

STRATHMORE CONDOMINIUM

ESCROW AGREEMENT

This Agreement is made as of the 17th day of December, 2005, between Pulte Land Company, LLC, a Michigan limited liability company ("Developer"), and Metropolitan Title Company ("Escrow Agent").

WHEREAS, Developer is developing Strathmore Condominium as a residential condominium in Michigan; and

WHEREAS, the Developer is selling Units in Strathmore Condominium and is entering into Purchase Agreements and/or Reservation Agreements in substantially the form attached hereto and which require that deposits be held in an escrow account with Escrow Agent; and

WHEREAS, the parties hereto desire to enter into this Escrow Agreement to establish an escrow account for the benefit of Developer and for the benefit of such Purchasers; and

WHEREAS, Escrow Agent is acting as an independent party hereunder pursuant to this Escrow Agreement and the Michigan Condominium Act (Act No. 59, Public Acts of 1978, as amended, hereinafter the "Act") for the benefit of Developer and all Purchasers and not as the agent of any one or less than all of such parties.

NOW, THEREFORE, it is agreed as follows:

1. Developer shall, promptly after receipt, transmit to Escrow Agent all sums deposited for escrow under a Purchase Agreement or Reservation Agreement for a Unit of the Project, together with a fully executed copy of such Agreement. If a Purchaser who has deposited funds under a Reservation Agreement subsequently signs a Purchase Agreement, such funds shall be treated as a Deposit under the Purchase Agreement. If a Purchaser in a Reservation Agreement withdraws from such Agreement prior to signing a Purchase Agreement then the Deposit under the Reservation Agreement shall promptly be refunded to such Purchaser.

2. The sums paid to Escrow Agent under the terms of any Purchase Agreement shall be held and released to Developer or Purchaser only upon the conditions hereinafter set forth:

A. The escrowed funds shall be released to Purchaser upon the following circumstances:

(i) If the Purchase Agreement is contingent upon Purchaser obtaining a mortgage and Purchaser diligently pursues a mortgage application but fails to obtain such mortgage Escrow Agent shall release to Purchaser all sums held by it pursuant to said Agreement.

certificates of substantial completion have been issued therefor by a licensed professional architect or engineer described hereafter.

D. Upon furnishing Escrow Agent a certificate from a licensed architect or engineer evidencing substantial completion in accordance with the pertinent plans and specifications of a structure, improvement, facility or identifiable portion thereof for which funds or other security have been deposited in escrow, Escrow Agent shall release to Developer the amount of such funds or other security specified by the issuer of the certificate as being attributable to such substantially completed items, provided, however, that if the amounts remaining in escrow after any such certificate to finance substantial completion of any remaining incomplete items for which funds or other security have been deposited in escrow, only the amount in escrow in excess of such estimated cost to substantially complete shall be released by Escrow Agent to Developer.

E. Escrow Agent shall be under no obligation to earn interest upon the escrowed sums held pursuant hereto. In the event that interest upon such sums is earned, however, all such interest shall be separately accounted for by Escrow Agent and shall be held in escrow and released as and when principal deposits are released hereunder; provided, however, that all interest earned on deposits refunded to a Purchaser upon such Purchaser's withdrawal from a Purchase Agreement shall be paid to Developer. Any interest paid to Developer shall not be credited to Purchaser for any reason.

F. If Developer requests that all or any portion of the escrowed funds held hereunder be delivered to it prior to the time it otherwise becomes entitled to receive such funds, Escrow Agent may release such funds to Developer if Developer has placed with Escrow Agent security in form and substance satisfactory to Escrow Agent securing full repayment of said sums, as may be permitted by law.

G. If Escrow Agent is holding in escrow funds or other security for completion of incomplete elements or facilities under 103b(7) of the Act, such funds or other security shall be administered by Escrow Agent in the following manner:

(i) Escrow Agent shall upon request give all notices required by the Act.

(ii) If Developer, the Condominium Association and any other party or parties asserting a claim to or interest in the escrow deposit enter into a written agreement (satisfactory in its terms and conditions to Escrow Agent for Escrow Agent's protection, as determined by Escrow Agent in its absolute and sole discretion), as to the disposition of the funds or security in escrow under 103b(7) of the Act, Escrow Agent shall release such funds or security in accordance with the terms of such written agreement among such parties.

(iii) Except as provided above, Escrow Agent shall be under no obligation to release any such escrowed funds or security, but Escrow Agent may, in its absolute and sole discretion, at any time take either of the following actions:

(a) Initiate an interpleader action in any circuit court in Michigan naming Developer and the Condominium Association and all others and interested parties as parties and deposit all funds or other security in escrow under 103b(7) of the Act with the clerk of such court in full discharge of its responsibilities under this Agreement; or

(b) Initiate an arbitration proceeding under the Commercial Arbitration Rules of the American Arbitration Association pursuant to which proceeding both the Developer and the Condominium Association shall be named as parties. Escrow Agent shall continue to hold all sums in escrow under 103b(7) of the Act pending the outcome of such arbitration, but Escrow Agent shall not be a party to such arbitration. All issues relating to disposition of such escrow deposits or other security shall be decided by the arbitrator or arbitration panel and such decision shall be final and binding upon all parties concerned and judgment thereon may be rendered upon such award by any circuit court of the State of Michigan. Escrow Agent may in any event release all such escrow deposits in accord with the arbitration decision or may commence an interpleader action with respect thereto as provided above.

3. Escrow Agent may require reasonable proof of occurrence of any of the events, actions or conditions stated herein before releasing any sums held by it pursuant to any Purchase Agreement or Reservation Agreement either to a Purchaser thereunder or to a Developer. Whenever Escrow Agent is required hereunder to receive the certification of a licensed professional architect or engineer, Escrow Agent may rely entirely upon any such certificate. All estimates and determinations of the cost to substantially complete any incomplete items for which escrowed funds are being held hereunder shall be made entirely by a licensed professional engineer or architect, the determinations of all amounts to be retained in escrow for the completion of any such items shall be based entirely upon such determinations and estimates as are furnished by such engineer or architect. Escrow Agent shall have no duty whatsoever at any time to inspect the Condominium or make any cost estimates or determinations, and Escrow Agent may rely entirely upon such certificates, determinations and estimates as are provided for herein for retaining and releasing escrowed funds.

4. Upon release of the funds deposited with Escrow Agent pursuant to any Purchase Agreement or Reservation Agreement and this Escrow Agreement, Escrow Agent shall be released from any further liability, it being expressly understood that Escrow Agent's liability is limited by the terms and provisions set forth in this Escrow Agreement, and that by acceptance of any escrow deposit, Escrow Agent is acting in the capacity of a depository and is not, as such, responsible or liable for the sufficiency, correctness, genuineness or validity of the instruments submitted to it, or the marketability of title to any Unit. Escrow Agent is not responsible for the failure of any bank used by it as a depository for funds received by it under this Escrow Agreement. Escrow Agent is not a guarantor of performance by Developer under the Condominium Documents or any Purchase Agreement or Reservation Agreement. Escrow Agent undertakes no responsibilities whatever with respect to the nature, extent or quality of Developer's actions or performance of Developer's obligations. As long as Escrow Agent relies in good faith upon any certificate, cost estimate or determination provided for

herein, Escrow Agent shall have no liability whatever to Developer, any Purchaser, any Co-owner or any other party for any error in such certificate, cost estimate or determination or for any act or omission by Escrow Agent in reliance thereon. Escrow Agent's liability hereunder shall in all events be limited to return, to the party or parties entitled thereto, of the funds deposited in escrow less any reasonable expenses which Escrow Agent may incur in the administration of such funds or otherwise hereunder, including, without limitation, reasonable attorneys' fees and litigation expenses paid in connection with the defense, negotiation or analysis of claims against it, by reason of litigation or otherwise, arising out of the administration of such escrowed funds, all of which costs Escrow Agent shall be entitled without notice to deduct from amounts on deposit hereunder.

5. All notices required or permitted hereunder and all notices of change of address shall be deemed sufficient if personally delivered or sent by registered mail, postage prepaid and return receipt requested, addressed to the recipient party at the address shown below such party's signature to this Agreement or upon the applicable Purchase Agreement or Reservation Agreement. For purposes of calculating time periods under the provisions of this Agreement, notice shall be deemed effective upon mailing or personal delivery, whatever is applicable.

DEVELOPER:

PULTE LAND COMPANY, LLC,
a Michigan limited liability company

By: 

Its: Authorized Representative

450 W. Fourth Street
Royal Oak, MI 48067

Date: December 17th, 2005

ESCROW AGENT:

**METROPOLITAN
TITLE COMPANY**

By: 

Its: Coordinator

1228 Kirts Blvd., Suite 450
Troy, MI 48084

Dated: Nov 22, 2005