



“The Villas at Highland Bluffs Resort”
Phase I Condo Villa Non-Binding Reservation Form

1. **Plan of Development.** River Bluff Resort, LLC (the "Developer") is in the process of developing a resort condo villa development to be known as The Villas at Highland Bluffs Resort (the "Project" or "Highland Bluffs Resort - Phase I"). The Developer is offering prospective purchasers of lot(s) in the Project the opportunity to reserve a condo(s) of their choice (the "Reserved Condo(s)") on a first come first serve basis. This Reservation, unless terminated by the undersigned Buyer or the Developer, is intended to give the Buyer the exclusive right to purchase the Reserved Condo(s), subject to the terms and conditions of a comprehensive offer to purchase (the "Purchase Contract") to be entered into by Buyer and Developer by not later than 45 days from the date the buyer is notified of that construction of the infrastructure has been initiated (the "Purchase Contract Deadline"). The Developer will give the buyer a minimum two (2) weeks notice prior to the initiation of construction of the infrastructure. If the buyer fails to close the purchase of the condo(s) by the deadlines set forth within this document, the condo(s) will be taken off the reservation list and offered for sale to another party.
2. **Restrictive Covenants & Bylaws.** The ownership of a condo(s) will be subject to the rules and regulations of the Restrictive Covenants and Bylaws of The Villas at Highland Bluffs Resort.
3. **Reservation of Condo(s): Developer's Right to Make Changes.** The Reserved Condo(s) selected by the Buyer is Condo(s)_____ of the Project at a price of \$_____. The Developer reserves the right in its sole discretion to change any aspects of the Project.
4. **Non-Binding Reservation.** Either the Buyer or the Developer without cause or penalty may terminate this Reservation at any time. This Reservation does not create any legally binding obligation on the Buyer or the Developer except for the obligations of the Developer with regard to the return of the accompanying earnest money deposit (the "Earnest Money" or "Deposit") as provided herein. Except for this obligation of the Developer to return the Earnest Money, neither the Developer nor the Buyer undertakes any legally binding obligation to the other hereunder, including the obligation to negotiate or enter into a Purchase Contract with regard to the Reserved Lot(s).
5. **Earnest Money Deposit.** The Deposit accompanying this Reservation is ten percent (10%) of the purchase price or \$_____. The Deposit will be held in a segregated interest bearing trust account of River Bluff Resort, LLC, the Developer of the Project, at Freedom Bank in Elkader, Iowa. Checks and wired funds are to be made payable to the Freedom Bank for River Bluff Resort Trust Account - #742486.
6. **Return of Earnest Money.** All of the Earnest Money (without interest) will be returned

to the Buyer on or by 10 days after the Purchase Contract Deadline if the Buyer and the Developer have not by such date entered into a Purchase Contract with regard to the Reserved Lot(s). The Buyer may at any time terminate this Reservation, and the Developer shall return the entire Deposit (with interest) within ten (10) business days after the Developer is notified in writing of the Buyer's desire to terminate this Reservation. The Developer may at any time terminate this Reservation in writing, and such notice of termination shall be accompanied by the return to the Buyer of the Buyer's Earnest Money (with interest) by certified mail or in person.

7. **Application of Deposit Under Terms of a Purchase Contract.** In the event the Buyer and the Developer enter into a Purchase Contract with regard to the Reserved Lot(s) by on or before the Purchase Contract Deadline, then the Earnest Money will be disbursed in accordance with the terms and conditions of the Purchase Contract (for example, applied to the purchase price if the Buyer closes on the Purchase Contract).
8. **Reservation Not Assignable.** The buyer may not assign this Reservation to any other person without the Developer's written consent.
9. **Project Contingencies.** The Buyer understands that there are numerous contingencies associated with the development of the Project including, by way of example, the need for the Developer to secure all necessary approvals from governmental bodies having jurisdiction over the Project, the ability of the Developer to arrange financing for the construction of the Project and the ability of the Developer to negotiate construction and other development related contracts which are satisfactory to the Developer. There can be no assurance that the Developer will be able to satisfy these contingencies.
10. **Infrastructure.** If the construction of the infrastructure necessary to service the project is not initiated within one year of the date of this reservation, the buyer may request a full refund of his/her 10% deposit with accrued interest earned on the Buyer's deposit.
11. **Construction.** Construction of your condo will commence within three (3) months of the date you close of the sale of the condo. Construction of your condo will be complete within one (1) year from the date construction begins.
12. **Resale/Transfer of Lot(s).** Your condo(s) may not be resold or transferred until the completion of sales on all Phase I condos.

Date Submitted: _____

Date Accepted: _____

BUYER:

Signature: _____

Printed Name: _____

Address: _____

Work Telephone: _____

Home Telephone: _____

Fax: _____

E-Mail: _____

RIVER BLUFF RESORT, LLC

Signature: _____

Name: Jim Daughtry

Title. Managing Partner