

ALEXANDRA RESORT & VILLAS LTD
Purchase Agreement
Pre -Construction

THIS AGREEMENT is made the ___ day of _____ 2006 **BETWEEN**
ALEXANDRA RESORT & VILLAS LTD., a company incorporated in the Turks and Caicos Islands with its registered office at P.O. Box 127, Richmond House, Providenciales, Turks and Caicos Islands (hereinafter called "the Vendor") **and** _____ (hereinafter called "the Purchaser")

W H E R E A S:

- (i) The Vendor proposes to construct on the Island of Providenciales in the Turks and Caicos Islands a condominium development comprising upwards to 176 condominium units in 4 buildings to be carried out in 3 phases.
- (ii) The Vendor is the registered proprietor of the parcel of land described in the Land Registry as Title Number 60804/118,119&120 on Providenciales upon part of which the Development is being undertaken by the Vendor in accordance with plans and specifications approved by the Physical Planning Board (PPB) of the Turks and Caicos Islands pursuant to the provisions of the Physical Planning Ordinance 1989;
- (iii) The condominium units will be sold as strata units, in accordance with the Registered Land (Strata Title) Ordinance 1971 (as amended) and absolute title to the said units shall include shares in the strata corporation holding title to all common property.
- (iv) The Vendor is desirous of selling and the Purchaser is desirous of purchasing one of the units in the project on the terms and conditions hereafter stated.

NOW IT IS HEREBY AGREED as follows:

1. **Definitions**

- 1. In this Agreement the following expressions shall where the context so admits have the following meanings:

"**Approved Plans**" means the plans, drawings, specifications, construction methods, techniques and materials to be used for the construction of the Development together with such other facilities as are required for the operation of the Development as approved from time to time by the PPB;

"**Architect**" means Martin E Lyn & Associates or such other architect as may be appointed by the Vendor from time to time;

"**Building**" means any structure situated on the Property in which condominium units are located;

"**Building X**" means the Building in which the Unit is located;

"**By-Laws**" means the bylaws of the Strata Corporation;

"Common Property" means the common property of the Strata Corporation as defined in section 2 of the Ordinance and in relation to the Development shall include the facilities in the locations and with the approximations, sizes and capacities shown in the Development Particulars.

"Completion" means completion of the sale and purchase of the Unit in the manner specified in Clause 8;

"Deposit" means the initial sum payable under Schedule 3 on signature of this Agreement;

"The Development" means the totality of the phased condominium development known as The Alexandra Resort comprising the condominium development, and a time share development on a site of approximately 9.46 acres with attendant amenities and facilities as more particularly shown on the Site Plan.

"Development Particulars" means the particulars set out in Schedule 1;

"Escrow Agent" means Attorneys for the Vendors.

"Force Majeure" means any event or circumstance whether arising from natural cause, human, agency or otherwise beyond the control of the Parties including insofar as beyond such control, Acts of God, riots, strikes, civil commotion or warlike operation, natural disasters, unavailability of shipping or building supplies;

"Furniture" means the furniture as listed in the Unit Particulars;

"General Conditions" means the Vendor's general conditions of development annexed as Schedule 6;

"The Resort Management Agreement" means the agreement for the management of the Common Property to be entered into between the Management Company and the Strata Corporation substantially in the form of **Schedule 4**;

"Maintenance and Rental Agreement" means the agreement to be entered into between the Management Company and the Purchaser for maintenance and rental of the Unit substantially in the form of **Schedule 5**;

"Management Company" means Millennium Management Ltd.

"The Ordinance" means the Registered Land (Strata) Titles Ordinance 1971;

"Phase" means a phase of the Development as more particularly specified in the Development Particulars;

"Property" means the land comprised in title numbers 60804/118 & 119 part except the retained property.

"Retained Property" means the areas of the Property to be retained by the Vendor for the purposes specified in the Development Particulars and not included in the Strata Plan;

"Strata Corporation" means the statutory corporation to be registered pursuant to the Ordinance, which will hold title to the Common Property;

"Strata Plan" means the plan in respect of the Development required to be filed under Section 7 of the Ordinance;"

"The Unit" means the condominium unit to be purchased by the Purchaser as more particularly described in the Unit Particulars, being the unit at the _____ end of the Building on the --- ----- floor marked unit ----- on the drawing attached at the Unit Particulars. Other references to a unit or units in this Agreement shall mean all or any of the condominium units in the Development or a Phase thereof;

"Unit Particulars" means the particulars set out in Schedule 2;

2. **Agreement for Sale/Purchase**

2.1 The Purchaser agrees to purchase and the Vendor agrees to sell the Unit on the terms, conditions and General Conditions set out in this Agreement and its schedules.

2.2 The Unit shall be sold according to the description set out in the Unit Particulars.

2.3 The Purchaser has chosen to purchase the furniture package set out in schedule 2 for the sum of \$ _____ on such terms and conditions as shall be agreed between the Parties.

3. **Purchase Price and Payment**

3.1 The purchase price for the Unit and the terms of payment therefore are as set out in Schedule 3. Interest shall be charged at the rate of 10.5% on payment not received within 14 days of demand having been made.

3.2 The Deposit shall be immediately released to the Vendor upon execution hereof.

3.3 All further sums payable hereunder pursuant to Schedule 3 shall be paid by transfer to the Vendors account No1273806 with First Caribbean International (Bahamas) Ltd. or by cheque made out in favour of the Vendor and drawn on any Turks and Caicos branch of any Bank licensed and operating in the Turks and Caicos Islands, and the Purchaser acknowledges that the same may be used by the Vendor in the construction of the Development.

4. **Vendor's covenants**

4.1 The Vendor covenants with the Purchaser:

4.1.1 To carry out Phase 3 of the Development substantially in accordance with the Development Particulars and the Approved Plans. Phase 3 shall comprise the following: Building X; infrastructure and landscaping around building X;

4.1.2 To construct and equip the Unit and the Building of which it forms part substantially in accordance with Unit Particulars including the specification schedule for furnishing at Schedule 1 and the Approved Plans;

4.2 A copy of the proposed plans and specification is available for inspection at the office of The Alexandra Villa & Resorts Ltd in Providenciales.

5. **Maintenance and Rental Agreement**

5.1 The Purchaser acknowledges if he chooses to rent the unit the Management Company will manage the rental of all units on behalf of owners and accordingly agrees that should he wish to rent the unit on Completion he will enter into the Maintenance and Rental Agreement substantially in the form of Schedule 5.

6. **Management of Common Property**

6.1 The Purchaser hereby confirms that:-

6.1.1 it has reviewed the Management Agreement.

6.1.2 it understands that the Strata Corporation is obliged to pay fees to the Management Company and that the Management Company is an associated company of the Seller.

6.2 The Purchaser will upon Completion be responsible for prompt payment of monthly or periodic charges, calculated on a pro rata basis, to cover common expenses relating to the Common Property (such as, but not limited to, management and administration, premiums for casualty, liability and other insurance and maintenance and repair).

7. **Utilities and Related Charges**

7.1 At Completion Purchaser shall pay to the Vendor all deposit and/or connection charges in relation to provision of electricity and telephone and cable TV facilities to the Unit

7.2 The Purchaser further undertakes to pay all consumption costs in relation to the supply of water and electricity at the Unit and suppliers charges in respect of cable TV and telephone from the Completion date.

8. **Completion**

8.1 Completion shall occur within twenty one (21) days of the Vendor delivering to the Purchaser notice that the Vendor has received a Certificate of Occupancy in respect of Building X. Completion shall take place at the offices of the Vendor's Attorney, Misick and Stanbrook, P.O. Box 127, Richmond House, Providenciales, Turks and

Caicos Islands. Vacant possession of the Unit shall be given to the Purchaser at the time of Completion.

8.2 On Completion, in exchange for payment of all monies payable pursuant to the terms hereof to the Vendor or the Vendor's Attorneys, the Vendor shall deliver to the Purchaser or its Attorneys the following documentation which shall be executed by the Vendor or the Management Company as the case may be and by the Purchaser where applicable:

8.2.1 a registerable transfer of absolute title to the Unit subject to the terms and conditions of this Agreement;

8.2.2 a registerable easement over the assigned parking spaces as at Schedule 7;

8.2.3 discharge of any charges on title (if applicable);

8.2.4 the bill of sale in respect of the Furniture (if applicable);

8.2.5 the Management Agreement;

8.2.6 a copy of the certificate of occupancy;

8.2.7 a copy of the title of parcel number 60804/119 (or any mutation thereof) showing the Strata Corporation as registered proprietor;

8.2.8 a copy of the applicable Strata Plan as registered;

8.2.9 a copy of the By-laws as registered;

8.2.10 a copy of the insurance policy in respect of the Property.

8.2.11 Easements substantially in the form attached hereto at Schedule 7 for the amenities available for use by the Purchaser within the Development.

9. Default by the Parties

9.1 Should the Purchaser fail to make any of the payments provided for, refuse to execute the instruments required to complete this transaction or otherwise default hereunder and shall fail to correct such default within fifteen (15) days after the Vendor has given (or sent) the Purchaser a written notice of such default, then without prejudice to any other remedy available to the Vendor, the Vendor may at the Vendor's option; declare this Agreement terminated and obtain and retain the Deposit paid by the Purchaser as liquidated and agreed damages which the Vendor shall have sustained as a result of the Purchaser's default and thereupon the parties hereto will be relieved from all obligations hereunder

9.2 If the Vendor fails to complete Building X by _____, or to complete construction of the Unit with certificate of occupancy by _____ the Vendor shall at the option of the Purchaser, be obligated to return to the Purchaser, all monies paid by the Purchaser together

with any interest accrued thereon. The Vendor shall make such refund payments in no more than thirty days from the date of the election by the Purchaser to take receipt of all payments. Upon acknowledged receipt of the funds by the Purchaser, this Agreement shall terminate absolutely. It is agreed, however, that the right of termination on the part of the Purchaser, is without prejudice to its other rights at law or in equity, including but not limited to the right to call for specific performance of the contract in the event of default by the Vendor.

10. **Interpretation**

- 10.1 References to a clause schedule or paragraph are references where the context so admits to a clause or paragraph of a schedule in this Agreement.
- 10.2 Clause and paragraph headings in this Agreement are for ease of reference only and shall not be taken into account in the construction or interpretation of the clause or paragraph to which they refer.
- 10.3 Words importing the singular meaning where the context so admits include the plural meaning and vice versa.
- 10.4 Words of the masculine gender include the feminine and neuter genders and words denoting natural persons include corporations and firms and all such words shall be construed interchangeably in that manner.
- 10.5 Words denoting an obligation on a party to do any act matter or thing include an obligation to procure that it be done and words placing a party under a restriction include an obligation not to permit infringement of the restriction.

11. **General**

- 11.1 The Purchaser is responsible for any and all liabilities associated with its ownership of the unit not otherwise covered by this Agreement and the Management Agreement. Such liabilities include, but are not limited to, payment of mortgages, taken out by the Purchaser to finance acquisition of the Unit.
- 11.2 The Vendor shall ensure that prior to commencement of Phase 2, a contractor's all risk policy of insurance shall be in place. A copy of such Certificate of Insurance shall be provided to the Purchaser.
- 11.3 The parties agree that all prior understandings and agreements are superseded by and are merged into this Agreement. No oral representations, claims, or inducements made by the Vendor or by the Vendor's agents or representatives shall be binding on the Vendor unless set forth in this Agreement. The provisions of this paragraph shall survive closing.
- 11.4 The parties agree that time is of the essence in connection with this Agreement.
- 11.5 This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors, heirs and assigns. The Purchaser may not, however, assign this Agreement to

any other person, persons, or entity without first obtaining written consent from the Vendor such consent not to be unreasonably withheld.

- 11.6 This Agreement shall be amended only by written agreement executed by all parties.
- 11.7 This Agreement shall be interpreted and governed in all respects according to the law of the Turks and Caicos Islands whose courts shall have exclusive jurisdiction of any matters arising relative to this Agreement.
- 11.8 If two or more persons are named as Purchaser herein, the Purchasers shall designate one among them as authorised agent to act for the other(s) with the right to bind the other(s) in all matters with respect of this Agreement.
- 11.9 By giving at least fifteen (15) days written notice to the Vendor prior to Completion, the Purchaser may take title to the Unit in the name of a corporation.

12 **Notice**

Notice to either party shall be deemed as properly given when sent by registered airmail, telegram, courier service, or facsimile transmission. Said notices are to be addressed as follows:

- (a) If to the Vendor **Alexandra Resort & Villas Ltd.**, c/o Misick and Stanbrook, Richmond House, Providenciales, Turks and Caicos Islands.
- (b) If to the Purchaser at _____

IN WITNESS WHEREOF, the Purchaser and the Vendor have executed this Agreement at the date set opposite their names. This Agreement shall have effect when executed by both Purchaser and Vendor.

**Signed on behalf of
ALEXANDRA RESORT & VILLAS LTD**

By: _____
DIRECTOR

PURCHASER

WITNESS

Sample

SCHEDULE 1
Development Particulars

General Description

The overall mixed use development known as the Alexandra Resort and Spa is proposed to comprise of a total 32 Timeshare Units and 176 Private Ownership Condominiums.

The Condominium Development comprises 176 units in 4 buildings, including the 38 unit building (Block X) containing the purchaser's unit.

Other Resort facilities already open for use include the swimming pool, pool bar and restaurant and water sports equipment

Form of Construction and Materials

Concrete block construction with stucco finish to exterior, interior, painted sheet rock finish, porcelain flooring, vaulted ceiling, stainless steel appliances, central air-conditioning and ceiling fans, phone, high-speed internet, cable TV and an elevator to each building.

Amenities and Facilities planned within overall development

Swimming pool with poolside Bar and Restaurant
Full service restaurant
On site property management – 24 hours
Private security service
Flood lit two tennis courts
Fitness centre and spa
Water sports

Construction Completed to date

Timeshare Development Block A and associated infrastructure, car parking and landscaping
Swimming Pool
Pool side bar and restaurant
Reception
Main Beach access
Building K and Building Z and associated infrastructure, car parking and landscaping.

Condominium Construction Phases

Phase 1

Building K comprising 20 units, two storey car park, and all associated site infrastructure and landscaping. Two tennis courts will also be completed as part of the overall resort amenities and temporary spa facility.

Phase 2

Building Z comprising 40 units and associated site infrastructure and landscaping works.

Phase 3

Buildings comprising 116 units

Fitness centre and spa

Second swimming pool and café

Additional car parks, administrative offices and associated infrastructure and landscaping

sample

SCHEDULE 2

Unit Particulars

1. **GENERAL DESCRIPTION**

A concrete structure of approximately _____ square feet total including terrace containing the following amenities: AC & ceiling fans, phone fax, cable TV and other amenities as shown in the architectural plans.

2. **FLOOR PLAN**

- As attached

3. **FURNITURE & FIXTURES**

- As attached

4. **SITE PLAN**

- As attached

5. **PARKING SPACES**

- One Per Unit

sample

SCHEDULE 3

Purchase Price and Payments

The Purchase price of the Unit is US\$_____ payable as follows:

10% upon execution of this Agreement (**the deposit**). \$

20% upon completion of Foundation of the building as certified by the Architect \$

15% upon completion of Walls to belt beam level as certified by the Architect \$

15% upon completion of the roof as certified by the Architect \$

Balance on Completion & Occupancy \$

Total \$

Furniture Package – [optional or of \$_____ included above]

Interest will be charged at the rate of 10.5% on any sums not paid within 14 days of demand.

SCHEDULE 6
GENERAL CONDITIONS OF DEVELOPMENT

1. The Vendor reserves the right to make such changes in the development plans and documents as Governmental Authorities having jurisdiction over the property, the Vendor, and the construction or mortgage lenders require or deem necessary.
2. The Vendor reserves the right to make architectural, structural, or design modifications or changes in the unit and/or improvements to or about the common elements and the recreational facilities as the Vendor deems necessary or desirable, and in the material, appliance, and equipment contained therein, and the Purchaser agrees to complete the purchase notwithstanding any such modifications, changes, or substitutions, provided that no such changes shall result in the purchase price of the subject unit being increased or in the diminution of the square foot area of the unit, and in a significant decrease in the value of the Unit.
3. The Vendor reserves the rights to subdivide mutate and consolidate any parcel forming part of the Property.
4. The Vendor may without the Purchaser's consent make such changes in the documents relating to the Strata Plan, as Governmental Authority may deem necessary or advisable.
5. The Purchaser shall not object to any amendment of the Strata Plan at the expense of the Vendor, to include any future phases of the development including the Common Property and facilities.
6. No objection shall be made by the Purchaser in respect of the ownership or location of any boundary, fence or wall separating the Unit or Building of which it forms a part from any adjoining land or the existence of a party wall as a part of the boundary of the said building, nor to the existence of or passage through or over the said building or any land adjoining of any main pipes or wires or connections of any water, sewerage, drainage, gas, electricity, telephone, or other systems or service whether to the said Building or any property adjoining the parcel or jointly to both or otherwise.
7. Provided the Vendor materially observes its undertakings and performs its obligations hereunder the Purchaser hereby agrees not to object to the progressive development of the Phases of the Development or to the amendment of the Strata Plan or the subsequent merger of the Strata Plan with any other strata plan (at the expense of the Vendor) to include such Phases of the Development or an expansion of the Development as and when such Phases or expansions are completed. Provided the value of the Unit is not adversely affected the Vendor may, at the Vendor's sole discretion, but without prejudice to the Vendor's obligations to complete Phase I curtail or modify the Development including the Phase containing the Unit and including but not limited to modifications to Unit type and Unit mix
8. The Purchaser shall not be entitled to make objection or claim for compensation by reason of any alteration in the number size, location or unit entitlement of any other Unit or Units comprised within the Strata Plan or any amendment thereof (or any other strata plan forming part of the Development) or in or to the Common Property or in or to the Strata Plan (or any other strata plan forming part of

the Development), provided that such alteration does not have any detrimental effect on access to or views from the Unit.

9. In the event that the Vendor lodges or elects to create one or more Phase Strata Plans but subsequently elects not to proceed beyond Phase I, the Purchaser hereby consents for the purpose of section 15D of the Ordinance to any amendment to the Strata Plan so as to delete any future Phases of development and to reduce the Common Property to those shown as part of Phase I.
10. The Vendor shall prepare and obtain registration of the Strata Plan in relation to the Development. The Strata Plan may either consist of a Complete Strata Plan showing the whole of the Development or a series of Phase Strata Plans in relation to each phase of the Development as provided for under the Ordinance.
11. The Purchaser will be bound by the By-Laws of the Strata Corporation, which may be amended from time to time in accordance with the laws of the Turks and Caicos Islands.
12. Should any valid objection to or valid requisition on the title be insisted on by the Purchaser which the Vendor shall be unable or unwilling at its sole option to satisfy or comply with, the Vendor may by notice in writing to the Purchaser give notice of the Vendor's inability to satisfy the said objection or requisition and if the said objection or requisition is not withdrawn in writing by the Purchaser within seven (7) days thereof, the Vendor may at its sole option rescind this Agreement, whereupon the Purchaser shall be entitled to the return of any monies paid hereunder and the Purchaser shall accept the same in full satisfaction of all claims under this Agreement and this Agreement shall thereupon be terminated and neither party shall have any further rights of action or claim of any nature against the other.

Notwithstanding the foregoing, the Purchaser shall not be entitled to make any objection to or requisition on title any later than seven (7) days prior to Completion, and if no such objection or requisition on title is made within the required time period, then the Purchaser shall be deemed to have no objections or requisitions on title.