



Sky Cove Furnished Model Home - Offer Guidelines, FAQs & Forms

To make an offer, please download/print and review all information and forms provided.

You must complete and submit all required forms, documentation, and provide your refundable \$5,000 deposit to the Sky Cove Sales Center by the deadline below for your offer to be considered.

Deadline for offers: January 31, 2022, at 6:00 p.m., Eastern Time

Estimated Move-in: April 2022

Offer Guidelines:

1. Submit your written offer, all required signed/completed forms, additional documentation and \$5,000 refundable deposit check or wire made out to HB Title of Florida, to the Sky Cove Sales Center by 6:00 p.m. ET, Monday, January 31, 2022.
2. Your offer must include the gross price you are willing to pay above the stated minimum purchase price, for the furnished model home. Terms are cash or mortgage. There are no incentives offered.
3. Your offer must include the following:
 - Executed **Offer to Purchase & Deposit Agreement** – for each home
 - Initialed **HOA Disclosures Form**
 - Initialed **Model Addendum**
 - Initialed **Occupancy/Investor Addendum**
 - **Check or wire made out to HB Title of Florida for \$5,000.** Your deposit is refundable if you do not purchase a model home.

Additionally:

- Cash offers must include **Proof of Funds**
- Mortgage offers must include **Lender Pre-approval**

4. You may submit one offer per model, per family. Nevertheless, you are only entitled to purchase one furnished model home. Therefore, if submitting offers for more than one furnished model, please indicate your first, second, third and fourth choices on the top of your Offer to Purchase & Deposit Agreement.
5. Make certain you have the funds available for the balance of your minimum 10% deposit.
6. If your offer is accepted, your sales agent will contact you by email and by phone at the phone number and email address you provided on your Offer to Purchase & Deposit Agreement form. You will have 48 hours to execute a signed contract and provide the balance of your deposit. If you are a cash buyer or financing with one of our approved lenders, a minimum 10% deposit is required. If you are using an outside lender and/or a title company other than HB Title of Florida, a 20% deposit will be required.
7. If your contract is not executed and/or your deposit is not received within 48 hours of notification, the furnished model home will be placed back on the market.
8. No Investor Policy. You may only purchase one home in Sky Cove which will be your primary Florida residence. The purchase contract is not assignable or transferrable. Please refer to the Occupancy Addendum which explains the provisions limiting your ability to list or advertise the home for sale prior to closing as well as restrictions regarding the resale of a home within one (1) year after closing and Seller remedies.

Furnished Model Home Offer Process - FAQs

What if the model home I want has already been won by another buyer?

If the model home you want has been won by another buyer, they will have 48 hours in which to execute their contract and complete their deposit. If the winner defaults, runner-up offer-makers will be contacted.

Is the \$5,000 deposit refundable?

Your \$5,000 deposit is refundable if you do not purchase a model home. If you do purchase a model home, the \$5,000 deposit will be applied towards your down payment.

Can I bring a check or send a wire from my business or a family member?

No 3rd party checks or wires will be accepted. All checks or wires must be drawn on an account which exactly matches the name of the person or entity on the sales contract.

Can spouses or other family members each make offers for same model home to increase our chances of winning?

No. There may only be one offer per model home, per family unit. If more than one family member makes an offer for the same model home, all members of the family will be disqualified from making offers.

Will there be a second round of offers?

No. There will only be one round of offers. Please submit your best offer.

Can a Realtor® represent me and earn their commission if I win the opportunity to purchase a furnished model?

To represent a buyer in the Furnished Model Offer Process, your Realtor® must have previously registered you as their client at the Sky Cove Sales Center. If they are not already listed as your broker/representative on your existing registration, they are not eligible to earn a commission on the sale.

If you have not registered, your Realtor® must be with you when you register at the Sky Cove Sales Center.

What if my offer isn't accepted? Is there a wait list?

After all winners have been determined, several alternate offers for each model will comprise a back-up list in case any of the winners do not successfully execute their contracts/deposits within the 48-hour period.

If I did not win a model home, am I automatically included in future model home sales events?

No, your deposit will be refunded. But our sales associates maintain an interest list and everyone on that list will be notified of upcoming opportunities to purchase a home in Sky Cove and Sky Cove South. If you want to be notified of future opportunities, please contact your sales associate at 561-792-3004.

Required Forms

Download, print, complete and sign the below attached forms:

- Executed Offer to Purchase & Deposit Agreement – for each home
- Initialed HOA Disclosures Form

- Initialed Model Addendum
- Initialed Occupancy/Investor Addendum

Required Refundable Deposit

You must present a check or wire made out to HB Title of Florida for \$5,000 along with the above-mentioned forms.

Name on check or account must match exactly the name of the individual or entity named on the sales contract.

No third-party checks.

Your \$5,000 deposit is refundable if you do not purchase a model home.

**SKY COVE
OFFER TO PURCHASE AND DEPOSIT AGREEMENT**

NAME OF SELLER AND ITS ADDRESS:	SKY COVE, LLC 401 E. Las Olas Blvd., Suite 1400 Fort Lauderdale, FL 33301		
NAME OF PROSPECTIVE PURCHASER(S) (COLLECTIVELY, "PROSPECTIVE PURCHASER") AND ADDRESS(ES):			
TELEPHONE NO(S). OF PROSPECTIVE PURCHASER:	Home:	Office:	Cell:
E-MAIL ADDRESS(ES) OF PROSPECTIVE PURCHASER:			
HOME RESERVED:	Model:	Lot:	Address:
AMOUNT OF DEPOSIT:	\$5000.00	OFFERED PURCHASE PRICE: \$ _____	PURCHASE WILL BE (check one): FINANCED: <input type="checkbox"/> * ALL CASH: <input type="checkbox"/>
*IF PURCHASE WILL BE FINANCED, PERCENT OF PURCHASE PRICE TO BE FINANCED:	_____ %	*WILL YOU USE ONE OF SKY COVE LLC'S APPROVED LENDERS? ¹	<input type="checkbox"/> Loan Depot <input type="checkbox"/> Chase Home Lending <input type="checkbox"/> FBC <input type="checkbox"/> Lender other than Approved Lender: _____
TITLE COMPANY:	<input type="checkbox"/> HB Title of Florida, Inc. ² <input type="checkbox"/> Other: _____		
ESCROW AGENT AND ADDRESS:	HB Title of Florida, Inc. 5100 West Copans Road, Suite 600 Margate, FL 33063		
SALESPERSON NAME:			

¹ Prospective Purchaser has the right to select and use a lender of Prospective Purchaser's choosing in connection with the purchase of the Home, and Prospective Purchaser understands that Prospective Purchaser is not required to use any specific or specified lender. If the purchase of the Property will be financed, Purchaser may elect to use one of Seller's Approved Lenders. Prospective Purchaser understands that Seller is not affiliated with any Approved Lender.

² Prospective Purchaser has the right to select and use a title insurance company of Prospective Purchaser's choosing in connection with the purchase of the Home, and Prospective Purchaser understands that Prospective Purchaser is not required to use any specified or specific title insurance company. Purchaser may elect to use HB Title of Florida, Inc. ("HB Title"). Prospective Purchaser understands that Seller is not affiliated with or related to HB Title.

All initially capitalized terms not otherwise defined in this Offer to Purchase and Deposit Agreement (this "**Agreement**") shall have the meaning set forth above. Seller acknowledges receiving from Prospective Purchaser the Deposit indicated above payable to Escrow Agent or, if Prospective Purchaser waives escrow as provided below, to Seller. Prospective Purchaser shall not receive any interest on the Deposit. The Deposit expresses the interest of Prospective Purchaser in purchasing the Home referenced above for the Purchase Price indicated above in the community located in Palm Beach County, Florida to be known as Sky Cove (the "**Community**") and located within the master planned community known as Westlake Residences. The following terms shall apply to the Deposit.

1. **Escrow Agreement.** Unless waived by Prospective Purchaser pursuant to Section 6 of this Agreement, the Deposit will be held in escrow by Escrow Agent who shall provide Prospective Purchaser with a receipt for the Deposit in the form attached to this Agreement as **Exhibit A**.

2. **Release of Deposit.** If Prospective Purchaser does not waive the escrow requirement in Section 5, Escrow Agent shall not release any of the Deposit monies directly to Seller except as a down payment on the Purchase Price at the time an agreement for purchase and sale for the Home (the "**Purchase Agreement**") is executed by Prospective Purchaser and Seller. Prospective Purchaser shall notify Escrow Agent and shall direct Escrow Agent, in writing, by virtue of executing the Purchase Agreement or by separate notice, that the monies are to be applied towards the down payment of the Purchase Price. Prior to the execution of the Purchase Agreement, Escrow Agent or Seller, if Prospective Purchaser waives the escrow requirement in Section 5, shall grant Prospective Purchaser an immediate, unqualified refund of the Deposit upon (i) written request of the Seller or (ii) written request by Prospective Purchaser either directly to Escrow Agent or Seller. In the event the Deposit is being held by Escrow Agent, Seller shall immediately send to Escrow Agent copies of all such requests sent directly to Seller. If prior to Seller and Prospective Purchaser signing a Purchase Agreement, Prospective Purchaser requests a refund of the Deposit, Seller shall, or Seller shall cause Escrow Agent to, return the Deposit to Prospective Purchaser. Upon release of the Deposit, the parties shall be released from all liability under this Agreement without any further acts by either party, this Agreement shall be of no further force or effect, and the parties shall have no further rights or obligations under this Agreement.

3. **Purchase Agreement.** Prospective Purchaser must submit this Agreement and the Deposit to Seller, signed by Prospective Purchaser, by 6:00 PM E.S.T. on Monday, January 31, 2022 ("**Deadline**"). If this Agreement is submitted to Seller after the Deadline, it will not be accepted by Seller and the Deposit will be returned to Prospective Purchaser. No assurance is given as to whether Seller will accept the Prospective Purchaser's offer to purchase the Home and Seller, in Seller's sole discretion, may accept or reject Prospective Purchaser's offer to purchase the Home. If and at such time as Seller is willing to enter into a binding Purchase Agreement with Prospective Purchaser, Seller shall so notify Prospective Purchaser by telephone and by e-mail to the telephone number and e-mail address indicated above. Prospective Purchaser shall have forty-eight (48) hours from the receipt of such notice to sign the Purchase Agreement and deliver to Seller the deposit(s) required under the Purchase Agreement. If Prospective Purchaser fails to enter into a Purchase Agreement within the time period set forth in this Section 3, Seller shall, or Seller shall cause the Escrow Agent to, return the Deposit to Prospective Purchaser. Upon release of the Deposit, the parties shall be released from all liability under this Agreement without any further acts by either party, this Agreement shall be of no further force or effect, and the parties shall have no further rights or obligations under this Agreement.

4. Purchase Price of Home. The Offered Purchase Price set forth above is the price that will be charged by Seller for the Home, including the furnishings in the Home as indicated in the Purchase Agreement, and Prospective Purchaser will obtain financing for the purchase of the Home, or the purchase of the Home will be a cash transaction with no financing as so indicated above.

5. **Florida Statutes Section 501.1375. THE BUYER (PURCHASER) OF A ONE-FAMILY OR TWO-FAMILY RESIDENTIAL DWELLING UNIT (HOME) HAS THE RIGHT TO HAVE ALL DEPOSIT FUNDS (UP TO 10 PERCENT OF THE PURCHASE PRICE) DEPOSITED IN AN ESCROW ACCOUNT. THIS RIGHT MAY BE WAIVED, IN WRITING, BY THE BUYER (PURCHASER).**

To waive the right to have the Deposit placed in an escrow account, please place your initials below.

Prospective Purchaser: _____

6. Seller's Rights. This Agreement is only an offer solely with respect to the Home in the Community and, accordingly, this Agreement is not an agreement or a binding contract to reserve, purchase or sell the Home, nor does this Agreement confer any lien upon or interest in the Home, the property where the Community is to be located, or on any other property. Seller may take any action and record any document pertaining to the Home or the Community as Seller may wish. Prospective Purchaser acknowledges, understands and agrees that Seller has given no representations or assurances relating to the Home or the structure and development of the Community or Master Community. Seller has the unqualified right to reject Prospective Purchaser's offer and return the Deposit to Prospective Purchaser at any time prior to entering into a binding Purchase Agreement for the Home. Notwithstanding anything in this Agreement to the contrary, if Seller elects, in its sole and absolute discretion, not to accept Purchaser's offer and/or not to offer a Purchase Agreement to Prospective Purchaser, or if a Purchase Agreement is submitted to Prospective Purchaser, but before both Prospective Purchaser and Seller sign and deliver the Purchase Agreement, Seller may cancel this Agreement for any reason whatsoever, or no reason, by giving written notice thereof to Prospective Purchaser and Escrow Agent, if applicable, in which event Seller or Escrow Agent will grant Prospective Purchaser an immediate, unqualified refund of the Deposit, and thereafter this Agreement shall be of no further force and effect, and the parties shall have no further rights or obligations under this Agreement.

7. Not Transferable. This Agreement may not be transferred or assigned by Prospective Purchaser without the prior written consent of Seller, which consent may be withheld by Seller for any reason or no reason in Seller's sole discretion. To the extent that Seller consents to any such assignment, such consent may be conditioned in any manner whatsoever, including, without limitation, charging an assignment or transfer fee. Without limiting the generality of the foregoing, Prospective Purchaser shall not, without first obtaining the prior written consent of Seller (which may be granted or withheld in Seller's sole and absolute discretion) advertise, market and/or list the Home for sale or resale, whether by placing an advertisement, listing the Home with a broker, allowing the Home to be listed on the Multiple Listing Service or otherwise

8. Seller's Right to Convey Home. If either Seller or Prospective Purchaser cancels this Agreement pursuant to the terms herein, then Seller shall have the right to sell, convey or otherwise transfer the Home to another purchaser. Seller's obligations to convey the Home to Prospective Purchaser and Prospective Purchaser's obligations to purchase the Home are contingent upon the execution of a binding Purchase Agreement, payment of the deposit as set forth in the Purchase Agreement and fulfillment of all obligations required of the parties as may be set forth in the Purchase Agreement.

9. Agreement Not to be Recorded. Prospective Purchaser covenants and agrees that Prospective Purchaser shall not record this Agreement (or any memorandum thereof) in the Public Records of Palm Beach County, Florida. Prospective Purchaser agrees, if Prospective Purchaser records this Agreement, to pay all of Seller's attorneys' fees, paraprofessional fee, costs and expenses incurred in removing the cloud on title caused by such recordation.

10. Time is of the Essence. Time is of the essence under this Agreement and applicable to each and all of its provisions.

11. Community Documents. Prospective Purchaser is entitled to receive all the homeowners association documents if and at the time a Purchase Agreement is entered into between Prospective Purchaser and Seller.

12. Brokers. Prospective Purchaser represents and warrants to Seller that Prospective Purchaser has not consulted or dealt with any broker, salesperson, agent or finder other than Seller's sales personnel and _____ (if this space is left blank, it shall mean that Seller has not agreed to pay any co-broker and that Prospective Purchaser represents that there is no co-broker who can claim by, through or under Prospective Purchaser), nor has the reservation or the expression of interest by Prospective Purchaser in this Agreement been procured by any real estate broker, salesperson, agent or finder other than Seller's sales personnel and the co-broker, if any, named above. Prospective Purchaser will indemnify and hold Seller harmless for and from any person or company claiming otherwise. Such indemnity and agreement to hold Seller harmless by Prospective Purchaser includes, without limitation, the obligation of Prospective Purchaser to pay or reimburse Seller for all commissions, damages and other sums for which Seller may be held liable and all attorneys' fees and court costs actually incurred by Seller (pretrial, at trial and at all levels of proceedings, including appeals), regardless of whether a lawsuit(s) is actually brought or whether Seller ultimately wins or loses. Prospective Purchaser understands and agrees that, if a Purchase Agreement is offered to Prospective Purchaser, then at the time of execution of the Purchase Agreement, no broker, salesperson, agent or finder other than the one identified above, shall be deemed a procuring cause of the Purchase Agreement and that Prospective Purchaser shall be obligated in the Purchase Agreement to indemnify Seller against any other brokers, salespersons, agents or finders.

13. Miscellaneous.

13.1 Headings. The use of headings, captions and numbers in this Agreement is solely for convenience and general reference only, does not constitute a part of this Agreement, and shall in no event be considered in construing or interpreting any provision of this Agreement.

13.2 Severability. If any term, covenant, condition or provision of this Agreement, or the application thereof to any person or circumstance, conflicts with the law under which this Agreement is to be construed, or shall be held invalid by a court of competent jurisdiction, then such term, covenant, condition or provision shall be deleted from this Agreement and the Agreement shall be construed to give effect to the remaining provisions thereof.

13.3 Entire Agreement. This Agreement contains the entire, complete and exclusive agreement of Seller and Prospective Purchaser and no representations, warranties, inducements, promises or agreements, oral or otherwise, between the parties shall be of any force or effect except as otherwise provided herein.

13.4 Modifications. This Agreement shall not be modified or amended in any respect except by a written agreement executed by Seller and Prospective Purchaser in the same manner as this Agreement.

13.5 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and a complete set of which shall constitute one and the same instrument. Signatures may be given via facsimile transmission, electronic transmission (i.e. e-mail), or electronic signature (i.e. DocuSign) and shall be deemed given as of the date and time of the transmission of this Agreement by facsimile or electronically to the other party.

Executed as of the ____ day of _____, 2022.

PROSPECTIVE PURCHASER:

Sign: _____
Print Name: _____
Date: _____, 2022

PROSPECTIVE PURCHASER:

Sign: _____
Print Name: _____
Date: _____, 2022

SKY COVE, LLC, a Florida limited liability company

By: _____
Name: _____
Title: _____
Date: _____, 2022

EXHIBIT A

RECEIPT

_____, 2020

TO: _____

Re: Deposit for Sky Cove (the "**Community**")

Dear Prospective Purchaser:

This will acknowledge receipt from you of a check in the amount of U.S. \$5000.00 representing a Deposit under your Offer to Purchase and Deposit Agreement ("**Agreement**") dated _____ for Model _____, Lot _____ located at _____, Westlake, Palm Beach County, Florida in the Community (the "**Home**"). This Deposit will be held in accordance with the Agreement.

Sincerely,

SKY COVE
DISCLOSURE SUMMARY

1. AS A PURCHASER OF PROPERTY IN THIS COMMUNITY, YOU WILL BE OBLIGATED TO BE A MEMBER OF A HOMEOWNER(S) AND/OR OTHER ASSOCIATIONS: SKY COVE HOMEOWNERS ASSOCIATION, INC. ("**ASSOCIATION**") AND WESTLAKE RESIDENCES MASTER HOMEOWNERS ASSOCIATION, INC. ("**MASTER ASSOCIATION**").
2. THERE HAVE BEEN OR WILL BE RECORDED RESTRICTIVE COVENANTS GOVERNING THE USE AND OCCUPANCY OF PROPERTIES IN THIS COMMUNITY.
3. YOU WILL BE OBLIGATED TO PAY ASSESSMENTS TO THE ASSOCIATION: ASSOCIATION ASSESSMENTS MAY BE SUBJECT TO PERIODIC CHANGE. IF APPLICABLE, THE CURRENT AMOUNT OF ASSOCIATION ASSESSMENTS IS **\$71.43 PER MONTH, \$214.29 PER QUARTER, OR \$857.16 PER YEAR**, AND UPON COMPLETION OF THE RECREATIONAL FACILITIES WILL BE **\$90.83 PER MONTH, \$272.50 PER QUARTER OR \$1090.00 PER YEAR**. YOU WILL ALSO BE OBLIGATED TO PAY ANY SPECIAL ASSESSMENTS IMPOSED BY THE ASSOCIATION. SUCH SPECIAL ASSESSMENTS MAY BE SUBJECT TO CHANGE. IF APPLICABLE, THE CURRENT AMOUNT OF SUCH SPECIAL ASSESSMENTS IS \$N/A PER N/A. YOU WILL BE OBLIGATED TO PAY ASSESSMENTS TO THE MASTER ASSOCIATION: MASTER ASSOCIATION ASSESSMENTS MAY BE SUBJECT TO PERIODIC CHANGE. IF APPLICABLE, THE CURRENT AMOUNT OF MASTER ASSOCIATION ASSESSMENTS IS **\$47.94 PER MONTH, \$143.82 PER QUARTER, OR \$575.28 PER YEAR**. YOU WILL ALSO BE OBLIGATED TO PAY ANY SPECIAL ASSESSMENTS IMPOSED BY THE MASTER ASSOCIATION. SUCH SPECIAL ASSESSMENTS MAY BE SUBJECT TO CHANGE. IF APPLICABLE, THE CURRENT AMOUNT OF SUCH SPECIAL ASSESSMENTS IS \$N/A PER N/A.
4. YOU MAY BE OBLIGATED TO PAY SPECIAL ASSESSMENTS TO THE RESPECTIVE MUNICIPALITY, COUNTY, OR SPECIAL DISTRICT. ALL ASSESSMENTS ARE SUBJECT TO PERIODIC CHANGE.
5. YOUR FAILURE TO PAY SPECIAL ASSESSMENTS OR ASSESSMENTS LEVIED BY A MANDATORY HOMEOWNERS' ASSOCIATION, INCLUDING THE ASSOCIATION AND MASTER ASSOCIATION, COULD RESULT IN A LIEN ON YOUR PROPERTY.
6. THERE MAY BE AN OBLIGATION TO PAY RENT OR LAND USE FEES FOR RECREATIONAL OR OTHER COMMONLY USED FACILITIES AS AN OBLIGATION OF MEMBERSHIP IN THE HOMEOWNERS' ASSOCIATION. IF APPLICABLE, THE CURRENT AMOUNT IS \$N/A PER N/A.
7. THE DEVELOPER [SELLER] AND/OR COMMUNITY DEVELOPER MAY HAVE THE RIGHT TO AMEND THE RESTRICTIVE COVENANTS WITHOUT THE APPROVAL OF THE ASSOCIATION MEMBERSHIP OR THE APPROVAL OF THE PARCEL OWNERS.
8. THE STATEMENTS CONTAINED IN THIS DISCLOSURE FORM ARE ONLY SUMMARY IN NATURE, AND AS A PROSPECTIVE PURCHASER, YOU SHOULD REFER TO THE COVENANTS AND THE ASSOCIATION GOVERNING DOCUMENTS BEFORE PURCHASING THE PROPERTY.
9. THESE DOCUMENTS ARE EITHER MATTERS OF PUBLIC RECORD AND CAN BE OBTAINED FROM THE RECORD OFFICE IN THE COUNTY WHERE THE PROPERTY IS LOCATED, OR ARE NOT RECORDED AND CAN BE OBTAINED FROM THE DEVELOPER [SELLER].

THIS DISCLOSURE SUMMARY MAY BE EXECUTED IN COUNTERPARTS, A COMPLETE SET OF WHICH SHALL FORM A SINGLE DISCLOSURE SUMMARY.

PURCHASER:

PURCHASER:

Name: _____
Date: _____

PURCHASER:

Name: _____
Date: _____

SELLER:

SKY COVE, LLC, a Florida limited liability company

By: _____
Name: _____
Title: _____
Date: _____

Name: _____
Date: _____

PURCHASER:

Name: _____
Date: _____

MODEL HOME ADDENDUM

THIS MODEL HOME ADDENDUM (this "**Addendum**") is executed in conjunction with and, by this reference, incorporated into the Purchase Agreement (the "**Agreement**") dated as of the _____ day of _____, 20____, between _____ (collectively, "**Purchaser**"), and Sky Cove, LLC, a Florida limited liability company ("**Seller**"), respecting Lot _____ of the Plat of Sky Cove – Phase 1 A, according to the Plat thereof, recorded in Plat Book 128, Page 129 of the Public Records of Palm Beach County, Florida (the "**Home**"), in the neighborhood known as Sky Cove (the "**Neighborhood**") in the community known as Westlake Residences (the "**Community**").

1. **Defined Terms.** All initially capitalized terms not defined in this Addendum shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to any other addenda attached to the Agreement, which are hereby incorporated by this reference.

2. **Purchase of Model Home.** Purchaser acknowledges that construction of the Home is completed; any provisions in the Agreement related to completion of the Home and design and option selections do not apply, and Section 2 of the Agreement (with the heading "**Completion Date**") is hereby deleted in its entirety. Purchaser agrees to buy and Seller agrees to sell to Purchaser the model home for the _____ Model as situated on the property described in Section 1 of the Agreement (the "**Model Home**").

3. **Items Included with Sale.** The sale and price of the Home includes the furniture and furnishings listed on the attached **Exhibit A** ("**Furniture**") as well as the materials, equipment, personal property and fixtures located in the Model Home as of the date of Closing, including accessories, plants, pictures, window coverings, applied moldings, flooring, ceiling lights, appliances, and alarm system, if any.

4. **"As Is, Where Is" Sale.** Purchaser understands, acknowledges and agrees that Seller has used the Model Home as a model for the Community. Purchaser further understands and agrees that, except as otherwise specifically provided in this Addendum, Seller is selling the Model Home in "AS IS, WHERE IS" CONDITION with no warranty and no other representations or warranties. In addition, the Furniture and any materials, equipment, personal property and fixtures (collectively, "**Personal Property**") located in the Home as of the date of Closing, if any, are being sold in "AS IS, WHERE IS" CONDITION with no representations or warranties; Seller makes no representation or warranty, either express or implied regarding the condition, operability, safety, fitness for intended purpose or use of the Home, Furniture or Personal Property. Purchaser specifically acknowledges and agrees that Seller is selling and Purchaser is purchasing the Model Home, Furniture and Personal Property, if any, on an "AS IS, WHERE IS, AND WITH ALL FAULTS" basis and Purchaser is not relying on any representations or warranties of any kind whatsoever, express or implied, from Seller, its agents, officers, or employees, as to any matters concerning the Model Home, Furniture and Personal Property.

6. **Seller's Use of the Model Home.** Purchaser understands, acknowledges and agrees that Seller and its affiliates ("**Seller's Affiliates**") shall have the right to continue to use the Model Home in connection with sales activities and the sale of homes in the Community and in other communities being developed by Seller and/or Seller's Affiliates through the date of the Pre-Closing Inspection. Purchaser understands, acknowledges and agrees that until the date of the Pre-Closing Inspection, potential purchasers of homes in the Community and other communities being developed by Seller and/or Seller's Affiliates will be entering into and touring the Model Home.

7. **Seller's Responsibilities.** Prior to Closing, Seller shall: (a) steam clean the existing carpet, and (b) touch-up the paint on the interior walls of the Model Home where required in Seller's sole discretion; provided, however, Seller does not guarantee that the touch-up paint will match the existing paint;

8. **Warranties.** Purchaser understands, acknowledges and agrees that the only warranty being provided to Purchaser at Closing are those set forth in the 2-10 Home Purchasers Warranty issued by Home Purchasers Warranty Corporation or such other company of equal quality acceptable to Seller. In addition, Seller shall deliver to Purchaser all manufacturers' warranties, if any, covering appliances and other consumer products, if any, conveyed to Purchaser pursuant to the Agreement. Purchaser will receive a one (1) year warranty on the appliances from General Electric (GE).

9. **Financing.** Purchaser acknowledges, understands and agrees that in the event Purchaser obtains a mortgage loan from an Approved Lender in connection with the purchase of the Home, the Lender may limit or disallow the use of the mortgage loan to finance the price of the Furniture and Personal Property. Accordingly, the amount of any mortgage loan obtained by Purchaser and any preliminary approval or loan commitment obtained by Purchaser for a mortgage loan may be based on an appraisal of the Home without the Furniture and Personal Property. Purchaser understands, acknowledges and agrees that the purchase of the Home and Purchaser's obligations under the Agreement are not and will not be subject to or conditioned upon Purchaser's Lender obtaining an appraisal of the Home acceptable to Lender and/or the failure of the Home to appraise equal to or greater than the Total Purchase Price. In the event the appraisal of the Home is not satisfactory to Lender and/or the Home fails to appraise equal to or greater than the Total Purchase Price, the Agreement shall remain in full force and effect and Purchaser shall be conclusively presumed to have agreed to purchase the Home without mortgage financing. Purchaser acknowledges that this provision is fair and reasonable and that Purchaser should properly bear the risk that the appraisal of the Home may not be satisfactory to Lender. If Purchaser obtains a written mortgage loan commitment or approval from a Lender and the mortgage loan commitment or approval is subsequently withdrawn through no fault of the Seller, including, but not limited to, any condition to such loan commitment not being satisfied for any reason including the failure of the Home to appraise equal to or greater than the Total Purchase Price, a change in Purchaser's financial status (including loss of employment), or a change in Lender's loan programs or lending criteria, the Agreement shall remain in full force and effect and Purchaser shall be conclusively presumed to have agreed to purchase the Home without mortgage financing. This provision is intended to cover Purchaser's receipt of a mortgage financing commitment conditioned on the happening of a future event and includes any condition or contingency not satisfied for any reason, and shall cover the possibility that the Lender may eliminate the loan program for which Purchaser received a conditional commitment or may not longer finance in the percentage amount originally applied for. Purchaser acknowledges that this provision is fair and reasonable and that Purchaser should properly bear the risk that, once approved, Lender may not close the loan due to a change in its lending programs, Purchaser's financial condition or Purchaser's failure to remove a condition or contingency of the loan. Under no circumstances shall Purchaser be excused from performance under this Agreement as a result of Purchaser's failure or inability to satisfy any contingency in the loan commitment.

10. **Closing.** It is anticipated that the Closing will take place in April or May, 2022 on a date and at a location designated by Seller in written notification to Purchaser. Seller is authorized to postpone the Closing in its sole discretion, and if Seller postpones Closing pursuant to this Section, Seller shall give Purchaser at least seven (7) days' notice of the new Closing date.

11. **Counterparts.** This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

12. **Conflicts.** In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

13. **Entire Agreement.** The Agreement, together with this Addendum and any other addenda or amendments to the Agreement, contains the entire agreement between Purchaser and Seller concerning the matters set forth therein and herein. All prior discussions, negotiations and contracts, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Purchaser and an authorized agent of Seller.

PURCHASER:

Name: _____
Date: _____

PURCHASER:

Name: _____
Date: _____

SELLER:

SKY COVE, LLC, a Florida limited liability company

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT A

INVENTORY OF FURNITURE AND PERSONAL PROPERTY

OCCUPANCY ADDENDUM

THIS OCCUPANCY ADDENDUM (this "**Addendum**") is executed in conjunction with and, by this reference, incorporated into the Purchase Agreement (the "**Agreement**") dated _____, 20____, between _____ (collectively, "**Purchaser**") and Sky Cove, LLC, a Florida limited liability company ("**Seller**"), respecting Lot _____ of the Plat of Sky Cove – Phase 1 A, according to the Plat thereof, recorded in Plat Book 128, Page 129 of the Public Records of Palm Beach County, Florida (the "**Property**"), in the neighborhood known as Sky Cove (the "**Neighborhood**") in the community known as Westlake Residences (the "**Community**").

1. **Defined Terms.** All initially capitalized terms not defined in this Addendum shall have the meanings set forth in the Agreement, and all references in this Addendum to the Agreement shall be deemed to include references to this Addendum and to every other addenda attached to the Agreement, which are hereby incorporated by this reference.
2. **Primary Residence.** Consistent with its policy to discourage home purchase speculation and to provide a stabilized community of owner-occupied homes, Seller desires to sell the Property only to a purchaser who will own and occupy the Property in accordance with the restrictions set forth below. Purchaser acknowledges that the execution of this Addendum is a material consideration inducing Seller to enter into the Agreement.
3. **Use Of The Property.** Purchaser represents and warrants to Seller that (a) Purchaser is purchasing the Property for use as Purchaser's Residence (as defined below); (b) Purchaser will occupy the Property as Purchaser's Residence after Closing; (c) Purchaser shall not assign or attempt to transfer Purchaser's rights under the Agreement or enter into any agreement for the sale, lease, or other transfer of the Property which would result in Purchaser's failure to occupy the Property as provided in this Addendum; and (d) Purchaser shall hold title to the Property in fee simple for a period of twelve (12) months from the Closing (the "**Occupancy Period**"). The provisions of this Section 3 and the accuracy of the above representations and warranties constitute a covenant of Purchaser and a condition precedent to Seller's performance under the Agreement. As used in this Addendum, the term "**Purchaser's Residence**" shall mean (a) the principal residence where Purchaser resides the majority of the year and which is Purchaser's homestead, or (b) a personal use residence which is not held for speculation or investment purposes.
4. **No Other Listings.** Purchaser represents and warrants to Seller that prior to Closing and during the Occupancy Period, Purchaser shall not list or advertise the Property for sale with any broker, in any multiple listing service, in any classified or other advertisement (including, without limitation, "by owner" with the participation of a low or budget commissioned realtor), or otherwise.
5. **No Other Agreements.** Purchaser represents and warrants that neither Purchaser nor Purchaser's spouse or any entity which is owned, wholly or in part, or controlled, directly or indirectly, by Purchaser or Purchaser's spouse has (i) entered into a contract for the purchase of a home in the Community other than the Agreement or (ii) closed on the purchase of a home in the Community other than the Property.
6. **Breach Prior To Closing.** In the event that Seller determines that any of Purchaser's representations or warranties contained in this Addendum are or hereafter become inaccurate or untrue in any respect whatsoever, or in the event that Purchaser otherwise breaches any of

Purchaser's covenants or agreements contained in this Addendum prior to the Closing, then Seller shall be entitled to exercise all remedies as provided in Section 15 of the Agreement.

7. **Breach After Closing.** Except for (i) a Hardship Situation as defined in Section 8 below, (ii) a rental of the Property in accordance with Section 15 of this Addendum, or (iii) any other transfer that Seller may consent to, any sale, lease, or other transfer of fee simple title to the Property prior to the expiration of the Occupancy Period shall constitute a material breach of the Agreement. Any such material breach shall entitle Seller, at its sole election, to receive from Purchaser as liquidated damages for such breach the sum of fifteen percent (15%) of the Total Purchase Price ("**Liquidated Damages**"). Purchaser stipulates that any breach of this Addendum by Purchaser will cause material damage to Seller, that the exact amount of damages would be difficult to quantify, and that the amount of the Liquidated Damages is a fair and reasonable estimate of such damages. Purchaser shall pay the Liquidated Damages to Seller concurrently with the sale, lease, or other transfer of fee title to the Property by Purchaser, and Purchaser's obligation to pay the Liquidated Damages shall constitute a lien on the Property which shall run with the land and shall be binding on successors and assigns. The provisions of this Section 7 shall survive the Closing.

8. **Hardship Situations.** Seller recognizes that a transfer or rental of the Property in certain circumstances would not be inconsistent with the intent of this Addendum. Seller may, in its sole and absolute discretion, decided on a case-by-case basis, consent to a transfer or rental of the Property during the Occupancy Period. Notwithstanding the foregoing, Seller shall not unreasonably withhold its consent to a transfer or rental in the following instances (each, a "**Hardship Situation**").

8.1 A transfer or rental resulting from the death of Purchaser;

8.2 A transfer by Purchaser where the spouse of the Purchaser becomes the only co-owner of the Property with Purchaser;

8.3 A transfer resulting from a decree of dissolution of marriage or legal separation or from a property settlement agreement incident to such decree;

8.4 A transfer by Purchaser into a revocable inter vivos trust in which Purchaser is a beneficiary;

8.5 A transfer, conveyance, pledge, assignment or other hypothecation of the Property to secure the performance of an obligation, which transfer, conveyance, pledge, assignment or hypothecation will be released or reconveyed upon the completion of such performance;

8.6 A transfer or rental by Purchaser (where Purchaser is not self-employed) necessary to accommodate a mandatory job transfer required by Purchaser's employer, proof of which has been delivered to Seller;

8.7 A transfer or rental necessitated by a medical or financial emergency, proof of which emergency has been delivered to Seller and has been approved by Seller in its sole and absolute discretion; or

8.8 A transfer or rental which, in the sole and absolute discretion of Seller, constitutes a "hardship" situation consistent with the intentions of this Addendum.

9. **No Duty To Enforce.** Seller makes no representation or warranty to Purchaser that Seller will impose the requirements set forth in this Addendum on other Purchasers of homes in the Community and/or that, if Seller has imposed or in the future imposes these requirements on another purchaser, that Seller will enforce the requirements set forth in this Addendum against other owners in the Community. Purchaser specifically acknowledges and agrees that Seller is not guaranteeing Purchaser or assuring Purchaser in any way that the Community will now or in the future be occupied only or primarily by owner occupants and/or that there will not be purchasers in the Community who are purchasing homes in the Community as an investment, with no intention of living in the home. Purchaser is not a third party beneficiary to any such agreement with other homeowners. Purchaser acknowledges that the Community may contain rental units, and/or that homes within the Community may be sold from time to time.

10. **No Unreasonable Restraint.** Purchaser acknowledges that the purpose of this Addendum is (i) to comply with Seller's intention to sell homes only to persons who will actually occupy them as Purchaser's Residence, (ii) to obtain a stabilized community of owner-occupied homes, and (iii) to prevent a shortage of available homes for permanent residents and second homes. Purchaser agrees that the provisions and restrictions set forth in this Addendum do not constitute an unreasonable restraint upon alienation of the Property.

11. **Survival; Severability.** All of the covenants contained in this Addendum shall survive the delivery and recordation of the deed conveying the Property from Seller to Purchaser. The provisions of this Addendum shall be independent and severable, and a determination of invalidity or partial invalidity or enforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provision of this Addendum or the Agreement.

12. **Deed Restriction.** At the Closing of Purchaser's purchase of the Property, Purchaser shall be required to enter into a deed restriction (the "**Deed Restriction**") in the form attached hereto as **Exhibit A**, which shall be recorded with the deed conveying the Property to Purchaser. Purchaser acknowledges that the purpose of the Deed Restriction is to put third parties on notice of the lien rights and Purchaser's obligations hereunder. In the event of any conflict between the terms and provisions of the Deed Restriction, and the terms and conditions of this Addendum or the Agreement, the terms and conditions of this Addendum or the Agreement, as applicable, shall prevail. The Deed Restriction contains certain mortgagee protections which shall be in addition to, and shall not be superseded by, the provisions of Section 13 ("**Subordination**") of this Addendum. In the event of any conflict between the Deed Restriction and the Declaration, the Deed Restriction shall control.

13. **Subordination.** Purchaser and Seller hereby acknowledge and agree that a violation of this Addendum by Purchaser shall not take priority over, defeat or render invalid the lien of any first or second priority mortgage or deed of trust made in good faith and for value by Purchaser, and that the lien rights, covenants and provisions of this Addendum shall be inferior and subordinate to the lien of any such first or second priority mortgage or deed of trust whether recorded concurrently with or subsequent to the deed conveying the Property to Purchaser.

14. **Lender Contact.** In addition to Seller's rights to contact Purchaser's Lender set forth in the Agreement, Purchaser agrees that Seller may contact Purchaser's Lender, and/or the Lender providing financing on any other homes owned by Purchaser, either before or after Closing, in order to verify with such lender Purchaser's occupancy status with respect to the Property.

15. **Permitted Rentals.** Notwithstanding anything to the contrary in this Addendum, Purchaser shall be permitted to rent the Property during the Occupancy Period for a cumulative period of no more than six (6) months and otherwise in accordance with Community specific rules, regulations, and restrictions relating to rentals. Any other rental of the Property prior to the expiration of the Occupancy Period shall constitute a material breach of the Agreement and shall entitle Seller to Liquidated Damages as set forth in Section 7 of this Addendum. The provisions of this Section 15 shall survive the Closing.

16. **Conflicts.** In the event of any conflict between this Addendum and the Agreement, this Addendum shall control. In all other respects, the Agreement shall remain in full force and effect.

17. **Counterparts.** This Addendum may be executed in counterparts, a complete set of which shall form a single Addendum.

18. **Entire Agreement.** The Agreement, together with this Addendum and any other addenda or amendments to the Agreement, contains the entire agreement between Purchaser and Seller concerning the matters set forth therein and herein. All prior discussions, negotiations, and contracts, if any, whether oral or written, are hereby superseded by these documents. No addition or modification of this Addendum or the Agreement shall be effective unless set forth in writing and signed by Purchaser and an authorized agent of Seller.

PURCHASER:

Name: _____
Date: _____

PURCHASER:

Name: _____
Date: _____

SELLER:

SKY COVE, LLC, a Florida limited liability company

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT A TO DEED
DEED RESTRICTION
OCCUPANCY PERIOD AND USE OF THE PROPERTY

As a material consideration inducing the grantor ("**Seller**") under the attached deed ("**Deed**") to sell to the grantee under such Deed ("**Purchaser**") that certain real property described in this Deed (the "**Property**"), Purchaser has represented to Seller that Purchaser intends to and will occupy the Property for a period of twelve (12) months after Purchaser's acquisition of the Property (the "**Occupancy Period**") as either (i) Purchaser's principal residence where Purchaser will reside the majority of the year and which is Purchaser's homestead, or (ii) as a personal use residence which is not held for speculation or investment purposes ("**Purchaser's Residence**"). Seller and Purchaser have entered into a separate unrecorded agreement (the "**Agreement**") pursuant to which Purchaser has agreed to occupy the Property as provided herein, and Purchaser has agreed not to sell the Property for the duration of the Occupancy Period. This Deed Restriction is to put third parties on notice of such commitments by Purchaser, and Seller's rights upon a breach of such commitments by Purchaser, as provided in the Agreement, and nothing contained in this Deed Restriction shall, or shall be deemed to, modify or amend the Agreement in any respect. In the event of any conflict between the provisions of the Agreement and the provisions of this Deed Restriction, the provisions of the Agreement shall prevail. Notwithstanding the foregoing, this Deed Restriction includes certain mortgagee protections which shall be in addition to, and shall not be superseded by, the mortgagee protections in the Agreement.

Purchaser acknowledges that Seller, as a developer and builder of single family and multi-family residences, has an interest in ensuring that such residences, and the communities in which they are built, including the Property and the community which the Property is a part (such community being referred to herein as the "**Community**" or the "**Benefited Property**") are purchased and occupied only by persons who will actually occupy them as Purchaser's Residence, to obtain a stabilized community of owner-occupied homes, and to mitigate a shortage of available homes for permanent residents.

1. **Occupancy Covenants.** Purchaser, on behalf of itself and its successors and assigns, hereby covenants to and for the benefit of Seller that, during the Occupancy Period: (a) Purchaser will occupy the Property as Purchaser's Residence after closing; (b) Purchaser shall not enter into any agreement for the sale, lease, or other transfer of the Property which would result in Purchaser's failure to hold title thereto in fee simple; and (c) Purchaser shall not list or advertise the Property for sale with any broker, in any multiple listing service, in any classified or other advertisement (including, without limitation, "by owner" with the participation of a low or budget commissioned realtor), or otherwise.

2. **Hardship Situations.** Seller recognizes that a transfer or rental of the Property in certain circumstances would not be inconsistent with the intent of this Addendum. Seller may, in its sole and absolute discretion decided on a case-by-case basis, consent to a transfer or rental of the Property during the Occupancy Period. Notwithstanding the foregoing, Seller shall not unreasonably withhold its consent to a transfer or rental in the following instances (each, a "**Hardship Situation**").

2.1 A transfer or rental resulting from the death of Purchaser;

2.2 A transfer by Purchaser where the spouse of the Purchaser becomes the only co-owner of the Property with Purchaser;

2.3 A transfer resulting from a decree of dissolution of marriage or legal separation or from a property settlement agreement incident to such decree;

2.4 A transfer by Purchaser into a revocable inter vivos trust in which Purchaser is a beneficiary;

2.5 A transfer, conveyance, pledge, assignment or other hypothecation of the Property to secure the performance of an obligation, which transfer, conveyance, pledge, assignment or hypothecation will be released or reconveyed upon the completion of such performance;

2.6 A transfer or rental by Purchaser (where Purchaser is not self-employed) necessary to accommodate a mandatory job transfer required by Purchaser's employer, proof of which has been delivered to Seller;

2.7 A transfer or rental necessitated by a medical or financial emergency, proof of which emergency has been delivered to Seller and has been approved by Seller in its sole and absolute discretion; or

2.8 A transfer or rental which, in the sole and absolute discretion of Seller, constitutes a "hardship" situation consistent with the intentions of this Deed Restriction.

3. **Automatic Termination of Deed Restriction.** The covenants set forth above, and the restrictions on transfer or rental of the Property set forth herein, shall automatically terminate and be of no further force and effect on the date which is twelve (12) months after the date of recordation of this Deed.

4. **Remedies for Breach.** If Purchaser or Purchaser's successors and assigns, breaches, violates or fails to perform or satisfy any of the covenants set forth in the Agreement or this Deed Restriction, Seller and/or Seller's successors and assigns, may enforce the remedies set forth in the Agreement including, without limitation, the right and option to recover Liquidated Damages (as defined in the Agreement) upon a sale, lease or other transfer of the Property in violation of this Deed Restriction and/or the Agreement, determined as provided in the Agreement, and Purchaser's obligation to pay the Liquidated Damages shall constitute a lien on the Property which shall run with the land and shall be binding on successors and assigns and may be foreclosed in the same manner as a mortgage or deed of trust.

5. **Attorneys' Fees.** In the event that a dispute, claim, lawsuit or any other action arises out of the interpretation or enforcement of this Deed Restriction, or any part thereof, the prevailing party shall be entitled to recover its attorneys' fees, paraprofessional fees and costs pretrial, at trial and at all levels of proceedings, including appeals. Without limiting the foregoing, Purchaser shall pay Seller upon demand any and all expenses including, without limitation, legal expenses, attorneys' fees and paraprofessional fees incurred by Seller in collecting the Liquidated Damages (as defined in the Agreement) payable under the Agreement whether or not any legal proceedings are commenced hereunder, together with interest on such amounts and on the Liquidated Damages at the highest rate permitted by law. Venue for any action shall be in the county where the Property is located.

6. **Waiver of Jury Trial.** ANY TRIAL REGARDING THIS DEED RESTRICTION SHALL BE BY JUDGE AND NOT BY JURY, IT BEING ACKNOWLEDGED THAT THIS DEED RESTRICTION IS A SOPHISTICATED LEGAL DOCUMENTS AND, ACCORDINGLY, JUSTICE WILL BE BEST SERVED IF ISSUES REGARDING THE DEED RESTRICTIONS ARE HEARD BY A JUDGE IN A COURT PROCEEDING AND NOT A JURY. SELLER AND PURCHASER HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION BASED ON THIS DEED RESTRICTION, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THE DEED RESTRICTION.

7. **No Duty to Enforce.** Seller makes no representation or warranty to Purchaser that Seller will impose these requirements on other purchasers of homes in the Community and/or that, if Seller has imposed or in the future imposes these requirements on another purchaser, that Seller will enforce the requirements set forth in this Deed Restriction against other owners in the Community. Purchaser specifically acknowledges and agrees that Seller is not guaranteeing Purchaser or assuring Purchaser in any way that the Community will now or in the future be occupied only or primarily by owner occupants and/or that there will not be purchasers in the Community who are purchasing homes in the Community for rentals or as an investment, with no intention of living in the home.

8. **Survival of Covenant on Transfer.** Except as provided in Section 10, below, Purchaser's obligations, and Seller's rights hereunder and under the Agreement shall survive any transfer of the Property by Purchaser.

9. **No Unreasonable Restraint.** Purchaser acknowledges that the purpose of this Deed Restriction is (i) to comply with Seller's intention to sell homes only to persons who will actually occupy them as Purchaser's Residence, (ii) to obtain a stabilized community of owner-occupied and/or tenant occupied (pursuant to Community restrictions) homes, and (iii) to prevent a shortage of available homes for permanent residents and second homes. Purchaser agrees that the provisions and restrictions set forth in this Deed Restriction do not constitute an unreasonable restraint upon alienation of the Property.

10. **Survival; Severability.** All of the covenants contained herein shall survive the delivery and recordation of the Deed conveying the Property from Seller to Purchaser. The provisions of this Deed Restriction shall be independent and severable, and a determination of invalidity or partial invalidity or enforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provision of this Deed Restriction or the Agreement.

11. **Conflicts.** In the event of any conflict between the terms of this Deed Restriction and the Declaration for Sky Cove, this Deed Restriction shall control.

12. **Mortgagee Protection Provisions.**

12.1 **Permitted Financing.** Notwithstanding anything to the contrary in this Deed Restriction or in the Agreement, Purchaser may encumber the Property as security for a loan made by an institutional lender.

12.2 **Subordination.** Seller hereby acknowledges and agrees that a violation of this Deed Restriction by Purchaser shall not defeat or render invalid the lien of any first mortgage or deed of trust in favor of an institutional lender or investor and made in good faith and for value by

Purchaser, and that the covenants and provisions of this Deed Restriction shall be inferior and subordinate to the lien of any such first or second mortgage or deed of trust made by an institutional lender or investor, whether recorded concurrently with or subsequent to the Deed conveying the Property to Purchaser.

12.3 **Termination on Foreclosure.** This Deed Restriction and the Agreement are subject and subordinate to any first or second priority deed of trust or mortgage on the Property made by or held by an institutional lender or investor. Any party and its successors and assigns, receiving title to the Property pursuant to a judicial or non-judicial foreclosure, or by any conveyance in lieu of such foreclosure, under a power of sale contained in such a first or second priority mortgage or deed of trust recorded against the Property in the Public Records of the County in which the Property is located shall take title free and clear of the provisions of this Deed Restriction and the Agreement.

12.4 **HUD or VA Insured or Guaranteed Mortgages.** If Purchaser has acquired the Property by a mortgage insured by the Secretary of the United States Department of Housing and Urban Development, or guaranteed by the United States Department of Veteran's Affairs, then this Deed Restriction and the Agreement, shall automatically terminate if title to the Property is transferred by foreclosure or deed-in-lieu of foreclosure, or if the insured or guaranteed mortgage is assigned to the Secretary or the VA.

12.5 **Insurance Proceeds and Condemnation Award.** In the event the Property is damaged or destroyed, or in the event of condemnation, Seller shall have no claim or right to any proceeds thereof and such proceeds shall be held and distributed in accordance with the terms of any lien on the Property, in their order of priority.

13. **Permitted Rentals.** Notwithstanding anything to the contrary in this Deed Restriction, Purchaser shall be permitted to rent the Property during the Occupancy Period for a cumulative period of no more than six (6) months and otherwise in accordance with Community specific rules, regulations, and restrictions relating to rentals. Any other rental of the Property prior to the expiration of the Occupancy Period shall constitute a breach of the Agreement and this Deed Restriction and shall entitle Seller to Liquidated Damages and other remedies as provided in Section 4 of this Deed Restriction.

14. **Covenant Running with the Land.**

14.1 The Property shall be held and conveyed subject to the terms set forth in this Deed Restriction. The covenants contained herein are intended and shall be construed as covenants and conditions running with and binding the Property and equitable servitudes upon the Property and every part thereof; and subject to the next paragraph in this Section 14, are for the benefit of the Benefited Property. Furthermore, all and each of the terms hereunder shall be binding upon and burden all persons having or acquiring any right, title or interest in the Property (during their ownership of such interest), or any part thereof, and their successors and assigns; and subject to Section 14.2 hereof, shall inure to the benefit of the Benefited Property and all persons having or acquiring any right, title or interest in the Benefited Property, or any part thereof, which shall be deemed the dominant tenement for purposes of this Instrument. This Instrument is intended to bind and benefit said persons only and is not intended to be, nor shall it be construed as being, for the benefit of adjoining property owners or any other third party.

14.2 In the event that fee title to any portion of the Benefited Property is or has been conveyed by Seller to a third party developer or builder (a "**Transferred Parcel**"), the terms of this instrument shall cease to benefit said Transferred Parcel unless Seller expressly assigns to the transferee of the Transferred Parcel the benefits of all or a portion of the covenants contained herein, either concurrently with conveyance of the Transferred Parcel or at any time thereafter, in either case by recorded assignment document executed by Seller and specifically referencing this Instrument (general references to appurtenances or rights related to the acquired land will not suffice). Seller and, upon recordation of any such assignment executed by Seller in favor of a specific successor to the benefits hereof (a "**Benefits Successor**"), the Benefits Successor, and their successors alone shall have the right to enforce the terms of this Deed Restriction and the Agreement and to recover for violations by Purchaser hereunder. Any merger of Seller or Seller's parent company with or into another entity or any acquisition of all or a portion of the stock or equity of Seller or Seller's parent company by a third party will not be deemed a conveyance of the Benefited Property triggering the applicability of this Section.

IN WITNESS WHEREOF, Purchaser has entered into this Deed Restriction as of the day and year the Deed is recorded.

PURCHASER:

PURCHASER:

Name: _____
Date: _____

Name: _____
Date: _____

STATE OF _____)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me by means of physical presence or online notarization this ____ day of _____, 20__ by _____, who is personally known to me or who produced _____ as identification.

My commission expires:

NOTARY PUBLIC, State of Florida
Print name: _____