

STATE OF SOUTH CAROLINA)
)
COUNTY OF HORRY)

**RESERVATION AGREEMENT FOR
CONDOMINIUM UNIT
(SEA MIST DEVELOPMENT)**

THIS RESERVATION AGREEMENT is made and entered into this _____ day of _____, 2007, by and between Sea Mist Development, LLC, a South Carolina Limited Liability Company, hereinafter called "Seller", whose mailing address is 1000 Second Avenue, Suite 310, North Myrtle Beach, South Carolina 29582, and:

hereinafter called "Purchaser", whose mailing address is:

E-Mail _____

Telephone Numbers: Home _____
Business _____
Cell _____

WHEREAS, Seller plans to construct a condominium project (sometimes hereinafter referred to as the "Project") on Lot 4 and 4-A of Block 3, Withers Heights Section and designated as TMS # 181-13-02-003, located in Myrtle Beach, South Carolina, under contract to be purchased by Seller; and

WHEREAS, Purchaser desires to express its interest in purchasing one or more of the units within the Project,

NOW, THEREFORE, the parties hereto agree as follows:

TERMS AND CONDITIONS OF RESERVATION AGREEMENT

1. Reservation of Unit(s). Prospective Purchaser hereby expresses an interest in purchasing, and hereby reserves the right to purchase Unit(s) # _____ of the Project (hereinafter referred to as the "Unit") when constructed and submitted to the Master Deed creating a Horizontal Property Regime upon the terms and conditions set forth below. The Purchase Price for the Unit will be \$ _____.

2. Deposit of Funds in Escrow. Simultaneously with the execution of this Reservation Agreement, Purchaser has deposited the sum of \$ _____ Dollars with _____ ("Escrow Agent"). The initial reservation deposit (hereinafter referred to as the "Initial Reservation Deposit" shall be held by Escrow Agent in accordance with the terms and provisions of this Agreement as an expression of Purchaser's interest in purchasing the Unit. Purchaser shall not be entitled to any interest on the Initial Reservation Deposit, which will be held in a non-interest bearing account with an independent institution having trust powers.

3. Period of Reservation Agreement. At such time as Seller obtains sufficient executed Reservation Agreements to make it economically feasible to proceed with the construction and submission of the Project, Seller shall notify Purchaser in writing of such event and shall provide a Purchase Agreement for the purchase of the Unit (the "Contract"). If Purchaser wishes to proceed with the purchase of the Unit after receipt and review of said Contract, Purchaser shall sign the binding Contract and forward it to Seller along with any additional earnest money deposit required by the Contract (hereinafter, the "Additional Earnest Money Deposit") within ten (10) days after receipt of such Contract. In the event the Purchaser fails to return the signed Contract and the Additional Earnest Money Deposit within ten (10) days after being presented with such Contract, Seller shall refund the Initial Reservation Deposit, and neither party shall have any further rights or obligations hereunder.

4. Termination. This Reservation Agreement shall terminate and all monies paid hereunder shall be returned to Purchaser upon the happening of any of the following:

- a. The Purchaser delivering to Seller a written request for refund signed by the Purchaser and specifically releasing all interest in the Unit;
- b. The Purchaser fails to return the signed, binding Contract and Additional Earnest Money Deposit to Seller within ten (10) days after the Contract has been presented to the Purchaser by Seller;
- c. The return by Seller to Purchaser of the Initial Reservation Deposit paid by Purchaser into Escrow pursuant to Section 2 of this Agreement; or
- d. The withdrawal by Seller of the construction and development of the Project.

5. Nature of Reservation. This Agreement is not and does not result in an offer to sell and does not impose a binding obligation on the Purchaser to purchase the Unit or on the Seller to sell the Unit. Such obligation will only be created upon signing by Purchaser of a binding Contract and payment of the Additional Earnest Money Deposit. Purchaser's sole remedy hereunder prior to entering into a binding Contract shall be to demand the return of any sums deposited hereunder. This Agreement may be terminated by Seller, or Purchaser at any time, in accordance with Section 4 hereof.

6. Miscellaneous. The rights and obligations of the Seller hereunder may be assigned at any time by the Seller. The rights and obligations of the Purchaser may not be assigned. This Agreement together with any attachments sets forth the entire understanding of the parties with respect to the Unit and supersedes any and all prior written or oral understandings with respect thereto. This Agreement may not be amended or modified except by written agreement of the parties.

BOTH BUYER AND SELLER ACKNOWLEDGE RECEIVING, READING, AND UNDERSTANDING THE SOUTH CAROLINA REAL ESTATE COMMISSION'S AGENCY DISCLOSURE FORM.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this _____ day of _____, 2007.

PURCHASER:

SELLER:

**Sea Mist Development, LLC
By: Strand Capital Group, LLC, Manager**

**By: _____
Its: Member**

SALES AGENT: _____

Phone No: _____