

AGREEMENT OF PURCHASE AND SALE

This **AGREEMENT OF PURCHASE AND SALE** (this "Agreement") made and entered into as of the _____ day of _____, 20____ (the "Effective Date") by and between Anchorage Investments, Ltd., a Louisiana limited partnership, ("SELLER") and _____ ("PURCHASER"), whose mailing address is _____:

1. THE PROPERTY:

SELLER agrees to sell to PURCHASER and PURCHASER agrees to purchase from SELLER the following described condominium parcel in the Parish of St. Tammany, State of Louisiana: Unit No. _____ (the "Unit"), Building No. _____ (the "Building") together with and including an undivided _____% interest in and to the Common Elements of The Anchorage - A Condominium, and such rights of use of any Limited Common Elements of The Anchorage - A Condominium as are now or hereafter assigned to the Unit in the Declaration (as hereinafter defined), a Louisiana condominium regime established by SELLER in accordance with the Public Offering Statement delivered or to be delivered to PURCHASER.

2. PURCHASE PRICE AND DEPOSIT:

- A. UNIT PURCHASE PRICE: \$_____, all cash to SELLER.
- B. DEPOSIT TOTAL: \$_____

PURCHASER's deposit consisting of the greater of (i) one percent (1%) of the Total Purchase Price or (ii) One Thousand (\$1,000.00) Dollars, paid and delivered in the form of a certified or cashier's check payable to "Talbot Realty Group," as SELLER'S agent, to be delivered upon execution of this Agreement by PURCHASER, the receipt of which is hereby acknowledged by Prudential Gardner, Realtors who shall hold the certified or cashier's check (subject to collection of funds) (hereafter the "Deposit").

3. FINANCING:

A Financing Addendum [] is [] is not attached and annexed hereto. Except as set forth on the financing Addendum, if attached hereto, PURCHASER'S obligations under this Agreement are not contingent upon PURCHASER'S ability to obtain financing for any portion of the Total Purchase Price.

4. CLOSING:

This transaction will be consummated at the "closing" which shall occur on the "Closing Date", as hereinafter defined. The Closing Date shall be on or before _____. **SELLER SHALL DESIGNATE THE TIME AND LOCATION OF THE CLOSING AND THE CLOSING NOTARY IF SAID CLOSING NOTARY IS APPROVED BY PURCHASER'S LENDER.**

- A. At closing SELLER shall:

1. Convey, or cause to be conveyed, to PURCHASER a good and merchantable title to the Unit and all appurtenances appertaining thereto, subject to the following:
 - a) The terms and conditions of the Declaration together with any amendments thereto and all exhibits attached thereto, all of which are included in the Public Offering Statement.
 - b) Any and all laws, ordinances or regulations imposed by any governmental agency.
 - c) Any and all acts done or suffered by PURCHASER.
 - d) Encroachments of other units in the Building, if any.
 - e) La.R.S. 9:1121, et seq. (Louisiana Condominium Act).
 - f) Any mortgage on the Unit executed by PURCHASER.
2. Pay any real estate transfer or documentary transaction tax imposed by the State of Louisiana, Parish of St. Tammany, City of Slidell or any other governmental agency upon or in connection with the transfer or encumbrance of the Unit.
3. Furnish to PURCHASER at PURCHASER's expense, an Owner's Policy of Title Insurance (ALTA Owner's Form-1992) in the amount of the Total Purchase Price, containing exceptions for those matters set forth above and containing also the standard printed exceptions.

B. At closing PURCHASER shall:

1. Pay SELLER the balance of the Total Purchase Price, subject to a credit of the cash deposit.
2. Pay all utility deposits, including electric, gas (if applicable), telephone and cable for the Unit.
3. Pay to The Anchorage Association, Inc. (the "Association") a sum equal to three (3) months assessments (the "Assessment") based upon the Annual Budget then in effect as the Unit's contribution to the Capital Reserve Fund to be established by SELLER pursuant to Article VII of the Declaration. The amount of the Assessment to be collected at Closing shall be \$_____.

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4. Pay to SELLER or the Association, as appropriate, PURCHASER'S share of taxes, and other proratable items, which shall be prorated as of the date of closing based on the common element interest of the Unit being purchased.
5. Pay all usual and customary PURCHASER's closing costs (including premiums for any policy, owner's or mortgagee's title insurance desired by PURCHASER or required by PURCHASER'S Lender) and all prepaid or escrow items required of PURCHASER.

6. Execute a voting certificate designating the person authorized to exercise the voting privileges assigned to the Unit in the affairs of the Association.
 7. Pay to SELLER, if previously advanced, or to the Association, PURCHASER'S pro-rata share of the current monthly assessment for Common Charges based upon the Initial Budget.
- C. Real estate and tangible personal property taxes, if any, and any other items customarily prorated are to be adjusted as of the Closing Date. Real estate taxes shall be prorated on the basis of the last ascertainable tax bill. If the last ascertainable tax bill is assessed on the entire Condominium Property, then the tax on the Unit shall be computed by multiplying the total tax bill by PURCHASER'S percentage of the Common Elements. If the Condominium Property is taxed as a whole, PURCHASER shall pay to SELLER or the Association, upon receipt of a bill, PURCHASER'S proportionate share of such taxes accruing after the Closing Date.

5. THE UNIT:

Each Unit shall include, and accordingly the Unit Owner shall be responsible for, all space and improvements between the horizontal and vertical boundaries described in the Condominium Declaration above and as shown on the Building Plan, including all cabinetry, appliances, interior partitions and interior walls, but the alteration of such interior partitions, ceiling, and floors of the Unit by Unit Owners and Occupants shall be subject to the restrictions contained in the Condominium Declaration.

Each Unit shall also include all electrical, water, telephone, intercom, air-conditioning, heating, and other utility and service equipment not owned by third parties and serving the particular Unit exclusively.

6. CONDITION OF UNIT:

ALL UNITS ARE SOLD, AND THE CONDOMINIUM PROPERTY IN GENERAL IS PRESENTED TO ALL PROSPECTIVE PURCHASERS, AS IS, WITHOUT ANY WARRANTY WHATSOEVER, WHETHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY SUCH WARRANTIES WITH RESPECT TO FITNESS FOR INTENDED PURPOSE OR ANY SUCH WARRANTIES AGAINST VICES AND DEFECTS, EVEN HIDDEN OR LATENT DEFECTS THAT COULD NOT BE DISCOVERED BY AN INSPECTION, INCLUDING BUT NOT LIMITED TO TERMITES, MOLD AND MILDEW. THE FOREGOING WAIVER INCLUDES BUT IS NOT LIMITED TO A WAIVER OF ALL RIGHTS OR REMEDIES ON ACCOUNT OF REDHIBITORY VICES OR DEFECTS, CLAIMS OR ACTIONS *IN QUANTI MINORIS*, OR CLAIMS OR ACTIONS FOR THE RETURN OF ALL OR ANY PART OF THE PURCHASE PRICE OF THE UNIT. THE PURCHASER OF ANY UNIT SHALL HAVE FULL OPPORTUNITY TO INSPECT THE UNIT AND THE CONDOMINIUM PARCEL, PERSONALLY OR THROUGH EXPERTS OF THE PURCHASER'S CHOICE.

COMMENCING THE FIRST DAY AFTER THE ACCEPTANCE OF THIS AGREEMENT BY BOTH PARTIES, PURCHASER AND/OR HIS/HER REPRESENTATIVES SHALL HAVE THE RIGHT TO FULLY EXAMINE AND INSPECT THE UNIT AND ENTIRE BUILDING FOR A PERIOD OF **FIFTEEN (15) DAYS**. PURCHASER ACKNOWLEDGES AND AGREES THAT AFTER THE INSPECTION PERIOD AND UNLESS SELLER IS

ADVISED TO THE CONTRARY, THAT THEY ARE SATISFIED WITH THE PHYSICAL CONDITION OF THE PREMISES IN ALL RESPECTS, INCLUDING BUT NOT LIMITED TO, ANY VISIBLE OR HIDDEN TERMITE INFESTATION AND RESULTANT DAMAGE THEREFROM, AND THAT SAME IS ACCEPTABLE TO PURCHASER "AS IS" AND THAT PURCHASER IS NOT RELYING UPON ANY REPRESENTATION, STATEMENTS OR WARRANTIES THAT HAVE AT ANY TIME BEEN MADE BY SELLER, OR ITS AGENTS, AS TO THE PHYSICAL CONDITION OR STATE OF REPAIR OF THE PREMISES IN ANY RESPECT, AND THAT THE PURCHASE PRICE TAKES INTO CONSIDERATION THE CONDITION OF THE PREMISES.

SELLER AND PURCHASER HEREBY ACKNOWLEDGE AND RECOGNIZE THAT THIS SALE IS IN AN "AS IS" CONDITION, AND ACCORDINGLY, PURCHASER DOES HEREBY RELIEVE AND RELEASE SELLER AND ALL PREVIOUS OWNERS THEREOF FROM ANY AND ALL CLAIMS FOR ANY VICES OR DEFECTS IN SAID PROPERTY, WHETHER OBVIOUS OR LATENT, KNOWN OR UNKNOWN, EASILY DISCOVERABLE OR HIDDEN, AND PARTICULARLY FOR ANY CLAIM OR CAUSE OF ACTION FOR REDHIBITION PURSUANT TO LOUISIANA CIVIL CODE ARTICLES 2520 *ET SEQ.*, OR FOR DIMINUTION OF PURCHASE PRICE PURSUANT TO LOUISIANA CIVIL CODE ARTICLES 2541, *ET SEQ.*, OR FOR FITNESS FOR PURCHASER'S ORDINARY USE PURSUANT TO CIVIL CODE ARTICLE 2524, *ET SEQ.* AS SAME MAY APPLY TO THE UNIT, COMMON ELEMENTS OR LIMITED COMMON ELEMENTS.

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7. ENTRY BY PURCHASER:

Prior to closing, PURCHASER and PURCHASER'S agents and designers, if any, shall have the right, at their own risk, to enter the Unit, during such reasonable times as there is no work in progress on the Building or the Unit as may be arranged with SELLER'S representatives and upon executing a release and hold harmless if requested by SELLER, to take measurements and for other purposes related to the performance of PURCHASER'S work, provided that PURCHASER and PURCHASER'S agents will not interfere with operation of the Building or SELLER'S work in the Unit or any other unit in the Building. SELLER and each of SELLER'S partners, employees, agents and contractors will have no liability for injuries or damage to persons or property in connection with any such entry and PURCHASER agrees to indemnify, defend and save SELLER and each of SELLER'S partners, employees, agents and contractors harmless from any and all liability. PURCHASER may not commence PURCHASER'S work until after closing.

8. DELAY IN CLOSING:

In the event that some catastrophe beyond the control of SELLER, such as acts of God, strikes, catastrophes, delay in construction or delivery of materials or the removal or eviction of existing tenants, should interfere with the delivery of PURCHASER'S Unit by the Closing Date at SELLER'S option, the Closing Date may be extended for a period of 60 days during which SELLER shall exercise its best efforts to complete the Unit. In the event that SELLER is not able to complete and deliver the Unit to PURCHASER within the extension period, SELLER or PURCHASER may rescind this Agreement, and PURCHASER shall be entitled to the return of the Deposit, this Agreement shall be null and void and no longer

binding on the parties hereto. SELLER'S sole obligation and liability in this event shall be limited to the return of the Deposit to PURCHASER.

9. CHANGES IN THE CONDOMINIUM:

SELLER shall have the right, at its sole discretion, to make changes in the Declaration of Condominium, the By-Laws and the Articles of Incorporation of The Anchorage Association, Inc., so long as such changes do not: (a) materially alter the size and location of the Building; (b) substantially reduce PURCHASER'S interest in the Common Elements, or substantially increase PURCHASER'S percentage of the Common Expense, except to the same proportion that the square footage of the Unit bears to the square footage of all units in the Condominium after such change; (c) change the location of or substantially decrease the size of the Unit; or (d) change the voting rights of the Unit, except insofar as the percentage ownership interest in the Common Elements attributable to the Unit is changed pursuant to (b) above. It is agreed that the redesignation of the Unit shall be permitted by SELLER and that SELLER shall further have the right to make any amendments which may be necessary in order to correct any erroneous description or to show any necessary utility or other easements or matters which are an encumbrance against the Condominium Property.

10. ASSIGNMENT:

This Agreement is personal to PURCHASER and cannot be assigned without the prior written consent of SELLER, which consent may be arbitrarily withheld by SELLER in SELLER'S sole discretion. Any attempted assignment in violation of this provision shall result in the termination of this Agreement and the forfeiture of the Deposit. SELLER may assign or pledge its rights in this Agreement to a lender for any loan for which the Unit may be held by said Lender as security.

11. DEFAULT:

- A. If SELLER fails to perform or satisfy any of its obligations under this Agreement within the time periods allowed and in accordance with the terms and conditions set forth herein, PURCHASER shall only have the right to terminate this Agreement, and to receive the return of his/her Deposit.
- B. If PURCHASER fails to perform or satisfy any of his obligations under this Agreement, SELLER shall only have the right to terminate this Agreement, and retain the Deposit.

12. OTHER RIGHTS AND OBLIGATIONS OF SELLER:

- A. SELLER shall have the right to transact on and within the Condominium Property any business necessary to complete any renovation, construction, promotion and/or sale or lease of the Condominiums, including but not limited to consummating the sale of units, maintaining a general or sales and leasing office and model units in the Building, displaying signs and employing personnel in a sales and leasing capacity or employment of independent real estate brokers or salespersons for the purpose of selling or leasing the units. In this connection SELLER shall have full use of the Common Elements and the right to show unsold units in the Building. SELLER'S office, signs, general office and sales and leasing office, fixtures, furniture and furnishings and any other tangible personal property owned by SELLER in connection

with the development, sale or lease of the Condominium shall remain the property of SELLER.

- B. SELLER shall not be required to deposit with the Association any payment with respect to the Capital Reserve Fund except as provided for in the Declaration. However, SELLER shall collect such deposit from each PURCHASER of a Unit and shall be liable to cause the contribution thereof to the Association contemporaneously with the sale of each Unit by it.

13. REAL ESTATE COMMISSION:

At closing, SELLER shall pay to the real estate broker(s) agent(s) such commission as agreed upon by SELLER in accordance with the listing agreement.

Listing Agent: _____ Selling Agent: _____
Phone No. _____ Phone No. _____
Broker: _____ Broker: _____

14. PUBLIC OFFERING STATEMENT:

PURCHASER acknowledges that on _____ he/she received from SELLER a floor plan of the Unit and the Public Offering Statement relative to the Condominium together with all of the Exhibits referred to therein, or where applicable, PURCHASER will be provided at the time of the acceptance of the contract by SELLER a copy of the floor plan of the Unit and Public Offering Statement in which event PURCHASER shall have FIFTEEN (15) DAYS from the date reflected on this Purchase Agreement that SELLER has accepted this Purchase Agreement within which to review the Condominium documents in accordance with the Louisiana Condominium Act.

Purchaser's Initials Purchaser's Initials

15. GENERAL PROVISIONS:

- A. This Agreement and any Addendum identified on the signature page and annexed hereto constitute the sole agreement between the parties. All prior agreements, whether oral or written are hereby superseded. No representations, claims, statements, advertising or promotional activities made or conducted by SELLER, or its representatives or its agents, shall be binding upon SELLER unless the same are expressly set forth. The provisions of this Agreement may not be changed, altered or modified except in writing by an Addendum hereto signed by PURCHASER and by SELLER or its appointed agent.
- B. The acceptance of title to the Unit by PURCHASER shall be deemed to be full performance and discharge of every agreement and obligation on the part of SELLER to perform pursuant to the provisions of this Agreement, except those which survive the closing pursuant to this Agreement or by operation of law.
- C. Wherever the content of this Agreement so requires, the masculine gender includes the feminine and neuter, and the singular number includes the plural and vice versa.

- D. Unless otherwise expressly indicated by context or usage, each capitalized word or phrase used herein shall have the meaning attributed to it in the Public Offering Statement or the Declaration.
- E. This Agreement shall be effective between SELLER and PURCHASER on the date it is executed by the later of the SELLER and PURCHASER to execute this Agreement and such date shall be the Effective Date called for on Page 1 hereof.
- F. An executed counter-part of this Agreement signed by SELLER may be evidenced by a facsimile signed copy of this Agreement.
- G. This Agreement shall be governed by the laws of the State of Louisiana.

16. MISCELLANEOUS PROVISIONS:

Purchaser SHALL obtain separate or additional insurance on his Unit against loss by fire (flood, if in a flood zone) or other casualty which is not covered by a blanket or master policy obtained and maintained in effect by the Association. Purchaser SHALL also obtain insurance coverage for personal liability and for casualty losses of any improvements made by an Owner to the immovable property within his Unit, the personal property of the Unit Owner or Occupant situated within the Unit (which are not covered by any association policies), and of other portions of the Condominium Property not covered by the master policy. Such insurance shall be the type of coverage generally referred to as, or similar to, "contents insurance" or "tenant improvements and betterments coverage" Notwithstanding the above, the Association, to the extent reasonably available, shall obtain coverage for those fixtures, improvements and alterations that are a part of the Building or structure and coverage for the Unit as originally delivered.

This Agreement may be executed in multiple original counterparts, each of which shall be an original for all purposes.

[Remainder of page intentionally left blank]

This offer remains binding and irrevocable through the _____ day of _____, 2008, _____ o'clock a.m./p.m.

Slidell, Louisiana

**SELLER:
ANCHORAGE INVESTMENTS, LTD.**

_____, 2007

By: _____

Print Name: _____

Title: _____

Slidell, Louisiana

PURCHASER:

_____, 2007

Print Name: _____

Print Name: _____

**ACKNOWLEDGMENT OF RECEIPT
OF DEPOSIT:**

Prudential Gardner, Realtors

By: _____

Print Name: _____

Title: _____

Date: _____