue for extended periods thereafter, and, as a result, enjoyment of the Unit may be disrupted to some extent by construction, marketing activities or the process of moving other persons into their Units. Buyer also acknowledges that (i) views from units vary depending on a unit’s location; (ii) the Unit is not soundproof and, depending on location of the Unit, noise or vibration may be transmitted from one Unit to another, or from common areas outside the Unit, or through plumbing, ducting, floors, ceilings, walls or other materials; and (iii) performance of heating and cooling systems can be affected by the orientation or location of a room or unit and the practices of occupants in operating such systems.

21. **NOTICES**. Whenever notice is required or permitted under the terms of this Agreement, it shall be in writing and (a) personally delivered, or (b) sent postage or delivery charges prepaid either (i) by United States mail, certified, return receipt requested, in which case notice shall be deemed to occur on the certified date of delivery or rejection of delivery, or (ii) if within the United States, by First Class United States mail, in which case notice shall be deemed to occur four (4) calendar days after date of postmark, or (iii) by any dependable express delivery service (such as FedEx or UPS) that provides evidence of delivery, in which case notice shall be deemed to occur on the date of delivery. Notice by other methods, such as facsimile or e-mail transmission, shall be valid if receipt is acknowledged in writing by the addressee (which shall exclude electronic notification of sending or delivery), in which case notice shall be deemed to occur on the date of written acknowledgement or such earlier date as is set forth in the written acknowledgement. Rejection or other refusal by the addressee to accept the notice shall be deemed to be receipt of the notice. In addition, the inability to deliver the notice because of a change of address of the party of which no notice was given to the other party as provided below shall be deemed to be the receipt of the notice sent. Notices to Buyer shall be addressed to the name and address of Buyer stated on Page 1 of this Agreement. Notices to Seller shall be addressed as follows:

Beachwalker Development, LLC

c/o Katie Blum

299 East Bay Street

Charleston, SC 29401

With a copy to:

Womble Bond Dickinson (US) LLP

Attention: James Wilson

5 Exchange Street

Charleston, SC 29401

The address of Buyer or Seller may be changed by proper written notice to the other party, as provided herein.

22. **SOUTH CAROLINA LAW**. This Agreement concerns the sale of real property located in the State of South Carolina. This Agreement, and all of the relationships between the parties hereto, shall be construed and interpreted in accordance with the laws of the State of South Carolina. This Agreement has been executed at a time when the South Carolina Horizontal Property Act, to wit, Section 27-31-10, et seq., South Carolina Code of Laws, 1976, as amended, governs the development of condominiums in South Carolina. In the event such statute is modified and/or replaced, the parties agree that this Agreement shall not be impacted, unless required by and then only to the extent set forth in any such new law.

23. **TIME OF ESSENCE**. Time is of the essence as to each and every provision of this Agreement.

24. **FORCE MAJEURE**. Either party hereto shall be excused for the period of any unavoidable delay in the performance of any obligations hereunder, provided that such delays are caused by events [which would support a defense based upon impossibility of performance under South Carolina law for reasons] [NOTE: discuss; relates to ILSA improved lot exemption] beyond such party’s reasonable control, including, but not limited to, delays caused by weather (such as excessive rain, extended extreme low temperatures or freezing, or other extreme weather conditions not customary for the area), Acts of God, fire, flood, hurricane, earthquake, tornado, other natural disaster, casualty losses, unavailability of or a delay in receiving materials, delay in governmental approvals, civil disorder, terrorism, riots, war, epidemic, pandemic (including, without limitation, COVID-19), quarantine, labor restriction by any governmental authority, declared state of emergency or public health emergency, government mandated quarantine or travel bans, government mandated closures, change of law, delays caused by regulatory agencies, labor shortages, strikes or other labor difficulties, or any breach or failure by Seller’s contractors to perform. In such cases, the time for performance shall be automatically extended for an additional period of time equal to the total period(s) attributable to such unavoidable delays.

25. **SEVERABILITY**. If any term, clause, word, condition, provision or agreement in this Agreement shall be held invalid, void or unenforceable, then the remainder thereof shall remain in full force and effect, and the invalid, void or unenforceable term, clause, word, condition, provision or agreement shall be reformed to the extent possible in order to give its intended effect and/or meaning so long as the economic or legal substance of this Agreement is not affected in any manner materially adverse to any party.

26. **CONSTRUCTION OF AGREEMENT**. Buyer and Seller acknowledge that they have read, understand, and have had the opportunity to be advised by legal counsel as to each and every one of the terms, conditions, restrictions, and effect of all of the provisions of this Agreement and every part of the Regime Documents and the Cape Club Lease and Access Agreement (as the same may be amended or revised), all of which are incorporated herein by reference and made a part hereof, and Buyer agrees to the enforcement of any and all of these provisions and affixes his hand and seal hereto with full knowledge of same. Should any provision of this Agreement require judicial interpretation, it is agreed that the court or arbitral panel interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against one party by reason of the rule of construction that a document is to be construed more strictly against the party who itself or through its agent prepared the same. It is further agreed that words of any gender used in this Agreement shall be held to include any other gender, any words in the singular number shall be held to include the plural wherever applicable, and that captions and paragraphs numbers appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such Section or in any way affect this Agreement.

27. **NON-RECORDATION OF AGREEMENT**. Neither this Agreement nor any of the terms hereof, nor any other memorandum, affidavit or other document relating to or referring to this Agreement or the transactions contemplated hereby, whether directly or indirectly, shall ever be filed of record by or on behalf of Buyer.

28. **ENTIRE AGREEMENT**. This Agreement contains the entire agreement between the parties hereto. No agent, representative, salesman or officer of the parties hereto has authority to make, or has made, any statements, agreements, or representations, either oral or in writing, in connection herewith, modifying, adding to, or changing the terms and conditions hereof and neither party has relied upon any representation or warranty not set forth in this Agreement. No dealings between the parties or customs shall be permitted to contradict, vary, add to, or modify the terms hereof.

29. **DEFINITIONS**. Capitalized terms not defined herein shall have the same meaning as provided in the Master Deed.

30. **SURVIVAL**. All terms, conditions, representations, and provisions contained herein shall extinguish upon Closing and delivery of the deed, except that the agreements, representations, covenants, rights and obligations set forth in this Agreement that by their terms or to the extent necessary for consistency with the intent and purpose of this Agreement extend beyond the term of this Agreement shall survive Closing, termination or expiration of the term of this Agreement.

31. **OFFER**. This Agreement, as executed by Buyer, shall constitute an offer to Seller. Seller may accept the same, if at all, by delivering to Buyer at least one executed original or copy of this Agreement prior to the time that Buyer shall notify Seller, in writing, of Buyer's revocation of this offer**.**

32. **SPECIAL STIPULATIONS; EXHIBITS; PARKING AND STORAGE SPACES.** The following stipulations, if in conflict with any other term, condition or provision of this Agreement, shall control: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

(a) **Exhibits and Addenda**. The Exhibits and Addenda checked below and attached hereto are incorporated herein by reference and are an integral part of this Agreement:

X Exhibit “A” – Description of the Property

X Exhibit “B”—Permitted Exceptions

X Exhibit “C”—Conceptual Unit Plan

X Exhibit “D”—Outline Specifications

(b) **Parking Spaces and Storage Spaces**. The Unit shall be entitled to the use of [\_\_\_] assigned parking space[s] and one assigned storage space within the Building (as defined in the Master Deed). Parking spaces and storage spaces located within the Building will be assigned initially by the Seller, as Declarant under the Master Deed and Regime Documents, and thereafter assigned, reassigned and managed by the Declarant or the Condominium Association Board of Directors in accordance with the Master Deed and other Regime Documents. Subject to any modifications to parking space and storage space plans in connection with construction of the Project and subject to the right of the Declarant and/or Board of Directors of the Condominium Association to reassign parking spaces and storage units, as more particularly set forth in the Master Deed and Regime Documents, the following initial parking space[s] and storage space shall be assigned to the Unit described herein at the time of Closing:

Parking Space Number[s] \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Storage Unit Number \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

33. **RISK OF LOSS**. Loss or damage to the Unit by fire and storm or other casualties between the date hereof and the Closing hereunder shall not void or impair this Agreement, but all such damage by way of fire and storm or other casualty is to be the responsibility of Seller. In the event of loss or damage as a result of the hazards mentioned, the time for completion shall be extended for such time as may be reasonably required to repair the damage. After the Closing, Buyer shall bear the risk of loss to the Unit.

34. **ACKNOWLEDGMENT BY BUYER; ECONOMIC ADVISABILITY**. Buyer represents that he/she is purchasing the Unit for his/her personal use and enjoyment and that no representation has been made to Buyer by the Seller regarding the economic advisability of this transaction, future appreciation or potential rental returns. Seller makes no representation or warranties to any tax or other benefits, including appreciation, which Buyer may be entitled to as a result of Buyer's ownership of the Unit. Seller hereby advises Buyer to consult with Buyer's own legal and/or financial advisers as to the tax benefits, if any, available to Buyer as a result of Buyer's ownership and use of the Unit. **BUYER HEREBY WARRANTS THAT NO OFFICER, AGENT OR EMPLOYEE OF THE SELLER OR LISTING BROKER OR ANY OTHER PERSON HAS BEEN AUTHORIZED TO MAKE REPRESENTATIONS REGARDING THE TERMS OF BUYER'S PURCHASE OF THE UNIT OR THE INVESTMENT OR RENTAL INCOME TO BE REALIZED THEREFROM, OR ANY REGIME EXPENSES OR PROJECTED ASSESSMENTS, OTHER THAN THOSE MADE IN THIS AGREEMENT, AND IF ANY SUCH REPRESENTATIONS HAVE BEEN MADE, SUCH REPRESENTATIONS MAY NOT BE RELIED UPON BY BUYER OR ANY OTHER PERSON AS BEING MADE BY SELLER OR LISTING BROKER. BUYER ACKNOWLEDGES THAT THE SELLER HAS MADE NO PLEDGES, COVENANTS OR COMMITMENTS IN REGARD TO THE DEVELOPMENT OF THE HORIZONTAL PROPERTY REGIME WHICH HAVE INDUCED THE PURCHASE OF THE CONDOMINIUM UNIT EXCEPT AS STATED IN THIS AGREEMENT.**

35. **CONSTRUCTION LOAN; SUBORDINATION TO LENDER RIGHTS**. Seller may subject the Property (including the improvements constructed on the Property) to a mortgage (the “Construction Mortgage”) securing the repayment of a construction loan (the “Construction Loan”) for the development and construction of the Project. At or before the closing of the purchase of the Unit, Seller will obtain a release from the holder of the Construction Mortgage (the “Lender”) so that title to the Unit will be conveyed to Buyer free and clear of the Construction Mortgage. Seller may assign this Agreement to the Lender as collateral for the Construction Loan, provided that Lender shall not have any obligations under this Agreement unless and until expressly assumed in writing by Lender. Seller may also assign its rights and delegate its duties under this Agreement to any affiliate of Seller without Buyer’s consent. **If any assignment by Seller (or its successors or assigns) shall be for the purpose of securing a loan by Lender to Seller (or its successors or assigns), then the rights of Buyer under this Agreement shall, at the option of such Lender, be subject and subordinate to the rights of such Lender, including, without limitation, any lien rights (whether at law or in equity) of Buyer with respect to any portion of Buyer’s Deposit utilized by Seller for the payment of construction or development costs or prepayment of real estate commissions pursuant to Section 3 of this Agreement. Buyer consents to (i) the assignment of this Agreement for the purposes described in this Section, and (ii) the subordination of its rights under this Agreement including, without limitation, lien rights (whether at law or in equity), as described in this Section.** In the event of a conflict between the provisions of this Section and any other provision of this Agreement, the terms of this Section govern the obligations of the parties.

36. **SELLER'S DEVELOPMENT PRE-SALES CONDITION PRECEDENT**. Notwithstanding anything contained herein to the contrary, Seller shall have the unqualified right and ability to cancel and terminate this Agreement if Seller is unable to obtain binding commitments and written purchase agreements for the minimum percentage of unit presales required by Seller’s construction Lender for the Project. In order to effect this right of cancellation and termination, Seller shall provide written notification thereof to Buyer, along with a refund of the Deposit, and at such point in time, neither party shall have any further rights or obligations under this Agreement.

37. **INTERSTATE LAND SALES FULL DISCLOSURE ACT**. Seller advises that the sale of the Unit pursuant to this Agreement qualifies for the “Condominium Unit” exemption under the Interstate Land Sales Full Disclosure Act (“ILSFDA”) pursuant to 15 U.S.C. Section 1702(b)(9).  Nothing contained in this Agreement shall be construed or shall operate in a manner inconsistent with Seller's obligation to complete and deliver the Unit as an improved lot in the manner required for compliance with the foregoing exemption. Accordingly, if any provisions of this Agreement, or portions thereof, serves to limit, qualify or otherwise preclude the sale of this Unit from qualifying for the “Condominium Unit” exemption under the Interstate Land Sales Full Disclosure Act pursuant to 15 U.S.C. Section 1702(b)(9), then any such provisions, or portions thereof, shall either be (i) deemed revised as necessary to bring this Agreement into full compliance with such exemption, or (ii) stricken and made null and void *ab initio* as if never a part of this Agreement, as the case may be.

38. **ROADS, UTILITIES AND RECREATIONAL AMENITIES.** Prior to Closing, Seller shall provide and complete certain utility service/service lines to each Unit in the Project, including sewer, water, natural gas and electric service. The Project is designed to include the following recreational amenities in accordance with the Regime Documents and Project plans: rooftop deck on Building 6 and beach access (together, the “Recreational Amenities”). Seller shall construct, provide and complete such Recreational Amenities prior to Closing. In addition, owners of units within the Regime will have access and use rights, subject to payment by the owners of applicable dues and fees and subject to applicable rules and regulations, to the Cape Club, all as set forth in the Cape Club Lease and Access Agreement and the Master Deed.

39. **FUTURE PHASES AND DEVELOPMENT.** Pursuant to the terms of the Master Deed, Seller has the right to construct and include additional improvements and units into the Regime and to amend the Master Deed to include additional phases of the Regime. However, the options reserved by Seller shall not be construed to impose upon Seller any obligation to add any additional property, improvements, or units to the Regime or to construct any improvements of any nature whatsoever or to restrict or limit its use in any manner, including, without limitation, the buildings described in the Master Deed for additional phases, or any associated amenities. ADDITIONAL CONDOMINIUM UNITS MAY BE CONSTRUCTED UPON PROPERTY THAT IS A FUTURE DEVELOPMENT UNIT WITHIN THE REGIME OR UPON PROPERTY THAT IS A GENERAL COMMON ELEMENT OF THE REGIME, AS PROVIDED IN THE MASTER DEED. THE SELLER ALSO RESERVES THE RIGHT TO REMOVE FROM THE REGIME ANY PORTION OF THE LAND THAT IS WITHIN, UNDER OR ABOVE A FUTURE DEVELOPMENT UNIT, OR TO ESTABLISH A SEPARATE REGIME UPON ANY PORTION OF THE PROPERTY THAT IS WITHIN, UNDER OR ABOVE A FUTURE DEVELOPMENT UNIT. BUYER ACKNOWLEDGES THAT ADDITIONAL AMENITIES MAY BE ADDED TO THE REGIME IN ACCORDANCE WITH THE MASTER DEED, PROVIDED THAT SELLER HAS NO OBLIGATION TO CONSTRUCT OR ADD ANY SUCH AMENITIES.

40. **DISCLOSURES**. Buyer acknowledges the following:

(a) **Budget**. The Condominium Association budget provided to Buyer is based on estimated expenses only and may increase or decrease significantly when the actual expenses of the Condominium Association become known.

(b) **Square Footage**. The Regime floor plans and the dimensions and square footage calculations shown thereon are only approximations. If Buyer is concerned about any representations regarding the floor plans, Buyer may, at Buyer’s sole cost and expense, perform an investigation as to the dimensions, measurements and square footage of the Unit pursuant to the terms of this Agreement.

(c) **Construction Activities**. Seller's agents will be constructing portions of the Regime and engaging in other construction activities related to the construction of condominium units and Common Elements. Construction activities related to the Regime or the Cape Club or the development of future phases may, from time to time, produce certain conditions on the Regime, including, without limitation: (i) noise or sound that is objectionable because of its volume, duration, frequency or shrillness; (ii) dust or dirt; (iii) temporary interruption of utilities; and/or (iv) other conditions that may threaten the security or safety of persons on the Regime. Notwithstanding the foregoing, Buyer agrees that such conditions on the Regime resulting from construction activities shall not be deemed a nuisance or discomfort to Buyer and shall not cause Seller and/or its agents to be deemed in violation of any provision of this Agreement or the Master Deed.

(d) **Quiet Enjoyment**. The condominium units in the Regime are built in close proximity to one another, resulting in the sharing of common walls, floors and/or ceilings. As a result, noise and vibration may be detectable between units or between Units and the Common Elements. Therefore, the owner and/or occupant of a unit shall not conduct activities within a unit or use a unit in a manner that unreasonably interferes with or causes disruption to the use and quiet enjoyment of the Common Elements or another unit by its respective owner and/or occupant.

(e) **Leasing of Units**. **The leasing of the Unit and other units within the first phase of the Regime is restricted as set forth in the Master Deed and the other Regime Documents, including the Rules and Regulations, as such Rules and Regulations and other Regime Documents may be amended from time to time. Future phases of development may be subject to different restrictions or no restrictions on leasing. Buyer acknowledges that Buyer has reviewed and agrees to such leasing restrictions. In addition, the Property is subject to that certain Declaration of Restrictive Covenants (Brokerage Non-Competition) recorded in the ROD Office in Book 0891, Page 983, pursuant to which KIRE has certain exclusive leasing agent rights as provided therein.**

(f) **Access**. Vehicular and pedestrian access to the Regime and the Unit is provided over and across Cape Point and Southern Pines Lanes, which are privately owned rights of way, pursuant to (i) that certain Access and Construction Easement Agreement dated August 24, 2020, between Declarant, Kiawah Resort Associates, L.P., a Delaware limited partnership, and KDP II LLC, a South Carolina limited liability company, as amended, modified, supplemented or replaced from time to time, recorded in the Register of Deeds for Charleston County in Book 0923, at Page 984 (the “Access and Easement Agreement”) and (ii) that certain Declaration of Covenants and Restrictions for Parcel 13, Beachwalker East and Provisions for and By-Laws of Beachwalker East Home Owners’ Association dated August 24, 2020, and recorded October 9, 2020, in the Register of Deeds Office for Charleston County in Book 0923 at Page 983, as amended from time to time (the “Beachwalker East Declaration”). Such access may be altered or changed from time to time in accordance with the Access and Easement Agreement and the Beachwalker East Declaration.

(g) **OCEANFRONT PROPERTY DISCLOSURE STATEMENT UNDER THE SOUTH CAROLINA BEACHFRONT MANAGEMENT ACT.**

Pursuant to Section 48-39-330 of S.C. Code of Laws 1976, as amended (the “SC Code”) the Seller discloses to the Buyer that the Property or a portion thereof is or may be subject to statutory regulations imposed by the South Carolina Coastal Zone Act of 1977, SC Code, Sections 48-39-10 et. seq., (1988 Supp.), as amended by the South Carolina Beachfront Management Act, SC Code, Sections 48-39-250, et. seq., hereinafter collectively called “the Acts”. The Acts involve, and may subject the Property to, the creation and existence of interim and final baselines, setback lines, the velocity zone and an erosion rate, all as is more fully defined in the Acts. Part or all of the Property is or may be located seaward of the setback line, the minimum setback line or interim baseline, and has an erosion rate, all as determined by Office of Ocean and Coastal Resource Management (“OCRM”) division of the South Carolina Department of Health and Environmental Control (“DHEC”). The most recently published Adopted Erosion Rate for the Property, which lies between DHEC Monuments No. 2625 and 2630, falls between -1.1 feet/year (at Monument 2625) and 0.83 feet/year (at Monument 2630). All or part of the Property is or may be within the velocity zone as determined by the Federal Emergency Management Agency. The Acts may also restrict the Buyer’s rights to build, repair or rebuild structures on the Property. No structure may be constructed seaward of the setback line without a permit issued by DHEC-OCRM. The methodology described above must be utilized on a case-by-case, property-by-property manner in order for an exact, surveyed determination to be made of the location of the baselines and setback lines. The Seller makes no representation to Buyer concerning the location of such baselines, setback lines or the velocity zone, the effect of such regulation on the Property, or the accuracy of the foregoing disclosure.

The foregoing is reasonably calculated to call attention to the existence of baselines, setback lines, velocity zones, erosion rates and seaward corners of habitable structures. Buyer agrees that the foregoing disclosure complies with the requirements of SC Code Section 48-39-330, as amended.

41. **MISCELLANEOUS**.

1. Amendments***.***This Agreement constitutes the entire agreement between the parties and supersedes any previous agreement or understandings between the parties relating to the Unit. No oral statements shall modify this Agreement. All modifications to the Agreement shall be in writing and signed by Buyer and Seller.
2. Assignment; Binding Effect. The Agreement is not assignable by Buyer without the express written consent of Seller, in its sole discretion. If Seller elects to approve assignment of this Agreement, the assignment shall be in a form approved by Seller and may require Buyer to remain responsible for Buyer’s obligations under this Agreement until after Closing. Seller may assign, without Buyer’s consent, this Agreement to any lender as security for financing related to the Project or to any entity in which Seller or its direct or indirect owners are a shareholder, member or partner.  This Agreement shall be binding upon and shall inure to the benefit of the heirs, legal representatives, successors and permitted assigns of the parties.
3. Interpretation. The words “Buyer”, “Seller”, “parties” and “party” herein include their heirs, administrators, executors, legal representatives, successors and permitted assigns. The words and any pronouns relative thereto also include the masculine, feminine and neuter gender, and the singular and plural number, whenever required to interpret the Agreement reasonably.
4. Governing Law. This Agreement shall be governed by and construed under the laws of the State of South Carolina.
5. Backup Agreements***.*** Seller may accept backup purchase agreements for the Unit on any terms Seller elects, but only subject to Buyer's express rights under this Agreement.

1. Evidence of Authority of Business Entities; Personal Guaranty of Assessments***.*** If Buyer is a corporation, partnership, joint venture, limited liability company, trust or any similar entity, Buyer shall deliver to Seller concurrently with delivery of this signed Agreement a copy of any approval required by Buyer’s governing documents, in form acceptable to Seller, authorizing the purchase of the Unit and the execution of all documents relating to the purchase, together with such other evidence of good standing or existence as Seller may reasonably require. Notwithstanding, Seller shall have no obligation to demand such documents and execution of this Agreement on behalf of Buyer by a person having apparent authority to execute the Agreement shall be binding upon Buyer. If Buyer is a corporation, partnership, joint venture, limited liability company, trust or other similar entity, then, at the time of Closing, the principal or principals of such Buyer entity shall personally guarantee payment of any assessments or other amounts due to the Condominium Association, including, without limitation, any Annual Assessments, Special Assessments or Specific Assessments, as such terms are defined in the Master Deed.

1. Estimated Assessments***.*** The initial estimated monthly Assessments for the Unit are approximately $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ per month. Buyer acknowledges that these assessments are based upon an estimate only and that actual assessments may vary from this estimate, and will change over time.
2. Natural Materials***.*** Wood products and wood floors and stone countertops will be used for portions of the Unit as part of the plans and specifications. Buyer acknowledges that (i) such wood products and stone are natural materials subject to the laws of nature, and therefore, with respect to wood products, some warpage, twisting, cracking and splitting may occur, (ii) noise transference is greater for wood floors than for carpeted floors, and (iii) stone products will have natural variations in color and texture.
3. No View Easement***.*** Buyer acknowledges that there is no easement or other right, express or implied, for the benefit of Buyer or the Unit for light, view or air included in or created by this Agreement or the Regime Documents, or as a result of Buyer owning the Unit. Buyer represents that Buyer has not relied upon any statements or representations as to any particular view from the Unit or the location, height, design, dimensions or other elements of any development in the vicinity of the Property in connection with Buyer’s purchase of the Unit. Any such elements depicted on models or other renderings cannot be relied upon as accurate.

1. No Joint Venture. Buyer acknowledges and agrees that no partnership, joint venture, or principal and agent relationship exists between Seller and Buyer.
2. Business Days***.*** A “business day” is any day other than a Saturday or Sunday or any day that the Register of Deeds for Charleston County is not open for business. If the last day for performance of any obligation of a party falls on a day which is not a business day, the last day for performance shall be deemed to be the next business day.
3. Waiver. No failure of a party to exercise any power or right granted hereunder or to insist upon strict compliance with any obligation specified herein, and no practice at variance with the terms hereof, shall constitute a waiver of said power or right unless expressly authorized in writing by the affected party.
4. Escrow Agent. Escrow Agent agrees to hold, keep and deliver the Deposit and all other sums delivered to Escrow Agent in accordance with the terms and provisions of this Agreement, including, without limitation, the provisions of Section 3 hereof. Escrow Agent shall be liable only to hold said sums and deliver the same to the parties named herein in accordance with the provisions of this Agreement, it being expressly understood that Escrow Agent is acting in the capacity as a depository only and shall not be liable or responsible to anyone for any damages, losses or expenses unless same shall have been caused by the gross negligence or willful malfeasance of Escrow Agent. In the event of any disagreement between Buyer and Seller as to the proper disposition of the Deposit or any portion thereof, Escrow Agent shall be entitled to refuse to comply with any such claims or demands so long as such disagreement may continue; and Escrow Agent shall be entitled to continue to refrain from acting until (a) the rights of the adverse claimants shall have been finally adjudicated in accordance with the dispute resolution provisions of this Agreement, or (b) all differences shall have been adjusted by agreement between Seller and Buyer. Further, Escrow Agent shall have the right, in the event of any dispute between Buyer and Seller as to the proper disposition of the Deposit (or any portion thereof), to deposit said funds into any court of competent jurisdiction, whereupon Escrow Agent’s obligations hereunder shall terminate. The provisions of this Section shall survive Closing or the termination of this Agreement.
5. Personal Use; Not Investment Property***.*** Buyer intends to acquire the Unit for personal use and not for use as investment property.
6. Recitals. The Recitals contained in on the first page of this Agreement are incorporated herein by reference and made a part of this Agreement.
7. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which, when taken together, shall constitute but one and the same instrument.
8. Effective Date. The “Effective Date” of this Agreement is the date that the Initial Deposit has been made by Buyer and a copy of Agreement, signed by the parties, with no changes unless approved in writing by the parties, is delivered to Seller, as reflected on the records of Seller.

[SIGNATURES ON NEXT PAGE]

**THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES AND SHOULD BE READ THOROUGHLY AND UNDERSTOOD PRIOR TO SIGNING. IF YOU HAVE ANY QUESTIONS ABOUT YOUR RIGHTS OR OBLIGATIONS UNDER THIS DOCUMENT, YOU MAY WISH TO CONSULT AN ATTORNEY.**

IN WITNESS WHEREOF, the parties hereto have executed, or caused their authorized representatives to execute, this Agreement as of the date first above written.

**SELLER**:

**BEACHWALKER DEVELOPMENT, LLC**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, LLC,

Its: Sole Member

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

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**BUYER(S)**:

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

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Name:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**LISTING BROKER**: **SELLING BROKER (if any)**:

**EAST WEST REALTY, LLC** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**THE UNDERSIGNED ESCROW AGENT HEREBY ACKNOWLEDGES RECEIPT OF THE DEPOSIT IN THE AMOUNT OF $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.**

**DODDS, HENNESSEY & STITH, LLC**

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

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

EXHIBIT “A”

DESCRIPTION OF PROPERTY UPON WHICH PROJECT WILL BE CONSTRUCTED

All that certain piece, parcel, or tract of land, situate, lying and being in the Town of Kiawah Island, Charleston County, South Carolina, containing 13.795 acres, more or less, and shown and designated as “Lot 2 TOTAL AREA COMBINED 600,904 SQ. FT. 13.795 ACRES (PARCEL 13A)” on a plat prepared by Southeastern Land Surveying, LLC, entitled “A CONDITIONAL SUBDIVISION PLAT, TMS #207-05-00-0011, TMS #207-05-00-001, 118, 122, 123 AND 124, BEACHWALKER EAST. PARCEL 13, KIAWAH RESORT ASSOCIATES LP, AND KDP II LLC, LOCATED IN THE TOWN OF KIAWAH ISLAND, CHARLESTON COUNTY, SOUTH CAROLINA” dated April 22, 2019, and recorded on January 24, 2020, in Plat Book L20, at Page 0023 (the “Plat”), in the office of the Register of Deeds for Charleston County, S.C., said tract having such size, location, butts and bounds, metes, courses, and distances as will by reference to said plat more fully appear.

TMS No. 207-05-00-122

EXHIBIT “B”

PERMITTED EXCEPTIONS

1. Taxes and assessments not yet due and payable.
2. The proposed Master Deed, its Exhibits and amendments thereto, and all assessments and charges and title matters referenced therein, along with all other Regime Documents, as defined herein.
3. Easements, agreements, restrictions, rights-of-way and the like of record this date or pursuant to which the development which includes the Regime is developed and organized.
4. Easements for utilities servicing the Unit and/or the Regime, including, but not limited to, water, propose gas, electricity, telephone, and cable television and internet service.
5. Limitations and conditions set out and imposed in the Horizontal Property Act, Chapter 31, Code of Laws of South Carolina, 1976, as amended.
6. All matters shown on the Plot Plan attached or to be attached as Exhibit B to the Master Deed.
7. Such matters as would be shown by a current survey or inspection of the Property, the Regime or the Unit.
8. The Cape Club Lease and Access Agreement.
9. Declaration of Restrictive Covenants (Brokerage Non-Competition) recorded in the ROD Office in Book 0891, Page 983.
10. [INSERT OTHERS from title policy] [Access and Easement Agreement] [Beachwalker East Declaration] [Beach Access Easement]

EXHIBIT “C”

CONCEPTUAL UNIT PLAN FOR THE UNIT

EXHIBIT “D”

OUTLINE SPECIFICATIONS