

recording fee: 10⁰⁰

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT is entered into and effective as of July 25, 2003, by and between Clinton E. Guthrie ("Guthrie") of Birmingham, Alabama, as the Initial Member and Manager of Waterpointe Development, LLC, a Florida corporation (the "Company"), and Pelican Real Estate Development, Inc. ("Pelican"), of Seagrove Beach, Florida, who hereby execute this Agreement or a counterpart of this Agreement as Members of the Company.

In consideration of the promises and the mutual covenants hereinafter set forth, the parties agree as follows:

Whereas, the Company is a Florida limited liability company formed pursuant to the Articles of Organization filed with the Florida Secretary of State. The business and affairs of the Company are governed by the Operating Agreement of Waterpointe Development, LLC (the "Operating Agreement"). Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Operating Agreement.

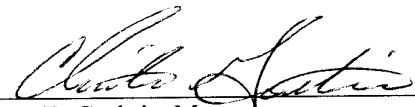
Whereas, Guthrie, for and in consideration of receipt of the sum of \$50,000.00, hereby sells, transfers, grants, and conveys a 2% (two percent) Organizing Member ownership interest in the Company to Pelican with all the rights, title, and interest thereon as described in the Company's Operating Agreement.


Whereas, Pelican, as well as associated Pelican realtors, shall have the right to market, accept pre-sales reservations for, and sell any and all available condominiums for the Company.


Whereas, Pelican, for and in consideration of receiving executed condominium Reservation Agreements (the "Reservation Agreement") and Reservation Deposits (the "Reservation Deposits") for 90% (ninety percent) of all available condominiums for Phase I - Tower A on the Property, within one-year from the effective date of this Agreement, shall be entitled and assigned an additional 3% (three percent) Organizing Member ownership interest in the Company by Guthrie.

Whereas, as a Member of the Company, the undersigned hereby accepts and agrees to be bound by the Operating Agreement and agrees to become a Member in the Company pursuant to the terms of the Operating Agreement.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the 25th day of July, 2003.

By: 
Clinton E. Guthrie, Manager
Waterpointe Development, LLC

Witness: 
Name:

By: 
William H. Smith, President
Pelican Real Estate Development, Inc.

Witness: 
Name:

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