

PRELIMINARY RESERVATION AGREEMENT

WATERMARK CONDOMINIUM

This Preliminary Reservation Agreement is entered into on the ____ day of _____, _____ between **P&G Holdings NY, LLC**, a New York limited liability company, of 4203 13th Avenue, Brooklyn, New York 11219 (“Developer”), and

_____, of _____
(collectively, the “Depositor”) with reference to the following facts:

Background

Developer is the developer of Watermark Condominium, a commercial / residential condominium project located in the City of Muskegon, Muskegon County, Michigan (“Project”). Depositor wishes to reserve the right to purchase a unit in the Project.

Therefore, the parties agree as follows:

1. **Reservation of Unit.** Developer agrees to reserve Unit No. ____ (the “Unit”) in the Project for purchase by Depositor at a purchase price of _____ Dollars (\$ _____), plus closing costs. The Unit is indicated on the site plan for the Project, which Depositor acknowledges he or she has examined.
2. **Deposit.** In consideration of such reservation, Depositor agrees to deposit the sum of _____ Dollars (\$ _____) (the “Deposit”) pursuant to the terms of the Escrow Agreement existing between Developer and LandAmerica Transnation Title Insurance Company, of 570 Seminole Road, Suite 102, Muskegon, Michigan 49444 (“Escrow Agent”) for the purpose of holding such deposits.
3. **Execution of Purchase Agreement.** Subject to the provisions of Paragraphs 5, 6 and 7, Depositor agrees that, upon request by Developer, he or she will execute and deliver to Developer a formal purchase agreement with respect to the Unit in the standard form of Purchase Agreement employed by Developer for the Project (“Purchase Agreement”). The form and contents of all documents of any nature by which the Project may be established shall be within the sole discretion of Developer, subject only to the applicable laws of the State of Michigan. Any additional deposits required by the Purchase Agreement shall be made as specified therein.
4. **Delivery of Information.** Depositor agrees to submit promptly, upon request by Developer, such personal and financial information as Developer may, in its discretion, require to determine whether Depositor will be preliminarily accepted or rejected for participation in the Project. In the event that Depositor is rejected for participation, this Agreement shall immediately terminate, and the Deposit shall be refunded without further liability on the part of either party. Preliminary acceptance by Developer shall not be deemed final approval for purchase, which right of final approval is reserved as specified in the Purchase Agreement.

5. **Termination by Developer.** If Depositor fails or refuses, for a period of five days after notice to Depositor by Developer requesting either (a) execution and delivery of the Purchase Agreement, or (b) delivery of such personal or financial information as Developer may require, to comply with either of such requests, then this Agreement shall, at Developer's option, terminate and the Deposit shall be refunded in full, without interest, without further liability on the part of either party.

6. **Termination by Depositor.** If Depositor desires to withdraw his or her reservation at any time prior to execution of the Purchase Agreement, then this Agreement shall terminate immediately upon notice to Developer by Depositor, and the Deposit shall be refunded by the Escrow Agent in full, without interest, within three business days without further liability on the part of either party.

7. **Development of Unit or Project.** If Developer elects not to proceed with the Project as a condominium, or if Depositor's Unit is eliminated from the Project by Developer, then this Agreement shall immediately terminate, and the Deposit shall be refunded in full, without interest, without further liability on the part of either party.

8. **Construction of Unit or Project.** The location, design and layout of the Unit to which this Agreement applies and of all other improvements in the Project are to be determined by Developer in its sole discretion.

9. **Not a Purchase Agreement.** This Agreement is not a purchase agreement. No lien of any sort is acquired by Depositor hereunder either upon the Unit or upon the Project, the Project site, or any portion thereof.

10. **Limitation of Liability.** The liability of Developer is at all times limited to the return of the Deposit without interest.

11. **Notices.** All written notices required or permitted under this Agreement and all notices of change of address shall be deemed sufficient if personally delivered or sent by ordinary first-class mail or by registered or certified mail, postage prepaid, and return receipt requested, addressed to the recipient party at the address shown below such party's signature to this Agreement. For purposes of calculating time periods under the provisions of this Agreement, notice shall be deemed to be effective upon mailing or personal delivery, whichever is applicable.

Witnesses -

Witnesses -

Drafted by:
PARMENTER O'TOOLE
BY: Scott M. Knowlton
175 W. Apple Avenue, P.O. Box 786
Muskegon, Michigan 49443-0786

Depositor -

Name: _____
Social Security No. _____
Date: _____, 200__

Name: _____
Social Security No. _____
Date: _____, 200__

Developer – P&G Holdings NY, LLC

By: _____
Name: _____
Title: _____
Date: _____, 200__