

PURCHASE AGREEMENT

THIS AGREEMENT made by BOYNE RESERVE, LLC, a Michigan limited liability company, of 18777 N. Fruitport Road, Spring Lake, Michigan 49456, (herein called the "Seller"), and _____ (herein called the "Purchaser"),
Telephone: Phone: _____ Email: _____@_____
Address: _____
_____.

1. UNIT. Purchaser hereby agrees to purchase from Seller Unit No. _____ in Phase I of The Reserve, a condominium project to consisting of 144 residential building site condominium units located in the Township of Boyne Valley, Charlevoix County, Michigan (herein called the "Project") as shown on the site plan of the Project which has been reviewed and approved by Purchaser, together with the undivided percentage interest appurtenant thereto in the Common Elements of the Project as described in the Master Deed (the "Unit"). The Common Elements do not include the residence and associated improvements to be built within the Unit. The Unit, and Purchaser's rights thereto, will be subject to the terms of the Michigan Condominium Act (Act 59, Public Acts of 1978, as amended).

2. PAYMENTS. Purchaser agrees to pay to Seller the Purchase Price indicated below, at the time and in the manner stated below:

The Purchase Price shall be \$_____. Seller acknowledges receipt of \$_____ with the execution of this Agreement. The balance of \$_____ shall be due at closing.

3. CLOSING DATE. Closing to be held on or before _____, 2011

4. OTHER CONDITIONS. This Purchase Agreement will consist of this page and the Standard Conditions attached hereto and consisting of Sections 5 through 24, which are hereby incorporated by reference. Purchaser acknowledges that there are no other written or verbal understandings with respect to the purchase of the Unit by Purchaser except as set forth herein and that any verbal representations are invalid and non-binding.

ADDITIONAL TERMS: _____

The offer made by Purchaser in signing this Agreement is subject to acceptance by Seller within five (5) business days after the date hereof. If Seller does not accept this offer within such time period, the deposit will be returned and this offer will become null and void. Upon written acceptance by Seller, this Agreement will become a contract subject to the terms and conditions stated in this Agreement.

RIGHT TO CANCEL

YOU HAVE THE OPTION TO CANCEL YOUR CONTRACT OR AGREEMENT OF SALE BY NOTICE TO THE SELLER UNTIL MIDNIGHT OF THE SEVENTH DAY FOLLOWING THE DATE OF SIGNING THE CONTRACT OR AGREEMENT. THIS TERMINATION RIGHT IS IN ADDITION TO AND RUNS CONCURRENTLY WITH YOUR TERMINATION RIGHT UNDER THE MICHIGAN CONDOMINIUM ACT.

IF YOU DID NOT RECEIVE A LOT INFORMATION STATEMENT PREPARED PURSUANT TO THE RULES AND REGULATIONS OF THE INTERSTATE LAND SALES REGISTRATION DIVISION, U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, IN ADVANCE OF YOUR SIGNING, THE CONTRACT OR AGREEMENT OF SALE MAY BE CANCELED AT YOUR OPTION FOR TWO YEARS FROM THE DATE OF SIGNING.

Dated: _____, 2011

Purchaser(s):

Dated: _____, 2011

This offer is accepted by Seller.

SELLER:

BOYNE RESERVE, LLC

By: _____

Its: _____

**STANDARD CONDITIONS
TO
PURCHASE AGREEMENT**

5. Escrow Provisions. All sums received by Seller from Purchaser pursuant to this Agreement will be deposited with Corporate Title Agency of Michigan, LLC of 802 Bridge Street, Charlevoix, MI 49720, as escrow agent (or such other escrow agent qualified to serve as an escrow agent under the Michigan Condominium Act as may be substituted for said company by Seller) (the "Escrow Agent"), under a certain Escrow Agreement between Seller and contained in the Purchaser Information Booklet delivered to Purchaser, the terms of which, as modified by mutual agreement of Seller and the Escrow Agent so long as such modifications are consistent with the Michigan Condominium Act, are accepted by Purchaser who agrees to be bound thereby as though a party to said escrow agreement.

6. Cancellation Rights of Purchaser. THIS AGREEMENT WILL NOT BECOME BINDING ON PURCHASER AND PURCHASER MAY WITHDRAW WITHOUT CAUSE AND WITHOUT PENALTY BEFORE CONVEYANCE OF THE UNIT BUT NOT LATER THAN NINE (9) BUSINESS DAYS (INCLUDING THE DAY ON WHICH THE PURCHASER INFORMATION BOOKLET IS RECEIVED IF THAT DAY IS A BUSINESS DAY) AFTER THE SELLER PROVIDES TO THE PURCHASER A PURCHASER INFORMATION BOOKLET. If Purchaser will determine to so withdraw, Purchaser will notify Seller in writing of Purchaser's desire to withdraw, and thereupon all rights and liabilities of Purchaser and Seller hereunder will wholly cease and terminate and all payments previously paid by Purchaser will be refunded to Purchaser by Escrow Agent within three (3) business days after withdrawal by Purchaser. If Purchaser will not withdraw in accordance with the terms hereof, this Agreement will become binding upon the ninth (9th) business day following receipt by Purchaser of the Purchaser Information Booklet (including the day on which the Purchaser Information Booklet is received if that day is a business day).

7. Title. At closing, the Seller will execute and deliver to Purchaser a warranty deed conveying the Unit to Purchaser, subject to (i) current general real estate taxes; (ii) special city, township or county taxes or assessments for improvements not yet completed; (iii) all installments of any special or supplemental assessments that are a lien against the Unit but are not due and payable on the date of closing; (iv) easements, covenants and restrictions of record; (v) applicable zoning and building laws and ordinances; (vi) acts done or suffered by Purchaser; (vii) the Michigan Condominium Act, as amended; (viii) the Master Deed for the Project, including the Condominium Documents described in the Master Deed, as amended; and (ix) liens and other matters over which the title insurer commits to insure. Seller will provide Purchaser an owner's policy of title insurance in the amount of the purchase price of the Unit issued by a title insurance company designated by Seller insuring title subject only to the exceptions herein identified and the standard printed exceptions in the policy, which policy will be conclusive evidence that a good and merchantable title is being conveyed to Purchaser. Purchaser will pay the premium for a mortgagee's policy of title insurance if such title insurance is required by the Purchaser's lender, if any.

8. Closing and Settlement Costs.

A. Purchaser will pay mortgage costs and other closing costs agreed to be paid by Purchaser under this Agreement. Seller will pay the premium for an owner's policy of title insurance. Purchaser and Seller will each pay one-half of transfer taxes, fees for recording the deed and closing fees of the closing agent.

B. Real estate taxes and current installments of special assessments will be prorated as of the date of closing. Real estate taxes will be prorated on a due date basis as if paid prospectively on the basis of the last ascertainable tax bills.

C. At closing, Purchaser will deposit with Owner for payment to the Association (i) the pro rata share of the annual assessment for the Unit for the balance of the year of closing and (ii) an amount equal to fifty percent (50%) of that year's annual assessment (or \$425.00) for a unit as working capital for the Association. The working capital sum is non-refundable and will not apply toward any annual assessment.

9. Closing. Purchaser agrees to close the purchase and sale of the Unit at such place in Charlevoix County, Michigan or by mail and on such date as Seller will designate by written notice to Purchaser. The balance of the purchase price as set forth in Section 2 hereof and all other sums payable upon closing will be paid at closing with collected funds and will be disbursed in accordance with the terms of the Escrow Agreement referenced in Section 5.

10. Possession. Seller agrees to deliver possession of the Unit at the time of closing in its then "as-is" condition.

11. Condominium Owners' Association. The Reserve Condominium Association, a Michigan nonprofit corporation (the "Association"), has been organized for the purpose of operating and maintaining the Common Elements of the Project. All Co-owners of condominium units in the Project will become members of the Association and the collective Co-owners of each unit will be entitled to one vote with a value as described in the Master Deed. By executing this Agreement, Purchaser agrees to become a member of the Association and to be subject to and abide by all the terms, provisions and obligations contained in the Master Deed, Condominium Bylaws and Condominium Subdivision Plans of the Project and in the Articles of Incorporation and rules and regulations, if any, of the Association.

12. Assumption of Obligations. A Master Deed for the Project has been recorded in the office of the Register of Deeds of Charlevoix County, Michigan. Purchaser agrees that it will assume and hereby assumes as of the date of closing all obligations appurtenant to the Unit under the Master Deed, as amended.

13. Default. If Purchaser defaults in the performance of any of the payments or obligations required by this Agreement, all rights of Purchaser under this Agreement will, at the sole option of the Seller, terminate upon written notice from Seller to Purchaser. If Purchaser's rights terminate prior to the time this Agreement becomes a binding Purchase Agreement pursuant to Section 6 of this Agreement, or if Seller will default in any manner hereunder, and will fail to cure such default within thirty (30) days after written notice from Purchaser, all sums paid by Purchaser will be refunded to Purchaser and neither party will be obligated further. If Purchaser's rights are terminated after this Agreement becomes a binding Purchase Agreement, any amount paid by Purchaser toward the purchase price not to exceed fifteen percent (15%) of the purchase price may be retained by the Seller as liquidated damages, or Seller, at its option, may elect to pursue any legal or equitable remedy available to it under the laws of the State of Michigan. Tender of deed or purchase money will not be necessary where the other party has defaulted.

14. Time of the Essence. Time is of the essence of this Agreement and the words “date hereof” mean date of acceptance of this Agreement by Seller.

15. Assignability. Purchaser will not assign, set over or transfer this Agreement or any of Purchaser’s rights or interests hereunder without the prior written consent of the Seller, and at Seller’s option any such purported assignment will be void and of no effect.

16. Seller’s Warranty. PURCHASER AGREES THAT THE UNIT IS BEING PURCHASED IN ITS “AS-IS” CONDITION AND THAT SELLER HAS MADE AND MAKES NO REPRESENTATION OR WARRANTIES OF ANY NATURE, DIRECTLY OR INDIRECTLY, EXPRESS OR IMPLIED, AS TO THE SUITABILITY, DURABILITY, FITNESS FOR USE, MERCHANTABILITY, CONDITION OR QUALITY OF THE WORKMANSHIP OR MATERIALS OF THE PROJECT EXCEPT AS OTHERWISE STATED IN THIS SECTION. PURCHASER SPECIFICALLY WAIVES ALL RIGHTS TO MAKE CLAIM AGAINST SELLER FOR BREACH OF ANY WARRANTY OF ANY KIND WHATSOEVER EXCEPT THE WARRANTIES CONTAINED IN THIS SECTION AND APPEARING IN THE DEED CONVEYING THE UNIT TO PURCHASER.

All warranties set forth in this Agreement are solely for the benefit of the Purchaser and do not extend to any subsequent purchaser of the Unit.

17. Entire Agreement. This Agreement constitutes the entire agreement between the parties. No representations, warranties, undertakings, or promises, whether oral, implied or otherwise, can be made or have been made by either Seller or its agents or brokers, to Purchaser or anyone unless expressly stated herein or unless mutually agreed in writing by the parties. All amendments, supplements or riders hereto, if any, will be in writing executed by both parties and attached to this agreement. Purchaser will not record this agreement or any memorandum thereof.

18. Notices. All notices and demands made under this Agreement will be in writing and will be deemed received on the day following the day on which such notice is deposited in Michigan in the United States mail, postage prepaid first class or certified mail, return receipt requested, and addressed to Seller, or to Purchaser, at the respective addresses given herein, or to Purchaser’s attorney, or said written notices and demands may be made by personal delivery to either party or to such party’s attorney.

19. Usage of Terms. The pronouns and relative words used herein will be construed respectively to include the masculine, feminine and neuter genders, and the singular and plural numbers unless the context clearly indicates a contrary intention. “Business day” as used herein means a day of the year excluding a Saturday, Sunday, or legal holiday. “Purchaser Information Booklet” as used herein means the booklet prepared by Seller including copies of a Disclosure Statement for the Project, a Condominium Buyer’s Handbook, and the Master Deed of the Project recorded in the office of the Manistee County Register of Deeds.

20. Arbitration. At the exclusive option of the Purchaser, any claim which might be the subject of a civil action against the Seller which involves an amount less than Two Thousand Five Hundred Dollars (\$2,500.00), and arises out of or relates to this Purchase Agreement or the Unit or project to which this Agreement relates, will be settled by binding arbitration conducted by the American Arbitration Association. The arbitration will be conducted in accordance with applicable law and the currently applicable rules of the American Arbitration Association.

Judgment upon the award rendered by arbitration may be entered in a circuit court of appropriate jurisdiction.

21. Delays. If Seller will fail to perform any of its obligations hereunder on the date established for closing, then Seller will have a period of thirty (30) days to perform any such obligation or, at Seller's option, to provide written notice to Purchaser of Seller's election to terminate this Agreement whereupon all sums paid to date by Purchaser toward the purchase price hereunder will be returned to Purchaser and there after neither Purchaser nor Seller will have any further obligation to the other.

22. Private Roads. Purchaser acknowledges that all roads and drives within the Project are private roads which are not required to be maintained by the Charlevoix County Board of Road Commissioners. At Seller's request, Purchaser will sign an acknowledgment of these facts to be attached to the deed conveying the Unit to the Purchaser.