

RESERVATION AGREEMENT
Positano, a Condominium
Orange Beach, Alabama

Interested Purchaser: _____

Unit #: _____

Date of this Agreement: _____

Purchase Price: _____

THIS RESERVATION AGREEMENT (this "Agreement") between Positano, LLC, an Alabama limited liability company, ("Declarant") and Interested Purchaser identified above, sets forth Interested Purchaser's intent to purchase a condominium unit ("Unit") for purchase from Declarant, in a new condominium project planned to be constructed in Orange Beach, Alabama, on the Gulf of Mexico, and to be known as Positano, a Condominium ("Positano"). The purchase is in all respects subject to, and will be completed only in accordance with, the terms and provisions of a definitive purchase contract (the "Positano Purchase Contract"), which Positano Purchase Contract may be executed and delivered by Declarant and Interested Purchaser after Declarant has determined that any required federal and state disclosures and/or registration requirements have been satisfied and the preliminary plans and specifications for Positano are completed with the actual Unit specifically delineated thereon (the "Conditions").

1. Unit. If Declarant, in its sole discretion, determines that the Conditions have been satisfied, then Interested Purchaser, by execution of this Agreement, indicates Interested Purchaser's desire to reserve the right to execute a Positano Purchase Contract to purchase the Unit identified above. Interested Purchaser acknowledges having reviewed a NEED NOT BE BUILT site plan, floor plans, finish schedule, appliance specifications, and exterior elevations, but that this information and all other materials and information provided by Declarant to Interested Purchaser are preliminary in nature and are subject to modification at Declarant's sole and absolute discretion. This Agreement does not establish Interested Purchaser's priority for an opportunity to acquire a Unit, nor assure that Interested Purchaser will be given an opportunity to acquire a Unit. Interested Purchaser recognizes that this Agreement is a reservation solely with respect to a proposed condominium; and, accordingly, this Agreement is not an offer or agreement to purchase or sell any Unit and does not confer any lien upon, any interest in, any Unit or on the proposed Positano. Although Declarant's current intention is to develop Positano, Interested Purchaser understands and acknowledges that: (a) Declarant cannot provide any assurance or guaranty that it will in fact construct Positano; (b) circumstances may render Positano unfeasible or undesirable, and (c) any preliminary plans that have been provided to Interested Purchaser are very preliminary in nature and may change in material respects.

2. Purchase Price. The purchase price (the "Purchase Price") for the Unit is set forth above.

3. The Positano Purchase Contract. Provided neither Interested Purchaser nor Declarant has previously terminated this Agreement as provided in Section 5 or Section 6 below, Declarant will deliver the Positano Purchase Contract to Interested Purchaser for execution. Such Positano Purchase Contract will (a) reflect the Purchase Price for the Unit, and (b) contain such terms and conditions as Declarant shall determine in its sole and absolute discretion. It is contemplated that the amount of required earnest

money ("Escrow Deposit") will be \$_____ (representing _____ percent (___%) of the Purchase Price). Interested Purchaser has the right to receive an offering statement as required by the Alabama Uniform Condominium Act of 1991, as amended from time to time ("the Act"). Upon delivery of the Positano Purchase Contract, Interested Purchaser and Declarant will have fifteen (15) days to execute the Positano Purchase Contract (the "Execution Period"). The Positano Purchase Contract will provide that DEPOSITS MAY BE USED BY DECLARANT FOR HARD COSTS INCURRED IN THE ACTUAL BUILDING AND CONSTRUCTION OF THE CONDOMINIUM PROJECT PURSUANT TO SECTION 35-8A-410, CODE OF ALABAMA 1975; the detail, conditions and disclosure associated with the use of the Escrow Deposit will be more fully set out in the Positano Purchase Contract and the offering statement, but in connection with this use, Interested Purchaser hereby represents that Interested Purchaser is a Qualified Purchaser, as defined by the Act, and further defined as 1) an individual, a group of individuals, or an entity owned directly or indirectly solely by individuals where each individual shall have an income of more than Two Hundred Thousand and No/100 Dollars (\$200,000.00) for the calendar year immediately preceding the date of Interested Purchaser's signing of the Positano Purchase Contract, or a joint income with his or her spouse of Three Hundred Thousand and No/100 Dollars (\$300,000.00) for the calendar year immediately preceding the date of Interested Purchaser's signing of said Positano Purchase Contract, with a good faith reasonable expectation to maintain the same level of income for the current calendar year; or 2) an individual, a group of individuals, or an entity owned directly or indirectly solely by individuals where each individual shall have a net worth, either individually or jointly with his or her spouse, exceeding One Million and No/100 Dollars (\$1,000,000.00) on the date of Interested Purchaser's signing of the Positano Purchase Contract.

4. Reservation Deposit. Simultaneously with the execution of this Agreement, Interested Purchaser has paid Twenty Thousand and No/100 Dollars (\$20,000.00) (the "Reservation Deposit") to Southern Land Title, Inc. (the "Escrow Agent"), for deposit in escrow in a federally insured interest bearing account at a banking institution designated by Declarant, and in accordance with the escrow agreement between Declarant and Escrow Agent attached hereto as Exhibit "A" (the "Escrow Agreement"). Control of the Reservation Deposit will be governed hereby and by the Escrow Agreement. Any interest earned will become part of the Reservation Deposit. The Reservation Deposit must be made payable to the Escrow Agent and the Escrow Agent must provide a receipt to Interested Purchaser. If the undersigned timely executes the Positano Purchase Contract within the Execution Period, then upon the expiration of any statutory cancellation rights, the Reservation Deposit will be applied in full towards the earnest money deposit required under the provisions of the Positano Purchase Contract and this Agreement shall thereafter be null and void. In the event that any check for the Reservation Deposit (or any portion of the same) is returned for insufficient funds, has payment thereon stopped or does not clear for any reason whatsoever, this Agreement, may, in Declarant's sole discretion, be terminated, in which event, this Agreement will be null and void, and thereafter, Interested Purchaser will have no claim of any kind against Declarant.

5. Termination of Reservation Agreement by Interested Purchaser. At any time prior to execution of the Positano Purchase Contract, Interested Purchaser may terminate this Agreement by written notice to Declarant, in which event Interested Purchaser shall be entitled to an immediate and unqualified return of the Reservation Deposit, along with any interest earned, and Declarant shall immediately cause Escrow Agent to have the Reservation Deposit released and paid in full to Interested Purchaser. Should Interested Purchaser fail to execute the Positano Purchase Contract within the Execution Period, this Agreement shall automatically terminate, and Declarant shall immediately cause Escrow Agent to release the Reservation Deposit in full to Interested Purchaser.

6. Termination of Reservation Agreement by Declarant. At any time prior to the execution of the Positano Purchase Contract, Declarant shall have the right to terminate this Agreement for any reason whatsoever, including, but not limited to Declarant's determination, in Declarant's sole and absolute discretion, that it will not construct Positano, by providing written notice to Interested Purchaser in which event Interested Purchaser shall be entitled to an immediate and unqualified return of the Reservation Deposit, and Declarant shall cause Escrow Agent to release the Reservation Deposit (and any interest earned thereon) in full to Interested Purchaser.

7. Effect of Termination. Upon a termination authorized under this Agreement and return of the Reservation Deposit to Interested Purchaser, neither party shall have any rights or obligations to the other.

8. Confidentiality. Interested Purchaser agrees to keep strictly confidential all information concerning the Purchase Price, the Reservation Deposit and specific details of this Unit, and Interested Purchaser will not make any disclosure thereof to any third party (other than legal, financial and accounting advisors and potential financing sources). Interested Purchaser acknowledges that Interested Purchaser's breach of this Section 8 will cause irreparable and material loss and damage to Declarant as to which it will not have an adequate remedy at law or in damages and that accordingly, the issuance of an injunction or other equitable remedy in favor of Declarant is an appropriate remedy for any such breach in addition to such other rights and remedies as Declarant may have with respect thereto. This Section 8 will survive the termination of this Agreement.

9. Assignment. This Agreement is personal to Interested Purchaser and Interested Purchaser will not have the right to assign, transfer, pledge, mortgage or encumber this Agreement or its rights contained in this Agreement without Declarant's prior written consent, such consent to be given or withheld in Declarant's sole discretion, and any purported attempt to do so will be void and of no effect. Declarant shall have the right to assign its rights and obligations under this Agreement without Interested Purchaser's prior written consent.

10. Effective Date. The effective date is the date on which the last of Interested Purchaser and Declarant executes this Agreement.

11. Broker. Interested Purchaser represents and warrants to Declarant that Interested Purchaser has not consulted or dealt with any broker, salesperson, agent or finder other than Kathy Trice of Kaiser Sotheby's International Realty (individually and collectively referred to as "Seller's Listing Company") and _____ (the "Selling Company") (if this space is left blank or if there is some other indication that no other broker participated in this sale, it shall mean that Declarant has not agreed to pay any co-broker and that Interested Purchaser represents that there is no co-broker who can claim by, through or under Interested Purchaser), nor has the Interested Purchaser's expression of interest herein been procured by any real estate broker, salesperson, agent or finder other than Seller's Listing Company, and the Selling Company, if any, named herein, which Seller's Listing Company and Selling Company, if any, shall be paid in accordance with the terms of a separate written listing agreement. Interested Purchaser will indemnify and hold Declarant harmless for and from any person or company claiming otherwise. Interested Purchaser's indemnity and agreement to hold Declarant harmless includes, without limitation, Interested Purchaser's obligation to pay or reimburse Declarant for all commissions, damages and other sums for which Declarant may be held liable and all attorneys' fees and court costs actually incurred by Declarant (including those for appeals), regardless of whether a lawsuit(s) is actually brought or whether Declarant ultimately wins or loses. Interested Purchaser understands and agrees that,

if a Positano Purchase Contract is offered to Interested Purchaser, then at the time of execution of Positano Purchase Contract, no broker, salesperson, agent or finder other than as identified herein, shall be deemed a procuring cause of the Positano Purchase Contract, and that Interested Purchaser shall be obligated in the Positano Purchase Contract to indemnify Declarant against any other brokers, salespersons, agents or finders.

The listing company, Kathy Trice of Kaiser Sotheby’s International Realty, is:
(Two blocks may be checked)

- An agent of the Seller (Declarant).
- An agent of the Buyer (Interested Purchaser).
- An agent of both the Seller (Declarant) and Buyer (Interested Purchaser) and is acting as a limited consensual dual agent.
- Assisting the ___ Buyer (Interested Purchaser) ___ Seller (Declarant) as a transaction broker.

The selling company, _____, is:
(Two blocks may be checked)

- An agent of the Seller (Declarant).
- An agent of the Buyer (Interested Purchaser).
- An agent of both the Seller (Declarant) and Buyer (Interested Purchaser) and is acting as a limited consensual dual agent.
- Assisting the ___ Buyer (Interested Purchaser) ___ Seller (Declarant) as a transaction broker.

_____ Buyer (Interested Purchaser) Initials

_____ Seller (Declarant) Initials

12. Notices. All notices or other communications hereunder to either party shall be (i) in writing and shall be deemed to be given on the earlier to occur of (a) actual receipt or (b) the third business day after deposit of both the original and copy as provided below in a regularly maintained receptacle for the United States mail, by registered or certified mail, return receipt requested, postage prepaid, addressed as provided on each party's respective signature page. Notices may be given by overnight courier service, in which event, the notice shall be deemed delivered on the next business day. Notices may also be given by electronic mail, in which event, the notice shall be deemed delivered upon confirmation of delivery of said notice, provided a copy of such notice is deposited the same date with any nationally recognized airborne/overnight delivery service.

13. No Recordation. Interested Purchaser may not record this Agreement or any memorandum thereof in the real property records and any such recordation in violation of such restriction will automatically render this Agreement null and void.

14. Miscellaneous. This Reservation Agreement contains the entire understanding of the parties and supersedes any representations, stipulations, understandings, etc. not set forth herein. No amendment to this Agreement shall be binding unless in writing and signed by the parties.

15. No Profit Expectation. Interested Purchaser represents to Declarant that Interested Purchaser is not purchasing the Unit based on any expectation of profit or other economic benefit.

PURCHASER:

[If Interested Purchaser is an entity]:

Entity Name: _____

A _____

Entity Tax ID: _____

By: _____

Printed Name: _____

As its: _____

[If Interested Purchaser is an individual. Include both spouses, if applicable.]

Signature: _____

Signature: _____

Printed Name: _____

Printed Name: _____

Date: _____

Date: _____

Social Security Number: _____

Social Security Number: _____

*****Social is required for escrow purposes. Should you not want to include it you can contact _____ at BB&T at (____) ____-____.**

Address for Notice:

Phone: _____

Fax #: _____

Email: _____@_____

DECLARANT:

Date: _____

POSITANO, LLC,
an Alabama limited liability company

By: _____
Ryan Markle, as Manager

Address for Notice:

Positano, LLC,
180 Park Avenue North, Suite 2A
Winter Park, Florida 32789
ATTN: Ryan Markle
Phone: 407-392-2285
Email: markle@usa.net

With a copy to:

Byrd Campbell, P.A.
180 Park Avenue North, Suite 2A
Winter Park, Florida 32789
ATTN: James S. Campbell, Esquire
Phone: (850) 308-7440
Fax: (850) 308-7441
Email: jcampbell@byrdcampbell.com

ACKNOWLEDGEMENT OF ESCROW AGENT

Escrow Agent joins herein in order to evidence its agreement to perform the duties and obligations of Escrow Agent set forth herein and to acknowledge receipt of a fully executed copy of this Reservation Agreement.

Date: _____

ESCROW AGENT:

SOUTHERN LAND TITLE, INC,
An Alabama corporation.

By: _____
Alan Lusk, as President

Address for Notice:

Southern Land Title, Inc.
Attn: Alan Lusk
230 Courthouse Square
P. O. Box 773
Bay Minette, Alabama 36507
251-937-7186 (ph)
251-937-3688 (fax)
a.lusk@southernlandtitle.com

With a copy to:

Southern Land Title, Inc.
Attn: Tyler Scott, Attorney
7071 Stone Drive
Suite A
Daphne, AL 36526
251.626.7785 (ph)
251.626.7919 (fax)

EXHIBIT A
ESCROW AGREEMENT

POSITANO, A CONDOMINIUM

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (“**Escrow Agreement**”) dated as of the ____ day of _____, 2018, by and between Positano, LLC., an Alabama limited liability company, whose address is _____ (hereinafter called “**Developer**”), and Southern Land Title, Inc., an Alabama corporation, whose address is 230 Courthouse Square, Bay Minette, Alabama, and Post Office Box 773, Bay Minette, Alabama (hereinafter called “**Escrow Agent**”).

WHEREAS, prior to the execution of a binding purchase agreement on units in the condominium known as Positano, a Condominium, the Developer intends to accept reservations for the purchase of such units in accordance with the provisions of the Alabama Uniform Condominium Act of 1991.

WHEREAS, Escrow Agent has agreed to serve as the Escrow Agent for the deposit of the funds paid for said reservation;

NOW, THEREFORE, the Developer and Escrow Agent, in consideration of the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt of which is hereby acknowledged, agree as follows:

1. The Developer is in the process of marketing and listing for sale units in the condominium known as Positano, a Condominium (the “**Condominium**”), and Developer desires to establish an escrow account as required by the Alabama Uniform Condominium Act of 1991, with the Escrow Agent in which to deposit funds to be received for reservation of units in the Condominium.

2. Developer shall direct all persons entering into a reservation agreement with the Developer for the purposing of reserving a unit in the Condominium to make all deposits under said reservation agreement payable directly to Escrow Agent.

3. Developer shall deliver said deposit, an executed IRS form W-9 and a copy of the executed reservation agreement under the terms and conditions of which the deposit is made to the Escrow Agent who shall hold the deposit and the copy of the executed reservation agreement in escrow according to the terms and conditions of this Escrow Agreement.

4. Escrow Agent shall provide a receipt for the escrow deposit to the prospective purchaser, acknowledging that the deposit is being held pursuant to the requirements of Alabama Code § 35-8A-410.

5. Escrowed funds may be deposited in separate accounts or in one or more common escrow or trust accounts or commingled with other escrow or trust accounts handled or received by Escrow Agent. All funds held by the Escrow Agent shall be held in federally insured interest-bearing accounts in compliance with Code of Alabama § 35-8A-410, and any interest earned shall become part of the escrowed funds. The Escrow Agent shall furnish each prospective purchaser with a receipt in a timely manner setting forth the amount deposited in the account. The funds shall at all times be available for withdrawal in full by Escrow Agent.

6. Upon written request of the prospective purchaser made either directly to the Escrow Agent or to the Developer, Escrow Agent shall grant to the prospective purchaser an immediate, unqualified refund of the reservation deposit moneys, including any interest earned thereon.

7. No funds deposited under the terms and conditions of the Escrow Agreement shall be released to the Developer except as a down payment on the purchase price of the reserved unit simultaneously with or subsequent to the execution of a purchase agreement by a prospective purchaser, if so provided in the purchase agreement.

8. The Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine and may assume that any person purporting to give any written notice, advice or instructions in connections with the provisions hereof has been duly authorized to do so. The Escrow Agent acts hereunder merely as a depository and shall not be liable in any manner for the sufficiency and correctness as to form, manner and execution, genuineness or validity of any instrument deposited hereunder or under which it does act, or the identity or authority of any person executing or depositing same. The Escrow Agent's duties hereunder shall be limited to the safekeeping of such certificates, monies, instruments, or other documents received by it in its capacity as Escrow Agent hereunder, and for the disposition of the same in accordance with this Escrow Agreement and the written instruments accepted by it as Escrow Agent hereunder. In the event of any disagreement between the Developer, the Escrow Agent or any other person, including prospective purchasers having an interest in or claiming an interest in, the certificates, monies, instruments or other documents deposited pursuant hereto, resulting in adverse claims or demands being made with reference to such certificates, monies, instruments or other documents, the Escrow Agent may, at its option, continue to hold the same without liability until the rights of all adverse claimants have been adjusted and settled between the parties and the Escrow Agent has been so advised by all such interested parties in writing, or Escrow Agent may file an interpleader action in a court of competent jurisdiction.

9. Developer hereby agrees to defend and indemnify the Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees, or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Escrow Agent under this Agreement; and in connection therewith, to defend and indemnify the Escrow Agent against any and all expenses, including attorneys' fees and the costs of defending any action, suit or proceeding (including appeals) or resisting any claim. Escrow Agent reserves the right to choose its own attorneys. The Escrow Agent shall be vested with a lien on all funds, reservation agreements and other documents and papers which are deliverable to Developer under the terms of this Agreement, as well as a lien for indemnification against Developer, for attorneys' fees, court expense, fees or charges of any character or nature, which may be incurred by said Escrow Agent by reason of disputes arising between the Developer, and prospective purchaser and/or Escrow Agent as to the correct interpretation of this Agreement and/or instructions given to the Escrow Agent hereunder, or otherwise.

10. If any two parties shall be in disagreement about the interpretation of this Escrow Agreement, or about the rights and obligations, or the property, or any action contemplated by the Escrow Agent hereunder, the Escrow Agent may in its sole discretion, file an action in interpleader to resolve the dispute between Developer and prospective purchaser. The Escrow Agent shall be indemnified and defended by Developer for all costs and out of pocket expenses, including reasonable attorneys' fees, in connection with the aforesaid interpleader action and the Escrow Agent shall be fully protected in

suspending all or part of its activities under this Escrow Agreement until a final judgment in the interpleader action is received. Escrow Agent reserves the right to choose its own attorneys.

11. The Escrow Agent may consult with attorneys of its own choice and shall have full and complete authorization and protection from any action taken or suffered by it in good faith and in accordance with the opinion of such attorneys. The Escrow Agent otherwise shall not be liable for any mistakes of fact or error of judgment or for any acts or omissions of any kind unless caused by its willful misconduct or gross negligence.

12. The Escrow Agent may resign upon thirty (30) days written notice to the Developer. If a successor escrow agent is not appointed within this thirty (30) day period, then the Escrow Agent may petition the Court of the appropriate jurisdiction to name a successor escrow agent, and in any event, Escrow Agent shall be entitled to its reasonable attorneys' fees, costs and out of pocket expenses.

13. All notices and communications hereunder between the Developer and the Escrow Agent shall be in writing and shall be deemed to be duly given, if sent by fax transmission, e-mail or registered or certified mail, return receipt requested, to the respective addresses set forth hereinabove.

14. The rights created by this Escrow Agreement shall inure to the benefit of, and the obligations created hereby shall be binding upon, the successors and assigns of the Escrow Agent and Developer.

15. The Escrow Agent shall be reimbursed by Developer for all costs and out of pocket expenses, including attorneys' fees, incurred in connection with administering any and all of its rights and obligations under this Escrow Agreement.

16. This Escrow Agreement shall be construed and enforced according to the laws of the State of Alabama with venue over any action to enforce the terms of this Escrow Agreement to be solely in Baldwin County, Alabama.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have set their hands and seals as of the day and year first written above.

DEVELOPER:

Positano, LLC,
an Alabama limited liability company

By: _____
Ryan Markle, its Manager

STATE OF ALABAMA
COUNTY OF BALDWIN

The foregoing instrument was acknowledged before me this ____ day of _____, 2018, by Ryan Markle, as Manager of Positano, LLC, an Alabama limited liability company, on behalf of said company, who did not take an oath and who:

- ___ is/are personally known to me.
- ___ produced current _____ driver's license as identification.
- ___ produced _____ as identification.

(Notary Seal Must Be Affixed)

Notary Public

Name of Notary Printed

My Commission Expires: _____

Commission Number: _____

ESCROW AGENT:

SOUTHERN LAND TITLE, INC.,

An Alabama corporation.

By: _____

Alan Lusk, as President

STATE OF ALABAMA
COUNTY OF BALDWIN

The foregoing instrument was acknowledged before me this ____ day of _____, 2018, by Alan Lusk, as President of Southern Land Title, Inc., an Alabama Corporation, on behalf of said company, who did not take an oath and who:

___ is/are personally known to me.

___ produced current _____ driver's license as identification.

___ produced _____ as identification.

(Notary Seal Must Be Affixed)

Notary Public

Name of Notary Printed

My Commission Expires: _____

Commission Number: _____