

PURCHASE AGREEMENT

"CACIQUE VILLAS" PROJECT

GERALD NIEDERHUBNER, male, German, of legal age, married, businessman, with personal identity card number **E-8-65551**, who acts on behalf of **CACIQUE GARDEN, SA**, corporation duly constituted under the Laws of the Republic of Panama, registered in Folio 155590170, Seat No. 1 of the Public Registry, duly empowered for this act, hereinafter referred to as **THE SELLER**, on the one hand, and on the other, _____, (fe)male, of nationality _____, of legal age, marital status _____, with personal identity card / passport number _____, who acts in his own name and representation, hereinafter referred to as **THE BUYER**, agree to enter into this Purchase Agreement, subject to the following clauses:

FIRST: THE SELLER declares that he owns the real estate properties in Paseo Rodrigo de Bastidas, Contadora Island, Saboga district, Balboa district, province of Panama hereinafter called **THE FINCAS**, whose descriptions, measures, boundaries and area are recorded with location code 8106, registered to Folio 30146190, Seat No. 3 and location code 8101, Folio 30145998, Seat No. 3 of the Property Section of the Public Registry, Province of Panama.

SECOND: THE SELLER declares that on these **FINCAS** he will build a residential real estate project, called hereinafter **THE PROJECT**, that will be called: "**CACIQUE VILLAS**" or any other name indicated by the developer if it is not available, which will be submitted to the Horizontal Property Regime, in accordance with Law No. 31 of June 18, 2010 and other relevant legal provisions.

THE SELLER declares that there will be approximately twenty-two (22) duplex units built according to the architectural plan and specifications prepared by the architect **IGOR CORREA WITH SUITABILITY No. 98-001-009**, which are duly approved by the appropriate authorities, called hereinafter **THE PLANS**.

THE PROJECT will begin on **THE FINCA** registered in Folio 30146190, Seat No. 3, of the Property Section of the Public Registry with eight (8) duplex units and will have a social and recreational area that includes: a swimming pool for adults and children, gazebo, barbecue area, gym and access roads for golf carts.

THE BUYER declares that he approves **THE PLANS** and accepts any change or alteration of the original design that for technical reasons or other justified causes become necessary during the execution and development of **THE PROJECT**.

THIRD: THE SELLER declares that all residential units will have the right to use the social and recreational areas of **THE PROJECT** and will share with each other the costs of maintaining them.

All information of **THE PROJECT** presented in brochures, magazines, web pages or any other means of advertising, are not considered part of the purchase agreement and are subject to change without prior notification.

FOURTH: THE SELLER declares by this document to sell free of liens and the obligation to deliver the property free from any encumbrances and hidden defects. **THE BUYER** is obliged to buy the property that results from the parceling that constitutes **THE VILLA** built on the lot identified with No. **VILLA 1** of the **CACIQUE VILLAS** project.

The deed of sale by which the ownership of said villa is transferred in favor of **THE BUYER**, will be conferred no later than thirty (30) calendar days after the date of issuance of the Occupation Permit thereof.

In the event that **THE BUYER** requires bank financing to pay the final installment of the purchase price, he commits to have said financing approved by the date of issuance of the Occupancy Permit. Within thirty (30) days as referred to in the preceding paragraph, **THE BUYER** is required to submit all the documents and records that are necessary to register the deed in the Public Registry related to the sale and the mortgage loan.

THE BUYER shall pay **THE SELLER** from the date of issuance of the Occupation Permit until the date on which **THE SELLER** receives the entire balance due a monthly sum as a rental fee equivalent to one percent (1%) during the first and second month and one and a half percent (1 1 / 2%) from the third month on. The percentages will be calculated based on the balance due from the sale price up to that moment, whether **THE BUYER** has moved into **THE VILLA** or not. It is being understood that the amount paid as a rental fee is not deductible from the balance of the agreed selling price. Once the term of the three (3) months agreed has expired, it is an exclusive option of **THE SELLER** to accept receiving the monthly fee as hereby agreed or to declare this contract terminated, in which case **THE SELLER** shall retain, as compensation, the total amount that has been paid into **THE BUYER** account to date.

It is agreed that **THE SELLER** will not be liable if the definitive deed of sale could not be granted within the terms agreed here for causes not attributable to him, such as circumstances beyond his control, fortuitous events or force majeure. In such cases, said deed will be granted as soon as the causes, that prevented its granting, have disappeared.

If **THE BUYER** should be unavailable or out of the country at the time of notification of the Occupation Permit of **THE VILLA**, he must provide a power of attorney for related requirements, to receive any type of communication and to realize the necessary payments.

FIFTH: The parties recognize that the agreed sale price may be adjusted to reflect increases in labor costs or labor benefits in force after the date of signing this contract; furthermore any increase of the market prices of labor, equipment, construction materials, improvements that are incorporated into the work, the creation of new taxes by the government or the increase of existing taxes that affect the cost of construction from presale to obtaining the Occupancy Permit will cause an increase that will not exceed ten percent (10%) of the total price. This increase will be combined with the last payment established in this contract and will be added to the original price in order to obtain the final price of **THE VILLA**.

In the event of the increases indicated, **THE SELLER** will notify **THE BUYER** in a timely manner, at the latest, at the time of notification of the Occupancy Permit.

If, by reason of said increase, **THE BUYER** decides to terminate this contract, **THE SELLER** shall have the right to withhold as compensation all the amounts received under said contract.

SIXTH: THE VILLA object of this contract will have a total construction area of approximately 200 square meters and has been designed with the following layout: a living room, a family room, an open terrace, two covered terraces, a half bathroom, kitchen with integrated breakfast bar, three (3) bedrooms with their respective bathrooms, the main one will have a walking closet, while the remaining two will have closets, parking for a golf cart and a basement of 90 square meters(in case of homes with three stories).

THE PARTIES agree that in the event that the approximate total area referred to in this clause increases, the total sale price of **THE VILLA** stipulated in this contract may vary according to said increase, at the rate of sale price per square meter (M2). The variation of the total area may not exceed five percent (5%) of the established initial square footage.

The Villa will be delivered with the following finishes:

- ☛ Imported tiles for the floor in all internal and external areas
- ☛ Tile roof with storm drain
- ☛ Modular kitchen furniture with water repellent material
- ☛ Imported toilets and faucets
- ☛ Imported tiles in the kitchen and bedroom bathrooms
- ☛ Quartz countertop in kitchen and bathrooms
- ☛ Imported fittings
- ☛ Internal doors
- ☛ Oversized main entrance door
- ☛ Walking closet in master bedroom
- ☛ Aluminum and glass sliding windows
- ☛ Bathroom accessories
- ☛ Dry wall ceiling
- ☛ Water-resistant kitchen cabinet
- ☛ Water-resistant bathroom furniture
- ☛ Cable ducts and outlets for TV, internet and telephone cable
- ☛ Electrical outlets
- ☛ Water heater
- ☛ Air conditioners installed in all bedrooms and the living room

It is expressly agreed that the purchase price does not include the cost nor the installation of lamps, fans and household appliances of **THE VILLA**, which will be borne by **THE BUYER**.

SEVENTH: The parties declare that the sale price of **THE VILLA** object of this contract is the sum of _____ (B / ._____, 000.00), divided into:

- ✓ Land: 500 M2 at the rate of B / .600.00 (SIX HUNDRED BALBOAS) per square meter (B / .600.00 X M2).
- ✓ Duplex unit: _____ M2 at the rate of TWO THOUSAND FIVE HUNDRED BALBOAS per square meter (B / .2,500.00 x M2) constructed of both open and closed areas.

The optional basement will be covered by an addendum to the Purchase Agreement and will be an integral part thereof.

The agreed price will be paid as follows:

- A. Ten percent (10%), that is, the sum of _____ BALBOAS (B / ._____, 000.00), at the time of signing this contract. If an earnest money deposit has been provided, the corresponding amount gets deducted accordingly.
- B. Thirty percent (30%), that is, the sum of _____ BALBOAS WITH 00/100 (B / ._____), at the beginning of the construction and advance notification of this phase by **THE SELLER**.
- C. Thirty percent (30%), that is, the sum of _____ BALBOAS WITH 00/100 (B / ._____), at the beginning of the roof installation.

The above agreed payments will be made effective by bank transfer to the checking account maintained by **THE SELLER** at the Global Bank Panama:

Banco Global

Account number :19101226417 - Corriente

Account Name : CACIQUE GARDEN SA

In case of an international money transfer **THE BUYER** must transfer B / .45.00 (FOURTY-FIVE BALBOAS) in addition to the amount of each transfer in order to reimburse **THE SELLER** for the bank charge of this service.

- D. The sum of _____ BALBOAS WITH 00/100 (B / ._____) or the remaining thirty percent (30%) will be paid by **THE BUYER** by means of an Irrevocable Payment Undertaking issued by a local bank and acceptable by **THE SELLER**, which will be effective within a term not exceeding five (5) business days from the date of registration in the Public Registry of the deed of the final sale of **THE VILLA** object of this contract in the name of **THE BUYER**.

EIGHTH: THE BUYER declares that he understands and is responsible for the legal origin of the funds with which he covers the current and future payments to the sale price of **THE VILLA** referred to in this purchase contract.

NINTH: THE BUYER through this contract assumes the following obligations:

- a. Accept the Co-ownership Regulations of **CACIQUE VILLAS**, as well as comply and adhere to the obligations and restrictions imposed by said regulation, once it is approved and registered in the Public Registry.
- b. Pay the monthly maintenance fees on time and accept that the initial maintenance fee amounts to B / . 250.00 (TWO HUNDRED FIFTY BALBOAS) starting with the notification of the Occupancy Permit.

- c. Timely delivery of all the necessary documentation for the completion of the definitive Purchase and Mortgage Contract, if applicable, as well as the up-to-date No Debts Certification and documentation required for the registration of the respective deed in the Public Registry.
- d. Accepts that **THE SELLER** may introduce changes he deems appropriate to the preliminary draft, prepare the final plans and introduce changes in them at his discretion; without requiring prior consent or communication to **THE BUYER**, as long as they do not affect the basic design and architectural structure of **THE VILLA**.
- e. Accepts that the responsibility of **THE SELLER** for damages due to construction defects is limited to one (1) year, counting from the date of issue of the Occupation Permit by Municipal Engineering.
- f. Do not alter, make interior improvements, or proceed with any type of work in **THE VILLA** until it has been given the Occupation Permit of **THE VILLA**.
- g. Do not install window air conditioning units or separate units in places other than those provided in the plans, in order not to alter the facade of the property
- h. Do not alter the exterior facade of the villa, without modifications approved by **THE SELLER** and the architect in charge of the architectural design.
- i. Accept as Administrator of the **CACIQUE VILLAS PROJECT**, for a maximum period of two (2) years, the natural or legal person designated by **THE SELLER**. Once this period has expired, the provisions of the Co-ownership Regulation apply.
- j. Pay to **THE SELLER** the sum of B / .500.00 (FIVE HUNDRED BALBOAS) for the Initial Administration Fund, which is used to compensate expenses for workers' salaries, maintenance of common areas, basic services inherent to these and any other administrative expenses that may be incurred. The amount is due, at the latest, within the first five (5) days counting from the date of notification of the Occupancy Permit.
- k. Any delay of the payment of above fees will cause a surcharge of ten percent (10%) per month.

TENTH: THE PARTIES agree that in the event of a breach by **THE BUYER** of any of the obligations contracted in this contract, or the contract of purchase is not concluded within the period stipulated in this document for reasons attributable to him, **THE SELLER** may declare this contract fully terminated, being able to withhold without resorting to the courts, as compensation, the total amount paid up to that date by **THE BUYER**.

THE PARTIES agree that if the contract of purchase is not concluded within the period stipulated in clause 13 of this document for reasons attributable to **THE SELLER**, **THE**

BUYER may declare this contract fully resolved, obliging **THE SELLER** to return to **THE BUYER** the total amount paid to date.

ELEVENTH: THE PARTIES agree that if after the signing of this contract, **THE SELLER** decides not to build the work for the reasons he deems appropriate to adduce, this purchase agreement will be resolved in full and **THE SELLER** must return to **THE BUYER** the total amount paid to date, without the right of **THE BUYER** to claim any additional amount for interest or compensation for damages.

TWELVE: THE SELLER agrees to make available to **THE BUYER THE VILLA** object of this contract so that, at his discretion, once the following requirements are met:

- a. That the Occupancy Permit has been issued by the corresponding authority
- b. That **THE BUYER** has made the payments referred to in the **SEVENTH** clause of this contract.
- c. **THE BUYER** signed the delivery certificate of **THE VILLA**.

THIRTEENTH: THE BUYER declares that as of the date of signing the delivery certificate of **THE VILLA**, he assumes all responsibility for any type of damage suffered by the property, whether for acts of vandalism, theft, flooding or any others not attributable to **THE SELLER**.

THE SELLER declares that the construction work of the first phase of the **CACIQUE VILLAS PROJECT** will begin no later than the day _____ () of the month _____ of the year two thousand twenty (2020) and **THE VILLA** object of this contract will be delivered to **THE PURCHASER** no later than the day _____ () of the month _____ of the year two thousand _____ (), unless due to fortuitous event or force majeure there are delays in the work, in which case **THE SELLER** may extend the delivery date up to a maximum of ten (10) additional months, without requiring the consent of **THE BUYER**.

FOURTEENTH: The legal expenses for the preparation of the legal papers required for the deed of sale, as well as those for the registration in the Public Registry, shall be borne by **THE BUYER** and shall be paid by the latter to **THE SELLER** at the time of signing the contract of sale, who will inform of the total amount of the legal expenses five (5) days before the signing of the contract of sale. Likewise, the payment of the water and waste recovery fee and other public services shall be borne by **THE BUYER**, as of the date of issue of the Occupation Permit granted by Municipal Engineering.

The payment of the real estate transfer tax - two percent (2%) - will be borne by **THE SELLER**, **if there is a place to pay it**.

FIFTEENTH: The fact that one of **THE PARTIES** allows, once or several times, that the other breaches its obligations or complies with them imperfectly or in a manner different from the agreed or does not insist on the breach of such obligations or does not exercise his contractual or legal rights in a timely manner, will not be considered a modification to this contract, nor will it prevent in any case that said party in the future insists on the faithful and specific fulfillment of the obligations that are borne by the other, or exercise the rights that correspond to him in accordance with the laws and this contract.

SIXTEENTH: Any notice that **THE PARTIES** solicit will be made by email that will be acknowledged by the receiver upon receipt.

Any period that depends on said notice will begin three (3) days after the communication is made to any of the following addresses:

THE SELLER:

E-mail: caciquevillas@hotmail.com

THE BUYER:

E-mail:

SEVENTEENTH: This contract is subject to Panamanian laws. **THE PARTIES** agree to submit any legal disputes to the ordinary courts of justice of the Republic of Panama.

EIGHTEENTH: THE BUYER may not cede or transfer the rights and obligations arising from this contract without the prior written consent of **THE SELLER**. However, **THE SELLER** may cede and transfer any rights and obligations arising from this contract, without the consent of **THE BUYER**.

NINETEENTH: Both parties accept the terms and conditions of this Purchase Agreement.

In accordance with the provisions of subsection 16 of article 973 of the Fiscal Code, fiscal stamps are not attached to the two (2) copies of this contract.

In witness whereof this contract is signed in two copies of identical counterparts in Panama City, Republic of Panama, today _____ () of _____ of the year two thousand _____ ().

THE SELLER
CACIQUE GARDEN, S.A.

THE BUYER

GERALD NIEDERHUEBNER
ID No. E-8-65551

ID No.