

# THE PADDOCKS

The Paddocks Jax LLC  
7215 Golden Wings Road, Jacksonville, Florida 32244

## Purchase Contract

Buyer: \_\_\_\_\_

(Unit) #: \_\_\_\_\_ Unit Square Footage: \_\_\_\_\_

Buyer SS # or EIN #: \_\_\_\_\_

Buyer Address: \_\_\_\_\_

ANY PAYMENT IN EXCESS OF 10 PERCENT OF THE PURCHASE PRICE MADE UNDER THIS CONTRACT TO THE DEVELOPER BEFORE CLOSING MAY BE USED FOR CONSTRUCTION PURPOSES BY THE DEVELOPER.

1. DESCRIPTION OF PROPERTY. Subject to the terms and conditions of this Purchase Contract (“Contract”) and for the consideration set forth herein, Buyer hereby agrees to purchase and The Paddocks Jax LLC, a Florida limited liability company, with a mailing address of 2700 Newport Boulevard, Suite 188, Newport Beach, CA 92663 (“Developer”), hereby agrees to sell and convey to Buyer the unit first described above (“the Unit”), located in The Paddocks Jax, a nonresidential vehicle condominium (“The Paddocks” or “Condominium”) (or such alternate name designated by Developer), to be constructed at 7215 Golden Wings Road, Jacksonville, in Duval County, Florida 32244, together with all appurtenances thereto, as the same will be contained and defined in the declaration of condominium for the Condominium, which will be recorded in the public records of Duval County, Florida, a copy of the proposed draft of the declaration is herein attached and made a part hereof. Seller has the absolute right to make modifications to the proposed draft of the declaration. Without limiting the generality of the foregoing, Buyer understands and specifically agrees that changes may be made by Seller to the proposed declaration before closing in Seller’s sole discretion. A recorded copy of the declaration will be provided to Buyer once it is recorded in the Public Records of Duval County, Florida.

Buyer is notified that the model units shown by Developer or otherwise described in any marketing materials that may have been provided to Buyer contain equipment, furnishings, and finishings that will not be included in the Unit conveyed by Developer to Buyer under this Contract. At Closing, Developer will convey the Unit to Buyer with (i) an undecorated, unfinished floor, (ii) unpainted interior surfaces, and (iii) a heating, ventilation and air conditioning system (“HVAC”). Any additional work or upgrades made to the Unit shall be: (i) approved in advance, in writing, by the Seller or the condominium association; (ii) performed by Buyer after closing, at Buyer’s sole cost and expense; and (iii) performed in strict accordance with all applicable governmental laws, rules, codes and ordinances. This paragraph will survive closing and delivery of the special warranty deed.

2. PURCHASE PRICE AND METHOD OF PAYMENT. Buyer agrees to pay the total purchase price of \$ \_\_\_\_\_ to Developer as follows:

Method of Payment:

- a. Initial Payment for Unit made as of the date of this Contract \$ \_\_\_\_\_
- b. Balance due at closing subject to adjustments and prorations  
as provided for herein \$ \_\_\_\_\_

Buyer shall make the initial payment by deposit to Escrow Agent within three (3) days from the date of this Contract. Buyer's failure or refusal to make the initial payment shall be considered breach of this Contract by Buyer. Buyer acknowledges and agrees that this is a cash transaction and this Contract shall not be conditioned on Buyer qualifying for mortgage financing from any lender or on any lender funding at closing.

3. CONSTRUCTION. Developer hereby agrees to construct a vehicle condominium substantially in accordance with Developer's plans and specifications, which are approved by the applicable governmental authority, subject to the availability of labor and materials. The temporary or permanent certificate of occupancy from the applicable governmental authority shall be final with respect to completion and compliance. The estimated latest date of completion of construction within two (2) years. Developer agrees that it will use its best efforts to complete construction by that date. Buyer acknowledges and agrees that completion date is not guaranteed and is not the essence of this Contract. Under no circumstances shall Developer be liable for any damages or inconvenience caused to Buyer because of the failure to complete construction within two years, regardless of the cause for the delay. The construction period may be extended due to a force majeure event, including acts of God caused by extreme weather, a government shutdown, or any other event constituting an impossibility of performance under Florida law.

Developer reserves the right to make architectural, structural, or design modifications or changes to the units or common elements as it deems necessary or desirable, and Buyer agrees to close notwithstanding these modifications and changes, as long as the modifications and changes do not alter the overall size or integrity of the Unit, and any changes are such that the materials are at least of equal quality.

In the event construction has not been completed, it is understood and agreed that any payment made by Buyer shall be deposited in escrow with Ticon Title Company, LLC located at 1303 N. Orange Ave, Orlando, FL 32804 as escrow agent under Section 718.202(1), *Florida Statutes*, or any other such escrow agent as Developer shall select (the "Escrow Agent" or "Title Agent"), pursuant to an escrow agreement between Developer, Buyer and Escrow Agent. Buyer shall remit the deposits made by Buyer to Escrow Agent by check, cashier's check or wire transfer. The initial payment shall be made to Escrow Agent within three (3) days from the date of this Contract.

The escrow agent ("Escrow Agent" or "Title Company") for the transactions contemplated hereby, shall be: Shelbi Oliver, [shelbi@ticontitle.com](mailto:shelbi@ticontitle.com) and Sheniet Palmer-Daniels, email: [shenieta@ticontitle.com](mailto:shenieta@ticontitle.com) Both can be reached at Telephone Number 407-500-3033. Ticon Title email is: [intake@TiconTitle.com](mailto:intake@TiconTitle.com). All notices and claims of Buyer with respect to the aforesaid escrow deposit(s) shall be sent to the Escrow Agent at its address set forth above. The escrow agent shall give Buyer a receipt for the deposit(s). Deposit(s) made by Buyer hereunder shall be held in a non-interest-bearing account. If Buyer terminates this Contract without defaulting, Developer shall refund all payments not subject to withdrawal for construction-related expenses as provided for in this Contract, if applicable. Buyer will be required to authorize disbursement of escrowed funds by the Escrow Agent to Developer at closing. Once construction of the improvements included in the Condominium has

commenced, Developer may withdraw all payments in excess of 10% of the total of the purchase price from the escrow account and use these sums in the actual construction and development of the Condominium. However, no part of these funds may be used for salaries, commissions, or expenses of salespersons or for advertising purposes.

4. TITLE OF BUYER. At closing, Developer will transfer title to the Unit to Buyer by special warranty deed, subject to the following exceptions:

- a. The provisions of the declaration of condominium and all exhibits thereto;
- b. Taxes and assessments for the year of closing and subsequent years;
- c. Restrictions, reservations, conditions, agreements, limitations, and easements of record before closing or imposed by governmental authorities having jurisdiction or control over the subject property;
- d. Zoning or building code ordinances, regulations, rights, or interests vested in the United States or the state of Florida;
- e. Matters of survey;
- f. Buyer's mortgage, if any;
- g. Any other items that Buyer has approved through the title insurance commitment approval process and discussed below; and

The foregoing shall be considered to be the "Permitted Exceptions."

At least thirty (30) days in advance of the anticipated closing date, Developer will deliver to Buyer a title insurance commitment issued by a title insurance company authorized to do business in the state of Florida, agreeing to issue to Buyer an owner's policy of title insurance for the Unit. Buyer shall have five (5) calendar days from the date of receiving the title insurance commitment to examine the commitment and to notify Developer of any objections to matters of title ("Title Defects") other than the Permitted Exceptions and matters to be satisfied at closing ("Notice of Title Defects"). If Buyer does not timely object to any other matters shown on the title insurance commitment within the five (5)-day period, the other matters shall also automatically be considered to be included within the Permitted Exceptions. Developer shall provide written notice to Buyer within ten (10) days of receipt of the Notice of Title Defect specifying which, if any, of the Title Defects Developer elects to cure prior to the closing (the "Developer's Response"). If Developer fails to timely provide the Developer's Response, Developer shall be deemed to have elected not to cure all of the Title Defects. If Buyer is dissatisfied with Developer's Response, then, at the option of Buyer, Buyer may (a) proceed to the Closing without satisfaction of the Title Defects Developer has elected not to cure, which such Title Defects shall be deemed Permitted Exceptions, or (b) terminate this Contract, whereupon the deposit(s), shall be promptly returned to Buyer (subject to portions of the deposits withdrawn for construction-related expenses), in which event neither party shall have any further rights or obligations hereunder, except for those matters that expressly survive termination of this Contract.

5. CLOSING. Based on projected schedules for completion of construction of the Unit, Developer shall notify Buyer sixty (60) calendar days in advance of the anticipated scheduled closing date for the purchase of the Unit by Buyer. Buyer shall be expected to close on the date indicated in the notice once the date is established. The notice shall also state the place and time of closing as designated by Developer. If, after Developer notifies Buyer of the time and place for closing, Buyer fails to close for any reason at that time and pay the balance of the full purchase price and all other amounts that are owed under this Contract, at Developer's sole discretion, Developer may either:

- a. treat Buyer's failure to close as a default, in which case Developer shall have the rights set forth in Paragraph 7 of this Contract; or

- b. agree to set another date for closing. If Developer elects to set another date for closing, Buyer agrees that all prorations and adjustments contemplated by this Contract will be based on the date originally set for closing. Buyer will also be required to pay Developer at closing interest at the maximum legal rate on the balance of the full purchase price due at closing from the date originally set for closing until the date the closing actually occurs.

6. WARRANTIES. The Unit shall be transferred subject only to the implied warranties of fitness and merchantability set forth in Section 718.203, *Florida Statutes*. No other warranties, express or implied, are made by Developer and any other warranties hereby are specifically disclaimed.

7. DEFAULT. If Buyer defaults in the performance of any of the obligations to be performed by Buyer, including Buyer's failure to pay required deposits, Developer shall retain all sums paid hereunder, including Buyer's deposits, payments and all payments due or made after signing of this Contract, as liquidated and agreed-on damages since the amount of actual damages is incapable of ascertainment. If Developer fails to perform its obligations under this Contract and Developer's default continues for a period of thirty (30) calendar days after notice sent by Buyer to Developer, Buyer may obtain a refund of deposits paid by Buyer less deposits withdrawn for construction-related expenses, as provided in this Contract.

8. PRORATIONS. The following items shall be prorated between Developer and Buyer as of the date of closing, as described in Paragraph 5, unless possession is delivered to Buyer before the closing, in which event the prorations shall be as of the date of delivery of possession: (a) assessment(s) for the Unit for the remainder of the applicable payment period (be it monthly or quarterly), and (b) general real estate taxes for the year of closing.

9. WORKING CAPITAL CONTRIBUTION. Subject to the Condominium Documents, as hereinafter defined, Buyer shall pay, at closing, to the condominium association for The Paddocks, a working capital contribution equal to twice the assessment owed for each applicable payment period (be it monthly or quarterly) for the Unit purchased by Buyer.

10. SUBORDINATION. The rights of Developer and Buyer pursuant to the terms and conditions of this Contract are and will be subject to and subordinate to the lien of any and all mortgages now or hereafter placed by Developer on the property, which will comprise the Condominium or the Unit prior to Closing, and to all amendments, modifications, renewals, consolidations and extensions thereof, and all voluntary and involuntary future advances thereunder; provided, however, unless Buyer has agreed to assume same, Developer shall cause any such mortgage to be discharged of record as to the Unit contemporaneously with the delivery or recording of the deed to the Unit. Buyer acknowledges and agrees that Buyer has no lien rights against the property, which will comprise the Condominium or the Unit, and expressly hereby waives any such lien rights, including but not limited to, the right to an equitable lien. Buyer further acknowledges and agrees that the recording of any such lien by Buyer shall constitute a slander of title and shall be a default under this Contract.

Buyer further agrees that any and each of Developer's lenders (including lenders providing funds for the acquisition, development, financing, refinancing, or construction of The Paddocks or the real property upon which the Condominium will be created) will have, until closing, a mortgage on or other interest in the Unit, and the Condominium (or the real property upon which the Condominium will be created), with greater priority than any rights or interest Buyer may have therein, if any, pursuant to this Contract or under any principle of equity or otherwise. At closing, Developer shall cause the then- applicable mortgages to be released as an encumbrance against the Unit and may use Buyer's closing proceeds for such purpose. Without limiting the generality of the foregoing, Buyer's rights and interest under this Contract (and the deposits/payments made hereunder) will be subordinate to all mortgages, mezzanine and any other forms of financing (and all modifications made to those mortgages, mezzanine and any other forms of financing) affecting the Unit or the

Condominium (or the real property upon which the Condominium is being developed) even if those mortgages, mezzanine and any other forms of financing provided by any lender of the Developer (or modifications) are made or recorded after the date of this Contract.

11. CLOSING COSTS. In addition to the working capital contribution referred to in Paragraph 9 herein, Buyer shall pay for the following costs at closing:

- a. All utility deposits required by any utility company for service to the Unit.
- b. All costs and fees payable in connection with any mortgage that Buyer may obtain on the Unit.
- c. Buyer's prorated share of the assessment for the Unit for the remainder of the applicable payment period (be it monthly or quarterly).
- d. Prorated real estate taxes for the year of closing.
- e. Costs of recording the special warranty deed.
- f. Documentary stamp taxes to be affixed to the special warranty deed.
- g. Any title premium owed, or any searches completed in connection with title services provided.
- h. one-half of any settlement or escrow fees.

12. DOCUMENTS EXECUTED BY DEVELOPER. Developer will execute and deliver to Buyer a special warranty deed and an affidavit of no liens with respect to the Unit conveyed. Developer and Buyer will execute and deliver to Title Agent a closing statement, as well as any other documentation that may be required by the Title Agent at the discretion of the Title Agent.

13. OCCUPANCY AND DISBURSEMENT. Occupancy shall be delivered to Buyer at closing. The granting of limited access by Developer, which may be denied by Developer for any reason whatsoever, to Buyer before closing shall not constitute a waiver by Developer of any of Buyer's obligations under this Contract. Buyer acknowledges that the Unit and The Paddocks are under construction and such construction poses a safety hazard. Buyer expressly assumes the risks of any injury or damage to person or property that may result from entry to the Unit and The Paddocks during construction. Buyer shall release and indemnify, defend, and hold harmless Developer and its subsidiaries, directors, contractors, subcontractors, agents, employees, and suppliers harmless from all claims and liabilities incurred by Developer resulting from Buyer's entry to the Unit or The Paddocks prior to closing.

14. FUNDS. Funds to be paid at closing shall be made by wire transfer in United States currency.

15. RECORDING. Neither this Contract nor any notice or memorandum hereof may be recorded in the Public Records of Duval County, Florida.

16. ASSIGNABILITY. This Contract is assignable by Buyer only with the written consent of Developer. Developer reserves the right to charge Buyer a \$1,000.00 transfer fee for considering the assignment request as reimbursement for its expenses and time. No assignment shall be permitted unless the request for assignment is received by Developer at least thirty (30) calendar days before the date of closing. Developer shall have the right to assign its rights and obligations under this Contract to a mortgage lender as additional security, and there shall be no restrictions on Developer's ability to assign its obligations and rights under this Contract to any third party.

17. GOVERNING LAW, VENUE, ATTORNEY'S FEES, PARTIES BOUND, WAIVER OF JURY TRIAL. This Contract shall be construed in accordance with the laws of the state of Florida. Any action to enforce the terms of this Contract shall be brought in State or Federal Courts located in for Duval County, Florida. The prevailing party in any action to enforce the terms of this Contract shall be entitled to an award of reasonable attorney's fees and costs. This Contract shall, except as otherwise expressly provided herein, bind and inure to the benefit of the heirs, personal representatives, successors, and assigns of Developer and Developer. As used in this Contract, the word "Buyer" shall mean all buyers, jointly and severally, if there be more than one.

THE PARTIES TO THIS CONTRACT EXPRESSLY WAIVE ANY AND ALL RIGHTS TO A JURY TRIAL IN ANY ACTION TO ENFORCE THE TERMS OF THIS CONTRACT.

18. ENTIRE CONTRACT; MODIFICATION; SURVIVAL. This Contract, and any later-incorporated documents such as the Options Addendum, contains the entire understanding between Buyer and Developer, and Buyer hereby warrants that Buyer has not relied on any verbal representations, advertising, portrayals, or promises other than as contained herein. This Contract may not be modified, amended, or rescinded except by a written agreement signed by both Buyer and Developer. The provisions and disclaimers in this Contract that are intended to have effect after closing will survive closing and delivery of the special warranty deed. If any provision or term of this Contract is held to be illegal, invalid, or unenforceable, such provision or term shall be fully severable; this Contract shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised part of this Contract; and the remaining provisions of this Contract shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Contract. Buyer represents that it is legally authorized to sign this Contract, and if Buyer is an entity, Buyer represents such entity has approved this transaction and the individual signing below has the proper authority to execute this Contract.

19. NOTICES. Unless otherwise notified in writing, notices shall be deemed duly sent if mailed by certified mail, return receipt requested, or if by overnight courier to either Developer's or Buyer's respective address as listed on the first page of this Contract. All notices shall be deemed to have been given (i) three (3) business days after deposit in a United States Post Office or official letter box if sent by certified mail, or (ii) one (1) business day after timely deposited in an overnight courier service depository.

20. PRIOR OCCUPANCY. The Unit that is the subject of this Contract has not been occupied previously.

21. RISK OF LOSS. Developer shall bear the risk of loss before closing unless possession of the Unit is delivered to Buyer before closing, and in the latter event, the risk of loss shall be borne by Buyer as of the date of delivery of possession.

22. RADON GAS. Pursuant to Section.056(5), *Florida Statutes* Buyer is hereby advised that radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county health department.

23. BROKERS. Buyer represents that Buyer has not dealt with (or signed any representation agreements with) any real estate broker or agent other than Developer's representatives and Buyer agrees to indemnify and hold Developer harmless from: (a) any claim of any real estate broker or sales agent other than Developer's representatives and (b) the claims of any real estate broker (including Developer's representatives) in the event of Buyer's default under this Contract. Buyer's indemnification obligations shall survive the closing or cancellation of this transaction.

24. EFFECTIVE DATE. This Contract shall become effective on the date when the last one of Buyer and Developer has signed this Contract (the "Effective Date")

25. TIME IS OF THE ESSENCE. Except as otherwise expressly provided, time is of the essence for all performance under this Contract.

26. ENERGY RATING DISCLOSURE. Pursuant to 553.996, *Florida Statutes*, Buyer may request that Developer cause a State Certified Energy Rater to perform an energy efficiency rating on the Unit. In addition, Buyer will be given the applicable energy performance level display card at Closing. Buyer hereby releases Developer from any responsibility or liability for the accuracy or level of rating and Buyer understands and agrees that this Contract is not contingent upon Buyer approving the rating, and that the rating is solely for Buyer's own information and that Buyer will pay the total cost of obtaining the rating. Information related to the Florida Building Energy-Efficiency Rating System in accordance with Section 553.996, *Florida Statutes*, will be provided once such information is available to Developer. BUYER ACKNOWLEDGES RECEIPT OF THE ENERGY-EFFICIENCY RATING BROCHURE DISTRIBUTED BY THE STATE OF FLORIDA DEPARTMENT OF COMMUNITY AFFAIRS AND STATES THAT BUYER WAIVES THE OPPORTUNITY TO OBTAIN AN ENERGY-EFFICIENCY RATING ON THE UNIT. Developer is providing this disclosure statement to Buyer in compliance with Section 553.996, *Florida Statutes*. This Disclosure Statement is intended for the sole and exclusive use of Buyer for the transaction contemplated herein only and Developer shall not be liable or responsible to any third party who has relied upon the information contained herein. Buyer acknowledges its receipt, review, and understanding of this disclosure statement prior to, or at the time of, Buyer's execution of this Contract.

27. CONDOMINIUM DOCUMENTS. The nonresidential condominium documents required by Florida Law to be provided by Developer to Buyer will be referred to as the "Condominium Documents." Developer will provide Buyer with the Condominium Documents. Prior to or at closing, Buyer agrees to provide Developer a written receipt confirming delivery of the Condominium Documents.

28. CONSTRUCTION DEFECTS DISCLOSURE.  
The following notice is required by Section 558.005, *Florida Statutes*:

ANY CLAIMS FOR CONSTRUCTION DEFECTS ARE SUBJECT TO THE NOTICE AND CURE PROVISIONS OF CHAPTER 558, FLORIDA STATUTES.

29. CONVEYANCES TO FOREIGN BUYERS. Part III of Chapter 692, Sections 692.201 - 692.205, *Florida Statutes* (the "Act"), in part, limits and regulates the sale, purchase and ownership of certain Florida properties by certain buyers who are associated with a "foreign country of concern", namely: the People's Republic of China, the Russian Federation, the Islamic Republic of Iran, the Democratic People's Republic of Korea, the Republic of Cuba, the Venezuelan regime of Nicolás Maduro, or the Syrian Arab Republic. It is a crime to buy or knowingly sell property in violation of the Act.

At time of purchase, Buyer must provide a signed affidavit which complies with the requirements of the Act. Buyer is advised to seek legal counsel regarding their respective obligations and liabilities under the Act.

30. CORPORATE RATIFICATION. NOTWITHSTANDING ANY OTHER PROVISION HEREIN, NEITHER THIS CONTRACT NOR ANY AMENDMENT HERETO SHALL BE A VALID, BINDING OR ENFORCEABLE OBLIGATION OF SELLER UNLESS AND UNTIL SUCH DOCUMENT IS RATIFIED IN WRITING BY ONE OF THE FOLLOWING AUTHORIZED OFFICERS OF SELLER: GARY VOSE, MEMBER/MANAGER OR EDGAR BALBIN, CFO/AUTHORIZED PERSON; PROVIDED THAT IF RATIFICATION OF THIS CONTRACT DOES NOT OCCUR WITHIN THIRTY (30) DAYS OF

THE DATE OF EXECUTION OF THIS CONTRACT BY BOTH SELLER, AT ITS SALES REPRESENTATIVE LEVEL, AND BUYER (THE "LOCAL EXECUTION DATE"), AND SUCH FAILURE CONTINUES FOR TEN (10) BUSINESS DAYS AFTER WRITTEN NOTICE FROM BUYER, THEN THIS CONTRACT SHALL AUTOMATICALLY TERMINATE AND BE OF NO FURTHER FORCE OR EFFECT.

IN WITNESS WHEREOF, the parties have set their hands and seals on the date(s) indicated below.

ANY PAYMENT IN EXCESS OF 10 PERCENT OF THE PURCHASE PRICE MADE TO DEVELOPER PRIOR TO CLOSING UNDER THIS CONTRACT MAY BE USED FOR CONSTRUCTION PURPOSES BY THE DEVELOPER.

BUYER:  _____ By: (Print Name)  Date: _____	THE PADDOCKS JAX, LLC, a Florida limited liability company  By: _____ Print Name: _____ Print Title: _____ Date: _____
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CORPORATE RATIFICATION BY:

\_\_\_\_\_, Date: \_\_\_\_\_  
Name of Corporate Officer