

**RESERVATION AGREEMENT FOR A LOT IN
THE BOULDERS AT STONEY MOUNTAIN**

THIS RESERVATION AGREEMENT ("Agreement") is made and entered into this the _____ day of _____, 20____, by and between PETER M. BROWER PROFIT SHARING PLAN, dated January 1, 1984, and amended January 1, 2002, ("Developer") and _____ ("Prospective Buyer").

RECITALS

1. Developer is developing a planned community known as The Boulders at Stoney Mountain in Henderson County, North Carolina (the "Subdivision").
2. Developer desires to establish a procedure for prospective buyers to reserve an option to purchase a lot in the Subdivision.

TERMS

NOW, THEREFORE, in consideration of the mutual promises contained herein, and other good and valuable consideration, including the signing and sealing of this Agreement, the parties agree as follows:

1. *Reservation Procedure.* Prospective Buyer desires to purchase and Developer desires to sell and convey to Prospective Buyer a lot to be created by Developer in the Subdivision. Developer reserves the right to establish common areas and a homeowners' association in the Subdivision in accordance with the requirements of applicable government authorities, and to place such restrictions and obligations on the Subdivision lots as Developer deems appropriate. By execution of this Agreement and payment of the Reservation Deposit, described below, Prospective Buyer shall have reservation number _____. Upon Developer's release of lots for sale, Prospective Buyer shall have the option of selecting a lot from Developer's unsold inventory and entering into Developer's standard contract for the purchase of such lot. If a prospective buyer, who was a higher priority of selection than the undersigned Prospective Buyer, chooses to withdraw his or her reservation, then the undersigned Prospective Buyer shall move up in priority of selection. Developer shall resolve any disputes, in its sole discretion, arising out of the reservation procedure.

2. *Reservation Deposit.* Developer has not yet determined the purchase price for lots in the Subdivision. However, as consideration for this Agreement, the Prospective Buyer has paid a One-Thousand and 00/100 Dollar (\$1,000.00) Reservation Deposit to be held in escrow by Developer until its further disposition is determined in accordance with Developer's standard contract. If Prospective Buyer exercises the option to enter into a contract with Developer for a lot in the Subdivision, the Reservation Deposit shall be applied toward the earnest money deposit required in the contract. At the time of signing the purchase contract, Developer shall require an earnest money deposit of 10.0% of the sales price for the lot going under contract.

3. *Conditions Prior to Contract.*

- a. It is an express condition of this Agreement that Developer receive all approvals required from all local, state, and federal government agencies with jurisdiction over the Subdivision, and that Developer receive adequate financing to create the Subdivision. In the event Developer determines, in its sole discretion, the Subdivision is not feasible for any reason, Developer shall return the Reservation Deposit, without interest, to Prospective Buyer within 30 days, and this Agreement shall be terminated and all of Developer's obligations shall be considered discharged.
- b. Prospective Buyer shall have no obligation to purchase a lot in the Subdivision unless he or she enters into a purchase contract with Developer. Prior to execution of a purchase contract, Prospective Buyer may, for any reason, at any time, terminate this Agreement and receive a return of his or her Reservation Deposit without interest. Upon the return of the Reservation Deposit following Prospective Buyer's termination of this Agreement, all of Developer's obligations shall be considered discharged. Upon release of the lots for purchase, which date shall be determined in Developer's sole discretion, Developer shall present to Prospective Buyer a formal purchase contract. Prospective Buyer shall then have seven (7) days from receipt of the formal purchase contract within which to execute the purchase contract and make the additional earnest money deposit required. If Prospective Buyer fails to enter into a formal purchase contract with seven days, Developer shall have no further obligation to Prospective Buyer with respect to this Agreement and shall refund the Reservation Deposit without interest within 30 days.

4. *Assignment.* Prospective Buyer shall not assign this Agreement without the written consent of Developer.

5. *Miscellaneous.* This Agreement is non-binding and does not convey any legal or equitable interest in any real property located in the Subdivision. Prospective Buyer acknowledges that he or she is not relying on any oral representations of Developer or agents of Developer, and that this Agreement is the entire agreement between the parties. Prospective Buyer represents and warrants that he or she has not incurred any liability for any real estate agency, brokerage or similar services in connection with the transactions contemplated in this Agreement and agrees to hold Developer harmless from any expenses the Prospective Buyer may have incurred in connection with such services.

PROSPECTIVE BUYER:

_____ (SEAL)

_____ (SEAL)

Names: _____

Address: _____

Phone No. _____

Alt. Phone No. _____

E-mail _____

DEVELOPER:

PETER M. BROWER PROFIT
SHARING PLAN

By: _____
Peter M. Brower, Trustee