

EXCLUSIVE PURCHASE OPTION AND SALE AGREEMENT

THIS EXCLUSIVE PURCHASE OPTION AND SALE AGREEMENT is made as of the 25 day of January, 2021, by and between **DEERWOOD COUNTRY CLUB, INC.**, a Florida not for profit corporation ("Seller"), and **DEERWOOD IMPROVEMENT ASSOCIATION, INC.**, a Florida not for profit corporation ("Buyer").

Background

Seller owns certain improved real property, including a golf course, club facilities and recreational facilities, commonly known as "Deerwood Country Club", located at 10239 Golf Club Drive, in the City of Jacksonville, County of Duval, State of Florida, which real property is more particularly described in **EXHIBIT "A"** attached hereto and incorporated herein (the "Real Property");

Seller owns and operates certain personal property required to operate the improvements and club facilities located on the Real Property (the "Personal Property"), (the Real Property and Personal Property are collectively referred to as the "Property"); and,

Buyer desires to obtain certain purchase option rights, and Seller desires to grant certain purchase option rights to Buyer such that Buyer or Buyer Designee (as defined herein) may acquire from Seller all of the Property of Seller upon the occurrence of certain events, upon the terms and conditions set forth below; and,

In consideration of the mutual agreements herein, and other good and valuable consideration, including the sum of One Hundred Dollars (\$100.00) paid to Seller by Buyer, the receipt of which is hereby acknowledged, Seller agrees to sell to Buyer or Buyer Designee and Buyer agrees to either purchase or cause Buyer Designee to purchase the Property from Seller, on and subject to the following terms and conditions:

1. DEFINITIONS

Terms which are defined in this Agreement shall have the same meaning ascribed to such terms throughout the entire Agreement. In addition, as used in this Agreement, the following terms shall have the following meanings:

1.1 Agreement means this Exclusive Purchase Option and Sale Agreement, which shall supersede any and all prior agreements and understandings between Buyer and Seller concerning the sale and purchase of the Property.

1.2 CIAC means that certain "Club Improvement Advisory Committee" as more particularly described in Section 2 below.

1.3 Closing means generally the execution and delivery of those documents and the payment of funds necessary to effectuate the sale of the Property by Seller to Buyer or Buyer Designee.

1.4 Closing Agent means the person or entity selected by Buyer, approved by Seller, after any exercise of the Purchase Option, to act as the closing agent as hereinafter set forth in this Agreement with respect to any purchase and sale of the Property.

1.5 Closing Date means the date on which the Closing occurs.

1.6 Club means the Deerwood Country Club as owned and operated by Seller.

1.7 Contracts means all material service contracts, agreements and other instruments concerning the ownership, operation of the Property, as initially identified in a schedule of contracts to be prepared by Seller within forty-five (45) days after the Effective Date and to be attached as EXHIBIT "B" to this Agreement. Upon any exercise of the Purchase Option by Buyer, Seller will update Exhibit "B" within thirty (30) days after the Option Exercise Date.

1.8 Effective Date means the business day that the last of the Buyer and Seller has executed this Agreement and circulated an electronic version of the signed Agreement to the other party.

1.9 Environmental Law means any current legal requirement pertaining to (a) the protection of health, safety, and the indoor or outdoor environment, (b) the conservation, management, protection or use of natural resources and wildlife, (c) the protection or use of source water and groundwater, (d) the management, manufacture, possession, presence, use, generation, transportation, treatment, storage, disposal, release, threatened release, abatement, removal, remediation or handling of, or exposure to, any Hazardous Material or (e) pollution (including any release to air, land, surface water, and groundwater); and includes, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 USC §§9601 *et seq.*, Solid Waste Disposal Act, as amended by the Resource Conservation Act of 1976 and Hazardous and Solid Waste Amendments of 1984, 42 USC §§6901 *et seq.*, Federal Water Pollution Control Act, as amended by the Clean Water Act of 1977, 33 USC §§1251 *et seq.*, Clean Air Act of 1966, as amended, 42 USC §§7401 *et seq.*, Toxic Substances Control Act of 1976, 15 USC §§2601 *et seq.*, Hazardous Materials Transportation Act, 49 USC App. §§1801, Occupational Safety and Health Act of 1970, as amended, 29 USC §§651 *et seq.*, Oil Pollution Act of 1990, 33 USC §§2701 *et seq.*, Emergency Planning and Community Right-to-Know Act of 1986, 42 USC App. §§11001 *et seq.*, National Environmental Policy Act of 1969, 42 USC §§4321 *et seq.*, Safe Drinking Water Act of 1974, as amended by 42 USC §§300(f) *et seq.*, and any similar, implementing or successor law, any amendment, rule, regulation, order or directive, issued thereunder.

1.10 Governmental Approval means any permit, license, variance, certificate, consent, letter, clearance, closure, exemption, decision, action or approval of a governmental authority.

1.11 Hazardous Material means any hazardous or toxic substance as defined in or regulated by any Environmental Law in effect at the pertinent date or dates.

1.12 Hazardous Material Activity means any activity, event, or occurrence involving a Hazardous Material, including, without limitation, the manufacture, possession, presence, use, generation, transportation, treatment, storage, disposal, release, threatened release, abatement removal, remediation, handling or corrective or response action to any Hazardous Material.

1.13 Improvements means all buildings, structures or other improvements situated on the Real Property

1.14 Inspection Period means the period of time which begins on the Option Exercise Date and ends on the sixtieth (60th) day thereafter, or, if sooner, the date Buyer notifies Seller that Buyer has elected not to terminate this Agreement as a result of Buyer's due diligence investigation during the Inspection Period.

1.15 Knowledge. Whenever a representation, warranty or other statement is made in this Agreement or in any document or instrument to be delivered at Closing pursuant to this Agreement, on the basis of the knowledge or best of knowledge (or words of similar import) of Seller, or is qualified by Seller having received written notice, such representation, warranty or other statement is made with the exclusion of any facts disclosed to or otherwise known by Buyer, and is made solely on the basis of the current, conscious, and actual, as distinguished from implied, imputed and constructive, knowledge on the date that such representation or warranty is made, without inquiry or investigation or duty thereof. The foregoing definition or qualification of Seller's knowledge shall in no event give rise to any personal liability on the part of any member, board member, officer or employee of Seller.

1.16 Materials means all plans, drawings, specifications, soil test reports, environmental reports, market studies, surveys and similar documentation, if any, owned by or in the possession of Seller with respect to the Real Property and the Improvements.

1.17 Permitted Exceptions means only the following interests, liens and encumbrances:

- (a) Liens for ad valorem taxes not payable on or before Closing;
- (b) The Recreational Covenants; and
- (c) Other matters determined to be acceptable by Buyer or Buyer Designee during the title review period, as contemplated by Section 5 of this Agreement, or which are waived by Buyer or Buyer Designee as exceptions to title as set forth in Section 5 of this Agreement.

1.18 Personal Property means all Seller-owned tangible personal property whether owned as of the Effective Date or acquired prior to Closing, as initially identified in a Schedule of Personal Property to be prepared by Seller within forty-five (45) days after the Effective Date and to be attached as **EXHIBIT "C"** to this Agreement. Upon any exercise of the Purchase Option by Buyer, Seller will update Exhibit "C" within thirty (30) days after the Option Exercise Date.

1.19 Permits means, collectively, all of the governmental permits and approvals for the Improvements.

1.20 Property mean collectively, the Real Property, the Improvements and the Personal Property.

1.21 Purchase Price means the consideration agreed to be paid by Buyer or Buyer Designee to Seller for the purchase of the Property as set forth in Section 4.2, 4.3 or 4.4 (subject to prorations and adjustments as provided herein).

1.22 Recreational Covenants means those covenants in the form of **EXHIBIT "D"** attached hereto.

1.23 Survey means a map of a stake survey of the Real Property and Improvements prepared by a surveyor acceptable to Buyer or Buyer Designee. The Survey shall be dated not earlier than ninety (90) days prior to the Closing, and shall be certified to Buyer, Buyer Designee, Seller, and the Title Company. The surveyor shall certify on the Survey the square footage of the Real Property, measured to the nearest hundredth, the flood zone status of the Real Property, and such other certifications as are required by Buyer's or Buyer Designee's title insurer or lender.

1.24 Title Company means First American Title Insurance Company or such other title insurer which is reasonably acceptable to Buyer or Buyer Designee.

1.25 Title Defect means any exception in the Title Insurance Commitment or any matter disclosed by the Survey, other than a Permitted Exception.

1.26 Title Insurance means an ALTA Form B owners policy of title insurance (or comparable owners form) in the amount of the Purchase Price insuring marketable fee simple title in Buyer or Buyer Designee, subject only to the Permitted Exceptions, issued by the Title Company, together with such endorsements as are customary in transactions of this type (such as, where applicable, a survey deletion endorsement), and any special endorsements which are necessary because of the nature, configuration or particular character of the Real Property.

1.27 Title Insurance Commitment means a preliminary title report whereby the Title Company agrees to issue the Title Insurance to Buyer or Buyer Designee, together with copies of all instruments

which are exceptions noted therein or conditions to be satisfied. The Title Insurance Commitment shall also note the tax classification and reference number(s) for the Real Property and the amount of taxes paid or payable for the most recent tax year.

2. CLUB IMPROVEMENT ADVISORY COMMITTEE

2.1 Within ninety (90) calendar days after the execution of this Agreement, Buyer and Seller shall organize a Club Improvement Advisory Committee (the "CIAC"), which shall be comprised of six (6) members, including three (3) resident members of Buyer and three (3) representatives of Seller. Until the Closing or earlier termination of this Agreement, the CIAC shall be obligated to conduct the following activities:

(a) Review and analyze the quarterly financial statements of the Seller's operation of the Property and make recommendations to Seller's Board regarding various ways to improve the performance of such operations.

(b) Monitor and evaluate whether a Trigger Event as described in Section 3.4 below has occurred.

(c) Develop plans and concepts for maintaining the Property in good operating condition for submission to the Seller's Board for consideration.

(d) Develop strategy for assisting Seller to increase Club membership.

2.2 The CIAC shall meet to discuss and decide upon the matters described in Section 2.1 above on a quarterly basis or more frequently as deemed appropriate by the members of the CIAC. The CIAC acts in an advisory capacity only, and has no authority to direct or control Seller or Buyer, or to approve, consent, veto or object to any actions taken or to be taken by Seller or Buyer. The CIAC shall carry out its duties and shall not be disbanded until Closing or earlier termination of this Agreement. Seller may remove and appoint the three (3) Seller representatives from time to time, and Buyer may remove and appoint the three (3) resident members of Buyer from time to time.

3. OPTION TO PURCHASE

3.1 Grant of Exclusive Purchase Option. Commencing on the Effective Date, Seller hereby grants and Buyer hereby acquires an exclusive option to acquire from Seller all of the Property pursuant to the terms and conditions provided in this Section 3 and the other applicable provisions of this Agreement (the "Purchase Option").

3.2 Option Term. The Purchase Option shall remain in effect for an initial term of ten (10) years from the Effective Date (the "Initial Term"). In addition Buyer shall have the option to extend this Agreement for five additional terms of five (5) years each after the Initial Term. Buyer shall exercise an option to renew by providing written notice to Seller at least ninety (90) days before the expiration of the then current term. The Initial Term as extended by any exercise of one or more renewal option(s) shall hereinafter be referred to as the "Term." This Agreement shall expire upon expiration of the Term. If Buyer fails to exercise a renewal option, then all succeeding renewal options shall terminate and thereafter be void. Buyer shall not have the right to exercise a renewal option during any period Buyer is in default or breach of this Agreement. Buyer may not exercise more than one renewal term during the Initial Term or any succeeding renewal term.

3.3 Option Fee. During the Term, commencing on the Effective Date, Buyer agrees to pay to Seller a monthly fee in the amount of Twenty Five Thousand and 00/100 Dollars (\$25,000) (the "Option Fee") on or before the tenth (10th) day of each month. The Option Fee shall not be held in escrow and shall be considered fees earned by Seller immediately upon receipt of Buyer's payment of the Option Fee. Except as may be otherwise expressly provided in this Agreement, the payment of the Option Fee

is irrevocable, absolute and unconditional. By entering into this Agreement, Seller hereby agrees that the Option Fees shall only be used by the Seller for (i) capital improvements, and (ii) maintenance and repair of the existing improvements on the Property as necessary to maintain the Property in a first class condition.

3.4 Trigger Event. The Buyer may exercise the Purchase Option after the occurrence of any of the events described below (each, a "Trigger Event"), with such exercise subject to the other terms and conditions herein:

(a) Seller defaults on any existing mortgage encumbering the Real Property and/or the associated promissory note, and Seller's lender notifies Seller of its intent to accelerate such note to maturity.

(b) Seller's aggregate revenues from membership dues and assessments drops below Two Million One Hundred Thousand and 00/100 Dollars (\$2,100,000) for a calendar year.

(c) Seller enters into a valid and enforceable purchase and sale agreement with a third party to sell any portion or all of the Real Property without Buyer's prior written consent.

(d) Seller provides written notice to Buyer that Seller has determined that it is in Seller's best interest to sell the Property to Buyer or Buyer Designee.

3.5 Procedure After Occurrence of Trigger Event. Upon the occurrence of a Trigger Event, Seller shall provide written notice of such Trigger Event to Buyer. The "Notification Date" shall be the earlier of (i) the date of Buyer's receipt of written notice from Seller of the occurrence of a Trigger Event, or (ii) absent or prior to notice from Seller, upon Buyer's discovery of the occurrence of a Trigger Event, the date Buyer provides written notice of the same to Seller. In the event of the occurrence of a Trigger Event pursuant to Section 3.4(a) or Section 3.4(b) above, Seller shall have ninety (90) days from the date of such event to remedy the Trigger Event (the "Trigger Event Cure Period") during which time Buyer shall continue to pay the Option Fee. To cure a Trigger Event under Section 3.4(b), Seller may make a special assessment equal to or greater than any shortfall of dues and assessments, and apply and allocate such assessment to the prior calendar year. In the event Seller fails to cure an applicable Trigger Event within the Trigger Event Cure Period, Buyer's obligation to pay the Option Fee shall terminate as of the end of such period. In the event Seller fails to cure an applicable Trigger Event within the Trigger Event Cure Period, Buyer may, in Buyer's sole discretion, elect to either (i) extend the Trigger Event Cure Period for a period not to exceed sixty (60) days, in which event Buyer shall not be obligated to pay the Option Fee during such extended period, or (ii) within thirty (30) days after the expiration of the Trigger Event Cure Period, exercise the Purchase Option as described in Section 3.6 below, or (iii) waive such Trigger Event without waiving Buyer's future rights to exercise its Purchase Option in the event of a future Trigger Event during the Term, in which case Buyer shall continue or resume making payments of the Option Fees (but specifically excluding the payment of any Option Fees not paid during any extended cure period). Nothing in this Section 3.5 shall be construed to grant Seller any cure period with respect to the occurrence of a Trigger Event pursuant to either Section 3.4(c) or Section 3.4(d) above.

3.6 Exercising Purchase Option. Buyer shall notify Seller in writing within one hundred eighty (180) days after the Notification Date (the "Purchase Option Election Period") of its election to either: (i) purchase of the Property on the terms and conditions set forth herein provided that such purchase by Buyer is authorized by applicable Florida Statutes and/or Buyer's governing documents, (ii) identify an entity (other than the Buyer) composed of members of the Buyer or other third party purchaser (the "Buyer Designee") to consummate the purchase of the Property on the terms and conditions set forth herein, (iii) terminate this Agreement, including the Purchase Option and Buyer's obligations described herein including but not limited to its obligation to pay the Option Fee beyond the date of the occurrence of the Trigger Event, or (iv) waive the then-existing Trigger Event, in which event the Agreement shall remain in full force and effect, the Buyer shall be obligated to recommence paying the Option Fee (but specifically excluding the payment of any Option Fees not paid as a result of such Trigger Event), and Buyer's Purchase Option shall remain in effect as to any future Trigger Event during the Term. The date

that Seller receives written notice of Buyer's exercise of the Purchase Option is referred to as the "Option Exercise Date." In the event a Trigger Event results from the occurrence of an event described in Section 3.4(a) or Section 3.4(b) above, the Trigger Event Cure Period and Purchase Option Election Period shall run concurrently. Notwithstanding Buyer's and Seller's rights and obligations described elsewhere in this Section 3, in the event of the occurrence of a Trigger Event resulting from the occurrence of an event described in Section 3.4(c) above, if Buyer fails to elect or chooses not to exercise the Purchase Option within the Purchase Option Election Period, then Seller may sell the Property pursuant to such purchase and sale agreement between Seller and a third party pursuant to the provisions provided in Section 3.7 below. The previous provisions to the contrary notwithstanding, the Purchase Option Election Period shall be extended on a day for day basis for any extension of the Trigger Event Cure Period granted by Buyer. Upon designation of a Buyer Designee, the Buyer shall cause the Buyer Designee to execute an Amendment to this Agreement, certifying that Buyer Designee shall be subject to all of the obligations of Buyer and Buyer Designee set forth in this Agreement. All provisions of this Agreement applicable to Buyer shall also apply to a Buyer Designee, notwithstanding whether such provisions expressly refer to the Buyer Designee.

3.7 Sale of Property to a Third Party. Upon the occurrence of a Trigger Event described in Section 3.4(c) above, in addition to Buyer's options described above in Section 3.6, if Seller's actions have made it impossible for Buyer to exercise the Purchase Option or for Buyer or Buyer Designee to purchase the Property, then Buyer shall be entitled to reimbursement by Seller of all Option Fees previously paid by Buyer (the "Fee Reimbursement"). The Fee Reimbursement shall be paid to Buyer on or before the closing of such sale to a third party.

3.8 Use of Property. The parties acknowledge that the purpose of this Agreement is to prevent the development of the Real Property for residential (single family or multi-family), commercial or other purposes, and to preserve the Real Property as an open space available for recreational uses (either through Club membership or as otherwise structured for use by the residents of the Deerwood Community). To that end, in connection with the exercise of the Purchase Option by Buyer, Seller and Buyer or Buyer Designee shall record the Recreational Covenants attached hereto as Exhibit "D" prior to the recording of any deed from Seller to Buyer or Buyer Designee, and prior to any mortgage on the Real Property which secures a loan to Buyer or Buyer Designee, so that the Real Property shall be subject to the Recreational Covenants at the time title vests in Buyer Designee.

4. PURCHASE PRICE AND PAYMENT

4.1 Procedure for Purchase Option. In the event Buyer elects to exercise its Purchase Option, the procedures and obligations described in this Section 4 and Section 5 shall govern the closing process.

4.2 Purchase Price; Payment. The total Purchase Price for the Property (subject to adjustment as provided herein) shall be Five Million Dollars (\$5,000,000).

4.3 No Earnest Money Deposit. No Earnest Money Deposit shall be required.

4.4 Option Fee Payments Not Applicable. No portion of the Option Fee payments shall reduce, offset or otherwise be applied against the Purchase Price. Nothing in this Section 4.4 shall be construed to restrict Seller's obligation to pay the Fee Reimbursement upon the terms of Section 3.7 above.

4.5 Buyer Designee Financing. If Buyer determines to exercise the Purchase Option, Buyer or Buyer Designee shall diligently pursue any financing necessary or appropriate to enable Buyer or Buyer Designee to purchase the Property, upon terms and conditions satisfactory to Buyer or Buyer Designee in Buyer Designee's sole and absolute discretion. Seller shall also cooperate with Buyer or Buyer Designee if Buyer or Buyer Designee determines to assume, with the consent of the lender, an existing mortgage loan on the Real Property. The amount of any existing mortgage loan on the Real Property assumed by Buyer or Buyer Designee shall constitute a credit against the Purchase Price at

Closing. Any financing sought by Buyer or Buyer Designee shall not extend the Closing date without Seller's written consent thereto.

4.6 Tax Prorations. Ad valorem taxes and assessments shall be prorated as of 11:59 p.m. on the day prior to the Closing Date with Buyer or Buyer Designee responsible for the day of Closing. If the amount of the Closing tax year's property taxes are not available on the Closing Date, such taxes will be prorated based upon the prior tax year's assessment. In the event the Real Property has been assessed for property tax purposes at such rates or with exemptions that would result in additional taxes and assessments for prior tax years or for the Closing tax year being assessed because of supplemental taxes resulting from delayed assessments or the change in ownership of the Real Property attributable to Buyer's or Buyer Designee's acquisition of the Real Property (known variously as "rollback", "agricultural recoupment" or "school board revaluation" taxes), Seller shall pay all such taxes and assessments attributable to periods prior to Closing when due. Seller agrees to indemnify and hold Buyer and Buyer Designee harmless from and against all post-Closing claims and assessments for all taxes attributable to periods prior to Closing, and for Seller's prorated portion of all taxes for the Closing tax year. In this regard, if and to the extent any such additional taxes and assessments will be due as of or subsequent to Closing and can be calculated or reasonably estimated as of Closing, then Seller shall credit Buyer or Buyer Designee or deposit with Closing Agent an amount equal to the calculated or estimated amount of such taxes and assessments. Notwithstanding any such escrow, Seller's indemnity of Buyer and Buyer Designee shall survive the Closing and shall not be merged therein.

4.7 Other Prorations. Matters of income and expense, if any, and other items customarily prorated in transactions of this kind shall be prorated as of 11:59 p.m. on the day prior to the Closing Date with Buyer or Buyer Designee responsible for the day of Closing.

4.8 Closing Agent. After exercise of the Purchase Option, Buyer or Buyer Designee, with the approval of Seller, which approval Seller shall not unreasonably withhold or delay, shall select a Closing Agent.

4.9 Closing Costs.

(a) Seller shall pay:

- (1) One-half (1/2) of the costs of Transfer taxes imposed upon the transactions contemplated hereby;
- (2) One-half (1/2) of the costs of Title Insurance;
- (3) One-half (1/2) of the cost of any simultaneous issue loan policy of title insurance;
- (4) One-half (1/2) of the costs of recording the closing documents to be recorded;
- (5) The costs, if any, of satisfying any liens, curing title defects and recording any curative title documents (as otherwise provided herein);
- (6) The costs, if any, of early termination of any Contracts;
- (7) One-half (1/2) of the escrow fees charged by Closing Agent; and
- (8) Seller's attorneys' fees.

(b) Buyer or Buyer Designee shall pay:

- (1) One-half (1/2) of the cost of Transfer taxes imposed upon the transactions contemplated hereby;
- (2) One-half (1/2) of the cost of Title Insurance;
- (3) One-half (1/2) of the cost of any simultaneous issue loan policy of title insurance;
- (4) One-half (1/2) of the cost of recording the closing documents to be recorded;
- (5) The costs of Buyer's or Buyer Designee's due diligence investigations;
- (6) The costs associated with Buyer's or Buyer Designee's financing for the acquisition of the Property;
- (7) The costs of any Phase I environmental site assessments to be obtained by Buyer or Buyer Designee;
- (8) The costs of the Survey;
- (9) One-half (1/2) of the escrow fees charged by Closing Agent; and
- (10) Buyer or Buyer Designee's attorneys' fees.

5. INSPECTION PERIOD, TITLE MATTERS AND CLOSING

5.1 Inspection Period. Upon any exercise of the Purchase Option by Buyer, Buyer or Buyer Designee shall have the Inspection Period within which to physically inspect the Property, to conduct its due diligence and to inspect all books, records and accounts of Seller related thereto. Within thirty (30) days of the date Seller receives notice of Buyer's exercise of the Purchase Option, Seller shall deliver to Buyer or Buyer Designee, to the extent in Seller's possession or control, those due diligence items listed on EXHIBIT "F" attached hereto (the "Due Diligence Materials"). Buyer or Buyer Designee shall have the Inspection Period within which to physically inspect the Property, to conduct its due diligence and to inspect all books, records and accounts of Seller related thereto. Buyer or Buyer Designee and Buyer's or Buyer Designee's officers, employees, consultants, attorneys and other authorized representatives shall have the right to reasonable access to the Property and to all records of Seller related thereto (including without limitation title information, maintenance surveys, environmental assessment reports, construction inspection reports, draw requests, construction accounting records and reconciliations, and other information concerning the condition of the Property), at reasonable times during the Inspection Period for the purpose of inspecting the Property, taking soil and ground water samples, conducting Hazardous Materials inspections, tests and assessments, reviewing the books and records of Seller concerning the Project and Property, evaluating the leasing and financial condition of the Property and otherwise conducting its due diligence review. Buyer or Buyer Designee agrees to give Seller not less than forty-eight (48) hours prior notice of its conducting any inspection(s) or tests on the Property, and Seller reserves the right to have a representative present. Seller shall cooperate with Buyer or Buyer Designee to allow Buyer or Buyer Designee and its designees access to the Property. Notwithstanding anything to the contrary contained in this Agreement, Seller shall have no obligation to make available to Buyer or Buyer Designee any material which is subject to attorney-client privilege or which is attorney work product. **BUYER OR BUYER DESIGNEE SHALL NOT CONDUCT OR ALLOW ANY PHYSICALLY INTRUSIVE TESTING OF, ON OR UNDER THE PROPERTY WITHOUT FIRST OBTAINING SELLER'S WRITTEN CONSENT AS TO THE TIMING AND SCOPE OF WORK TO BE PERFORMED.** Buyer or Buyer Designee shall not contact any governmental authority having jurisdiction over the Property without Seller's prior written consent. Seller shall give Buyer or Buyer Designee any authorizations which may be required by Buyer or Buyer Designee in order to gain access to records or other information pertaining to

the Property or the use thereof maintained by any contractor, sub-contractor, engineer, third party, governmental or quasi-governmental authorities or organizations. Buyer or Buyer Designee shall observe all appropriate safety precautions in conducting any inspection(s) of the Property. When making any non-intrusive physical or environmental inspection(s) of the Property, Buyer or Buyer Designee agrees that it will cause it and any person accessing the Property hereunder to be covered by not less than \$1,000,000 commercial general liability insurance, with excess coverage of not less than \$2,000,000, insuring all activity and conduct of such person while exercising such right of access and naming Seller as an additional insured, issued by a licensed insurance company qualified to do business in the State in which the Property is located and otherwise reasonably acceptable to Seller. Buyer or Buyer Designee shall deliver Seller copies of any results of any tests performed at or with respect to the Property. Following any inspections, Buyer or Buyer Designee shall restore the Property to its approximate condition existing prior to the inspection of the Property hereunder. Notwithstanding anything to the contrary contained in this Agreement, Buyer and Buyer Designee shall indemnify, defend and hold Seller harmless from and against any and all losses, claims, damages and liabilities (including, without limitation, reasonable attorneys' fees incurred in connection therewith) arising out of or resulting from Buyer's or Buyer Designee's exercise of its rights under this Section 5.1 (other than pre-existing conditions merely discovered by Buyer or Buyer Designee or its agents or contractors) and such indemnity shall survive the Closing and any termination of this Agreement.

5.2 Title Matters During Inspection Period. During the Inspection Period, Buyer or Buyer Designee (i) may order a title insurance commitment or other form of title search on the Real Property, and (ii) may elect to order an update to the Seller's prior survey or a current survey from a reputable surveyor. Buyer or Buyer Designee will have until the end of the Inspection Period within which to notify Seller in writing of any conditions, defects, encroachments or other objections to title or survey which are not acceptable to Buyer or Buyer Designee. Any matter disclosed by the title insurance commitment (other than liens arising through Seller that are removable by the payment of money) or by the survey which is not timely specified in Buyer's or Buyer Designee's written notice to Seller shall be deemed a "Permitted Exception". Seller shall have a period of ten (10) business days after receipt of Buyer's or Buyer Designee's title objection letter in which to elect in writing whether to cure such title and survey objections in Seller's sole discretion (the "Title Response Letter"); provided, however, that Seller shall not be obligated to cure an objection or institute any litigation with respect thereto other than liens arising through Seller that are removable by the payment of money, which Seller shall be obligated to cure. If Seller elects to cure such title objections, Seller shall use good faith efforts to cure such objections to title or survey within thirty (30) days after delivery of the Title Response Letter. If Seller elects not to cure such title objections, within ten (10) business days after receipt of the Title Response Letter, Buyer or Buyer Designee shall elect to (i) refuse to purchase the Property and terminate this Agreement by delivering written notice of termination to Seller; or (ii) waive such objection(s) and close the purchase of the Property, subject to the objection(s), and without reduction of the Purchase Price. If Seller is unable to cure such title objections after using good faith efforts, the Buyer or Buyer Designee shall elect to (i) refuse to purchase the Property and terminate this Agreement; or (ii) waive such objection(s) and close the purchase of the Property, subject to the objection(s), and without reduction of the Purchase Price.

5.3 Buyer's Termination Right During the Inspection Period. Within the Inspection Period, Buyer may, in its sole discretion, for any reason or for no reason, elect whether or not to terminate this Agreement, which election shall be made by notice to Seller given within the Inspection Period. If such notice is not timely given, Buyer shall be deemed to have elected to terminate this Agreement and all rights, duties and obligations of Buyer and Seller hereunder, except any which expressly survive termination, shall terminate. Upon the termination of this Agreement pursuant to the preceding sentence, Buyer Designee shall promptly return to Seller the Due Diligence Materials and all copies thereof. Seller shall have no obligation to refund or return any Option Fees paid to Seller through the date of termination, other than as otherwise expressly provided herein. Seller acknowledges Buyer's absolute and unrestricted ability to terminate this Agreement within the Inspection Period as defined in this Section 5.3, including any extensions.

5.4 Title Matters During Interim Period. After the Effective Date, during the pendency of this Agreement until the earlier of the termination of this Agreement or the exercise of the Purchase Option by

Buyer, the Buyer shall have an ongoing right to request a title checkdown on the Real Property at Buyer's expense (a "Title Checkdown"). If a Title Checkdown reveals new title matters which appear of record after the most recent Title Checkdown (or were not on any prior title work), Buyer will have twenty (20) days after receipt of such Title Checkdown within which to notify Seller in writing of any conditions, defects, encroachments or other objections to title which are not acceptable to Buyer or Buyer Designee. With respect to each matter to which Buyer or Buyer Designee objects, Seller may elect to either (i) cure such matter, (ii) enter into an agreement with Buyer or Buyer Designee on terms satisfactory to Buyer and Buyer Designee to eliminate or take other action with respect to such matter, or (iii) decline to cure such matter. Seller shall respond to Buyer's or Buyer Designee's objections within ten (10) business days after receipt of Buyer's or Buyer Designee's objections. If Seller declines to cure any matter, or the parties do not enter into an agreement for Seller to eliminate or take other action with respect to any matter on terms which are satisfactory to Buyer and Buyer Designee, Buyer shall have the right for a period of ten (10) business days after receipt of Seller's response to terminate this Agreement. After the Effective Date, Seller shall not intentionally and voluntarily impose any title matter on the Real Property in an attempt to undermine or frustrate Buyer's or Buyer Designee's rights under this Agreement (an "Intentional Title Defect") unless Buyer and Buyer Designee provide their prior written consent to such matter (the foregoing does not include a mortgage lien securing a loan to Seller, which Seller may incur at any time after the Effective Date, provided that Seller shall be obligated to satisfy such mortgage lien at Closing). The foregoing notwithstanding, if Seller declines to cure an Intentional Title Defect, then Seller shall be obligated to pay the Fee Reimbursement to Buyer upon the termination of this Agreement.

5.5 Recreational Covenants. The parties agree that the Recreational Covenants shall be executed and delivered to the Closing Agent, and shall be recorded in the public records of Duval County, Florida, prior to the recording of the deed from the Seller to Buyer or Buyer Designee so that the Real Property shall be subject to the Recreational Covenants at the time title vests in Buyer or Buyer Designee.

5.6 Time and Place of Closing. The Closing shall take place at the offices of the Closing Agent at 10:00 A.M. on the date which is sixty (60) days after the expiration of the Inspection Period.

6. WARRANTIES, REPRESENTATIONS AND COVENANTS OF SELLER

Seller warrants and represents as follows as of the Effective Date and as of the Closing and where indicated covenants and agrees as follows:

6.1 Organization; Authority. Seller is duly organized, validly existing and in good standing under the laws of the state of its organization. Seller is authorized to transact business in the state in which the Real Property is located, and has full power and authority to enter into and perform this Agreement in accordance with its terms. The persons executing this Agreement have been duly authorized to do so on behalf of Seller.

6.2 Authorization; Validity. The execution and delivery of this Agreement by Seller and Seller's consummation of the transactions contemplated by this Agreement have been duly and validly authorized. Assuming the valid and authorized execution and delivery of this Agreement by Buyer, this Agreement constitutes a legal, valid and binding agreement of Seller enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors generally, and the exercise of judicial discretion in accordance with general principles of equity.

6.3 Owner of the Property. Seller is the owner of indefeasible and marketable fee title to the Property.

6.4 Leases; Sale Agreements. The Real Property is not subject to any outstanding leases, agreement of sale, option, right of first refusal, or other right of any third party to acquire any interest therein, except this Agreement.

6.5 Litigation. Except as set forth on **Schedule 6.5** attached hereto, to Seller's knowledge there is no litigation or proceeding pending, or to the best of Seller's knowledge, threatened against Seller or the Property.

6.6 Contracts. Except for the Contracts, Seller has not entered into any, and to Seller's knowledge there are no, management, service, maintenance, utility or other contracts or agreements affecting the Property, oral or written. Copies of the Contracts, which have been delivered to Buyer or shall be delivered to Buyer within ten (10) business days after the Effective Date, are true, correct and complete copies thereof. Except as set forth on Schedule 6.6, all Contracts are in full force and effect in accordance with their respective terms, and to Seller's knowledge all obligations of Seller under the Contracts required to be performed to date have been performed in all material respects. Except as set forth on **Schedule 6.6**, to Seller's knowledge no party to any Contract has asserted any claim of default or offset against Seller with respect thereto, and no event has occurred or failed to occur, which would in any way affect the validity or enforceability of any such Contract.

6.7 Condemnation. Except as set forth on **Schedule 6.7**, Seller has received no notice nor has any other knowledge that any condemnation, expropriation, requisition or similar proceeding against the Real Property or any portion thereof is contemplated.

6.8 Governmental Matters. Seller has not entered into any commitments or agreements that remain effective with obligations yet to be performed with any governmental authorities or agencies affecting the Real Property that have not been disclosed in writing to Buyer. Except as set forth on **Schedule 6.8**, Seller has received no notices from any such governmental authorities or agencies of uncured violations at the Real Property of building, fire, air pollution or zoning codes, rules, ordinances or regulations, environmental and hazardous substances laws, or other rules, ordinances or regulations relating to the Real Property which remain uncured. Except as set forth on Schedule 6.8, there are no open building permits or fire code violations with regard to the Improvements.

6.9 Consents and Approvals; No Violation. Except as set forth on **Schedule 6.9**, neither the execution and delivery of this Agreement by Seller nor the consummation by Seller of the transactions contemplated hereby will (a) require Seller to file or register with, notify, or obtain any permit, authorization, consent, or approval of, any governmental or regulatory authority; (b) conflict with or breach any provision of the organizational documents of Seller; (c) violate or breach any provision of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under any note, bond, mortgage, indenture, deed of trust, license, franchise, permit, lease, contract, agreement or other instrument, commitment or obligation to which Seller is a party, or by which Seller, the Property or any of Seller's material assets may be bound; or (d) violate any order, writ, injunction, decree, judgment, statute, law or ruling of any court or governmental authority applicable to Seller, the Property or any of Seller's material assets.

6.10 Environmental Matters. Except as set forth on **Schedule 6.10** or as may be set forth in the environmental reports listed in **EXHIBIT "G"**, to Seller's knowledge the Real Property does not currently and has not contained any underground storage tanks, material amounts of Hazardous Materials, landfills or hazardous waste management facilities, as defined under any Environmental Law. Except as set forth on Schedule 6.10, Seller has used no Hazardous Material at the Real Property nor has Seller to its actual knowledge permitted any other person to do so (other than de minimus amounts of Hazardous Materials in the ordinary course of business).

6.11 Foreign Investment and Real Property Tax Act. Seller is not a "foreign person" within the meaning of Section 1445 of the Internal Revenue Code, or under any comparable state statutes which are applicable to this transaction. At Closing Seller will execute and deliver to Buyer an affidavit regarding such matters. If Seller fails to execute and deliver such affidavit, Buyer or Buyer Designee may deduct and withhold from the Purchase Price such amounts as Buyer or Buyer Designee may be required to withhold in order to satisfy any of Buyer or Buyer Designee's tax withholding obligations under such statutes or regulations promulgated pursuant thereto.

6.12 No Untrue Statement. To Seller's knowledge, this Agreement does not contain any untrue statement of material fact or omit or will omit any material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

6.13 Notice of Default Under Recorded Documents. Seller has not received notice of any uncured default under any recorded documents affecting the Real Property.

6.14 Due Diligence Materials. Seller makes no representations with respect to the accuracy or completeness of any reports, documents or other materials originated by third parties furnished to Buyer as part of the Due Diligence Materials. The previous provisions to the contrary notwithstanding, Seller represents and warrants that Seller has not knowingly withheld any Due Diligence Materials.

Upon any exercise of the Purchase Option by Buyer, Seller shall update all schedules described in this Section 6 within thirty (30) days of the Option Exercise Date.

7. WARRANTIES, REPRESENTATIONS AND COVENANTS OF BUYER

Buyer hereby warrants and represents as of the date of this Agreement and as of the Closing and where indicated covenants and agrees as follows:

7.1 Organization; Authority. Buyer is duly organized, validly existing and in good standing under the laws of the state of its organization. Buyer is authorized to transact business in the state in which the Real Property is located, and has full power and authority to enter into and perform this Agreement in accordance with its terms. The persons executing this Agreement have been duly authorized to do so on behalf of Buyer.

7.2 Litigation. Except as disclosed to Seller in writing, there is no litigation or proceeding pending, or to the best of Buyer's knowledge, threatened against Buyer with respect to this Agreement or Buyer's performance hereunder.

7.3 USA Patriot Act.

(a) None of the funds to be used for payment by Buyer of the Purchase Price will be subject to 18 U.S.C. §§ 1956-1957 (Laundering of Money Instruments), 18 U.S.C. §§ 981-986 (Federal Asset Forfeiture), 18 U.S.C. §§ 881 (Drug Property Seizure), Executive Order Number 13224 on Terrorism Financing, effective September 24, 2001, or the United and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, H.R. 3162, Public Law 107-56 (the "US Patriot Act").

(b) Buyer is not, and will not become, a person or entity with whom U.S. persons are restricted from doing business with under the regulations of the Office of Foreign Asset Control ("OFAC") of the Department of Treasury (including those named on OFAC's Specially Designated and Blocked Persons list) or under any statute, executive order (including the September 24, 2001 Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), the USA Patriot Act, or other governmental action.

In the event that the Buyer Designee is the entity purchasing the Property, the Buyer Designee shall provide a certificate to Seller by which Buyer Designee warrants and represents to Seller the representations and warranties set forth in this Section 7 as of the date of Closing.

8. AS IS PURCHASE

As a material inducement for Seller entering into this Agreement, Buyer expressly acknowledges and agrees that, except with respect to Seller's representations and warranties set forth in Section 6 or as otherwise expressly provided in this Agreement or in the closing documents, the Property is being sold,

and Buyer is acquiring the Property, in its present condition and state of repair. Buyer shall accept the Property in an "AS IS" condition and "WITH ALL FAULTS" as of the date of this Agreement and Closing, ordinary wear and tear excepted, without any right of setoff or reduction of the Option Fees or Purchase Price. Buyer understands and expressly acknowledges that unknown liabilities may exist with respect to the Property, that Buyer explicitly took that possibility into account in determining and agreeing to the Purchase Price, and that a portion of such consideration, having been bargained for between the parties with the knowledge of the possibility of liabilities, shall be given in exchange for a full accord and satisfaction and discharge of Seller of all such liabilities, except with respect to Seller's representations and warranties set forth in Section 6 or as otherwise expressly provided in this Agreement or in the closing documents.

9. GOING FORWARD COVENANTS OF SELLER

During the term of this Agreement, Seller covenants and agrees as follows:

9.1 Financial Statements. Seller shall furnish promptly to Buyer copies of the Seller operating financial statements together with unaudited updated monthly reports of cash flow for the prior month within thirty (30) days after each month end.

9.2 Contracts. Between the date hereof and the Closing, Seller covenants to fulfill all of its obligations in all material respects under all Contracts, and after the Option Exercise Date, Seller covenants not to terminate or modify any such Contracts or enter into any new contractual obligations relating to the Property without the consent of Buyer, which consent shall not be unreasonably withheld. Upon notice from Buyer given after the expiration of the Final Inspection Period without termination of this Agreement by Buyer, Seller will terminate such Contracts as are designated by Buyer, in accordance with the terms of such Contracts, effective as of the Closing Date.

9.3 Maintenance and Operation of Property. From and after the date hereof and until the Closing, Seller shall keep and maintain and operate the Property substantially in the manner in which it is currently being maintained and operated and covenants not to cause or permit any waste of the Property nor undertake any action with respect to the operation thereof outside the ordinary course of business without Buyer's prior written consent. In connection therewith, Seller covenants to make all necessary repairs and replacements until the Closing so that the Property shall be of substantially the same quality and condition at the time of Closing as on the date hereof. Seller covenants not to remove from the Improvements or the Real Property any article included in the Personal Property, except for sales of personal property in the ordinary course of business or the retirement or replacement of equipment or other personal property in the ordinary course of business. Seller shall not develop any of the Real Property without the written consent of Buyer. Except as otherwise permitted herein, Seller shall not actively seek to sell or dispose of any portion of the Property. Seller shall not be entitled to sell any or all of the Property, except as specifically provided in this Agreement. During the term of the Agreement, Seller shall continue to provide golf, tennis, swimming, fitness and dining services to its members.

9.4 Insurance. Seller shall maintain such casualty and liability insurance on the Property as is presently being maintained.

9.5 Notices. Seller shall furnish to Buyer copies of any notice, claim or demand received by Seller which would materially change any representation given by Seller herein within seven (7) business days after receipt of such notice.

10. POSSESSION; RISK OF LOSS

10.1 Possession. In the event Buyer elects to pursue the Purchase Option, possession of the Property will be transferred to Buyer or Buyer's Designee at the conclusion of the Closing.

10.2 Risk of Loss. All risk of loss to the Property shall remain upon Seller until the conclusion of the Closing. Seller agrees to give Buyer prompt notice within five (5) business days of any fire, sinkhole, or other casualty affecting the Property or any portion thereof between the date hereof and the Closing Date (the "Casualty Notice").

(a) If there shall occur fire or sinkhole or other casualty to a portion of the Property which would not satisfy the "Casualty Standard" (as defined in Section 10.2(b) below), then, in such event, Seller shall have the option to repair, prior to the Closing, all damage resulting therefrom (which repairs shall be subject to the Buyer's prior approval, which approval shall not be unreasonably withheld), or assign to Buyer or Buyer Designee at Closing all interest of Seller in and to any insurance proceeds applicable to such loss which may be payable to Seller on account of any such occurrence (including any rent loss insurance applicable to any period on and after the Closing Date), and Buyer or Buyer Designee shall receive a credit at Closing for any applicable deductible plus any uninsured losses to the Property or improvements thereon. In any event, other than as set forth above, the Purchase Price shall not be reduced due to any such casualty.

(b) If there shall occur fire, sinkhole or other casualty to all or any portion of the Property or damage to the improvements upon the Property and a reasonable estimate of the cost of repair exceeds Three Hundred Thousand and 00/100 Dollars (\$300,000.00), then such damage shall hereafter be referred to as meeting the "Casualty Standard." In the event that the Casualty Standard is met, Buyer may, at its sole option, by notice to the Seller within fifteen (15) business days after Buyer's receipt of the Casualty Notice, elect to (1) terminate this Agreement and waive any claim to previously paid Option Fees, or (2) continue to pay the Option Fees, and after any exercise of the Purchase Option as otherwise provided herein, proceed with the Closing as provided herein with the subject improvements in their "As Is Where Is" condition without abatement of the Purchase Price, and there shall be assigned to Buyer or Buyer Designee at the Closing all interest of Seller in and to any insurance proceeds applicable to such loss which may be payable to Seller on account of such occurrence (including any rent loss insurance applicable to any period on and after the Closing Date), and Buyer or Buyer Designee shall receive a credit at Closing for any applicable deductible plus any uninsured losses to the Property or improvements thereon. In the event of a casualty exceeding the Casualty Standard, if applicable the Closing Date shall be extended until five (5) business days after the expiration of the Buyer's fifteen (15) business day election period set forth immediately above.

10.3 Condemnation. If, before Closing or earlier termination of this Agreement, Seller receives notice of any taking or threat of eminent domain with respect to the Real Property, Seller agrees to give Buyer prompt notice of such taking or threatened taking (the "Condemnation Notice"). If such taking or threatened taking involves any material and substantial portion of the Real Property, or if there is a material and substantial obstruction of access by virtue of such taking or threatened taking, upon receipt of such Condemnation Notice, Buyer may, at its sole option, by notice to the Seller given within fifteen (15) business days after Buyer has received the Condemnation Notice, elect to: (1) terminate this Agreement and waive any claim to previously paid Option Fees; or (2) continue to pay the Option Fees, and after any exercise of the Purchase Option as otherwise provided herein, proceed with the Closing as provided herein, in which event at Closing Seller shall assign to Buyer or Buyer Designee all Seller's right, title and interest in all amounts due or collected by Seller as condemnation awards. The Purchase Price shall not be reduced as a result of any such taking or threatened taking. For purposes hereof, "material and substantial portion of the Real Property" shall mean (a) a loss of parking spaces (threatened to be or are taken) in such amount that would result in a violation of minimum parking requirements under the applicable zoning codes affecting the Real Property, or (b) any material portion of any Improvement is threatened to be or is taken.

11. CONDITIONS PRECEDENT

11.1 Conditions Precedent to Buyer's Obligations. The obligations of Buyer under this Agreement are subject to satisfaction or written waiver by Buyer or Buyer Designee of each of the following conditions or requirements on or before the Closing Date (collectively, the "Buyer Conditions Precedent"):

(a) Seller's warranties and representations under this Agreement shall be true and correct in all material respects (subject to updates to Seller's schedules), and Seller shall not be in material default of its covenants hereunder.

(b) The obligations of Seller contained in this Agreement shall have been performed in all material respects, and Seller shall not be in material default under any covenant, restriction, right-of-way or easement affecting the Real Property.

(c) With respect to title matters, Seller shall have fully performed in accordance with the Title Response Letter and delivered all documentation which Seller agreed to deliver to the Title Company in accordance with its Title Response Letter.

(d) The physical and environmental condition of the Real Property shall not have materially adversely changed after the Effective Date other than ordinary wear and tear.

(e) Buyer or Buyer Designee shall have received the following in form reasonably satisfactory to Buyer or Buyer Designee:

(1) Originals, if available, or if not, true copies of the Contracts and Permits, and such other Materials as may be in the possession or control of Seller, including without limitation all member files and correspondence;

(2) Assignment to Buyer or Buyer Designee of all Contracts in the form attached hereto as EXHIBIT "H" (the "Assignment of Contracts");

(3) A special warranty deed in the form attached hereto as EXHIBIT "I";

(4) A bill of sale or assignment of all Personal Property and any bulk sale reporting forms or other evidence of Seller's compliance with applicable bulk sales laws;

(5) A bring down certificate certifying that all Seller representations and warranties remain true and correct in all material respects as of the Closing Date;

(6) A general assignment of all assignable existing warranties, permits and governmental approvals relating to the Property, including any and all construction warranties from any general contractor and subcontractors, if any (the "Assignment of Warranties");

(7) Terminations of all Contracts (including management contracts) designated by Buyer to be terminated at Closing;

(8) An owner's affidavit, non-foreign affidavit, non-tax withholding certificate and such other documents as may reasonably be required by Buyer or Buyer Designee or the Title Company in order to effectuate the provisions of this Agreement and the consummation of the transactions contemplated herein;

(9) Resolutions of Seller authorizing the transactions described herein; and

(10) All keys and other means of access to the Improvements in the possession of Seller or its agents.

11.2 Conditions Precedent to Seller's Obligations. The obligations of Seller under this Agreement are subject to satisfaction or written waiver by Seller of each of the following conditions or requirements on or before the Closing Date (collectively, the "Seller Conditions Precedent"):

(a) Buyer's warranties and representations under this Agreement shall be true and correct, and Buyer shall not be in material default of its covenants hereunder.

(b) The obligations of Buyer contained in this Agreement shall have been performed in all material respects.

(c) The assumption by Buyer or Buyer Designee of all Contracts, as evidenced by Buyer's or Buyer Designee's execution and delivery of the Assignment of Contracts.

(d) The Recreational Covenants have been duly signed and delivered to the Closing Agent to be recorded prior to the recording of the special warranty deed from Seller to Buyer or Buyer Designee hereunder, and there are no suits, claims, demands, threats or other impediments to such recording or the effectiveness of such covenants.

(e) Buyer or Buyer Designee shall have delivered to Seller at or prior to the Closing the following, which shall be reasonably satisfactory to Seller:

(1) The Purchase Price;

(2) A bring down certificate certifying that all Buyer representations and warranties remain true and correct in all material respects as of the Closing Date;

(3) A counterpart of the Assignment of Contracts executed by Buyer or Buyer Designee;

(4) A counterpart of the Assignment of Warranties executed by Buyer or Buyer Designee;

(5) Resolutions, voting records, or similar documentation which is sufficient to authorize Buyer or Buyer Designee to consummate the transactions described herein; and

(6) Such other documents as the Title Company may reasonably request to effect the transactions contemplated by this Agreement

11.3 Reasonable Efforts. Each of the parties hereto agrees to use reasonable efforts to take or cause to be taken all actions necessary, proper or advisable to consummate the transactions contemplated by this Agreement.

11.4 Failure of Conditions Precedent as to Buyer. In the event of a failure of any one or more of the Buyer's conditions precedent described in Section 11.1 above, Buyer may either: (i) waive such condition(s) precedent and proceed to Closing, without any adjustment to the Purchase Price and Seller shall have no liability to Buyer with respect to any such matter (even if such matter is a breach of any representation or warranty, or failure to perform a covenant); (ii) rescind the exercise of the Purchase Option, and elect to continue this Agreement as though such election did not occur, and Buyer shall continue to pay the Option Fees as otherwise provided herein; or (iii) terminate this Agreement and sue for actual damages not to exceed the sum of all Option Fees paid by Buyer to Seller; provided, however, Buyer may not terminate this Agreement unless and until Seller has had the opportunity to cure any of the matters described in Section 11.1 within the Default Cure Period (as defined in Section 12.1), and Seller

may cure any matter under Section 11.1(d) by reducing the Purchase Price by the amount of any diminution of value in the Real Property (but not for any loss in value exceeding \$1,000,000 without Buyer's consent).

11.5 Failure of Conditions Precedent as to Seller. In the event of a failure of any one or more of the Seller's conditions precedent described in Section 11.2 above, Seller may either: (i) waive such condition(s) precedent and proceed to Closing, without any adjustment to the Purchase Price and Buyer shall have no liability to Seller with respect to any such matter (even if such matter is a breach of any representation or warranty, or failure to perform a covenant); (ii) rescind and void the exercise of the Purchase Option by Buyer, and elect to continue this Agreement as though such exercise did not occur, and Buyer shall continue to pay the Option Fees as otherwise provided herein; or (iii) terminate this Agreement and retain any and all previously paid Option Fee payments and collect any Option Fee payments due but not yet paid prior to such termination, and the parties shall have no further rights, claims, liabilities or obligations under this Agreement (except as survive termination). If Seller elects to rescind and void the exercise of the Purchase Option under (ii) above, Buyer may, by written notice to Seller within ten (10) business days of receipt of notice of Seller's election, terminate this Agreement, in which event the parties shall have no further rights or obligations hereunder and Seller shall be entitled to retain all Option Fees paid through the date of termination.

12. PRE-CLOSING BREACH; REMEDIES

12.1 Seller Default. In the event of a material breach of Seller's covenants or warranties and representations herein and the failure of Seller to cure such breach within the Default Cure Period (as hereinafter defined), Buyer may, at Buyer's election (i) terminate this Agreement and may sue for actual damages not to exceed the sum of all Option Fees paid by Buyer to Seller, or (ii) enforce this Agreement by suit for specific performance. The "Default Cure Period" shall be the period which is fifteen (15) days after receipt of notice of such default, or if a cure would reasonably take longer than fifteen (15) days to cure, such longer period provided Seller commences a cure within such fifteen (15) day period and prosecutes the same to completion in a diligent manner. Any portion of a Default Cure Period and any portion of a Trigger Event Cure Period which run simultaneously with one another shall run concurrently.

12.2 Buyer Default. In the event of a material breach of Buyer's covenants or warranties and representations herein and the failure of Buyer to cure such breach within the Default Cure Period (as defined above and applied to Buyer), Seller's sole legal and equitable remedies shall be to either (i) waive such breach without waiving its ability to enforce any future default of Buyer or (ii) terminate this Agreement and retain any and all previously paid Option Fee payments and collect any Option Fee payments due but not yet paid prior to such termination as AGREED LIQUIDATED DAMAGES for such breach, and the parties shall have no further rights, claims, liabilities or obligations under this Agreement (except as survive termination). BUYER AND SELLER AGREE THAT IT WOULD BE IMPRACTICAL AND EXTREMELY DIFFICULT TO ESTIMATE THE DAMAGES SUFFERED BY SELLER AS A RESULT OF BUYER'S DEFAULT OF ITS OBLIGATIONS DESCRIBED HEREIN, AND THAT UNDER THE CIRCUMSTANCES EXISTING AS OF THE DATE OF THIS AGREEMENT, THE LIQUIDATED DAMAGES PROVIDED FOR IN THIS SECTION REPRESENT A REASONABLE ESTIMATE OF THE DAMAGES WHICH SELLER WILL INCUR AS A RESULT OF SUCH FAILURE. THEREFORE, BUYER AND SELLER DO HEREBY AGREE THAT A REASONABLE ESTIMATE OF THE TOTAL NET DETRIMENT THAT SELLER WOULD SUFFER IN THE EVENT THAT BUYER DEFAULTS AND FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY IS AN AMOUNT EQUAL TO ANY OPTION FEES PAID BY BUYER TO SELLER PRIOR TO THE DATE OF SUCH DEFAULT. SAID AMOUNT WILL BE THE FULL, AGREED AND LIQUIDATED DAMAGES FOR THE BREACH OF THIS AGREEMENT BY BUYER. THE PAYMENT OF SUCH AMOUNT AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER.

Buyer's Initials: *we*

Seller's Initials: *[Signature]*

13. POST CLOSING INDEMNITIES AND COVENANTS

13.1 Seller's Indemnity. Should this transaction close, Seller shall indemnify, defend and hold harmless Buyer or if applicable Buyer's Designee from all claims, demands, liabilities, damages, penalties, costs and expenses, including, without limitation, reasonable attorneys' fees and disbursements, which may be imposed upon, asserted against or incurred or paid by Buyer or Buyer's Designee by reason of, or on account of, any breach by Seller of Seller's warranties and representations, subject, however, to any qualifications or limitations thereon as may be otherwise set forth in this Agreement, which warranties and representations shall survive for a period of twelve (12) months after Closing. Except as may be otherwise expressly provided in this Agreement, the rights of indemnity herein against Seller shall be the exclusive remedy of Buyer or Buyer's Designee with respect to a breach by Seller of Seller's representations and warranties.

13.2 Buyer's Indemnity. Should this transaction close, Buyer and if applicable, Buyer's Designee, shall jointly and severally indemnify, defend and hold harmless Seller from all claims, demands, liabilities, damages, penalties, costs and expenses, including, without limitation, reasonable attorneys' fees and disbursements, which may be imposed upon, asserted against or incurred or paid by Seller by reason of, or on account of, any breach of the warranties, representations and covenants of Buyer or Buyer's Designee, as the case may be, subject, however, to any qualifications or limitations thereon as may be otherwise set forth in this Agreement, which warranties and representations shall survive for a period of twelve (12) months after Closing. Except as may be otherwise expressly provided in this Agreement, Seller's rights of indemnity herein against Buyer and Buyer's Designee shall be Seller's exclusive remedy with respect to a breach by Buyer or Buyer's Designation with respect to the representations and warranties provided in this Agreement. Buyer or Buyer's Designee shall not assume any liabilities of Seller (including, without limitation, Seller's liabilities for accrued but unpaid vacation/sick time and accounts payable), other than those liabilities specifically assumed by Buyer pursuant to this Agreement.

14. MISCELLANEOUS

14.1 Buyer's Authority. In the event (i) any person, whether a party, a member of either party or a third party person or entity not a party to this Agreement, contests the authority of Buyer or Buyer's Designee to enter into this Agreement, make the Option Fee payments hereunder or close on the purchase of the Property, (ii) any person, whether a party, a member of either party or a third party person not a party to this Agreement, contests the enforceability of this Agreement, and/or (iii) it is determined through litigation or alternative dispute resolution that the Buyer or Buyer's Designee did not have the authority to enter into this Agreement, make the Option Fee payments hereunder or close on the purchase of the Property, either the Seller or the Buyer may elect to terminate this Agreement in which event Seller shall retain any and all previously paid Option Fee payments and collect any Option Fee payments due but not yet paid prior to such termination as AGREED LIQUIDATED DAMAGES to Seller, as further set forth in Section 12.2 above.

14.2 Access to Club Records and Other Information. After Closing, Buyer shall retain all records, documents and other information pertaining to the Club, its membership and members, the Property and the operation of the Property for a period of at least seven (7) years (the "Club Information"). Seller or its successors shall, upon request to Buyer, have access to the Club Information and the right to make copies thereof as necessary or appropriate to file any returns or reports, investigate or resolve any claims, demands or issues, or use such information for any other reasonable purpose related to Seller's prior operation of the Club or ownership of the Property.

14.3 No Brokers. Seller and Buyer represent to each other that neither Seller (in the case of Seller's representation) nor Buyer (in the case of Buyer's representation) has dealt with nor does it have any knowledge of any broker or other person who has or may have any claim against Seller, Buyer or the Property for a brokerage commission, finder's fee or like payment arising out of or in connection with this transaction. Buyer agrees to indemnify and hold Seller harmless from any other such claim arising by,

through or under Buyer, and Seller agrees to indemnify and hold Buyer harmless from any other such claim arising by, through or under Seller.

14.4 Notices. All notices, demands and requests which may be given or which are required to be given by either party to the other, and any exercise of a right of termination provided by this Agreement, shall be in writing and shall be sent: (i) by United States Postal Service, certified mail, return receipt requested, (ii) by any nationally known overnight delivery service for next day delivery, (iii) by delivery in person, or (iv) by electronic mail in PDF format or its equivalent. All notices shall be addressed to the parties at the addresses specified below. Any notice which a party may or is required to give may be authored and/or given by that party's attorney with such notice having the same force and effect as if given by the party itself. For purposes of this Section 14.4, the addresses of the parties for all notices are as follows (unless changed by similar notice in writing given by the particular person whose address is to be changed):

As to Seller:

Deerwood Country Club, Inc.

Attention: General Manager
10239 Golf Club Drive
Jacksonville, FL 32256

With a copy to
Seller's Counsel:

Korn & Zehmer, PA
Attention: Michael Korn
1200 Riverplace Blvd., Ste 850
Jacksonville, FL 32207

As to Buyer:

Deerwood Improvement Association, Inc.

Attn: Manager
10239 Golf Club Dr.
Jacksonville, FL 32256

With a copy to
Buyer's Counsel:

Burr & Forman LLP
Attention: Troy Smith, Esq.
50 North Laura Street, Suite 3000
Jacksonville, FL 32202

Any such notice or demand so secured, shall constitute proper notice hereunder effective upon actual receipt by the recipient (provided that such receipt occurs on or before 5:00 p.m. local time on a business day; otherwise, such notice shall be deemed to have been given on the next succeeding business day), or as to notice by the United States Postal Service, the earlier of actual receipt or the third business day after mailing.

14.5 Headings. The titles and headings of the various sections hereof are intended solely for means of reference and are not intended for any purpose whatsoever to modify, explain or place any construction on any of the provisions of this Agreement.

14.6 Validity. If any of the provisions of this Agreement or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this

Agreement shall not be affected thereby, and every other provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

14.7 Attorneys' Fees. In the event of any dispute, litigation or other proceeding between the parties hereto to enforce any of the provisions of this Agreement or any right of either party hereunder, the unsuccessful party to such dispute, litigation or other proceeding shall pay to the successful party all costs and expenses, including reasonable attorneys' fees, incurred at trial, on appeal, and in any arbitration, administrative or other proceedings, all of which may be included in and as a part of the judgment rendered in such litigation. Any indemnity provisions herein shall include indemnification for such costs and fees. This section shall survive the Closing or a prior termination hereof.

14.8 Time. Time is of the essence of this Agreement, provided that if any date upon which some action, notice or response is required of any party hereunder occurs on a weekend or national holiday, such action, notice or response shall not be required until the next succeeding business day.

14.9 Governing Law. This Agreement shall be governed by the laws of the State of Florida.

14.10 Gender; Plural; Singular; Terms. A reference in this Agreement to any gender, masculine, feminine or neuter, shall be deemed a reference to the other, and the singular shall be deemed to include the plural and vice versa, unless the context otherwise requires. The terms "herein," "hereof," "hereunder," and other words of a similar nature mean and refer to this Agreement as a whole and not merely to the specified section or clause in which the respective word appears unless expressly so stated.

14.11 Exhibits. All exhibits and schedules attached hereto are incorporated herein by reference to the same extent as though such exhibits were included in the body of this Agreement verbatim.

14.12 Counterparts, Further Instruments, Etc. This Agreement may be executed in counterparts, and when so executed shall be deemed executed as one agreement. Seller and Buyer shall execute any and all documents and perform any and all acts reasonably necessary to fully implement this Agreement.

14.13 Memorandum. This Agreement shall not be recorded. However, upon the execution of this Agreement, a short form memorandum of this Agreement in the form attached hereto as EXHIBIT "J" and incorporated herein shall be recorded in the public records of Duval County, Florida.

14.14 Survival. The covenants, indemnities, representations and warranties of each of Seller and Buyer, and their respective obligations intended to be performed after the Closing, if any, shall survive the Closing.

14.15 Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties. No third parties, including any brokers or creditors, shall be beneficiaries hereof or entitled to any rights or benefits hereunder.

14.16 Entire Agreement. This Agreement, together with the exhibits attached hereto, supersedes all prior agreements between the parties as to the Property, if any, and constitutes the entire agreement between the parties with respect to the subject matter hereof. This Agreement may not be modified, amended or otherwise changed in any manner except by a writing duly executed by Buyer and Seller, with all appropriate authorization therefor.

14.17 Electronic Email (.pdf). Signatures to this Agreement transmitted by electronic email (.pdf) shall be valid and effective to bind the party so signing. Each party agrees to promptly deliver an execution original to this Agreement with its actual signature to the other party, but a failure to do so shall not affect the enforceability of this Agreement, it being expressly agreed that each party to this Agreement

shall be bound by its own emailed signature and shall accept the emailed signature of the other party to this Agreement.

14.18 Confidentiality. Buyer and Seller acknowledge that, by entering into this Agreement, Buyer and Seller may have access to and learn of certain confidential information of the other party. Except as may be required by law, neither party will disclose or use, and will cause its officers, directors, employees, representatives and agents not to disclose or use, any information concerning the disclosing party furnished by and on behalf of the disclosing party in connection with this Agreement. provided, however, each party may disclose such information to their advisors and representatives, as applicable, for the purpose of taking action under or performing this Agreement. In the event this Agreement terminates prior to Closing, each party shall immediately destroy or return to the disclosing party all such confidential information.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

"BUYER"

DEERWOOD IMPROVEMENT ASSOCIATION, INC.
a Florida corporation

By: David Whiteside
Name: [Signature]
Its: President

Tax Identification No. [REDACTED]

Date of Execution: 1-25-2022

"SELLER"

DEERWOOD COUNTRY CLUB, INC., a Florida corporation

By: [Signature]
Name: Joseph P. Helow
Title: President

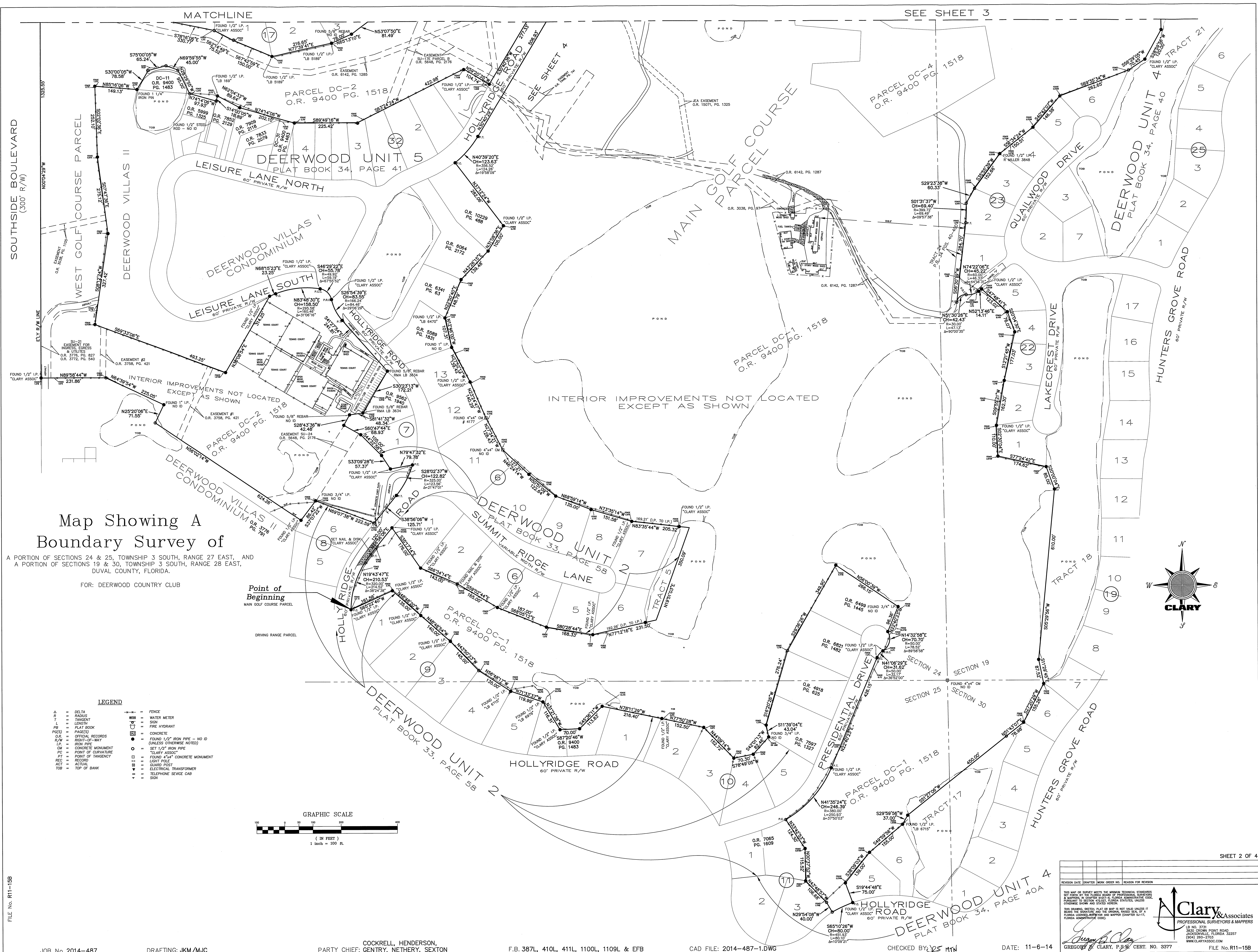
Tax Identification No. [REDACTED]

Date of Execution: 9-14-21

EXHIBIT "A"

DESCRIPTION OF REAL PROPERTY

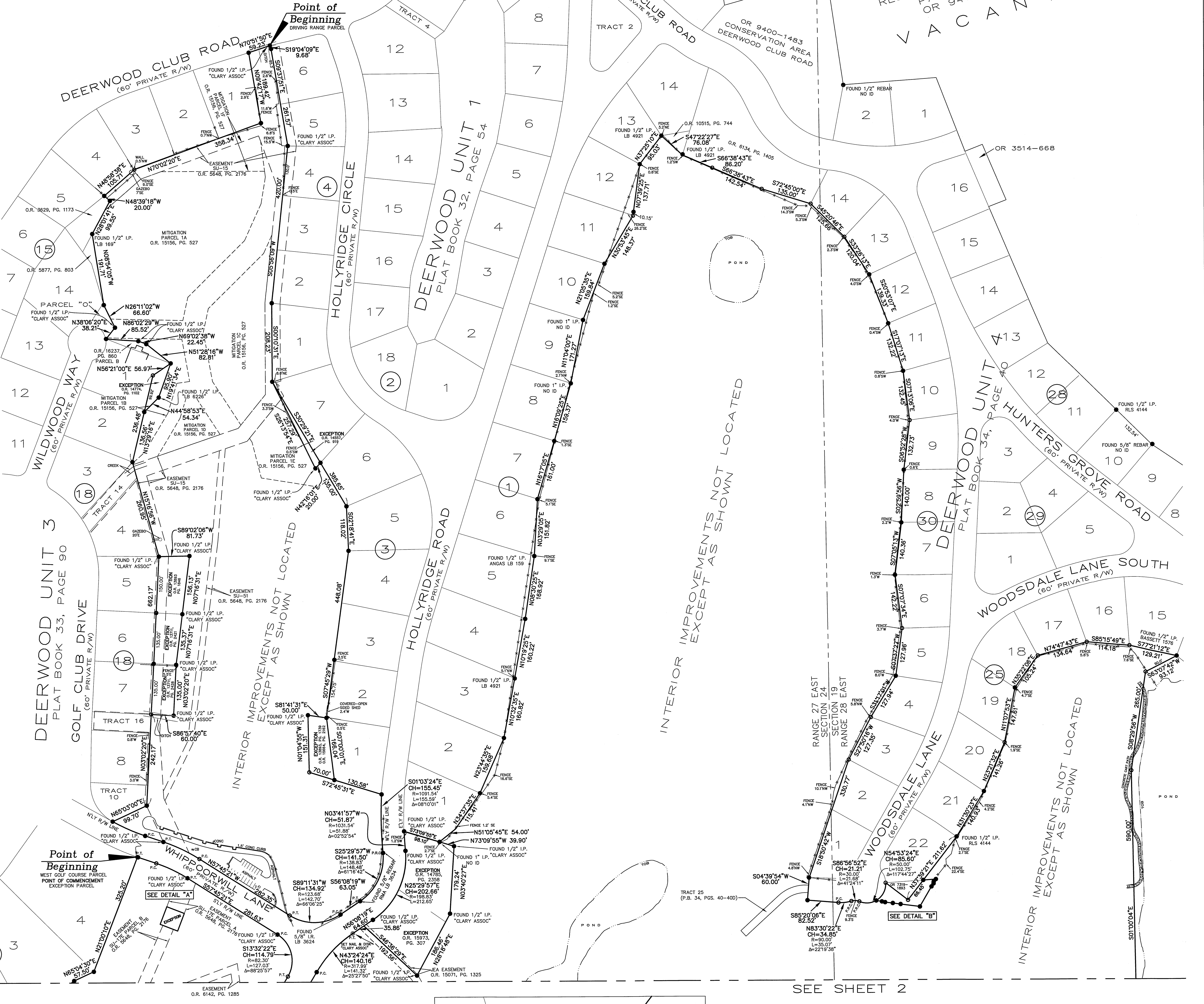
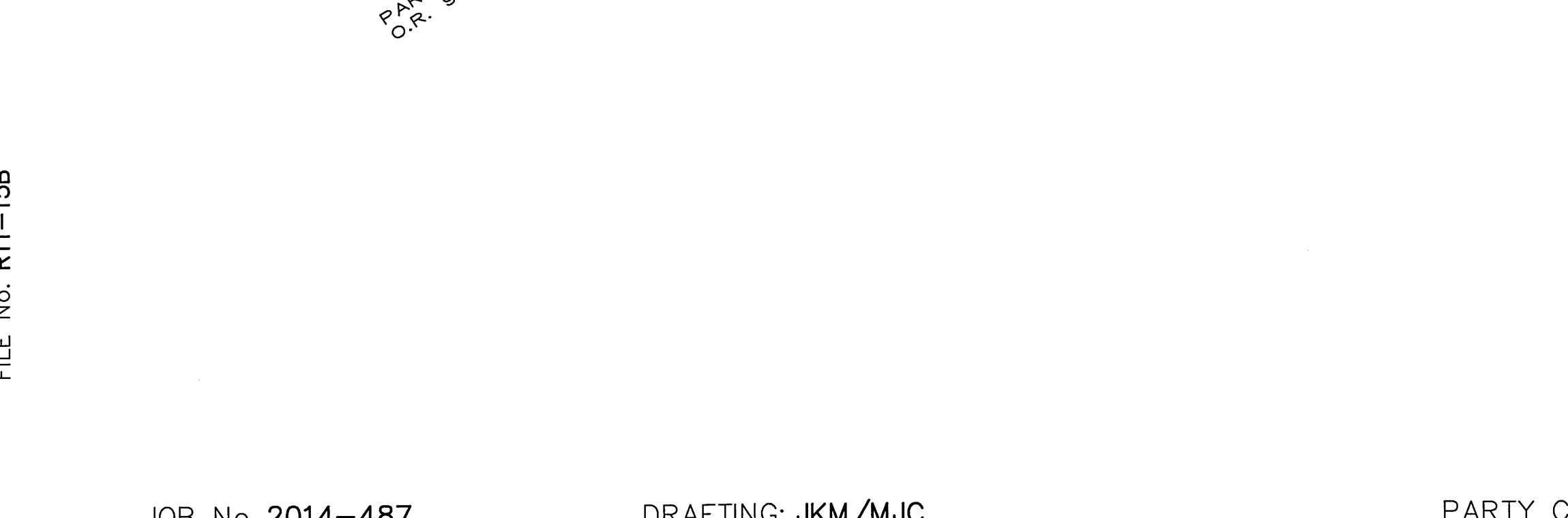
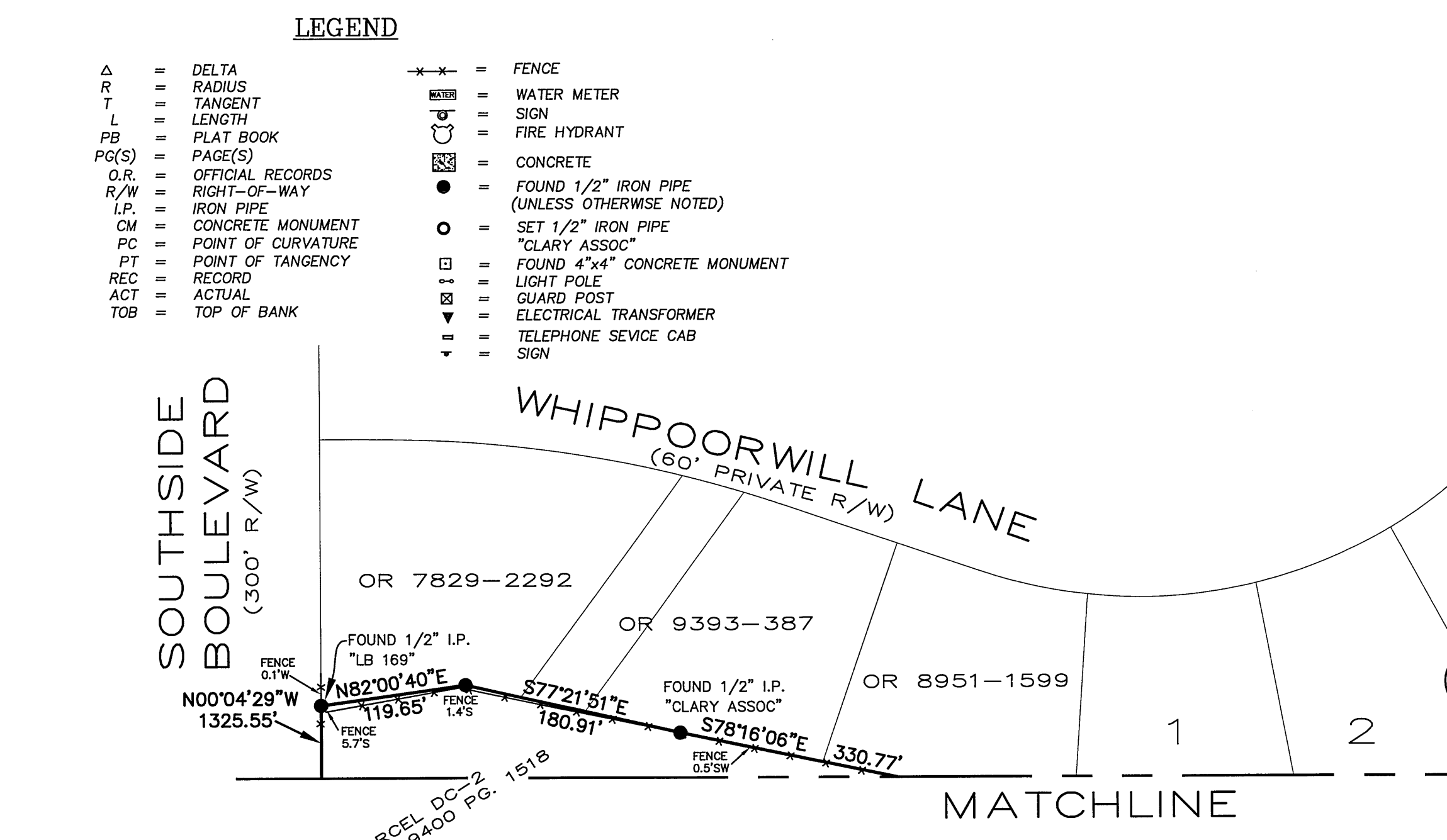
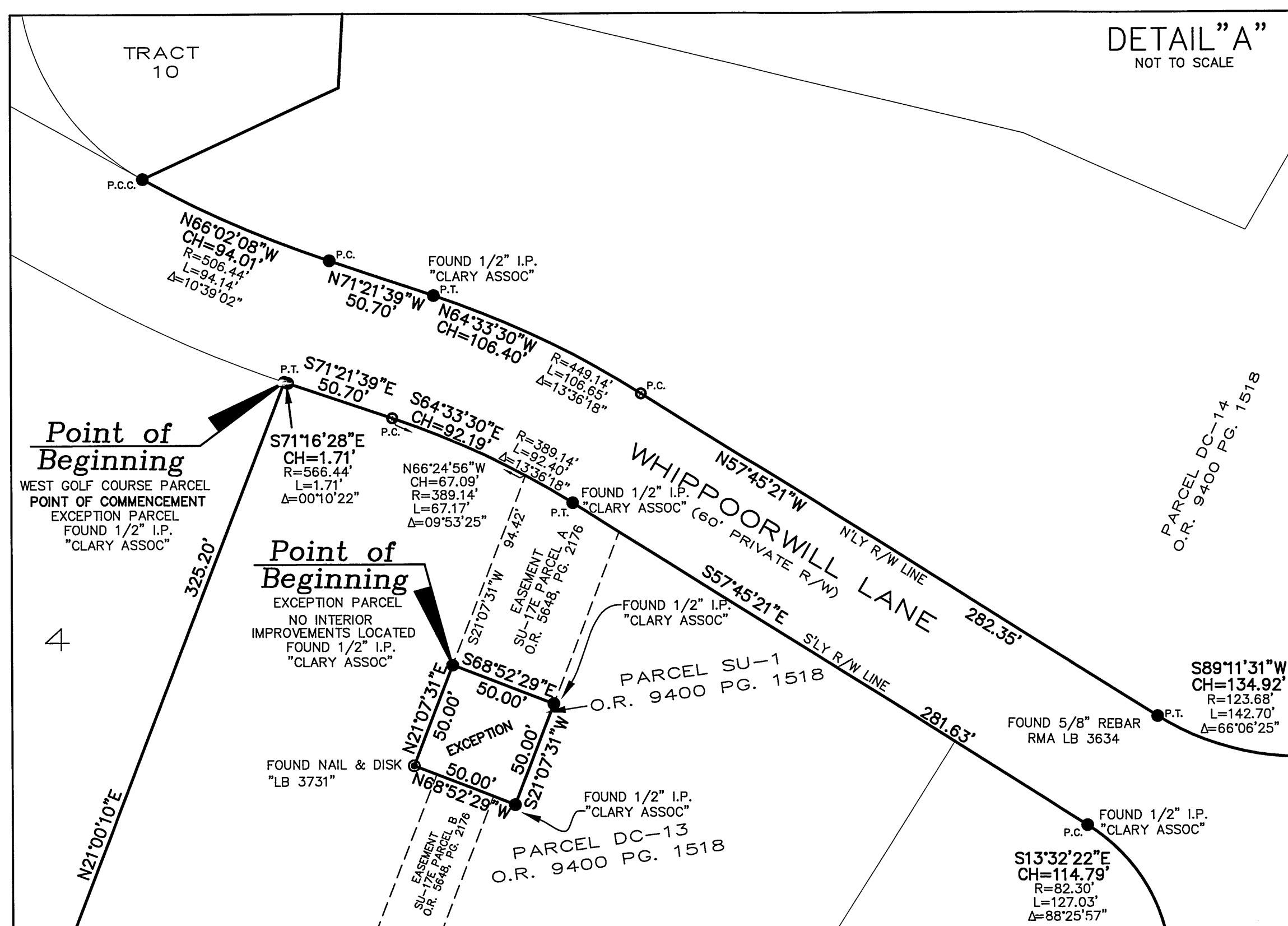
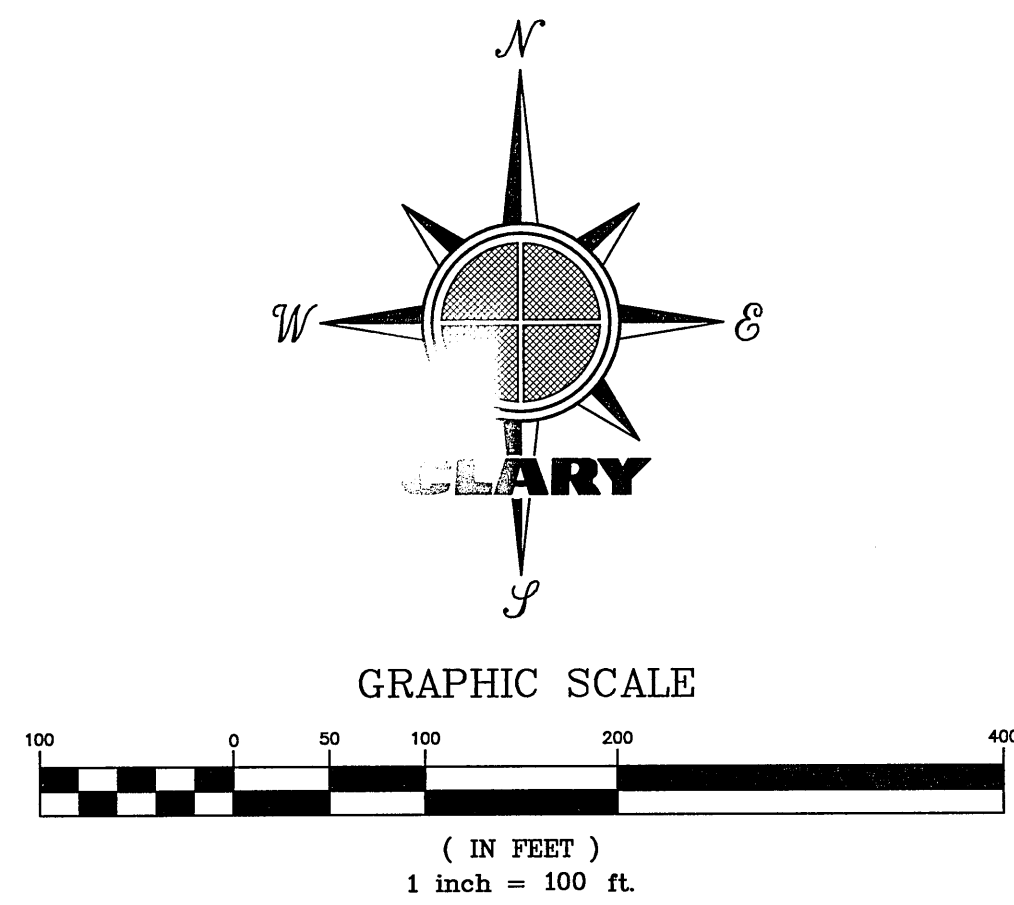
SEE FOLLOWING PAGES



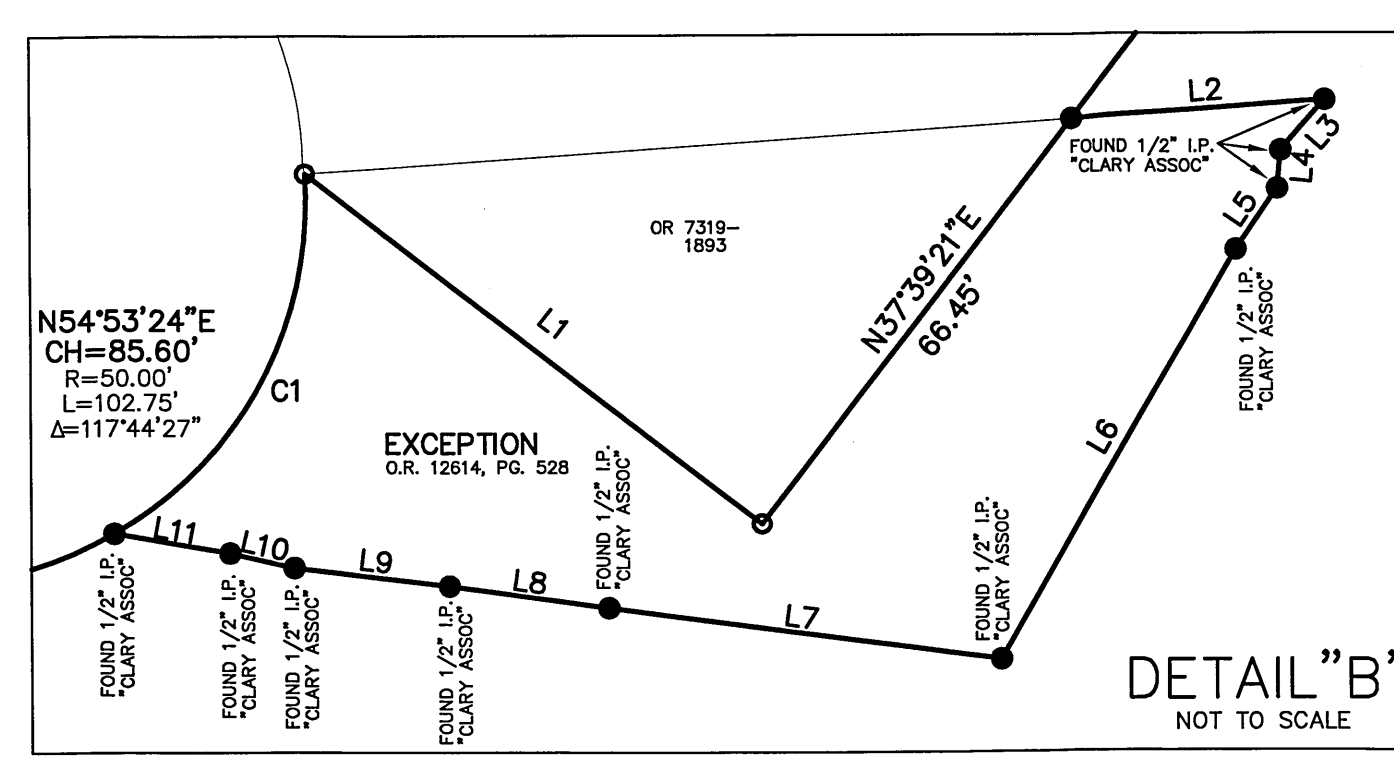
Map Showing A Boundary Survey of

A PORTION OF SECTIONS 24 & 25, TOWNSHIP 3 SOUTH, RANGE 27 EAST, AND
A PORTION OF SECTIONS 19 & 30, TOWNSHIP 3 SOUTH, RANGE 28 EAST,
DUVAL COUNTY, FLORIDA.

FOR: DEERWOOD COUNTRY CLUB



LINE	LENGTH	BEARING
L1	24.74	S89°01'00\"
L2	33.94	N89°01'00\"
L3	8.69	N45°00'00\"
L4	4.97	N05°18'00\"
L5	9.37	N34°40'00\"
L6	6.49	N05°00'00\"
L7	5.48	S88°27'00\"
L8	20.87	S88°10'00\"
L9	20.36	S89°17'00\"
L10	6.63	S74°49'00\"
L11	15.97	S89°01'00\"



REVISION DATE: 11-6-14
DRAWN BY: JKM/MJC
CHECKED BY: MTN
DATE: 11-6-14

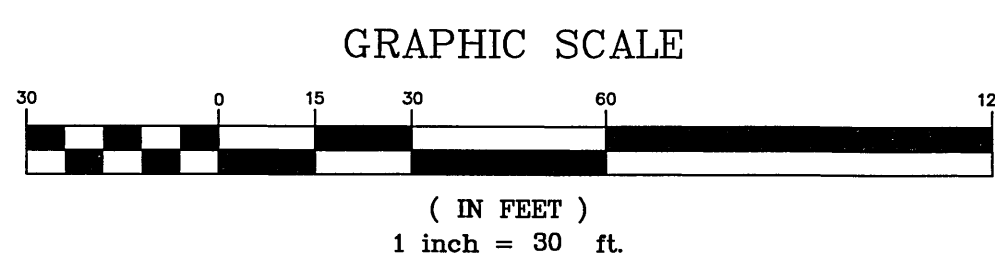
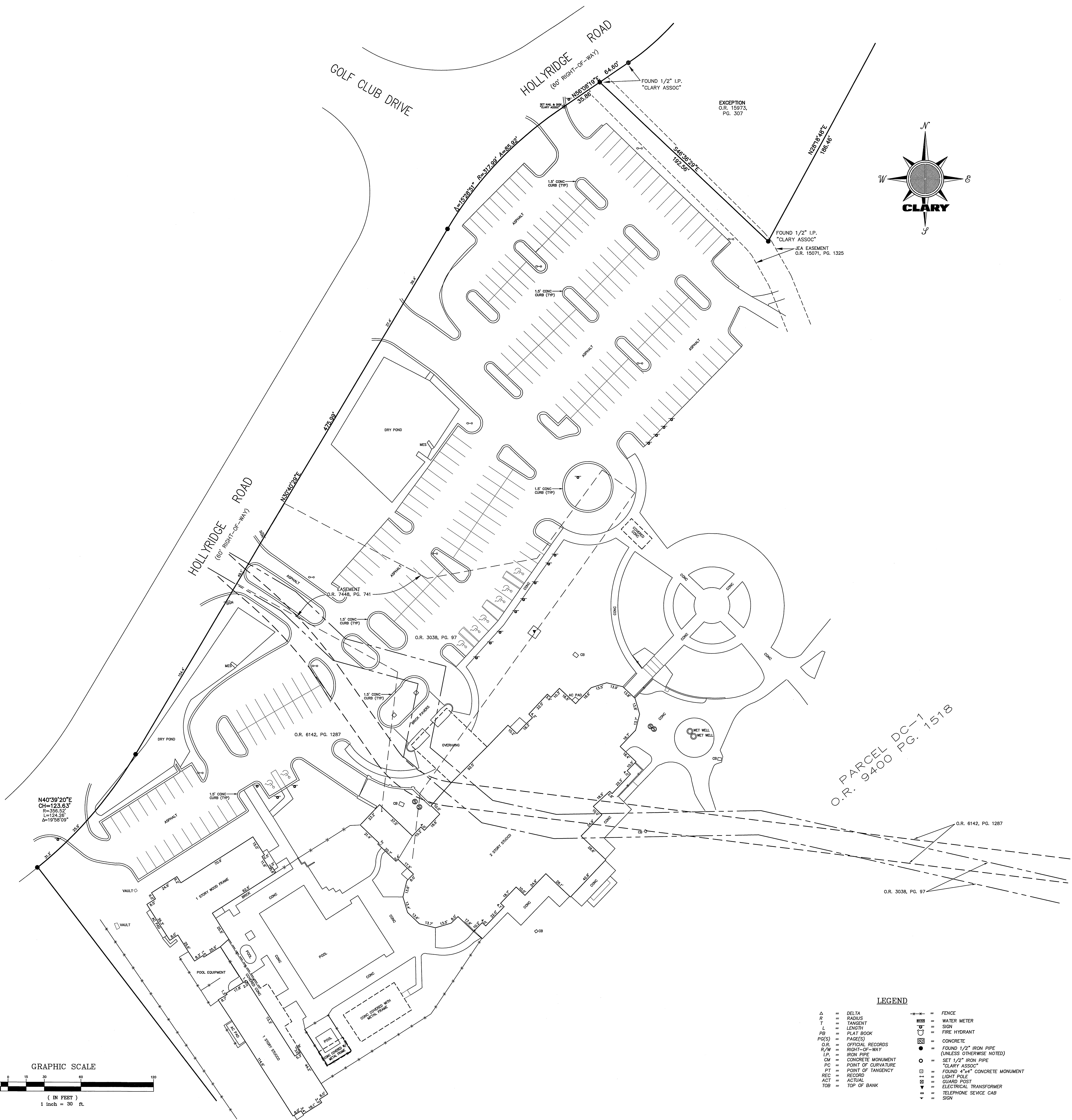
Clary & Associates
PROFESSIONAL SURVEYORS & MAPPERS
3350 CROWN POINT ROAD
JACKSONVILLE, FLORIDA 32227
(904) 260-2703
WWW.CLARYANDASSOCIATES.COM

FILE NO. R11-15B

Map Showing A Boundary Survey of

SECTIONS 24 & 25, TOWNSHIP 3 SOUTH, RANGE 27 EAST, AND
SECTIONS 19 & 30, TOWNSHIP 3 SOUTH, RANGE 28 EAST,
DUVAL COUNTY, FLORIDA.

FOR: DEERWOOD COUNTRY CLUB



LEGEND

- | | | | |
|-------|----------------------|-------|--------------------------|
| Δ | = DELTA | —+—+— | = FENCE |
| R | = RADIUS | —+—+— | = WATER METER |
| T | = TANGENT | —+—+— | = SIGN |
| L | = LENGTH | —+—+— | = FIRE HYDRANT |
| PL | = PLAT BOOK | —+—+— | = CONCRETE |
| PG(S) | = PAGE(S) | —+—+— | = FOUND 1/2" IRON PIPE |
| O.R. | = OFFICIAL RECORDS | —+—+— | (UNLESS OTHERWISE NOTED) |
| R/W | = RIGHT-OF-WAY | —+—+— | "CLARY ASSOC" |
| I.P. | = IRON PIPE | —+—+— | "CLARY ASSOC" |
| CM | = CONCRETE MONUMENT | —+—+— | "CLARY ASSOC" |
| PC | = POINT OF CURVATURE | —+—+— | "CLARY ASSOC" |
| PT | = POINT OF TANGENCY | —+—+— | "CLARY ASSOC" |
| REC | = RECORD | —+—+— | "CLARY ASSOC" |
| ACT | = ACTUAL | —+—+— | "CLARY ASSOC" |
| TGB | = TOP OF BANK | —+—+— | "CLARY ASSOC" |

FILE No. R11-15B

JOB No. 2014-487

DRAFTING: JKM/MJC

PARTY CHIEF: GENTRY, NETHERY, SEXTON

F.B. 387L, 410L, 411L, 1100L, 1109L & EFB

CAD FILE: 2014-487-1.DWG

CHECKED BY: MTN

DATE: 11-6-14

GREGORY R. CLARY, P.S.M. CERT. NO. 3377

FILE No. R11-15B

REVISION DATE: 11-6-14
DRAWN BY: JKM
CHECKED BY: MTN
DATE: 11-6-14

THIS MAP OR SURVEY MEETS THE MINIMUM TECHNICAL STANDARDS
SET FORTH BY THE FLORIDA BOARD OF PROFESSIONAL SURVEYORS
& MAPPERS IN CHAPTER 461, F.S., FLORIDA ADMINISTRATIVE CODE,
SUBCHAPTER 461.05, F.A.C., FLORIDA STATUTES, UNLESS
OTHERWISE SHOWN AND NOTED HEREON.

THIS DRAWING, SPECIFICATION, PLAN OR MAP IS NOT VALID UNLESS IT
BEARS THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A
FLORIDA LICENSED SURVEYOR AND MAPPER (CHAPTER 461-17,
FLORIDA ADMINISTRATIVE CODE).

Clary & Associates
PROFESSIONAL SURVEYORS & MAPPERS
18 NO. 3710
3630 CROWN POINT ROAD
JACKSONVILLE, FLORIDA 32217
(904) 260-2703
WWW.CLARYASSOC.COM

SHEET 4 OF 4

EXHIBIT "B"

SCHEDULE OF CONTRACTS

[TO BE PROVIDED BY SELLER]

EXHIBIT "C"

SCHEDULE OF PERSONAL PROPERTY

[TO BE PROVIDED BY SELLER]

EXHIBIT "D"

FORM OF RECREATIONAL COVENANTS

THIS DOCUMENT PREPARED BY
AND RETURN TO:

DECLARATION OF COVENANTS AND RESTRICTIONS

THIS DECLARATION is made this __ day of _____, _____, by Deerwood Country Club, Inc., a Florida not for profit corporation, hereinafter called the "Declarant," and The Deerwood Improvement Association, Inc., a Florida not for profit corporation ("DIA") for itself and its successors, grantees and assigns.

WHEREAS, Declarant is the owner of certain improved real property which is more particularly described on Exhibit "A" attached hereto (hereinafter referred to as the "Property");

WHEREAS, the Property includes a golf course, clubhouse, various sporting and recreational facilities, open space and other improvements related thereto;

WHEREAS, DIA is a homeowners' association described in Chapter 720, Florida Statutes, whose members (the "Members") consist of persons or entities owning real property in the Deerwood subdivisions as further described in the Articles of Incorporation for DIA (originally filed with the Florida Department of State on or about June 14, 1963, and amended on or about December 6, 2004); and

WHEREAS, the Declarant is conveying the Property to DIA and a condition of such conveyance is that the parties execute, deliver and record this Declaration at the time of the conveyance, such that the covenants and restrictions herein shall be binding and effective upon such conveyance and shall not be subordinate to any mortgages or other encumbrances arising in connection with such conveyance;

NOW THEREFORE, Declarant, for itself and its successors and assigns, hereby declares that the Property shall be held, occupied, used, rented, enjoyed, transferred, conveyed, mortgaged or otherwise encumbered subject to the following covenants, easements, rights and restrictions, which are for the purpose of protecting the value and desirability of the property owned by the Members, and which shall run with the Property and bind all parties having any right, title or interest in the Property or any part thereof, including their heirs, successors and assigns:

1. Use Restrictions. The Property shall be used solely for open space, outdoor recreation, park purposes, and/or other uses which are consistent with the operation of a country club on the Property. The Property may be used for any one or more of the foregoing uses, singly or jointly. For the purposes of this Declaration, the term "outdoor recreation" shall be deemed to include, by way of illustration and not in limitation thereof, golf, tennis and swimming. For the purposes of this Declaration, "uses which are consistent with the operation of a country club" shall be deemed to include, by way of illustration and not in limitation thereof, operation of a club house, food and beverage services, social gatherings and events, and operation of services and facilities for outdoor recreation and fitness centers. The Property shall not be used for the development or construction of single family residential homes, multi-family residential units, commercial business buildings, cell phone or other communication towers, or other improvements which are inconsistent with the permitted uses.

2. Country Club. The Property, in whole or part, may be operated as a country club by DIA or its affiliates, contractors or lessees (the "Operator"), consistent with the uses set forth in section one above. The covenants of this Declaration are intended solely to control the permitted use of the Property, and do not, and are not intended to, grant Members independent use rights to the Property or rights to apply for membership in any country

club thereon. DIA and its successors and assigns reserve the right to promulgate rules and regulations governing the use of the Property by Members and other persons or parties. In the event a country club is formed to operate on any portion of the Property, DIA or an Operator shall set (i) the standards for admission as a member to any country club, (ii) initiation fees, dues and usage fees, (iii) bylaws, procedures, rules and regulations controlling club governance, membership and use of the club's facilities, and (iv) all other matters incident to the operation of a country club. Notwithstanding any provision herein to the contrary, all Members shall have the right to join any country club which utilizes any portion of the Property on terms which are equal to those offered to other members of the country club, provided, however, the foregoing does not guarantee that any Member will be offered club membership. The foregoing shall not preclude the use of different classes or categories of membership in a country club.

3. Amendment or Termination. This Declaration may be amended, changed or supplemented from time to time, or terminated, upon the affirmative vote in person or by proxy, or by written consent, or any combination thereof, of Members holding at least three-fourths (3/4) of the total votes in DIA. Any such amendment or termination must be duly recorded in the public records of Duval County, Florida. Any amendment to this Declaration which alters the surface water or storm water management system, or which impacts any conservation easements, must have the prior approval of the St. Johns River Water Management District and/or other applicable governmental agencies.

4. Duration. The covenants and restrictions set forth in this Declaration shall be covenants running with the land and shall be binding on all persons or parties having an interest in any portion of the Property for a period of twenty-five (25) years from the date this Declaration is recorded in the public records of Duval County, Florida, after which time the same shall be automatically extended for successive periods of twenty-five (25) years unless terminated in accordance with the terms of this Declaration. DIA shall revitalize or revive this Declaration as necessary or appropriate from time to time in accordance with applicable law.

5. Remedies for Violation. Upon any breach or violation of the covenants and restrictions set forth in this Declaration, DIA or any one or more Members shall have the right, in addition to any other rights or remedies which may exist at law or in equity, to compel compliance with the terms of this Declaration, and to prevent any further breach or violation of the same. If a person or party files suit in a court of law or equity in order to enforce or interpret the provisions of this Declaration, the non-prevailing party shall pay the reasonable attorneys' fees and costs of the prevailing party, including any fees and costs of appeal.

6. Severability. The invalidation by judgment or court order of any provision, covenant or restriction contained in this Declaration shall not affect any other provisions, covenants or restrictions herein, which shall remain in full force and effect.

IN WITNESS WHEREOF, this Declaration has been duly executed as of the day and date first set forth above.

Signed, sealed and delivered
in the presence of:

Deerwood Country Club, Inc.

Print Name: _____

By: _____
Print Name: _____

Its: _____

Print Name: _____

STATE OF FLORIDA

COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by _____, the _____ of Deerwood Country Club, Inc., on behalf of said company, by () physical presence or () online notarization. _____ is () personally known to me or () produced _____ as identification.

Notary Public, State of Florida, at Large

My Commission Expires:

The Deerwood Improvement Association, Inc.

By: _____

Print Name: _____

Its: _____

Print Name: _____

Print Name: _____

STATE OF FLORIDA

COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by _____, the _____ of The Deerwood Improvement Association, Inc., on behalf of said company, by () physical presence or () online notarization. _____ is () personally known to me or () produced _____ as identification.

Notary Public, State of Florida, at Large

My Commission Expires:

EXHIBIT "E"

INTENTIONALLY OMITTED

EXHIBIT "F"

LIST OF DUE DILIGENCE DOCUMENTS

Due Diligence Document List

- 1) Copy of Seller's most recent survey of the Property
- 2) Copy of Seller's ALTA title policy & copies of all underlying documents
- 3) Real Estate and other tax bills - 3 Years
- 4) Copies of any warranties
- 5) Maintenance Records, if any
- 6) Construction Contracts
- 7) Seller's Operating Budget for up-coming and current years
- 8) Building Plans
- 9) All governmental approvals and permits
- 10) Any studies or reports relating to the presence (or absence) of hazardous/toxic materials (including, but not limited to, asbestos and volatile organic compounds) at the Property or the condition of the soil underlying the Property
- 11) Existing Environmental Assessment Reports
- 12) Member Activity Register for all Current Members (billings & payments)
- 13) Property Operating Results - Most recent 3 Years
- 14) Property Capital Expenditures - Most recent 3 Years
- 15) Audited Financial Statements (if not available, unaudited statements) - 3 Years
- 16) Year to Date Financials & YTD detail general Ledger
- 17) Existing Service Agreements and Warranties
- 18) Five years loss history - reported claims
- 19) Most Recent Year Expense Recovery Reconciliation
- 20) Proof Sales Tax Payments are Current
- 21) Appraisal (last available)
- 22) Utility Bills for last 12 months, plus deposit information
- 23) Existing Title Insurance Policy
- 24) Available Inspection Reports (environmental, roof, structural, etc.)
- 25) Summary of Member Contacts (with address and telephone numbers)
- 26) Tax plat map
- 27) Insurance Claims History for previous 3 years (property damage and liability)
- 28) Zoning Information
- 31) Club Membership List
- 32) List of Delinquent Club Dues Payments

EXHIBIT "G"

LIST OF ENVIRONMENTAL REPORTS

1. Phase I and Limited Phase II Environmental Site Assessment dated September 17, 2003, prepared by Aerostar Environmental Services, Inc.

EXHIBIT "H"

[FORM OF ASSIGNMENT OF CONTRACTS]

ASSIGNMENT AND ASSUMPTION OF CONTRACTS

ASSIGNMENT AND ASSUMPTION OF CONTRACTS (this "Assignment") made as of the _____ day of _____, 2021 (the "Effective Date"), by and between **DEERWOOD COUNTRY CLUB, INC., a Florida corporation** ("Assignor"), and **DEERWOOD IMPROVEMENT ASSOCIATION, INC., a Florida corporation** ("Assignee").

W I T N E S S E T H:

WHEREAS, Assignor entered into those certain Contracts listed in the Schedule of Contracts as defined in that certain Exclusive Purchase Option and Sale Agreement by and between Assignee and Assignor dated _____, 2021 (the "Contract"); and

WHEREAS, Assignor has simultaneously herewith conveyed to the Assignee all of Assignor's right, title and interest in and to the premises commonly known as Deerwood Country Club in Duval County, State of Florida, as more particularly described in **EXHIBIT "A"** attached hereto (the "Premises"), and in connection therewith, Assignor has agreed to assign to Assignee all of Assignor's right, title and interest in and to those contracts referenced on the schedule attached as **EXHIBIT "B"** hereto (collectively, the "Contracts").

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. Assignor hereby assigns unto Assignee, all of the right, title and interest of Assignor in and to the Contracts;

TO HAVE AND TO HOLD the same unto Assignee, its successors and assigns from and after the date hereof, subject to the terms, covenants and conditions of the Contracts.

2. Assignee assumes the performance of all of the obligations of Assignor under the Contracts to be performed from and after the date hereof. Assignee agrees to indemnify, protect, defend and hold Assignor harmless from and against any and all claims, demands, liabilities, losses, costs, damages or expenses including, without limitation, reasonable attorneys' fees and costs (collectively, "Claims") arising out of or resulting from any breach or default by Assignee in its obligations under the terms of the Contracts from and after the date hereof.

3. Assignor hereby agrees to indemnify, protect, defend and hold Assignee harmless from and against any and all Claims arising out of or resulting from any breach or default by Assignor in its obligations under the terms of the Contracts prior to the date hereof.

4. This Assignment shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest and assigns.

5. This Assignment may be executed in separate counterparts, which, together, shall constitute one and the same fully executed Assignment. Delivery of an executed counterpart of a signature page of this Assignment by facsimile or other electronic transmission shall be effective as delivery of a manually executed original counterpart of this Assignment.

IN WITNESS WHEREOF, this Assignment has been duly executed as of the date first above written.

"ASSIGNEE"

DEERWOOD IMPROVEMENT ASSOCIATION, INC.
a Florida corporation

By: _____

Name: _____

Its: _____

Tax Identification No.: _____

"ASSIGNOR"

DEERWOOD COUNTRY CLUB, INC., a Florida
corporation

By: _____

Name: _____

Title: _____

Tax Identification No: _____

List of Exhibits:

Exhibit A - Legal Description of the Property

Exhibit B - List of Service Contracts

EXHIBIT "I"

[FORM OF SPECIAL WARRANTY DEED]

THIS SPECIAL WARRANTY DEED is made, executed and delivered this _____ day of _____, 20____, between **DEERWOOD COUNTRY CLUB, INC., a Florida corporation** ("Grantor"), whose address is _____, and **DEERWOOD IMPROVEMENT ASSOCIATION, INC., a Florida corporation** ("Grantee"), whose address is _____.

W I T N E S S E T H:

That Grantor, for and in consideration of the sum of Ten and NO/100 Dollars and other good and valuable consideration, to it in hand paid by Grantee, the receipt and sufficiency whereof are hereby acknowledged, hereby grants, sells and conveys with special warranty to Grantee, its successors and assigns forever, the following described land, situate, lying and being in the County of Duval, State of Florida to wit (the "Land"):

See Exhibit "A" attached hereto and by this
reference made a part hereof.

together with all improvements, rights, alleys, ways, easements, privileges, tenements, hereditaments and appurtenances of Grantor belonging or in any wise appertaining to the Land (collectively, the "Property"), subject to the following permitted exceptions (the "Permitted Exceptions"):

1. Real estate taxes for the current year and subsequent years; and
2. Those matters set forth on Exhibit "B" attached hereto, reference to which shall not operate to reimpose same.

To have and to hold the Property in fee simple forever.

And Grantor, for itself and its successors and assigns, does hereby warrant the title to said Property, will defend the same against the lawful claims of all persons claiming by, through, or under Grantor, but not otherwise, and will execute such further assurances thereof as may be requisite.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the said Grantor has caused this instrument to be executed in its name by its duly authorized representative the day and year first above written.

Signed, sealed and delivered
in the presence of:

"GRANTOR"

DEERWOOD COUNTRY CLUB, INC., a Florida
corporation

Print Name: _____

By: _____

Name: _____

Title: _____

Print Name: _____

STATE OF FLORIDA

COUNTY OF DUVAL

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 20__, by _____, the _____ of **DEERWOOD COUNTRY CLUB, INC.**, a Florida corporation, on behalf of the corporation. He/she (*check one*) ☐ is personally known to me, or ☐ has produced a valid driver's license as identification.

Print Name: _____

Notary Public

Commission Expires: _____

Commission Number: _____

EXHIBIT "J"

[FORM OF MEMORANDUM OF PURCHASE OPTION]

This is a Memorandum and Short Form of Exclusive Purchase Option and Sale Agreement by and between **DEERWOOD COUNTRY CLUB, INC., a Florida corporation** ("Owner"), whose address is _____ and **DEERWOOD IMPROVEMENT ASSOCIATION, INC., a Florida corporation** ("Option Holder"), whose address is _____. The provisions set forth in that Exclusive Purchase Option and Sale Agreement (the "Option") between Option Holder and Owner dated _____, 2021, are hereby incorporated in this Memorandum and Short Form of Option to Purchase.

Effective Date of "Exclusive Option to Purchase Agreement": _____, 2021.

The real property which is subject to the Option is a portion of the real property described as follows:

See Exhibit "A" attached hereto and by this
reference made a part hereof.

During the Option, the Owner shall not enter into any contracts to sell the real property which is subject to the Option to any party other than Option Holder.

The purpose of this Memorandum and Short Form of Purchase Option and Sale Agreement is to give record notice of the Option and of the basic rights and covenants created thereby, all of which are hereby confirmed but are more fully detailed in the actual Option between Option Holder and Owner. This Memorandum and Short Form of Purchase Option and Sale Agreement is also a memorandum or short form entered into to place all parties on notice of the rights and interests of the Option Holder and Owner created pursuant to the Option, as amended from time to time.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have caused this Memorandum and Short Form of Exclusive Purchase Option and Sale Agreement to be executed as of the Effective Date of Option.

“OPTION HOLDER”

DEERWOOD IMPROVEMENT ASSOCIATION, INC.
a Florida corporation

By: _____

Name: _____

Its: _____

Tax Identification No.: _____

“OWNER”

DEERWOOD COUNTRY CLUB, INC., a Florida
corporation

By: _____

Name: _____

Title: _____

Tax Identification No: _____

STATE OF FLORIDA

COUNTY OF DUVAL

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 20__, by _____, the _____ of **DEERWOOD IMPROVEMENT ASSOCIATION, INC.**, a Florida corporation, on behalf of the corporation. He/she (*check one*) ☐ is personally known to me, or ☐ has produced a valid driver's license as identification.

Print Name: _____
Notary Public
Commission Expires: _____
Commission Number: _____

STATE OF FLORIDA

COUNTY OF DUVAL

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 20__, by _____, the _____ of **DEERWOOD COUNTRY CLUB, INC.**, a Florida corporation, on behalf of the corporation. He/she (*check one*) ☐ is personally known to me, or ☐ has produced a valid driver's license as identification.

Print Name: _____
Notary Public
Commission Expires: _____
Commission Number: _____