

THIS AGREEMENT IS SUBJECT TO BINDING ARBITRATION PURSUANT TO THE SOUTH CAROLINA UNIFORM ARBITRATION ACT, S.C. CODE § 15-48-10, et. seq.

**THE TOWNS AT OAK TERRACE PRESERVE
PURCHASE AGREEMENT**

THIS PURCHASE AGREEMENT (hereinafter, the "Agreement") is entered into as of the last of the date(s) listed on the last/signature page of this Agreement (hereinafter, the "Effective Date") by and between **The Towns at OTP, LLC**, a South Carolina limited liability company (hereinafter, the "Seller") and the following "Purchaser":

PURCHASER:

Name:	_____			
Address:	_____			
	Street	City	State	Zip Code
Home Phone:	_____	Work Phone:	_____	
Email:	_____	Fax No.:	_____	
Name:	_____			
Address:	_____			
	Street	City	State	Zip Code
Home Phone:	_____	Work Phone:	_____	
Email:	_____	Fax No.:	_____	

If more than one Purchaser is listed above, they are jointly and severally referred to herein as the "Purchaser." For purposes of this Agreement, Seller and Purchaser may sometimes be jointly referred to as the "Parties," or separately referred to as a "Party."

WITNESSETH:

WHEREAS the Seller is the Owner in fee simple of that certain real property located in the City of North Charleston, County of Charleston, State of South Carolina, which has been developed, or is currently being developed, into a residential community of single-family attached residential townhome units known, to be known, as The Towns at Oak Terrace Preserve (hereinafter sometimes referred to as the "Development," the "Community," and/or the "Project");

WHEREAS the Project is a part of a larger community in the Park Circle area of the City of North Charleston known as Oak Terrace Preserve;

WHEREAS, to insure the integrity and attractiveness of the Community, to prevent any future impairment thereof, to prevent nuisances, to preserve, protect and enhance the values and amenities of all properties within the Development, Seller has submitted, or will submit, the real property at issue to the Declaration of Covenants, Conditions, Easements, Charges, Liens and Restrictions for The Towns at Oak Terrace Preserve, which instrument has been, or will be, recorded in the RMC Office for Charleston County (hereinafter, the "Restrictions"); and

WHEREAS Purchaser desires to purchase from Seller, and Seller desires to sell to Purchaser, the Property described below (with the Residential Townhome Unit located thereon, as well as any other improvements), which is, or will be, a part of the Development, in accordance with the terms set forth below.

NOW, THEREFORE, in consideration of the mutual covenants and benefits provided for in this Agreement, as well and the sum of Ten and NO/100 (\$10.00) Dollars and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, the Parties agree as follows:

1. THE PROPERTY

Seller shall sell to Purchaser, and Purchaser shall purchase from Seller, pursuant to the terms set forth below the following real property:

**Lot _____, The Towns at Oak Terrace Preserve subdivision
(which shall include the Residential Townhome Unit located thereon)**

**_____ Liberty Park Circle
North Charleston, SC**

(hereinafter sometimes referred to as the "Property"). The Property shall include, and the Purchase Price set forth below shall include the Residential Townhome Unit, if any, and any other structures located on the Property. In addition, the Property shall convey subject to all restrictions, easements, rights-of-way, and encumbrances of record.

2. THE PURCHASE PRICE

2.1 Schedule of Payments & Price Breakdown.

Base Purchase Price (from Exhibit A):		\$ _____
Upgrades (from Exhibit B):	+	\$ _____
Total Purchase Price	=	\$ _____

The Total Purchase Price shall be payable as follows:

- A. An Earnest Money Deposit of **TEN (10%) OF THE TOTAL PURCHASE PRICE** (\$ _____) payable concurrently with the execution of this Agreement; and
- B. The Balance due at Closing (excluding Closing Costs of Purchaser as set forth in Section 4 of this Agreement).

TOTAL PURCHASE PRICE:		\$ _____
EARNEST MONEY DEPOSIT: (10% of Total Purchase Price)	-	\$ _____.
BALANCE DUE AT CLOSING	=	\$ _____
(Excluding Closing Costs, prepaids, etc.)		

2.2 Custom Work and Change Orders.

"Custom Work" or "Change Orders" that occur after the execution of this Purchase Agreement to the Residential Townhome Unit referred to herein shall be paid in full directly to the Seller at the time the Seller agrees in writing to perform such work. The monies paid for Custom Work or Change Orders shall be used by the Seller to perform the work and shall only be returned to Purchaser if Seller defaults under this Agreement. Failure of Purchaser to meet any contingency set forth under this Agreement shall not entitle Purchaser to the refund of such money paid for Custom Work or Change Orders.

2.3 Escrow Agent and Form of Payments.

The Earnest Money Deposit shall be payable to **JSP Realty, LLC** (hereinafter, "Escrow Agent"). Escrow Agent shall deposit such funds in an account to be administered and disbursed in accordance with the terms of this Agreement

and all applicable laws. Such Earnest Money Deposit shall remain in trust with Escrow Agent until the Closing on the Property, at which time the Earnest Money Deposit shall be credited against the Purchase Price.

Funds due at closing shall be payable as directed by the closing attorney. **AT CLOSING, ALL FUNDS SHALL BE PAID IN UNITED STATES DOLLARS BY GOOD CASHIER'S OR CERTIFIED CHECK DRAWN ON LOCAL FUNDS OR BY CONFIRMED WIRE TRANSFER.**

The Earnest Money Deposit shall be non-refundable for any reason other than Purchaser's failure to obtain financing hereunder or Seller's default hereunder. Except as provided herein, if the transaction contemplated in this Agreement does not close because of a default by Purchaser hereunder, the Parties hereto agree that the Earnest Money shall be retained by the Seller in addition to any other remedies afforded to Seller under this Agreement.

Escrow Agent shall disburse the Earnest Money in accordance with the terms of this Agreement. Prior to disbursing the Earnest Money other than at Closing, as such term is hereafter defined, Escrow Agent shall give all Parties five (5) calendar days notice, stating to whom the disbursement will be made. Any Party may object in writing to the disbursement, provided the objection is received by the Escrow Agent prior to the end of the five (5) calendar day notice period. All objections not raised in a timely manner shall be waived. In the event a timely objection is made, Escrow Agent shall consider the objection and shall do any of the following actions or any combination of the following actions: (a) hold the Earnest Money for a reasonable period of time to give the Parties the opportunity to resolve the dispute; (b) disburse the Earnest Money and so notify all parties; and/or (c) interplead the Earnest Money into a court with appropriate jurisdiction in Charleston County, South Carolina. No party shall seek damages from the Escrow Agent (nor shall Escrow Agent be liable for same) for any matter relating to the performance of Escrow Agent's duties unless the action of the Escrow Agent has been grossly negligent.

3. CLOSING

3.1 Closing Date.

Unless otherwise approved by Seller in writing, or unless additional time is reasonably required for the Seller in order to comply with Section 6 of this Agreement, closing on the purchase/sale of the Property (hereinafter, the "Closing") shall occur during normal business hours on or before fifteen (15) days from the date the Seller receives the certificate of occupancy from the City of North Charleston at the office of the **Woody Law Firm, LLC** (hereinafter, the "Closing Attorney"). **WITH REGARD TO THIS PROVISION AND THE SCHEDULING OF CLOSING, TIME IS OF THE ESSENCE.** Contact information for the Closing Attorney is as follows:

THE WOODY LAW FIRM, LLC
ATTN: Carrie Lewis or Andrew L. McLester
597 Old Mount Holly Road, Suite 202
Goose Creek, SC 29445
Phone: (843) 553-6799
Fax: (843) 553-0724
Email: cboyer@woodylaw.com or andrew@woodylaw.com

Unless otherwise approved by the Seller in writing, the Closing on the purchase/sale of the Property shall occur during normal business hours on or before 5:00 p.m. on the date set forth above. **TIME IS OF THE ESSENCE.** Purchaser must perform a final "walk through" to inspect the Property immediately prior to closing and must notify the Seller of any items which are not completed in a workmanlike manner so that arrangements can be made to correct same. The Seller shall have a minimum of thirty (30) days to perform any punch list items identified at the "walk through." Since the Seller is providing a one (1) year warranty, as set forth in detail hereafter, the failure of the Seller to correct these punch list items prior to the closing date shall not delay the closing, so long as these punch list items do not prevent the Purchaser from occupying the Property. Acceptance at closing by Purchaser of the Indenture Deed from the Seller shall constitute full performance by the Seller in accordance with this Agreement, except for items correctable under the one (1) year warranty. Failure of Purchaser to close on or before the fore mentioned closing date shall constitute a default under this Agreement, **TIME BEING OF THE ESSENCE.**

3.2 Closing Delays.

IF CLOSING IS DELAYED BEYOND THE CLOSING DATE SET FORTH HEREIN WITHOUT THE FAULT OF THE SELLER AND AT THE REQUEST OF THE PURCHASER OR BECAUSE OF ANY FAILURE OF THE PURCHASER TO PERFORM ANY OBLIGATION UNDER THIS AGREEMENT IN A TIMELY MANNER OR BECAUSE THE PURCHASER'S MORTGAGE LENDER IS NOT PREPARED FOR CLOSING ON THE DATE SET FORTH ABOVE AND SUCH MORTGAGE LENDER HAS NOT BEEN DESIGNATED AS A PREFERRED LENDER BY THE SELLER, IN THAT EVENT PURCHASER HEREBY AGREES TO PAY THE SELLER A SUM EQUAL TO **\$75.00 PER DAY** UNTIL THE CLOSING DOES, IN FACT, TAKE PLACE. THE PARTIES RECOGNIZE AND UNDERSTAND THAT SUCH SUM HAS BEEN AGREED UPON IN ORDER TO COMPENSATE THE SELLER FOR FACTORS RELATED TO THE DELAY INCLUDING, BUT NOT LIMITED TO, CARRYING COSTS.

3.3 Closing Costs.

- 3.3.1 Payments by the Seller and Purchaser. In connection with the closing on the Property, the Seller shall pay for the preparation of the deed to the Property, the recording of any mortgage release or other document required to be recorded in order to deliver title in accordance with this Agreement, any deed stamp or tax stamp charges based on the value of the Property, and the Seller's attorney's fees. Unless the Closing Cost Incentive set forth in Section 3.4 applies, the Purchaser will pay any and all other Closing costs, including, but not limited to, recording fees, prepaid items, Purchaser's attorney fees, title insurance premiums, all closing costs associated with a mortgage loan, all pre-paid costs, discount points, any private mortgage insurance premium, and any FHA-MIP or VA funding fee. The Purchaser shall also pay the Assessments for the Development, as set forth in the Restrictions.
- 3.3.2 Closing Cost Incentive. The Purchaser understands and hereby acknowledges that he has the right to select an attorney to represent him and to handle the closing and has the right to select a mortgage lender of his choice. If the Purchaser selects the Seller's Preferred Attorney **and** one of the Seller's Preferred Lenders, then the Seller and the applicable Preferred Lender shall pay **up to \$2,500.00** of Purchaser's closing costs (not to include any pre-paid items or the Assessments paid to the Association or any management company hired by the Association). This \$2,500.00 shall be split between the applicable Preferred Lender (\$1,000.00) and the Seller (\$1,500.00).

The Seller's Preferred Attorney the Woody Law Firm, LLC

The Seller's Preferred Lenders are:

SHELTER MORTGAGE - CAROLINA BUILDER DIVISION

ATTN: David Jaffee

1321 Ashley River Road

Charleston, SC 29407

Phone: (843)414-9196

Fax: (843) 747-7001

and

WELLS FARGO HOME MORTGAGE

ATTN: Charles Waddell

Phone: (843) 509-8691

Email: charles.waddell@wellsfargo.com

The Preferred Attorney has represented the Seller in the preparation of the Seller and the drafting of this Agreement. The Preferred Attorney cannot assist either Party in the negotiating of the

specific terms of this Agreement, and cannot advise either Party against the other in the event a dispute arises concerning the terms of this Agreement or the Property.

3.3.3. Working Capital Assessment. In order to provide adequate initial working capital for the Association, Purchaser shall make a nonrefundable payment to the Association at Closing equal to two (2) months of regular assessments for the Property. This Working Capital Assessment shall be in addition to (not in place of) all other Assessments of the Association.

3.3.4. Prorations. Any taxes, Assessments, and other charges regarding the Property that relate to periods both before and after closing shall be prorated between the Parties as of the date of closing.

3.4 Possession of the Property.

Possession of the Property shall be delivered to Purchaser at the conclusion of closing, but not before.

3.5 Survival of Closing.

The acceptance of a deed by Purchaser and the closing of the transaction shall be acknowledged by Purchaser as the full performance by the Seller of all of its agreements, obligations, and responsibilities under this Agreement, and no performance of any agreement, obligation, or representation of the Seller shall survive the closing except as set forth herein and except for the warranties contained in the deed.

3.6 Closing Documents.

At closing, Purchaser shall execute such documents required by the Purchaser's mortgage lender in order to obtain the mortgage loan, if applicable. In addition, both Parties hereby agree to execute the HUD-1 Settlement Statement prepared by the closing attorney, and any other documents required to be signed by such attorney and the applicable title insurance company. Further, at closing, the Parties shall execute or deliver such other documents as are required by law or as are consistent with standard practice in real estate closings in the Charleston, South Carolina area.

4. FINANCING

4.1 Financing as a Condition of Agreement.

With regard to Purchaser's decision to finance the purchase of the Property, Purchaser represents to Seller the following:

Purchaser Must "X" Either (A) or (B):

- A.** The purchase of the Property **IS** conditioned on Purchaser obtaining financing.
- B.** The purchase of the Property **IS NOT** conditioned on Purchaser obtaining financing.

If Purchaser selected "A," above, Purchaser hereby represents that the purchase of the Property **IS** conditioned on the availability of institutional first mortgage financing at market rates. In that case, then Section 4.2 of this Agreement shall apply. If Purchaser selected "B," above, Purchaser hereby represents that the purchase of the Property **IS NOT** conditioned on the availability of institutional first mortgage financing. In that case, Section 4.2 of this Agreement shall not apply.

4.2 Financing Approval Procedure.

No later than fourteen (14) calendar days after the date that Purchaser executes this Agreement, Purchaser shall deliver written notice to Seller that Purchaser has applied for a mortgage loan, stating the lending institution's name, address, telephone number, and a contact person with the lending institution to which an application has been made, and that the application was either approved or denied. If Seller does not receive from Purchaser notice of approval or disapproval within fourteen (14) calendar days, as set forth above, the financing condition set forth in Section 4.1 of this Agreement shall be deemed waived by Purchaser and shall not be a condition of the Purchaser's obligation to close. Seller or its designated agent shall be authorized to contact any lending institution regarding the status of Purchaser's loan.

In the event Purchaser provides Seller with written notice of denial of the mortgage loan application in accordance with the provisions set forth above, all funds paid by Purchaser pursuant to this Agreement shall be refunded and neither Party shall have any further obligations under this Agreement. If, however, Purchaser does not fully comply with Section 4.2 of this Agreement, then Purchaser shall be in default of this Agreement.

The provisions set forth herein are intended for the Seller's protection against the risk(s) inherent in holding the Property off the market while Purchaser is making arrangements to satisfy his/her obligations under this Agreement. If Purchaser fails to provide the Seller with the evidence required herein, then Seller may, at its option, cancel this Agreement and pursue any remedy set forth in this Agreement for Purchaser's default.

4.3 Evidence of Sufficient Funds to Close.

Regardless of whether or not this Agreement is contingent on Purchaser obtaining financing, Purchaser hereby authorizes Seller to verify with any appropriate party or financial institution that Purchaser has sufficient funds to close on the Property at any time during the term of this Agreement. Purchaser agrees to cooperate with Seller in Seller's attempt to conduct such verification of sufficient funds to close.

The provisions set forth herein are intended for the Seller's protection against the risk(s) inherent in holding the Property off the market while Purchaser is making arrangements to satisfy his/her obligations under this Agreement. If Purchaser fails to provide the Seller with the evidence required herein, then Seller may, at its option, cancel this Agreement and pursue any remedy set forth in this Agreement for Purchaser's default.

5. TITLE

5.1 Seller's Conveyance of Title to Purchaser; Permitted Title Exceptions.

At Closing, Seller shall convey marketable title to the Property to Purchaser via general warranty deed, free of all liens and encumbrances, except for the following:

- A. The Restrictions of the Development and all other applicable documents governing the Association;
- B. Taxes and assessments not yet due for the current year;
- C. All recorded easements, permits, encroachments, covenants, dedications, and restrictions that do not preclude use of the Property for its intended purpose or delivery of marketable fee simple title;
- D. Zoning, building, and other governmental laws, regulations, and restrictions that do not preclude the use of the Property for its intended purpose or delivery of marketable fee simple title;
- E. Terms and conditions contained in the initial management agreement between the Association and the management company, if any;

- F. All facts and conditions that would be shown by current survey or current on-site examination of the Property that does not preclude use of the Property for its intended purpose or delivery of marketable fee simple title, and any other standard exceptions and exclusions typically contained in ALTA title insurance policies for similar condominium property in Charleston County, South Carolina.

5.2 Cure of Title Defects.

Purchaser shall have fourteen (14) days from the Effective Date of this Agreement to object to any title defects other than the Permitted Exceptions set forth in Section 5.1 of this Agreement. In order to object to any title defects, Purchaser must provide Seller with written notice within said fourteen (14) day period. Seller shall then have fourteen (14) calendar days from receipt of notice from Purchaser within which to either cure any defect(s), submit reasonable evidence that there is no title defect, or obtain title insurance to cover such defect. If, within such period, Seller notifies Purchaser that Seller is unable or unwilling to cure a title defect, submit reasonable evidence that there is no title defect, or obtain title insurance to cover such title defects, Purchaser shall have seven (7) calendar days from receipt of the this notice from Seller to: (a) notify Seller in writing that Purchaser requests a refund of the Earnest Money Deposit, which funds shall then be promptly returned to Purchaser and the Parties shall be released from all further obligations under this Agreement; or (b) waive its rights to object to the defect, accept the title as it is, and proceed with Closing. If Purchaser does not notify Seller in writing that Purchaser requests a refund of the Earnest Money Deposit within seven (7) calendar days from receipt of the notice from Seller, then Purchaser shall be deemed to have elected option "(b)," and the Closing shall occur within fourteen (14) days from receipt of the notice from Seller, without any sort of adjustment in the Purchase Price. Except as otherwise provided, this Agreement shall not survive Closing and the delivery of the limited warranted deed from Seller to Purchaser shall extinguish the responsibility of the Seller hereunder.

6. THE TOWNS AT OAK TERRACE PRESERVE HOMEOWNERS ASSOCIATION, INC.

6.1 Compulsory Membership.

BY ACQUIRING TITLE TO THE PROPERTY, PURCHASER SHALL AUTOMATICALLY BECOME A MEMBER OF THE TOWNS AT OAK TERRACE PRESERVE HOMEOWNERS ASSOCIATION, INC. (HEREINAFTER, THE "ASSOCIATION"). MEMBERSHIP IN THE ASSOCIATION SHALL BE APPURTENANT TO OWNERSHIP OF THE PROPERTY AND MAY NOT BE SEPARATED THEREFROM.

The Association has been, or will be, formed in order to provide for the effective administration of the Development by the Owners. The Association, through its Board of Directors, shall operate and manage the Development and undertake and perform all acts and duties incident thereto in accordance with the provisions of the Restrictions.

6.2 Assessments.

The Association shall have the power and duty to levy Assessments as provided in the Restrictions and the other Development Instruments. The Assessments for Common Expenses, as defined in the Restrictions, shall be used for the general purposes of promoting the health, safety, welfare, common benefit, and enjoyment of the Owners and Occupants of Residential Townhome Units on the Lots in the Development. BY ACQUIRING TITLE TO THE PROPERTY, PURCHASER SHALL AUTOMATICALLY BECOME OBLIGATED TO PAY ASSESSMENTS AS SET BY THE BOARD.

6.3 Association Governing Documents.

Purchaser acknowledges that the Property is a portion of the real property and improvements which have been, or will be, made subject to the Restrictions referred to herein. The nature and extent of the rights and obligations of the Purchaser in acquiring and owning the Property will be controlled by and subject to the Restrictions, as well as the Articles of Incorporation, the Bylaws, and any Rules and Regulations of the Association. Purchaser agrees to comply with all of the terms, conditions, and obligations set forth therein.

6.5 Amendments to Documents.

Purchaser hereby acknowledges and agrees that prior to the Closing, Seller shall have the absolute right, in its sole discretion, to modify, change, revise, and amend, without Purchaser's approval, any or all of the documents governing the Association or the Development (including the Restrictions). In the event the Seller shall make any amendment, modification, change, or revision to the documents or materials which materially alters or modifies the offering, then a copy of such change, amendment, revision, or modification shall be delivered to the Purchaser and, if it materially alters or modifies the offering in a manner that is adverse to the Purchaser, then, the Purchaser shall have the option to: (a) consent to change, amendment, revision, or modification; or (b), within fifteen (15) days after receiving a copy of the change, amendment, revision, or modification, terminate, in writing, this Agreement, in which event Purchaser's entire Earnest Money Deposit shall be refunded to the Purchaser, and the Parties hereto shall have no further rights or obligations under this Agreement. In the event Purchaser does not terminate this Agreement within said fifteen (15) day period, Purchaser shall be conclusively deemed to have consented to the proposed change, amendment, revision, or modification.

Notwithstanding the foregoing, the Seller shall have the absolute right, in its sole discretion, to amend the Restrictions or the other documents governing the Association: (a) as may be required by FNMA, VA, FHA, or any similar entity; or (b) to correct scrivener's errors; and (c) to amend the layout and number of Lots included in the Development. Any such amendments or modifications shall require no consent by the Purchaser or notice to the Purchaser from the Seller.

6.6 Purchaser's Acknowledgement of Receipt of Development Instruments.

Simultaneously with the execution of this Agreement, Seller shall make available to Purchaser the following: (A) the Restrictions of the Development (or the most recent draft thereof); (B) the Bylaws of the Association (or the most recent draft thereof). The documents referred to above are readily accessible through the Seller's website; www.townsatoakterrace.com. In the event the Purchaser does not have access to the internet or can not otherwise view the digital copies of the above listed documents, the Seller will provide a printed hardcopy to the Purchaser upon request.

FROM THE EFFECTIVE DATE HEREOF, PURCHASER SHALL HAVE FIVE (5) DAYS TO REVIEW THE DOCUMENTS DESCRIBED IN "A" THROUGH "B," ABOVE. IF PURCHASER, AFTER REVIEWING THESE DOCUMENTS, ELECTS NOT TO PROCEED WITH THE PURCHASE OF THE PROPERTY WITHIN SAID FIVE (5) DAY PERIOD, PURCHASER MUST NOTIFY SELLER IN WRITING IN ACCORDANCE WITH THE TERMS OF THIS AGREEMENT AS THEY RELATE TO PROVIDING NOTICE. FOLLOWING PURCHASER PROVIDING SUCH NOTICE TO SELLER, THE PARTIES WILL EXECUTE OF RELEASE OF AGREEMENT, ANY MONIES PAID BY PURCHASER AS EARNEST MONEY OR AS A RESERVATION DEPOSIT SHALL BE RETURNED TO PURCHASER, AND THE PARTIES SHALL HAVE NO FURTHER RIGHTS OR OBLIGATIONS TO EACH OTHER. IF, ON THE OTHER HAND, PURCHASER FAILS TO NOTIFY SELLER THAT IT IS NOT SATISFIED WITH THESE DOCUEMNTS DURING SAID FIVE (5) DAY PERIOD, THEN PURCHASER SHALL HAVE NO RIGHT TO TERMINATE THIS AGREEMENT, EXCEPT AS SPECIFICALLY SET FORTH HEREIN.

PURCHASER ACKNOWLEDGES THAT, AS OWNER OF THE PROPERTY, PURCHASER AND THE PROPERTY SHALL BE SUBJECT TO THE PROVISIONS OF THE RESTRICTIONS, THE BYLAWS, THE MANAGEMENT AGREEMENT (IF ANY), AS WELL AS ANY OTHER DOCUMENTS INCLUDED IN THE DEFINITION OF "DEVELOPMENT INSTRUMENTS" IN THE RESTRICTIONS.

ACKNOWLEDGEMENT BY PURCHASER:

SIGNATURE

SIGNATURE

6.7 Master Association.

Purchaser hereby acknowledges that the Property, in addition to being subject to the Restrictions described above, is also subject to the Declaration of Covenants Conditions and Restrictions for Oak Terrace Preserve dated May 24, 2006 and recorded in the RMC Office for Charleston County in Book D586, at Page 312 (as well as that certain Supplement to Declaration of Covenants Conditions and Restrictions for Oak Terrace Preserve dated March 20, 2007 and recorded in the RMC Office for Charleston County in Book H619, at Page 383; the First Amendment to Supplement to the Declaration of Covenants Conditions and Restrictions for Oak Terrace Preserve dated June 26, 2007 and recorded in the RMC Office for Charleston County in Book O621, at Page 226; the Second Amendment to Supplement to Declaration of Covenants Conditions and Restrictions for Oak Terrace Preserve dated May 7, 2007 and recorded in the RMC Office for Charleston County in Book L626, at Page 910; and the Third Amendment to Supplement to Declaration of Covenants Conditions and Restrictions for Oak Terrace Preserve dated June 12, 2007 and recorded in the RMC Office for Charleston County in Book E632, at Page 850) (hereinafter collectively referred to as the "Master Declaration"). Purchaser also acknowledges that the membership in the association created by the Master Declaration (hereinafter, the "Master Association") shall be compulsory, and Purchaser shall be subject to the assessments authorized by the Master Declaration and charged by Master Association.

7. RISK OF LOSS.

Damage to the Property by fire, storm, or other casualties between the Effective Date and Closing shall not void or impair this Agreement, but repair of all such damage shall be the responsibility of the Seller. If casualty prior to Closing damages the Property or other portions of the property composing the Development to such a degree that Seller determines that it is feasible to close on the Property but that more time is needed for repairs, the time for Closing shall be extended for such time as may be reasonably necessary to perform those repairs. If casualty prior to Closing damages the Property or other portions of the property composing the Development to such a degree that Seller determines that it is not feasible to proceed with the Closing on the Property, Seller may terminate this Agreement by written notice to Purchaser, in which event the Earnest Money Deposit shall be refunded to Purchaser. Thereafter, neither Party shall have any obligations under this Agreement.

After the Closing, Purchaser shall bear the risk of loss for all matters discussed above, and any other similar instances of damage.

8. DEFAULT, CURE, AND REMEDIES.

8.1 Notice of Default.

If any Party defaults under this Agreement, the non-defaulting Party shall notify the defaulting Party of the default, and the defaulting Party shall have seven (7) calendar days from notice of the default (or such longer period of time as the non-defaulting Party may authorize in writing) to cure the default. No notice to the Purchaser of default or time to cure shall be required in matters relating to Purchaser's obligation to pay funds, arrange financing, close on the Property, or provide notice to Seller by a specified date.

8.2 Remedy for Seller.

If Purchaser defaults prior to Closing and fails to cure in a timely manner, Seller may, after notice to Purchaser, retain the Earnest Money Deposit paid by Purchaser as liquidated damages (and not as a penalty, because of the difficulty of ascertaining actual damages under the circumstances). In such event, this Agreement shall terminate, and neither Party shall have any further obligations under this Agreement. Afterwards, Seller has the right to place the Property back on the market and enter into another purchase agreement for the sale of the Property with a different purchaser.

8.3 Remedy for Purchaser.

If the Seller defaults in the performance of any of Seller's obligations as set forth in this Agreement and if such default is not cured within thirty (30) days after written notice of default is given by Purchaser to the Seller, the Purchaser will be entitled to rescind this Agreement and receive the immediate return of the Purchaser's earnest money deposit and custom work/change orders deposit(s), as well as pursue any and all other remedies available at law or in equity; provided, however, that in the event of a nonmaterial breach of any term or condition of this Agreement, the Purchaser's remedies will not include termination of this Agreement.

9. NOTICES.

9.1 Notice Procedure.

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 certified mail, return receipt requested, in which case notice shall be deemed to occur on the certified date of delivery or rejection of delivery, or (ii) any dependable express delivery service 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 by facsimile or e-mail transmission, shall be valid only if receipt is acknowledged in writing by the receiving party.

9.2 Notice Addresses.

A. Notice to Purchaser.

Notices to Purchaser shall be addressed to the name and address of the first listed Purchaser stated on Page 1 of this Agreement. The first listed Purchaser shall be responsible for communicating any notice received to any co-purchasers listed on Page 1 of this Agreement.

B. Notice to Seller.

Notices to Seller shall be addressed to:

The Towns at OTP, LLC
ATTN: Robert Behringer
Rich Behringer
1023 Clements Ferry Road
Charleston, SC 29492
T: (843) 375-2200
F: (843) 375-2202

or to such other address as has been provided, in writing, from time to time, by the Seller to the Association.

With a copy to:

THE WOODY LAW FIRM, LLC
ATTN: Carrie Lewis or Andrew L. McLester
597 Old Mount Holly Road, Suite 202
Goose Creek, SC 29445
Phone: (843) 553-6799
Fax: (843) 553-0724
Email: cboyer@woodylaw.com or andrew@woodylaw.com

The address of Purchaser or Seller may be changed by proper written notice to the other Party, but neither Party shall be required to send notices to more than one address.

10. ALTERNATIVE DISPUTE RESOLUTION

If a dispute, controversy, or claim (whether based upon contract, tort, statute, common law, or otherwise) (hereinafter collectively referred to as a "Dispute") arises from or relates directly or indirectly to the subject matter of this Agreement, and if the Dispute cannot be settled through direct discussions between the Parties, the Parties shall first endeavor to resolve the Dispute by participating in a mediation before a certified mediator recognized by the State of South Carolina.

If mediation is unsuccessful in resolving the Dispute, any unresolved Dispute, or any unresolved issues pertaining to the Dispute, shall be settled by binding arbitration with a single arbitrator appointed by an agreement between the Parties or, in the alternative, by the Chief Administrative Judge for the Ninth Judicial Circuit of South Carolina. In such an arbitration process, the Parties shall be entitled to utilize Rules 26 - 36 of the South Carolina Rules of Civil Procedure. The arbitration proceedings shall be conducted in Charleston County, South Carolina on an expedited basis before a neutral arbitrator who is a member of the Bar of the State of South Carolina, who has been actively engaged in the practice of law for at least fifteen (15) years, and who specializes in commercial transactions with substantial experience in the subject matter of this Agreement. Any attorney who serves as an arbitrator shall be compensated at a rate equal to his or her current regular hourly billing rate unless a different agreement is arranged between the Parties and the arbitrator. Upon the request of either Party, the arbitrator's award shall include findings of fact and conclusions of law, provided that such findings may be in summary form. Judgment on the award rendered by the arbitrator may be entered in any court having competent jurisdiction. Unless otherwise deemed appropriate by the arbitrator(s), the prevailing Party shall be entitled to an award of all reasonable out-of-pocket costs and expenses (including attorney's fees and arbitrator's fees) related to the entire arbitration proceedings (including review, if applicable).

11. NO RELIANCE ON ADVERTISING OR MARKETING MATERIALS.

Purchaser hereby acknowledges and agrees that any floor plan, renderings, drawings, and the like furnished by the Seller to Purchaser which purport to depict the Property or the Residential Townhome Unit and any other structure located thereon are merely approximations and do not necessarily reflect the actual as-built conditions of the property. Purchaser acknowledges that any decorations, furniture, furnishings, wallpaper, appliances, fixtures and the like contained in any model home, if any, are for demonstrative purposes only and are not included in the Residential Townhome Unit which is the subject of this Agreement.

12. LIMITED WARRANTY

For a period of one (1) year from the date of Closing, the Seller will, at no cost to the Purchaser, repair or replace any portion of the Residential Townhome Unit, except for fixtures and appliances covered by a manufacturer's warranty, which are defective as to materials or workmanship upon written notice to the Seller by Purchaser. Purchaser acknowledges and agrees that Purchaser will perform such routine maintenance as is set forth in any written manual, instruction booklet or other writing as may be provided to Purchaser by the Seller or any such manufacturer. The failure of Purchaser to observe and perform any such recommended maintenance may invalidate any warranty with respect to the item for which maintenance was not performed. **THE SELLER'S LIABILITY FOR DEFECTS IS EXPRESSLY LIMITED TO SUCH REPAIR OR REPLACEMENT AS SET FORTH IN THIS SECTION, AND THE SELLER MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED. THE SELLER IS NOT RESPONSIBLE FOR ANY CONSEQUENTIAL DAMAGES PROXIMATELY CAUSED BY A BREACH OF WARRANTY, THE SELLER'S TOTAL LIABILITY BEING THE COST OF REPLACEMENT OR REPAIR, AND THE PURCHASER WILL NOT BE ENTITLED TO ANY COMPENSATION FOR LOST RENTAL OR INCONVENIENCE.**

Completion of punch list items will not be grounds for withholding funds or for the Purchaser's refusal to close.

13. FLOOR PLANS, CONSTRUCTION MATTERS, CONSTRUCTION FLEXIBILITY

Purchaser hereby acknowledges and agrees that any floor plans, renderings, drawings and the like, furnished by the Seller to Purchaser which purport to depict the Residential Townhome Unit, or any portion thereof, are merely approximations and do not necessarily reflect the actual as-built conditions of the same. The Purchaser acknowledges and agrees that the decorations, furniture, furnishings, wallpaper, appliances, fixtures, and the like, contained in any model homes, if any, are for demonstrative purposes only, and are not included in the property which is the subject of this Agreement. The Seller reserves the right to make architectural, structural or design changes as it deems necessary or desirable, which may be occasioned by expediency, practicability, or as required by governmental authorities, which make no substantial change in the size or floor plan of the Residential Townhome Unit. The Seller expressly reserves the right to make substitutions of materials, appliances, products, or brand names, provided that such substitutions are of substantially equal quality to those shown in the floor plans and specifications, as determined by the Seller in its sole discretion. The Seller cannot guarantee a firm completion date for any Residential Townhome Units under construction. The Seller will not be obligated to make, provide, or compensate for any accommodations or cost to the Purchaser or any damage as a result of construction or other delays. Further, such delays will not serve to cancel, amend or diminish any of the Purchaser's obligations herein undertaken. Subject to the terms, conditions, and exceptions provided for herein, as well as delays due to acts of God or shortages of labor or materials or other reasons beyond the control of the Seller, the Seller covenants and agrees to complete construction of the Residential Townhome Unit and tender title to Purchaser within two (2) years following the date of the first Agreement of sale of a Residential Townhome Unit in this phase of the Development for purposes of the exemption set forth in § 1702(a)(2) of the Interstate Land Sales Full Disclosure Act (15 U.S.C. 1701 et seq.). The Seller represents that all roads and utilities serving the Property shall be complete and delivered to the Property at the time of completion of the Residential Townhome Unit.

14. HOLD HARMLESS AGREEMENT

Purchaser acknowledges that some of the improvements in the Development may not be completed prior to and/or after the Closing and that construction in, on, and around the Development may take place prior to and/or after the Closing. In consideration of Seller allowing the Purchaser and its invitees and guests access to the Property and recognizing that construction sites are inherently dangerous, Purchaser hereby agrees as follows: (A) Purchaser has assumed all risk of injury and damage to both persons and property which may be occasioned by having access to and being present upon the construction site; (B) Purchaser hereby releases the Seller, the Seller's real estate agent, 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 Purchaser having access to the construction site; and (C) Purchaser agrees to indemnify, defend, and hold harmless Seller, the Seller's real estate agent, and each of their affiliates, subsidiaries, members, successors, assigns, attorneys, agents, employees, officers, shareholders, and directors, from and against any costs and expenses, including without limitation, attorney's fees, which any of them may suffer or which may result from the Purchaser having access to the construction site.

15. REAL ESTATE COMMISSIONS

It is understood that the Seller has, by separate agreement, agreed to pay a real estate commission to JSP Realty (hereinafter, the "Listing Agent") as set forth in said agreement. Except as set forth in this below on the signature page of this Agreement, Purchaser 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 Purchaser and Seller covenant and agree, each to the other, to indemnify, defend, and hold each other harmless from any and all losses, damages, costs, and expenses including, but not limited to, reasonable attorneys' fees and court costs, that may be incurred or suffered regarding any claim for any fee, real estate commission, or similar compensation with respect to this transaction made by any other person or entity.

16. MISCELLANEOUS

16.1 Other Understandings and Amendments.

This Agreement constitutes the entire agreement between the Parties and supersedes any previous agreements or understandings between the Parties relating to the Property. No oral statements shall modify this Agreement. All modifications to this Agreement shall be in writing and shall be signed by all Parties to this Agreement.

16.2 Assignment.

This Agreement is not assignable by Purchaser without the express written consent of Seller.

16.3 Additional Definitions.

The words "Purchaser," "Seller," "Party," and "Parties" 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.

16.4 Backup Agreements.

Seller may accept backup purchase agreements for the Property on any terms it elects, but only subject to Purchaser's express rights under this Agreement.

16.5 Investment, Tax, and Association Budget Representations.

PURCHASER ACKNOWLEDGES THAT NEITHER SELLER NOR ANY OF ITS AGENTS HAVE MADE ANY REPRESENTATION ON WHICH PURCHASER HAS RELIED REGARDING THE INVESTMENT VALUE OF THE PROPERTY, THE POSSIBILITY OF PROFIT OR LOSS RESULTING FROM OWNERSHIP OF THE PROPERTY, OR THE TAX CONSEQUENCES OF OWNERSHIP OF THE PROPERTY.

ANY INFORMATION THAT MAY HAVE BEEN OR MAY HEREAFTER BE FURNISHED TO PURCHASER REGARDING ASSESSMENTS, OPERATING EXPENSES, OR RENTAL REVENUES/EXPENSES ARE ESTIMATES ONLY, AND SELLER NOR ANY OF ITS AGENTS DO NOT WARRANT THE ACCURACY OF SUCH PROJECTIONS.

16.6 Corporations, Partnerships, and Other Entities.

If Purchaser is a corporation, partnership, joint venture, limited liability company, trust, or any other similar entity, Purchaser shall deliver to Seller at or before Closing a copy of any written approval required by Purchaser's governing documents, in form acceptable to Seller, which authorizes the purchase of the Property and the execution of any documents relating to such purchase, together with such other evidence of good standing or existence as Seller may reasonably require.

Notwithstanding the content of this Section of the Agreement, Seller shall have no obligation to demand such documentation prior to or at the execution of this Agreement by a person signing the Purchase Agreement who has apparent authority to execute the Agreement on behalf of the entity listed as the Purchaser.

16.7 Applicable Law; Construction of Agreement.

This Agreement concerns the sale of real property located in South Carolina and, as a result, shall be interpreted and applied in accordance with the laws of the State of South Carolina. The Parties acknowledge that they have read, understand, and have had the opportunity to be advised by legal counsel as to the terms, conditions, restrictions, and effect of all of the provisions of this Agreement.

16.8 Offer; Time for Acceptance.

This Agreement, as executed by Purchaser, shall constitute an offer to Seller. Seller may accept the same, if at all, by delivering to Purchaser at least one (1) executed original of this Agreement prior to the time that Purchaser shall notify Seller, in writing, of Purchaser's revocation of this offer.

16.9 Counterparts of Agreement.

Any number of counterparts of this Agreement may be signed and delivered, each of which shall be considered an original and all of which, together, shall constitute one and the same instrument.

16.10 Severability.

If any provision of this Agreement is held to be invalid or unenforceable, it shall not affect the validity or enforceability of any other provisions of this Agreement. All headings or titles used in this Agreement are for convenience only and are not intended, in any way, to define, limit, or extend the scope of this Agreement.

16.11 Business Days.

A "Business Day" for purposes of this Agreement is any day other than a Saturday, Sunday, or a South Carolina state holiday.

16.12 Time is of the Essence.

With regard to performance of the obligations set forth in this Agreement, TIME IS OF THE ESSENCE.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed this **THE TOWNS AT OAK TERRACE PRESERVE PURCHASE AGREEMENT**, by persons duly empowered to bind the Parties to perform their respective obligations hereunder, on the date(s) set forth below.

WITNESSES:

PURCHASER(S):

DATE: _____
PRINTED NAME: _____

DATE: _____
PRINTED NAME: _____

SELLER:

THE TOWNS AT OTP, LLC, a South Carolina limited liability company

By: _____ DATE: _____
Richard Behringer, Its Authorized Agent

REAL ESTATE BROKERAGE INFORMATION:

LISTING AGENT:

SELLING AGENT:

SIGNATURE: _____ DATE: _____
PRINTED NAME: John S. Popelka or William Fuller
AGENCY NAME: JSP Realty, LLC
ADDRESS: 1321 Chuck Dawley Blvd.
Suite 105
Mt. Pleasant, SC 29464
TELEPHONE NO.: (843) 884-5059
FAX NO.: (843) 884-5082
EMAIL: jsprealty@hotmail.com

SIGNATURE: _____ DATE: _____
PRINTED NAME: _____
AGENCY NAME: _____
ADDRESS: _____
TELEPHONE NO.: _____
FAX NO.: _____
EMAIL: _____