

**REDACTED**

REDACTED

**AGREEMENT OF PURCHASE AND SALE  
AND JOINT ESCROW INSTRUCTIONS**

**THIS AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS** (this "Agreement") is made and entered into effective as of the latest date set forth on the signature page below (the "Effective Date") by and between **HOMELAND DEVELOPMENT COMPANY, INC., W.P. UTILITIES, INC., Florida corporations and Roger E. Medema, an Individual** collectively referred to herein as ("Seller") and **CAL-AM PROPERTIES, INC., a California corporation,** and/or assignee ("Buyer"), with respect to the following facts.

Seller is the owner of that certain real property known as **Palm Breezes Club, 3500 West Lantana Road, Lantana, Florida** including, but not limited to, **189 double-wide spaces, plus all recreation room/office facilities, all expansion land, all utility companies and systems, all storage facilities (including R.V.), swimming pools, spas, laundry facilities and the like (the "Real Property"), and all personal property owned by the Seller and used in the operation of said Real Property as a mobile home park, including the mobile home(s) used by the manager(s) and any and all mobile home(s) owned by the park or by Seller or any affiliate of Seller, furniture, notes receivable, computers, software (including billing programs), office equipment, tools, golf carts, motorized equipment, vehicles, pagers and portable cellular phones (the "Personal Property," collectively referred to with the Real Property as the "Property").** Complete legal description to be provided with the Commitment for Title Insurance referred to herein.

**NOW THEREFORE, the parties hereto agree, covenant, represent, and warrant as follows:**

1. **AGREEMENT TO PURCHASE AND SELL.** Seller hereby agrees to sell to Buyer and Buyer hereby agrees to purchase from Seller the Property for a total consideration of \_\_\_\_\_ ("Selling Price") in cash on the terms and conditions set forth in this Agreement.

2. **ESCROW-DEPOSITS.** The parties hereto agree to open an escrow with Commonwealth Land Title Insurance Company, 801 S. Figueroa Avenue, Suite 870, Los Angeles, CA 90017 Attention: Linda Carroll ("Escrow Holder"), to effectuate the herein contemplated transaction. Within two (2) business days of the Effective Date of this Agreement, Buyer shall deliver a check (or send wire transfer) in the amount (the "Earnest Money Deposit"), made payable to Escrow Holder. Escrow Holder shall deposit said check toward the purchase of the Property, investing same in an interest bearing account, with interest to accrue for the benefit of the Buyer. The Earnest Money Deposit shall become non-refundable to Buyer, except in the event of Seller's failure to perform to the terms of this Agreement or in the event of Material Damage or actual or threatened taking of a Material Portion pursuant to Section 11M, upon Buyer's removal of contingencies located in 5.A., 5.B. and 5.C., herein. This Agreement shall constitute Escrow and Closing Instructions to Escrow Holder, who shall also act as Closing Agent for this transaction, and where used herein, Escrow Holder shall be deemed Closing Agent.

3. **FINANCING.** Buyer shall qualify for and assume the existing note and first trust deed on the Property with the approximate balance of \_\_\_\_\_ a fixed interest rate of \_\_\_\_\_ (the "Financing").



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4. **CLOSING.** The Closing shall occur on or before five (5) days after Buyer's removal of contingencies located in 5.A., 5.B. and 5.C., herein (the "Close of Escrow"/ "Closing") or sooner by mutual written agreement.

A. At or prior to the Closing, Buyer shall deliver to the Closing Agent:

i. wire transfer for the cash portion of the consideration, less the Earnest Money Deposit and the interest earned thereon, increased by all prorations and adjustments in Seller's favor and decreased by all prorations and adjustments in Buyer's favor, together with all of the Buyer's share of the costs and charges of the Escrow; and

ii. two counterparts executed by Buyer of an Assignment And Assumption Of Service Contracts, Equipment Leases And Intangible Property in the form of Exhibit D attached hereto and incorporated herein by reference (the "Assignment of Intangibles");

B. On or before two (2) working days prior to Closing, Seller shall deliver to the Escrow Holder or as to item (ii), cause the Title Insurer to be prepared to issue the Title Policy described therein:

i. a Warranty Deed conveying marketable title to the Property executed and acknowledged by Seller in recordable form, subject only to the "Permitted Exceptions" described below, in the form of Exhibit A attached hereto and incorporated herein by reference (the "Warranty Deed");

ii. an ALTA Owner's Title Insurance Policy, to be provided at Seller's expense (the "Title Policy"), issued by Commonwealth Land Title Insurance Company, or other title company satisfactory to Buyer (the "Title Insurer"), insuring title vested in Buyer in the amount of the purchase price of the Property, subject only to (a) the lien for real property taxes for the current tax year not then due and payable, (b) the lien for the Financing and (c) those covenants, conditions and restrictions, easements, and rights of way of record approved by Buyer pursuant to Paragraph 5.B. below (the "Permitted Exceptions");

iii. an affidavit in accordance with Internal Revenue Code § 1445 certifying that Seller is not a foreign person subject to the withholding rules of the Foreign Investment in Real Property Tax Act (the "Tax Affidavit");

iv. a Bill of Sale conveying the Personal Property (including marketable title to each mobile home included therewith in form legally sufficient for transfer of titles) to Buyer executed by Seller in the form of Exhibit B attached hereto and incorporated herein by reference (the "Bill of Sale");

v. an Assignment Of Leases And Rental Agreements assigning to Buyer all of the leases and rental agreements for the Property (along with the original leases and rental agreements for each space) executed by Seller in the form of Exhibit C attached hereto and incorporated herein by reference (the "Assignment of Leases") and a current rent roll certified by Seller as being accurate, which includes a list of tenant deposits and prepaid and delinquent rents and miscellaneous income, approved by Buyer (the "Approved Rent Statement");

  
Seller/Buyer

vi. an affidavit of Seller stating that no work has been performed on the Property that would entitle any person or entity to record against the Property any mechanic's or materialman's lien except for persons or entities who have been fully paid and who have released all claims (the "Lien Affidavit"); and

vii. two counterparts executed by Seller of the Assignment of Intangibles.

C. At the Closing, the Closing Agent shall:

i. record the Warranty Deed;

ii. prorate, as of the Closing date, with Buyer to be charged/credited for the date of Closing, each of the following:

a. property taxes based upon the latest available tax bill(s);

b. non-delinquent rents and miscellaneous income on the basis of the Approved Rent Statement, with rents prorated at full rental value for each space, without discounts or promotional rent, if any; Buyer is to be credited for full rental amounts of such discounts or promotional rents for the term of their existence;

c. in the event Buyer elects to assume any contractual obligations of the Seller (e.g., equipment leases, refuse collection contracts, maintenance contracts, etc.), then the payment(s) thereon;

d. credit Buyer and charge Seller with tenant security deposits

iii. deliver to Seller the cash portion of the consideration less Seller's share of closing costs, plus prorations and adjustments in the Seller's favor less prorations and adjustments in Buyer's favor and one full set of the Assignment of Intangibles; and

iv. deliver to Buyer the Title Policy (or cause the actual policy to be delivered to Buyer within ten (10) working days), the Bill of Sale, the Assignment of Leases (along with the original leases for each space), one full set of the Assignment of Intangibles, the Tax Affidavit, the Lien Affidavit and the Approved Rent Statement.

D. Closing Costs. The parties agree to pay the costs of closing, related fees, and charges as follows:

  
Seller

Seller  
Title Policy  
Recording of Deed  
State/County/City Transfer Taxes / Stamps  
50% of Escrow Fees  
Fee to Rex Capital Group, LLC and  
James Cook

Buyer  
50% of Escrow Fees  
Loan Assumption Costs up to 1% of Loan

5. **CONTINGENCIES** Buyer's obligation to purchase the Property is contingent upon the written fulfillment and/or Buyer's written waiver of each of the following contingencies:

A. Buyer's written approval within thirty (30) days of the Effective Date of this Agreement of the following:

i. a physical examination of the Property including but not limited to access to all improvements, Seller-owned structures, mechanical and utility systems, environmental audit, wood destroying organisms and/or contractor's inspection and other inspections that Buyer deems appropriate;

ii. a review of all Seller's books and records and income and expense reports for the past thirty-six months;

iii. review of all leases, loan documents, service contracts, utility bills and meter read reports (for the past 24 months), current property tax bills, copies of notices from governmental offices received over the past two years, copies of all licenses, certificates, and permits relating to the Property, a current ALTA survey of the Property and the latest Phase 1 Environmental Site Assessment and any Phase 2 Environmental Site Assessment relating to the Property;

iv. a current Rent Statement (showing space number, rents, vacant spaces, security deposits, prepaid rents, discounts, and move-in date), certified by Seller as accurate and correct, a list of tenants who have given notice to vacate to Seller or its on-site management personnel and a list of mobile homes that are rental homes or sublet, if any;

v. an inventory of the Personal Property to be transferred by Bill of Sale (or other conveyance documents) at Closing.

Seller agrees to provide Buyer with access to the Property, all personnel, vendors, records, and materials to conduct such inspections and testing. All inspections and testing shall be conducted at Buyer's sole cost and expense. Any and all documents and/or information identified above to be provided by Seller to Buyer shall be received by Buyer at Buyer's notice address within three (3) days of the Effective Date of this Agreement. Buyer's contingency periods as described in Sections 5.A., 5.B. and 5.C and the Closing date as referenced in Paragraph 4 shall each be

  
Seller Buyer

extended, at Buyer's sole option, by one (1) day for each day beyond said time period that Buyer is not in receipt of the identified documents and/or information.

B. Within five (5) days after execution of this Agreement, Seller shall cause to be delivered to the Buyer a current Standard Commitment for Title Insurance, provided by Title Insurer, together with full and legible copies of all liens, easements, claims, encumbrances, rights-of-way, encroachments, reservations, restrictions, and any other matters affecting the Property. Buyer shall have twenty (20) days from the receipt of all of the foregoing information in which to examine the Commitment for Title Insurance and to specify to Seller in writing those items that are title objections. Seller, at Seller's sole cost and expense, shall use all reasonable efforts to correct or remove said title objections (or agree to cause same to be remedied with Seller's proceeds at the Closing) and deliver within five (5) days of Buyer's written notification of such exceptions, an amended Commitment reflecting the correction or deletion of same. If Seller is unable or unwilling to cure the objections to Buyer's satisfaction, Buyer shall have the option to proceed with the purchase as outlined in this Agreement, subject to the condition of delivery of marketable title, or in the alternative, shall have the right to refuse to proceed with the purchase as outlined herein, and upon notification to Seller of said election, this Agreement shall become null and void.

C. Buyer's obtaining and receiving the existing lender's unconditional approval to assume the Financing on terms and conditions acceptable solely to Buyer within sixty (60) days of the waiver of all contingencies in 5.A herein. Upon the Effective Date, Seller shall take all steps necessary to allow immediate and uninterrupted Buyer communication with the lender/servicing entity and their representatives. Seller will comply and provide the existing lender/servicing entity with all of the required documentation, statements and other such items that the existing lender requires in order to complete the loan assumption process promptly. Seller agrees that the existing lender/servicing entity is in control of the entire loan assumption process, qualifying criteria and timing required to complete the formal assumption. Therefore, Buyer and Seller herein agree that the dates called for in this contingency and the Closing Date, set forth in paragraph 4, shall be automatically extended, at Buyer's sole option, by one (1) day for each day of lender delay. Seller shall provide, within three (3) days of the Effective Date, at no cost to Buyer all documents and reports relating to the Financing, including but not limited to the Financial Analyses, MAI Appraisal(s), Environmental Report(s), Engineering Report(s), ALTA Survey(s) and Buyer's approval of same shall be incorporated into this contingency.

In the event that Buyer disapproves any of the above contingencies, this Agreement shall become null and void, and any Earnest Money Deposit theretofore made by Buyer, together with interest earned thereon, shall be immediately returned to Buyer.

6. POSSESSION. Possession of the Property shall be delivered to Buyer at Closing, subject to the rights of tenants in possession.

7. REPRESENTATIONS.

A. Seller hereby represents and warrants, as follows:

A handwritten signature and initials, possibly "J.M. [initials]", are written in dark ink. Below the signature, there are some faint, illegible markings that could be a date or a reference number.

- i. Seller will maintain the Property in its present condition through and until the date of Closing;
- ii. there are no existing water problems or underground soil problems on the Property other than those as disclosed in writing by Seller to Buyer during Buyer's inspection period as set forth in Paragraph 5.A.;
- iii. there are no legal or condemnation proceedings against all or any part of the Property; Seller has no knowledge of any potential legal or condemnation proceeding against all or any part of the Property, and Seller has no knowledge of any notices, violations, or other proceedings (including requiring work, repairs, upgrades, or other action) relating to the Property, legal, governmental, or otherwise; there are no boundary line encroachments or separation and set-back violations with respect to the Property;
- iv. Seller shall assign to the Buyer at Closing the name "Palm Breezes Club" to the extent of Seller's right and ownership of same;
- v. Seller shall be responsible for all real estate and personal property taxes reassessed for prior years and all assessments, and if same has been determined but not paid prior to the Closing, a sum equal thereto shall be credited to the Buyer at the Closing. After the Closing, Buyer and Seller agree to re-prorate/adjust the property taxes between themselves, based upon the full amount of the actual tax bill for the property tax year in which the Closing occurs (if other than the tax bill used for proration at the time of Closing) when the tax bill becomes available for said tax year;
- vi. prior to the Closing, Seller shall enter into no new contracts or leases, other than customary tenancies at market rents, nor will Seller renew old lease(s) or allow for any increase less than the full amount called for by any such lease(s) without the Buyer's prior written consent; in addition, Seller agrees to allow Buyer to set the amount for any park-wide rent increase which Seller shall lawfully put into effect in accordance with the shortest time period allowable for such increase to take effect, at any time after acceptance of this Agreement by all parties hereto;
- vii. there are no discounted and/or promotional rents in effect at the time of Closing, other than those provided for on Exhibit E attached hereto and incorporated herein by reference (if none, state "none");
- viii. all utility and mechanical systems including, but not limited to, meters, shut-offs, piping, cable, pavement, concrete, HVAC equipment, sewer related equipment, lighting, and the like are in normal working order and not in need of repair or replacement, are fully functional and adequate for the functions they are required to perform, and are in good working order and condition or shall be repaired or replaced prior to the Closing. Seller may, at Seller's election, choose to credit Buyer for said work if Buyer agrees to the amount of said reduction; in the alternative, Seller shall perform the work as required prior to the closing of escrow.

  
Seller

ix. all license and permit fees, user fees, system development and hook-up fees, impact fees, and any and all additionally required operating fees for the existing spaces and for any expansion spaces are paid in full as of the date of Closing;

x. Seller agrees to take all steps necessary or desirable to allow the Buyer to assume, if desired by Buyer, all the present telephone numbers, email addresses, internet domains used by the mobile home park located on the Property;

xi. to the best of Seller's knowledge, there has been no production, storage, transport, treatment, spillage, infiltration or disposal upon the Property of any toxic or hazardous substances, including but not limited to asbestos and radon, and Seller shall hold Buyer harmless from any claims, penalties, costs, and losses incurred by the existence of the foregoing;

xii. to the best of Seller's knowledge, Seller has satisfied all federal and/or state benefit and other employment related requirements with regard to employees of Seller's company and/or the Property. The Seller shall be responsible for any outstanding labor claims, employment obligations, wage and hour claims, benefit accruals, or any other employment related litigation related to past employees of the Seller's company and/or the Property during Seller's ownership;

xiii. Seller's agreement to sell to Buyer as embodied in this Agreement is the result of an unsolicited offer to purchase made by Buyer to Seller; and

xiv. all copies of documents and all of the books and records provided to Buyer by Seller are true, correct and complete copies and records.

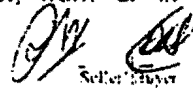
**B. Buyer hereby represents and warrants as follows:**

i. the Buyer is duly incorporated and in good standing under the laws of the State of California;

ii. the Buyer shall not be responsible for rents that are delinquent as of the date of Closing; however, should Buyer collect same, they shall be paid to Seller forthwith. Rents collected after the Closing shall be applied first to rents accrued after the Closing and then to rents delinquent at the Closing; and

iii. the Buyer will assume responsibilities to employees of the Property or Seller only as they become newly hired by Buyer after the Closing.



C. Each of the foregoing representations and warranties shall be deemed made as of the date hereof and as of the Closing and shall survive the Closing. Seller hereby indemnifies, holds Buyer harmless and agrees to defend Buyer from and against all claims, demands, costs, expenses, losses, liabilities and obligations arising out of, from or in connection with any of Seller's representations and warranties being materially false or misleading. Buyer hereby indemnifies, holds Seller harmless and agrees to defend Seller from and against all claims, demands, costs, expenses, losses, liabilities and obligations arising out of, from or in

  
Seller Buyer

connection with any of Buyer's representations and warranties being materially false or misleading.

9. DEFAULT-LIQUIDATED DAMAGES. In the event Buyer defaults upon any of Buyer's obligations herein, after the satisfaction of the contingencies described in Paragraph 5 above, Buyer acknowledges that the damages suffered by Seller thereby will be difficult to ascertain with certainty.

THEREFORE, BY THEIR INITIALS AT THE END OF THIS PARAGRAPH, BUYER AND SELLER AGREE THAT IN THE EVENT OF ANY DEFAULT BY BUYER AFTER THE SATISFACTION OF CONTINGENCIES, THE SUM OF TWO HUNDRED THOUSAND DOLLARS (\$200,000) IS A GOOD FAITH ESTIMATE OF SUCH DAMAGES AND SAID SUM SHALL BE PROMPTLY PAID TO SELLER AS AND FOR LIQUIDATED DAMAGES AND THE BALANCE OF THE EARNEST MONEY DEPOSIT, TOGETHER WITH ALL INTEREST EARNED THEREON, SHALL BE PROMPTLY REFUNDED TO BUYER AND BUYER AND SELLER SHALL TAKE ALL STEPS REASONABLY REQUIRED TO RELEASE ANY OF SAID SUMS THEN ON DEPOSIT IN ESCROW FROM ESCROW IN ACCORDANCE HERewith. SELLER HEREBY AGREES TO ACCEPT THE SUM OF TWO HUNDRED THOUSAND DOLLARS (\$200,000) IN LIEU OF ALL CLAIMS FOR DAMAGES AND CLAIMS FOR SPECIFIC PERFORMANCE THAT SELLER MAY HAVE AGAINST BUYER.

BUYER  SELLER 

9. NOTICE. Any notice or writing given hereunder shall be delivered by depositing the notice contained in a sealed envelope, postage prepaid in the United States Postal System as registered or certified mail, with return receipt requested, or by overnight express carrier or by sending via facsimile transmission. Any such notice so deposited shall be conclusively deemed delivered to and received by the addressee two (2) days after the deposit into the postal system or one (1) day after delivery to an overnight express carrier if all of the foregoing conditions of notice shall have been satisfied and addressed as follows:



Buyer:

Cal-Am Properties, Inc.  
385 Clinton Street  
Costa Mesa, California 92626  
Attn: Cory S. Sukert, CEO/President  
(714) 432-9800  
(714) 432-9801 Facsimile

With a copy to:

Karno, Schwartz & Friedman  
16255 Ventura Boulevard, Suite 1200  
Encino, California 91436  
Attn: Norton S. Karno, Esq.  
(818) 981-2145 Facsimile

Seller:

Homeland Development Company, Inc.  
3500 W. Lantana Road  
Lantana, Florida 33462  
Attn: Roger E. Medema, President  
 408.8225  
 967.6292 Facsimile

With a copy to



Notices given via facsimile transmission will be deemed effective upon transmission if sent prior to 5:00 P.M. at the recipient's time during a business day, provided that the sending equipment generates a receipt therefor and provided that notice is given also on the day of transmission in one of the other methods described herein; if such transmission is sent after 5:00 P.M. or on a non-business day, it will be effective on the next business day

10. AUTHORITY. Each person executing this Agreement represents and warrants his authority to do so and that by his signature each of the obligations hereunder become binding upon Seller and Buyer.

11. GENERAL PROVISIONS.

A. Good Faith. All parties hereby expressly covenant to deal with each other in good faith regarding all action, decisions, and conduct relating to this Agreement.

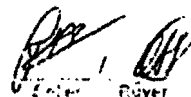
B. Time of the Essence. Time is hereby expressly made of the essence of this Agreement.

C. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which counterparts together shall constitute one and the same instrument.

D. Construction. This Agreement shall in all respects be interpreted, enforced, and governed by and under the laws and judicial decisions of the State of Florida applicable to agreements made and to be performed in that state. This Agreement is in all respects intended by each party hereto to be deemed and construed to have been jointly prepared by the parties and the parties hereby expressly agree that any uncertainty or ambiguity existing herein shall not be interpreted against either of them. Except as expressly limited by this paragraph, all of the applicable rules of interpretation of contract shall govern the interpretation of any uncertainty or ambiguity.

E. Binding on Successors. This Agreement and each and every covenant, condition, and other provisions herein contained shall apply to, be binding upon, and inure to the burden and benefit as may be the case of the respective heirs, administrators, executors, legal representatives, assigns, successors, and agents of the parties hereto.

F. Entire Agreement. This Agreement sets forth the entire agreement of the parties hereto with respect to the subject matter hereof and may be modified or amended only by a written instrument executed by all of the parties hereto.

  
Seller Buyer

G. **Prevailing Party.** In the event of any litigation with respect to this Agreement, the party hereto who does not prevail shall be responsible for all costs, e.g., court costs, attorneys' fees (including upon appeal(s), damages, etc.) incurred by the prevailing party.

H. **Facsimile Copies Acceptable.** Buyer and Seller agree that signed facsimile copies shall be binding as though original documents.

I. **The terms "day" or "days" shall mean business days excluding Saturday, Sunday or U.S. holidays.**

J. **If any date for performance falls on a Saturday or Sunday, then it shall be automatically extended to the immediately following Monday. If any date for performance falls on a U.S. holiday, then it shall be automatically extended to the next regular business day as described in 11(I) above.**

K. **As a matter of record, Cal-Am Properties, Inc. and Steve Hester are California licensed Real Estate Brokers.**

L. **1031 Exchange.** The parties hereto shall cooperate with each other or with each respective party's Exchange Facilitator/Accommodator to achieve an IRC Section 1031 Exchange, if any party desires to conclude such an exchange, so long as the party accommodating the exchange incurs no additional costs (other than costs of review of this Agreement or related documents by its attorneys) or liability, nor is required to take title to other property involved in such exchange, if any, and no delay in closing results therefrom.

M. **Destruction or Damage and Condemnation.** In the event of any "Material Damage" (as defined below) to the Property prior to the date of Closing, Buyer shall, at its sole option, have the right to (a) take the proceeds of any insurance, have the Seller contribute to Buyer any deductible or uninsured amount and assign to Buyer all claims accruing to Seller's benefit with respect to that casualty and proceed with Closing under this Agreement; or (b) declare the Agreement to be void and of no further force or effect, in which event, Buyer shall immediately receive a refund of the Earnest Money Deposit and all interest earned thereon, and be relieved of any and all liability hereunder. For purposes of this Section, "Material Damage" to the Property, shall be deemed to be damage, the cost of repair of which is reasonably estimated by Buyer to exceed

In the event of non-material damage to the Property prior to Closing, Buyer shall take the Property subject to the effect and consequences of that casualty and Seller shall pay over and/or assign to Buyer at Closing all insurance proceeds and/or claims accruing to Seller's benefit with respect to that casualty at Closing and Seller shall contribute to Buyer any deductible or uninsured amount. Also a "Material Portion" for condemnation purposes shall be property valued at or in excess of

  
Seller

  
Buyer

as reasonably estimated by Buyer, and an actual or a threatened taking of a Material Portion shall be a basis, at Buyer's option, for Buyer's termination of this Agreement. In the event of such termination, Buyer shall receive a refund of the Earnest Money Deposit and all interest earned thereon. If the event of an actual or threatened taking of a non-Material Portion or if Buyer does not elect to terminate this Agreement in the event of an actual or threatened taking of a Material Portion, Buyer shall be entitled to all awards made in connection with such actual or threatened taking.

12. EXPIRATION OF OFFER. The offer to purchase embodied herein expires if not accepted by Seller by 4:00 P.M. Pacific Time on August 10, 2011. Acceptance will be effective by Seller's executing and delivering a copy of this Agreement to Cal-Am Properties, Inc., via facsimile, (714) 432-9801 (with the original hard copy deposited in overnight mail addressed to Buyer at its address for notice provided above).

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective the date last set forth below.

BUYER CAL-AM PROPERTIES, INC.,  
a California corporation  
Dated: 9.1.11 By: [Signature]  
Craig S. Surant, President/CEO

SELLER: Homelanc Development Company,  
Inc.  
a Florida corporation  
Dated: Aug 29<sup>th</sup> 2011 By: [Signature]  
Roger E. Medema, President

W.P. Utilities, Inc.,  
a Florida Corporation  
Dated: Aug 29<sup>th</sup> 2011 By: [Signature]  
Roger E. Medema, President

Roger E. Medema, an individual  
Dated: Aug 29<sup>th</sup> 2011 By: [Signature]  
Roger E. Medema

[Signature]

ADDENDUM TO AGREEMENT  
OF  
PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS

This Addendum to Agreement of Purchase and Sale and Joint Escrow Instructions (hereinafter "Agreement") is made and entered into by and between Homeland Development Company, Inc., W.P. Utilities, Inc., and Roger E. Medema, individually, ("Seller") and CAL-AM Properties, Inc., a California corporation, and/or assignee ("Buyer"). Buyer and Seller agree to the following amendments to the Agreement which are hereby incorporated therein and made a part thereof:

1. **Right of First Refusal.** Pursuant to Section 723.071, Florida Statutes, the mobile home owners, by and through the Homeowners Association, have a right to purchase the mobile home park provided the Homeowners Association meet the price, terms and conditions of an offer/contract to purchase the mobile home park. Within five (5) days of the execution of this Agreement, Seller shall provide Notice to the Homeowners Association in accordance with Section 723.071. Seller's and Buyer's obligations under this Agreement are expressly conditioned upon the Homeowners Association not exercising its right of first refusal. Buyer shall begin its due diligence immediately and time periods for same will commence upon Buyer's receipt via notice procedure in the Agreement of the Homeowners Associations waiver. In the event the Homeowners Association exercises its right of first refusal, this Agreement shall be deemed terminated and any Escrow Money Deposit made by Buyer, including any interest thereon, shall be immediately refunded to Buyer.
2. **Financing.** Paragraph 3 of the Agreement is hereby amended to provide that Buyer's assumption of the existing Note and Mortgage on the Property shall provide for and require the full and complete release of Roger E. Medema from any and all liability on said loan as a personal guarantor or otherwise. In the event the release of Roger E. Medema is not obtained as part of the loan assumption approval, then Seller may terminate this Agreement and the Escrow Money Deposit, including interest therein, shall immediately be refunded to Buyer.
3. **W.P. Utilities, Inc.** The parties acknowledge that the transfer of W.P. Utilities to Buyer shall require approval of the State of Florida Public Service Commission ("SFPSC"). Buyer shall in good faith apply for and diligently pursue said approval. Seller shall cooperate with Buyer by providing such information and systems history as required by SFPSC and Buyer. Buyer shall be responsible for all costs related to applying for and obtaining said approval. Buyer and Seller agree that Buyer is purchasing the name/goodwill/assets of W.P. Utilities, Inc. Buyer is not buying any liabilities other than those that originate after the close of the purchase Escrow. Seller shall remain liable for any liabilities, claims, lawsuits and the like for events arising from incidents or acts prior and up thru date of Closing. Seller and Buyer herein agree that Buyer does not control the approval process or determination by the SFPSC, therefore the final approval from SFPSC shall be a contingency of this Agreement which Buyer may at Buyer's sole option elect to use said contingency to cancel this Agreement at anytime until final approval is granted by SFPSC and received in writing by Buyer. In the event the State of Florida Public Service Commission refuses for any reason whatsoever to allow Buyer to be the transferee then Buyer may terminate this Agreement and the Escrow Money Deposit, including interest therein, shall be immediately refunded to Buyer.



4. Closing.

A. Paragraph 4(B)(ii) is hereby amended to provide that within five days of the Effective Date of the Agreement, Buyer shall obtain and furnish to Seller firm written quotes from Commonwealth Land Title Insurance Company and Seller shall obtain and furnish to Buyer firm written quotes from Old Republic Title Insurance Company for standard ALTA charges and extended ALTA charges, Escrow Fee charges and Closing charges. Buyer and Seller agree that the least expensive package price shall be used as the Title Company for this transaction, the Escrow Company for this transaction, and the Closing Agent for this transaction. Buyer and Seller also agree that Seller shall pay for the standard ALTA title policy and should Buyer want extended ALTA coverage Buyer shall pay for that cost over and above the standard cost.

B. Paragraph 4(D) is amended to provide that Buyer shall be responsible for all Buyer's costs related to the assumption of the existing loan.

5. Contingencies. Paragraph 5(C) is amended to provide that in the event Buyer has not obtained unconditional approval to assume the existing loan on the Property within six (6) months of the date of the waiver of all contingencies in Paragraph 5(A), unless otherwise agreed to in writing, either party may terminate this Agreement after such six month passage and the Escrow Money Deposit together, with any interest thereon, shall be immediately returned to Buyer.


6. Jurisdiction/Venue. Jurisdiction and venue for any litigation arising out of this Agreement shall be in the State Court System of the State of Florida in Palm Beach County, Florida.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum effective the date last set forth below.

Dated this 9<sup>th</sup> day of September, 2011.

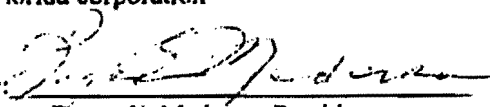
BUYER: CAL-AM PROPERTIES, INC.,  
a California corporation

Dated: 9.1.11

By:   
Cory S. Sukert, President/CEO

SELLER: Homeland Development Company, Inc.,  
a Florida corporation

Dated: Aug 28 - 2011

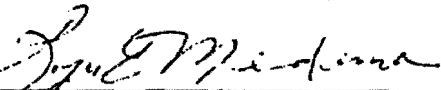
By:   
Roger E. Medema, President

Signatures continue on following page



W.P. Utilities, Inc., a Florida corporation

Dated: Aug 29<sup>th</sup> 2011

By:   
Roger E. Medema, President

Roger E. Medema, and individual

Dated: Aug 29<sup>th</sup> 2011

By:   
Roger E. Medema

\\C&P Clients\Homeland Development Co\Agreements\Addendum to Agr 5.docx

