

PACIFICA VILLAGE SALE AND PURCHASE AGREEMENT

This Sale and Purchase Agreement is entered into and dated as of this _____(month) _____(day), of the 2007 (**hereinafter “The Effective Date”**), by and between Krista (first name) Marianne (second name) Kanter, of a single last name due to her American nationality, who is of age, married once, business woman, bearer of the U.S. passport number 306340256, who lives in Costa Rica, province of Puntarenas, County of Parrita (**hereinafter “The Proprietor-Seller”**), and _____, of a single last name due to his/her American nationality, who is of age, _____(marrital status), _____(occupation), bearer of U.S. passport number _____, who lives in _____ (**hereinafter “Buyer”**), hereinafter referred together as **The Parties**, have agreed to enter this Sale and Purchase Agreement governed by the laws of the Republic of Costa Rica, and the undergoing articles, conditions and parragraphs:

Whereas, **The Proprietor-Seller** is the owner of one real estate property duly recorded in the Real Estate Registry of the Costa Rican Public Registry, Province of Puntarenas under the registration number **SEVENTY SEVEN THOUSAND TWO HUNDRED AND FIFTY-ZERO ZERO ZERO (77,250)**, which has the following main characteristics: an area of thirteen thousand eight hundred ninety eight meters with three square decimeters (13898,03), which corresponds to the survey map registered under number P – 066178-1987, hereinafter and for the effects of this agreement known as the **MAIN PROPERTY**.

Whereas, **The Proprietor-Seller** is developing the **MAIN PROPERTY** described above as a condominium with up to thirty six (36) units and its common areas and elements, which is named “Pacifica Village” (hereinafter “**The Condominium**”). **The Condominium** will be governed under the Condominium Law of Costa Rica, and all the internal by-laws and aproved by the owners of the units.

Whereas, **The Condominium** will be formed by sixteen (16) condominium units and twenty (20) villas, each of them identified by a single number formed by a letter and a number. **The Condominium** will have as amenities a gated community with 24 hours security, on-site property rental and management program, one club house and one BBQ area, one swimming pool with sundeck, among others, as shown in the Plan attached as Exhibit A. The Exhibit A is signed and accepted by **The Parties** at **The Effective Date**.

Whereas, the **MAIN PROPERTY** is in a Trust, in which **The Proprietor-Seller** is the Trustor, Banco Improsa is the Trustee, and Banco Nacional de Costa Rica is the Trust Beneficiary in case of default of the credit. The purpose of this Trust is to provide financing for the development of **The Condominium**.

Therefore, The Parties in consideration of the articles, conditions and parragraphs set above and forth herein, agree as follows:

Article One: **The Proprietor-Seller** desires and promises to sell to **Buyer** and **Buyer** desires and promises to purchase from **The Proprietor-Seller** the condominium/villa

number _____, located at **The Condominium** that is being developed on the MAIN PROPERTY, hereinafter "**The Unit**", as shown in the Master Plan and Floor Plans attached as Exhibit B. **The Unit** is properly identified with its number, marked and pointed within a circle in the Master Plan attached to this contract, and **The Parties** completely agree on it. The Exhibit B is signed and accepted by **The Parties** at **The Effective Date**.

Article Two: The Unit will be built in accordance with the Master Plans, Floor Plans, and Individual Unit Plans designed by Alberto Reifer & Arquitectos firm, hereinafter "**The Architects**". **The Unit** will be built and finished fifteen months after **The Architects** mentioned in this paragraph obtained all the environmental, governmental and municipal permissions expressly established by the laws of the Republic of Costa Rica for the construction of such a development. **The Unit** will have a total property area of approximately _____ square meters and a construction area of approximately _____ square meters. Both areas will be adjusted and precised by the time the survey plans are made and properly registered in the "Catastro Nacional", and the exact dimensions will be defined by the time **The Unit** is finished and completed. **The Parties** agree, accept and declare to know that the areas of **The Unit** can change until its full construction completion and termination, and No liability will be claimed against The Proprietor-Seller nor against any developer or construction company of **The Condominium** if the areas of **The Unit** change at any time, particularly during the construction phase. **The Parties** agree, accept and understand the areas may vary from the original ones initially established by **The Architects** in the Master Plan and agreed upon.

Article Three: The transfer of **The Unit** will be clear of any liens, encumbrances, annotatinos, entries, that may affect full use and enjoyment of **The Unit**, except for those established by law or regulation for this kind of real estate developments or given its geographical location. **The Unit** will be registered and owned by a Costa Rican Commercial Entity provided by **The Proprietor-Seller**. By the closing date, an Attorney at Law chosen by **The Proprietor-Seller** will be in charge of incorporating the Commercial Entity to which the unit is registered, making the closing and handling all the duly documents that represent the ownership of **The Unit**. **The Proprietor-Seller** will proceed with the assignment, endorsement and conveyance of shares of the company that will be the registered owner of **The Unit**. The assignment of the shares will be made to the person or Costa Rican Commercial Entity indicated by **Buyer**. Any Attorney at Law can be provided by **Buyer** to review and represent his/her interests. All the closing fees are covered by **The Proprietor-Seller**.

Article Four: The purchase price of **The Unit** # _____ is _____. The closing costs must be payable in dollars, currency of legal tender in the United States of America, in accordance with the schedule set forth:

- a. **Buyer** will deposit (add "to Land America escrow account – **it's at the end of this articule**) the amount of five thousand dollars (\$5,000.00) by **The Effective Date**, in order to secure the property and represents a reservation deposit. This deposit

- will be refundable within the first fifteen business days (15) starting to count the immediate day after **The Effective Date**.
- b. The second deposit shall be made by **Buyer** the sixteenth business day (16) after **The Effective Date**. The second deposit will represent a thirty percent (30%) of the total price of **The Unit**. By the time the second deposit is paid as established hereto, the **Escrow Agent** will release to **The Proprietor-Seller** five percent (5%) of the total price of **The Unit** to finance the development of **The Condominium**. Once **The Proprietor-Seller** receives all the construction permits the remaining money (25%) will be transferred from the **Escrow Agent** to a Costa Rican bank account duly instructed in the Escrow Contract by **The Proprietor-Seller**, amount of money that will be used to develop **The Condominium**. At this point, only the money left from and out of the five percent (5%) of the total price of **The Unit** will be refundable. **Buyer** shall notify **The Proprietor-Seller** and the **Escrow Agent** in writing about his/her willing to terminate the contract, and receive the money left in the Escrow Account refunded. In case there is money to be refunded, the **Escrow Agent** will proceed to deposit it in the bank account **Buyer**, in writing, will instruct to the **Escrow Agent**, thirty (30) business days after **The Proprietor-Seller** has formally gotten the approval of the construction permits by the Municipality.
 - c. The third deposit shall be made by **Buyer** within ten (10) business days after the **Proprietor-Seller** has received the construction permits by the Municipality. The **Proprietor-Seller** will show copies of the permits to the **Escrow Agent** to get the duly amount of money mentioned above in this paragraph. The third deposit will represent a twenty percent (20%) of the total price of **The Unit**. At this point, money will not be refundable anymore at any time, and the total amount of money held by the **Escrow Agent** will be released and liquidated to the **The Proprietor-Seller** to keep the development of **The Condominium**.
 - d. The fourth deposit shall be made by **Buyer** to the **The Proprietor-Seller** by the time **The Unit** has the roof up. The fourth deposit will represent a thirty percent (30%) of the total price of **The Unit**.
 - e. The fifth deposit shall be made by **Buyer** to the **The Proprietor-Seller** at the time of the walk through. The fifth deposit will represent twenty percent (20%) of the total price of **The Unit**. The reservation deposit and first deposit mentioned in the paragraph "a" of this article will be deducted to the twenty percent (20%) Buyer has to pay and that is described hereto.

All and every deposit made by **Buyer**, according to the description above, will be made to and held in an Escrow Account. The Escrow Agent holding the money will be CTCA Escrow, Limitada (CTCA), LandAmerica-Commonwealth Title of Central America and COMMONWEALTH LAND TITLE INSURANCE COMPANY. A copy of the escrow agreement is attached hereto, and is part of the Exhibit C of this agreement. The Exhibit C is signed and accepted by **The Parties** at **The Effective Date**.

Article Five: In the event that **Buyer** desires to purchase any kind of title guarantee or insurance over **The Unit**, such costs shall be assumed entirely at his/her own expense.

Article Six: **Buyer** knows and with his/her signature in this agreement accepts and agrees **The Condominium** will be governed, ruled and operated under by-laws duly registered according to the Costa Rican Condominium Law, and will be managed by an Administrator. Every **Unit** in **The Condominium** and all its common areas and elements, and restricted areas will be governed, ruled and operated under the same by-laws. **Buyer** accepts there will be a maintenance fee to be covered on the unit purchased. This fee will be collected by the Administrator of the Condoniminum and the corresponding instructions of deposits per month/year and their procedures will be determined by the by-laws and condominium assemblies (owners). The total closing costs of **The Unit** include one year of maintenance fees for **The Condominium**.

Article Seven: Appliances and furniture offered to Buyers, make a list or add as an Exhibit
Not furnished, appliances included

Article Eight: This agreement shall be construed and interpreted according to the laws of the Republic of Costa Rica. All actions or causes arising out of this agreement shall be brought in the Republic of Costa Rica.

Article Nine: Either party should employ an attorney or attorneys to enforce any of the provisions hereof, or to protect its interest in any matter arising under this agreement, or to recover damages for the breach of this agreement, the party prevailing shall be entitled to payment by the other party of all reasonable costs, charges and expenses, including attorney's fees in the trial and appeal courts, expended or incurred in connection therewith by the prevailing party.

Article Ten: In all cases, **The Parties** hereby express that if closing does not take place for any reason directly or indirectly related to the **The Proprietor-Seller**, **The Proprietor-Seller** will apply the terms expressly approved in this Agreement and in the Escrow Contract attached to this agreement in the Exhibit C (Escrow Account Contract), and there will be no other liability and/or responsibility towards **Buyer** by **The Proprietor-Seller** or causes of action (of any kind) from **Buyer** against **The Proprietor-Seller**, and **The Proprietor-Seller** will not be held liable or responsible for any damages or losses of **Buyer** or third parties. If the payments according to the payment dates established in the Article Four of this agreement do not take place for any reason directly or indirectly related to **Buyer**, within ten business days after their expiration, **The Proprietor-Seller** will apply the terms of the this Agreement and the Escrow Contract. (In case of delays Buyer will pay 1% per month of the total amount of the deposit for that particular date – the penalty fee applies the day after of the payment date, and the 1% will be divided by the days of delay?)

Article Eleven: The parties agree and accept that any controversies or differences, claims or lawsuits, disputes or disagreements that could be related with the terms and conditions of this contract, its execution or interpretation will be solved by an arbitration process that will take place at the Chamber of Commerce of Costa Rica. **The Proprietor-Seller** will assign his/her arbitrator, **Buyer** will assign his/her arbitrator and the

Chamber of Commerce of Costa Rica will assign the third arbitrator that will be part of the process, who does not have to be related with either party. The three arbitrators will decide and apply the arbitration procedure to follow. Before starting the arbitration procedure, the three arbitrators will suggest **The Parties** to renegotiate and conciliate. If the dispute is not settled after the suggestion or proposal of conciliation, the arbitrators will proceed with the arbitration procedure as they agreed. The party affected, within ten business days (10) previous to initiating his/her controversy before the arbitral tribunal, will have to notify his/her disagreement to the other party in order to give an opportunity to settle a solution and an agreement to the problem that creates the dispute. If there is no agreement between **The Parties** during that lapse of time (10 business days), the party affected can proceed with the arbitration. The parties will not be able to act through judicial means, without having first depleted the arbitration procedure mentioned in this article. The arbitration award will have no further recourse or appeal, except for providing nullity.

Article Twelve: All the notices, request, demands or other communications hereunder shall be in writing and deemed to have been given only if hand-delivered.

The Proprietor-Seller: 50 meters east of Hotel Amapola, Jaco Beach, 2nd floor, office # 3, with Jonathan Glazer or Andres Marchevsky, fax number: _____

Buyer: 50 meters east of Hotel Amapola, Jaco Beach, 2nd floor, office # 3, with Jonathan Glazer or Andres Marchevsky, fax number: _____

Article Thirteen: This Agreement and the Exhibits attached hereto contain the entire agreement between the parties. There are no promises, agreements, conditions, undertakings, warranties or representations, oral or written, express or implied, between the parties other than as herein set forth. No amendment or modification of this Agreement shall be valid unless the same is in writing and signed by the parties hereto.