

THIS AGREEMENT IS A LEGAL DOCUMENT. YOU ARE ADVISED TO, AND ACKNOWLEDGE HAVING HAD SUFFICIENT OPPORTUNITY TO, CONSULT INDEPENDENT LEGAL COUNSEL BEFORE SIGNING THIS AGREEMENT.

**THE CABINS AT PORCUPINE RIDGE
PURCHASE AGREEMENT WITH FINANCING CONTINGENCY**

THIS PURCHASE AGREEMENT (this "Agreement"), dated effective _____, 200____, is between **THE CABINS AT PORCUPINE RIDGE, Ltd**, a Colorado Corporation, or its affiliates, successors or assigns ("we" or "us" or "Seller"), whose address is c/o Mark Hanna, PO Box 310, Tabernash, CO 80478, and _____

_____ ("you", "Buyer", "Purchaser", whether one or more), whose address is:

_____ In consideration of the mutual covenants herein contained, you and we agree as follows:

1. SALE AND PURCHASE OF THE PROPERTY. Subject to the terms and conditions of this Agreement, we agree to sell to you, and you agree to buy from us (as joint tenants tenants in common (check one if there is more than one purchaser)), the following real property located in Grand County, Colorado (collectively, the "Property"):

(a) Cabin Unit Number _____ (the "Unit"), according to the plat of the Cabins at Porcupine Ridge recorded at Reception #2004-015121 and as further described in the Declaration of Covenants, Conditions, and Restrictions, for The Cabins at Porcupine Ridge recorded at Reception #2004-015127 in the Grand County Colorado real property records; commonly known as

Fraser, CO 80442.

_____ (street address)

(b) the easements, rights and benefits attached to ownership of the Unit, which easements, rights and benefits are more specifically described in the Documents (as defined in Section 8 below); and

(c) the improvements, fixtures and personal property selected by you from the options listed on Exhibit B to this Agreement (collectively, the "Interior Improvements"). Exhibit C to this Agreement sets forth your decorative selections for the unit. It will be attached to and made part of this agreement at a later date. If, for whatever reason, a color or decorative selection is not available at the time for installation of such item in the Unit, you agree, immediately upon request, and not later than 5 business days to select, in writing, another alternative that is then available. If you fail to make such selections within the specified time limits, you agree that we shall have the right to make selections on your behalf and the same shall be binding upon you.

2. PURCHASE PRICE AND TERMS. The purchase price for the Property (the "Purchase Price") is payable in United States dollars by you to us as follows:

(1. Base Purchase Price: _____

| | |
|--|----------------|
| (2. Upgrade Packages (from Exhibit B) | _____ |
| (3. Total Purchase Price (total of 1. & 2. above) | _____ |
| (4. Initial Earnest Money Deposit: | ___\$10,000___ |
| (5. Balance of Earnest Money Deposit Due (a total of 10% of Total Purchase Price) | _____ |
| (6. Cash Due at Closing | _____ |

(a) **Earnest Money Deposit.** An initial earnest money in the form of cash or check, will be paid by you to us at the time you sign this Agreement. You will then have 45 days from the acceptance of this contract by us as a grace period to review documents and reflect upon the transaction. At the end of the grace period you must either proceed with the purchase of the Unit or this agreement shall become null and void and all your Initial Earnest Money Deposit shall be returned to you. If you decide to proceed with the purchase of the Unit the Earnest Money Deposit shall be increased to a total of 10% of the Total Purchase Price. You may waive any or all of the grace period and proceed with the purchase of the Unit at any time. It is understood that except for the Sellers default and as otherwise provided herein the Earnest Money Deposit shall be considered nonrefundable. The parties acknowledge and agree that the title company shall hold the Earnest Money Deposit in a non-segregated account for Seller's use at a depository selected by Seller and that any interest earned on the Earnest Money Deposit shall be Seller's sole property and any such interest shall not be applied to purchase price at closing. The Earnest Money Deposit and any interest earned will be refunded to Buyer only upon Seller's default as described below.

Buyer hereby waives balance of grace period contingency _____.

(b) **Cash at Closing.** The balance of the Total Purchase Price and any change orders (cash amount due at closing shown on line 6 above) will be paid by you to us in cash, electronic transfer funds, or certified funds at Closing (as defined in Section 6 below).

(c) **Estimated Start Date.** The Estimated Start Date for this Unit Shall be _____, 200___. (To be completed by Seller.)

3. FINANCING.

Buyer to investigate the availability of financing. If the availability of financing is found to be unsatisfactory to the Buyer then Buyer must notify Seller in writing within 45 days of Seller's acceptance. In which case all Earnest Money and any prepayments of the purchase price shall be returned and this contract shall terminate.

Buyer hereby waives above financing contingency _____.

4. **APPRAISAL.**

(a) **Appraisal Condition.**

_____ (1) No Appraisal Condition. This Section 4 shall not apply.

_____ (2) Appraisal Condition. You will have the option, but not the obligation, to terminate this Agreement if the Purchase Price is found to exceed the valuation of the Property as determined by a licensed appraiser engaged by you at your expense. You may terminate this Agreement pursuant to this Section 4(a)(2) by giving written notice of termination and a copy of the appraiser's signed appraisal report to us within 45 days of our acceptance of this Agreement. If, within such time period, we do not receive your notice of termination and a copy of the appraisal report, you will have waived your right to terminate pursuant to this Section 4(a)(2).

(b) **Cost of Appraisal.** Cost of any appraisal to be obtained hereunder shall be timely paid by Buyer.

5. **CONSTRUCTION OF THE UNIT.**

(a) The Purchase Price includes the construction of the Unit, including the installation and construction of the Interior Improvements. You are purchasing a completed Unit. We are not acting as your contractor with respect to the construction of the Unit. You have no right, title or interest in the Property or the Unit, except the right and obligation to buy the Property in accordance with the terms of this Agreement upon completion of the Unit.

(b) Promptly after we obtain a building permit for the Building, we will (subject to the terms and conditions of this Agreement) commence construction of the Building. Once we start construction, we will diligently pursue completion of the Building and the Unit, subject to delays caused by weather, strikes, inability to obtain materials, labor shortages, acts of God, war, casualty, contractor's breach of contract, lender's delay in disbursement, government regulations, court decree or order, delays attributable to you or any other occurrence or condition beyond our control (each a "Force Majeure Delay").

(c) We will cause our general contractor (the "General Contractor") to supervise and direct the construction of the Unit. During construction, neither you nor your agents or invitees may enter the Building or construction site unless accompanied by one of our authorized representatives. You understand and agree that the supervision and direction of the construction of the Unit rests exclusively with the General Contractor. You agree that you will not authorize any additional work to be performed on the Unit, other than by written agreement with us, until after Closing. You agree to indemnify and hold us harmless with respect to any injury or loss to any person or property that is caused by your violation of the terms of this paragraph.

(d) As necessary or appropriate during the course of construction, we have the right to modify or substitute materials, equipment, appliances and fixtures shown in any model or specified on the plans and specifications, including, without limitation, modifications and substitutions necessary or appropriate to: (1) meet requirements of any governmental authority, (2) correct errors, omissions and oversights, (3) meet unanticipated site requirements, (4) overcome hindrances to the

expeditious completion of construction due to strikes or material or labor requirements, and (5) make minor relocation of electrical, plumbing, heating and similar services and equipment. Without limiting the foregoing, we may, in our sole discretion and without notice to you or your consent, modify the size, plans and specifications for the Unit, even if such modifications result in minor reductions (not to exceed 5%) in the size of the living space or result in the minor alterations to the layout of the Unit. In that regard, it is anticipated that there will be minor deviations in room dimensions, locations of windows, doors, heating and/or air-conditioning registers and controls, electrical outlets and switches, telephone outlets and other items of similar nature from any model unit and the plans and specifications. You are specifically cautioned against ordering any items such as drapes, built-in cabinets or custom furniture that require exact measurements until you can actually take measurements in the fully completed Unit.

(e) You hereby acknowledge you are aware that model units are displayed for illustrative purposes only and do not constitute an agreement or commitment on our part to deliver the Unit in exact accordance with any model unit. Except as otherwise expressly stated in this Agreement, none of the furnishings, optional or upgraded items, additions, features or landscape items shown at or in any model unit will be included in the Unit purchased pursuant to this Agreement.

6. COMPLETION OF THE UNIT AND INSPECTION UPON COMPLETION.

(a) We agree to diligently pursue completion of construction of the Unit and to complete the Unit within **eighteen months** after the Estimated Start Date above (the "Completion Date"). The Completion Date will be automatically extended for any Force Majeure Delay. (It is our goal to complete the Unit within 10 months of the Estimated Start Date and you should be prepared to close anytime after that.)

(b) After the Completion Date but prior to Closing, we will notify you of a date and time for an inspection of the Unit. At that date and time, you or your representative will inspect the Unit with our representative and will prepare a list of minor construction items required to be completed or repaired by us (the "Punch List"). The Punch List shall not require Seller to make any major alterations or substantial changes to the floor plan and is intended to be a list of minor completion items as is standard in the construction industry. At the time of agreement upon the Punch List, you will be deemed to have accepted all aspects of the Unit (including the Upgrades and Changes) other than the Punch List items. Your agreement to the Punch List shall be conclusive evidence that the Unit and the Upgrades and Changes were constructed in accordance with this Agreement and the plans and specifications, subject only to completion of those items on the Punch List. We will endeavor to complete or repair any items on the Punch List prior to Closing, but the date of Closing will not be delayed and the Purchase Price will not be reduced as a result of the failure to complete such items prior to Closing. No funds will be withheld at Closing to secure completion of the Punch List. We agree to complete any unfinished Punch List items within 45 days after Closing, subject to Force Majeure Delay. Thereafter, all other requested repair items shall be subject to and governed by the terms of "Seller's Warranty" described in Section 12.

7. CLOSING.

(a) Subject to the provisions of this Agreement, the consummation of the purchase and sale of the Property (the "Closing") will be held on the date and at the time and place designated by

us in a written notice to you. We will provide you with at least forty-five (45) calendar days' prior written notice of the closing date.

(b) At Closing, you will pay the Purchase Price to us, as to which you will receive a credit equal to the amount of the Earnest Money deposit and Option Payments. You further agree to pay at Closing:

(1) One-half of the fees for real estate closing and settlement services (your share of which is estimated to equal approximately \$75.00);

(2) An amount equal to one-half (1/2) of the total annual general assessment at the time of closing to be transferred to the capital reserve account of The Cabins at Porcupine Ridge Homeowners Association, Inc., the Colorado nonprofit corporation organized pursuant to the terms of, and for the purposes more specifically described in, the Declaration of Covenants, Conditions and Restrictions for The Cabins at Porcupine Ridge which sum will not be deemed to be an advance payment of any assessments, fees or other charges which may be imposed or collected by the The Cabins at Porcupine Ridge Homeowners Association, Inc.

(3) Any sales tax attributable to that portion of the Property which is personal property (as to which we will allocate, in our reasonable discretion, and designate on the bill of sale that portion of the Purchase Price which is attributable to personal property).

The amounts to be paid by you at Closing must be paid in cash or by certified check, cashier's check, or wire transfer.

(c) At Closing, following your payment of the Purchase Price, we will furnish a good and sufficient general warranty deed (and as to personal property, a bill of sale, without warranty) conveying title to the Property to you, free and clear of liens and encumbrances except the following:

(1) general taxes, assessments and charges of whatever nature for the year of Closing and all subsequent years, whether assessed against the Property by the State, County, or other governmental or quasi-governmental entity having authority to assess such taxes, assessments or charges (including, without limitation, any taxes, assessments or charges against the Property as a result of the inclusion of the Property in any metropolitan district, special improvement district, water and sanitation district, fire protection district or park and recreation district);

(2) easements, roads, rights-of-way, covenants, conditions, restrictions, agreements and reservations of record or apparent upon the physical inspection of the Property, including, without limitation, those matters created, reserved and set forth in the Declaration, and as shown on the recorded plat of The Cabins at Porcupine Ridge.

(3) all building and zoning laws or regulations and any other laws, ordinances, rules and regulations of any governmental or quasi-governmental body having authority over the Property;

(4) the Title Documents (as defined in Section 8(a) below) which are not objected to by you under Section 8(b) below, and the Title Documents which are objected to by you under Section 8(b) below but are cured by us or waived by you as provided in Section 8(c) below; and

(d) Taxes and assessments for the year of Closing, based on the most recent levy and assessment, will be prorated to the date of Closing. Charges for water, sewer, gas, electricity and other utilities, if applicable, and condominium owners association assessments and master owners association assessments will be prorated to the date of Closing based on actual figures (or if actual figures are not then available, based on our reasonable estimate). All adjustments and prorations will be final. You understand and agree that sums estimated for taxes or insurance may increase or decrease depending upon changes in real property tax assessments and insurance rates.

8. TITLE DOCUMENTS, TITLE REVIEW AND RIGHT TO CURE.

(a) We will direct the “Title Company” (A company selected by Seller) to furnish to you, at our expense, a current commitment for an owner’s title insurance policy issued by the Title Company in an amount equal to the Purchase Price (the “Title Commitment”) together copies of the recorded instruments which are identified in Schedule B-II of the Title Commitment as exceptions to title, on or before the date that is ten (10) calendar days after the date we sign this Agreement. The Title Commitment and associated exception documents are collectively called the “Title Documents.”

(b) You have the right to inspect the Title Documents. You may object to any title conditions shown by the Title Documents which render title unmerchantable, by delivering written notice of objection (stating each objection with specificity) (the “Title Objections”) to us no more than seven (7) calendar days after you receive the Title Commitment. If we do not receive your notice of Title Objections within such seven-day period, you will be deemed to have accepted as satisfactory the condition of title as disclosed by the Title Documents.

(c) If we receive timely notice of the Title Objections as provided above, we will notify you of our intentions with respect to the cure of those Title Objections. If we notify you that we do not intend to cure a Title Objection, then you may either: (1) terminate this Agreement by written notice to us within five (5) calendar days of our notice to you, in which event the Earnest Money will be returned to you, or (2) waive such Title Objection. (If we do not receive timely notice of termination, you will be deemed to have waived the Title Objections described in our notice of intent not to cure). Unless we notify you that we do not intend to cure a Title Objection as provided above, we agree to use reasonable efforts to cure the Title Objections prior to the date of Closing. You agree that our attainment of affirmative title insurance protection with respect to a Title Objection in an amount not less than the Purchase Price, or the deletion from Schedule B-II of the Title Commitment of an instrument giving rise to a Title Objection, is sufficient to cure such Title Objection. If we have agreed to cure a Title Objection but fail to do so on or before the date of Closing, this Agreement will terminate (unless otherwise agreed by you and us in writing) and the Earnest Money will be returned to you. If this Agreement terminates as provided in this subsection, then upon such termination, all Earnest Money, and any prepayments of the Purchase Price will be returned to you and each party will be released from all further liability and obligations pursuant to this Agreement.

(d) If at any time prior to Closing an updated Title Commitment is issued which contains any exceptions to title which were not included within Schedule B-II of the initial Title Commitment as reviewed by you (other than the Condominium Documents, as to which your sole rights of review and objection are governed by Section 9 below), you will have the same right to object and we will have the same right to cure as stated above, and subject to the same time periods and waiver provisions stated above. The updated Title Commitment will be and form part of the Title Documents as defined in this Agreement.

(e) At Closing, we will pay the premium for the title insurance policy contemplated by the Title Commitment, and instruct the Title Company to issue and deliver such policy to you as soon as practicable after Closing.

(f) SPECIAL TAXING DISTRICTS MAY BE SUBJECT TO GENERAL OBLIGATION INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM ANNUAL TAX LEVIES ON THE TAXABLE PROPERTY WITHIN SUCH DISTRICTS. PROPERTY OWNERS IN SUCH DISTRICTS MAY BE PLACED AT RISK FOR INCREASED MILL LEVIES AND EXCESS TAX BURDENS TO SUPPORT THE SERVICING OF SUCH DEBT WHERE CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF SUCH A DISTRICT TO DISCHARGE SUCH INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL LEVIES. YOU SHOULD INVESTIGATE THE DEBT FINANCING REQUIREMENTS OF THE AUTHORIZED GENERAL OBLIGATION INDEBTEDNESS OF SUCH DISTRICTS, EXISTING MILL LEVIES OF SUCH DISTRICT SERVICING SUCH INDEBTEDNESS AND THE POTENTIAL FOR AN INCREASE IN SUCH MILL LEVIES.

9. DECLARATION.

(a) You acknowledge that as part of the Title Documents you will receive a copy of the Declaration of Covenants, Conditions and Restrictions for The Cabins at Porcupine Ridge, and will have the opportunity to review them under the same terms and conditions as the other Title Documents.

(b) You understand and agree that we reserve the right to amend certain of the instruments described in Section 9(a) above from time to time (collectively, as so amended in accordance with this subsection, the "Documents"). In that regard, we agree to notify you of any amendments to the Documents which we believe will materially and adversely affect the Property, including your Unit, or your assessment obligations as owner of the Unit. If you receive notice of any proposed amendment to any of the Documents, you may object to such amendment, by delivering written notice of objection (stating your concerns specifically) to us within three (3) business days of your receipt of the proposed amendment. If you timely object to a proposed amendment, we may elect to either (1) withdraw the proposed amendment, or (2) propose a substitute amendment that addresses your stated concerns, or (3) terminate this Agreement by written notice to you, in which event all Earnest Money, and any prepayments of the Purchase Price will be refunded to you. If you do not deliver written notice of objection within the three day period provided above, you will be deemed to have accepted and approved the proposed amendment.

(c) You understand and agree that we have the right, at or prior to Closing, to record such

of the Documents not previously recorded in the real property records of the county in which the Property is located, for the purpose of subjecting the Property to the terms and conditions stated in such instruments.

10. DEFAULT. Time is of the essence of this Agreement. If any note, or check received as Earnest Money or any other payment due under this Agreement is not made, honored or tendered when due, or if any obligation under this Agreement is not performed as and within the time period provided, the party failing to timely pay or perform will be in default hereunder. In the event of a default, the non-defaulting party will have the following remedies:

(a) If we are in default, other than a default described in paragraph (b) below, you may, as your sole and exclusive remedy, terminate this Agreement by written notice to us within ten (10) calendar days after such default, in which event all Earnest Money along with interest earned, if any, and any prepayments of the Purchase Price will be returned to you, and the parties will have no further obligations or liability under or in connection with this Agreement.

(b) If for any reason, other than default by you or other Force Majeure Delay, we have failed to complete construction of the Unit on or before the Completion Date, as provided in Section 5(a) above, then you may elect to either: (1) terminate this Agreement by written notice to us within thirty (30) calendar days after the Completion Date in which event all Earnest Money along with interest earned, if any, and any prepayments of the Purchase Price will be returned to you, and the parties will have no further obligations or liability under or in connection with this Agreement, or (2) exercise any other right or remedy available to you at law or in equity.

(c) If you are in default, we may choose to either: (1.) terminate this Agreement, in which event we are entitled to retain, as liquidated damages, all Earnest Money, accrued interest thereon, any prepayments of the Purchase Price and all other amounts paid by you under this Agreement; or (2.) to seek specific performance from you of all your obligations herein. You acknowledge and agree that the actual damages to us would be extremely difficult and impractical to ascertain, and that the liquidated damage amount referenced above is a fair and reasonable approximation thereof. You agree to pay all costs and expenses, including, without limitation, reasonable attorneys' fees, incurred by us in connection with the collection of any money due to us from you or in connection with the enforcement of this Agreement.

11. DAMAGE BEFORE SALE. If after commencement of construction of the Building but prior to Closing, the Unit or the Building is destroyed or damaged by fire or other casualty, we have the right to terminate this Agreement or to repair or replace the damaged portions of the Property within ninety (90) calendar days after the date of such damage, in which event this Agreement will remain in full force and effect, but all dates for performance will be extended by such ninety-day period. Notwithstanding anything to the contrary in this Agreement, if we terminate this Agreement pursuant to this Section 11, then all Earnest Money, accrued interest thereon and any prepayments of the Purchase Price will be returned to you, and you will have no further rights or recourse against us.

12. DISCLAIMER OF WARRANTIES; REPRESENTATIONS.

Notwithstanding any provision of this Agreement, the following provisions will control:

(a) **Reliance by You.** You will rely on your own conclusions with respect to any environmental, legal, factual or any other type of inquiry or inspection of the Property and the Unit.

(b) **Limited Warranty.** We warrant to you that the Unit will be constructed in a good and workmanlike manner and will be free from defects in workmanship and materials of a material nature for a period of one year after Closing (“Seller’s Warranty”). Seller’s Warranty will survive Closing. As to items we did not manufacture, such as air conditioner, water heater, refrigerator, range, dishwasher and other appliance, equipment or “consumer product” as defined by the Federal Trade Commission, as well as the Interior Improvements and any personal property, we agree to pass along to you the manufacturer’s warranty, if any, without recourse, representation or warranty. We make no warranty on such items. **THE EXPRESS SELLER’S WARRANTY GIVEN IN THIS SUBSECTION IS IN LIEU OF, AND YOU WAIVE, ANY OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, WHETHER ARISING UNDER STATE OR FEDERAL LAW, INCLUDING, BUT NOT LIMITED TO, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY, HABITABILITY, SUITABILITY FOR HABITATION, FITNESS, OR FITNESS FOR A PARTICULAR PURPOSE. WE EXPRESSLY DISCLAIM ALL WARRANTIES EXCEPT FOR SELLER’S WARRANTY. YOU ACKNOWLEDGE AND AGREE THAT WE HAVE NOT MADE AND THAT YOU ARE NOT RELYING UPON ANY REPRESENTATIONS WITH RESPECT TO THE PROPERTY, THE SIZE OR LIVING AREA OF THE PROPERTY, THE VALUE OF THE PROPERTY, THE EXISTENCE OR PRESERVATION OF ANY VIEW OR VISTA WITH RESPECT TO THE UNIT OR THE BUILDING, OR ANY OTHER MATTER RELATING TO THE PROPERTY OR ITS SUITABILITY FOR YOUR INTENDED PURPOSES. IN THAT REGARD, YOU ACKNOWLEDGE THAT YOU ARE NOT RELYING UPON ANY SQUARE FOOTAGE FIGURES REFLECTED IN MARKETING OR OTHER MATERIALS DISTRIBUTED TO YOU OR YOUR AGENTS, OR OTHERWISE REPRESENTED TO YOU, AS SUCH SQUARE FOOTAGE FIGURES MAY NOT REFLECT THE ACTUAL LIVING AREA OF THE UNIT (WHICH MAY BE SMALLER), AND MAY NOT COMPORT WITH THE SQUARE FOOTAGE OF THE UNIT FOR PURPOSES OF ALLOCATING VOTING RIGHTS AND EXPENSES WITHIN THE HOMEOWNERS ASSOCIATION APPLICABLE TO THE UNIT.**

(c) **No Authority to Modify.** No employee or agent of ours, nor any independent broker has the authority to modify the terms of this subsection or to make any agreements, representations, warranties or promises regarding the Property, including the Unit, the Building or the surrounding properties or the vista or view from the Unit. YOU REPRESENT TO US THAT YOU HAVE READ THIS AGREEMENT AND SELLER’S WARRANTY, AND THAT NO OTHER AGREEMENTS, PROMISES, REPRESENTATIONS, OR WARRANTIES, EXCEPT THOSE EXPRESSLY SET FORTH IN THIS AGREEMENT HAVE BEEN MADE BY US OR ANY EMPLOYEE OR AGENT OF OURS. YOU ACKNOWLEDGE THAT YOU ARE NOT RELYING UPON ANY STATEMENT, REPRESENTATION, OR WARRANTY NOT SET FORTH IN WRITING IN THIS AGREEMENT.

(d) **Limitation of Liability.** NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, YOU UNDERSTAND AND AGREE THAT OUR LIABILITY, WHETHER IN CONTRACT, IN TORT, UNDER ANY WARRANTY, IN NEGLIGENCE OR OTHERWISE, IS LIMITED TO THE REMEDY PROVIDED IN SELLER'S WARRANTY. UNDER NO CIRCUMSTANCES WILL WE BE LIABLE FOR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT ANY LIMITATION, ANY DAMAGES BASED ON A CLAIMED DIMINUTION IN THE VALUE OF THE PROPERTY, EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. NO ACTION, REGARDLESS OF FORM, ARISING OUT OF THE TRANSACTIONS UNDER THIS AGREEMENT MAY BE BROUGHT BY YOU MORE THAN ONE (1) YEAR AFTER CLOSING, REGARDLESS OF WHEN THE CAUSE OF ACTION HAS ACCRUED OR IS DISCOVERED.

(e) **Merger.** The terms and provisions stated in this Section 12 will remain enforceable and survive the Closing date.

13. DEVELOPMENT AND CONSTRUCTION DISTURBANCES. You understand and recognize that the Cabins at Porcupine Ridge project, of which the Unit is a part, is a phased development project to be developed incrementally over time. Accordingly, you acknowledge that there may be certain inconveniences until the construction of the entirety of the project is completed (including, but not limited to, dust, noise, traffic disruption, temporary closure of roadways and construction debris). In addition, you understand and recognize that our plans to develop future phases of the project are contingent upon circumstances beyond our control, including, but not limited to agreements with and approvals from third parties (such as, by way of example, regulatory approvals from governmental entities and design review approvals). In addition, we have not fully determined the extent to which the project (or parts of the project) will be developed and may elect in our discretion to delay, change the nature or scope of, or cease such development at any time. YOU WAIVE ALL CLAIMS, AND AGREE TO HOLD US HARMLESS FROM AND AGAINST ANY COSTS, LOSSES OR OCCURRENCES ARISING OUT OF OR ASSOCIATED WITH PHASED CONSTRUCTION ACTIVITIES AND THE ASSOCIATED DISRUPTIONS AND INCONVENIENCES RELATING TO THE DEVELOPMENT OF THE PROJECT, AS WELL AS ANY DELAYS OR CHANGES IN, OR CESSATION OF, DEVELOPMENT OF THE PROJECT AT ANY TIME.

14. RESPA AND BROKER DISCLOSURES.

(a) You warrant that you have dealt with no real estate broker in connection with the purchase and sale contemplated by this Agreement, other than Century 21 Winter Park Real Estate as listing agent, and

_____, as selling agent whose company name, address and telephone numbers are as follows:

_____. We will pay a commission to Century 21 Winter Park Real Estate who will pay a cooperative commission to the selling agent directly. You agree to indemnify and hold us harmless from any claim for a

broker's fee, finder's fee or commission of any person, firm or entity other than Century 21 Winter Park Real Estate, which indemnity will include, without limitation, reasonable attorneys' fees incurred by us in that regard.

(b) As required by the Real Estate Settlement Procedures Act of 1974, you acknowledge that we have not directly or indirectly required you, as a condition of sale, to purchase either a fee owner's or mortgagee's title insurance policy from any particular title company. We have advised you that we will purchase, at our sole cost and expense, an owner's title insurance policy from the Title Company and, prior to Closing, will provide you with a commitment for a standard coverage title insurance policy. We have also advised you that if you do not wish us to purchase the title insurance policy from the Title Company, you may elect to obtain such insurance from a company of your choice and you will pay at Closing or at initiation, as required, that portion, if any, of the title insurance premium in excess of what the premium would have been if you had accepted the title insurance policy offered by us.

(c) You acknowledge that we have not directly or indirectly required you, as a condition of sale, to obtain financing or financing services from any particular lender.

15. ASSOCIATION ASSESSMENTS. The regular assessment of the The Cabins at Porcupine Ridge Homeowners Association, Inc., is currently estimated to be initially fixed at an amount within a range between _____ Dollars (\$_____) per month and _____ Dollars (\$_____) per month. You acknowledge that this estimate represent our reasonable good faith estimate of the likely range of initial association assessments, but that the actual assessments cannot be determined and fixed until such time as a budget is adopted and an assessment is established in accordance with the Association Documents. Furthermore, any budget adopted or assessment established is subject to change as provided in the Association Documents. Finally, you acknowledge that although billed and collected together, the general common assessment of The Cabins at Porcupine Ridge Homeowners Association, Inc., and the exterior maintenance reserve assessments for each Unit are separate and distinct assessments.

16. MISCELLANEOUS.

(a) Each and every covenant and agreement contained in this Agreement is, and will be construed to be, a separate and independent covenant and agreement. If any term or provision of this Agreement or the application thereof to any person or any party or any circumstance will to any extent be invalid and unenforceable, the remainder of this Agreement, or the application of such term or provisions to persons or parties or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby.

(b) Except for provisions of this Agreement that are performed at or before Closing, each provision of this Agreement will survive the Closing and delivery of the deed.

(c) This Agreement must be construed and interpreted in accordance with the laws of the State of Colorado.

(d) **You may not assign any portion of your interest under this Agreement without our prior written consent.** Any such attempted assignment without our prior written consent will

be null and void, and will be a default under this Agreement entitling us to exercise our remedies. Subject to such restrictions of assignment, this Agreement will inure to the benefit of and be binding upon the parties and their respective heirs, successors, assigns and legally appointed personal representatives.

(e) All notices and demands required or permitted to be given hereunder must be in writing and must be delivered by hand or mailed, postage prepaid, registered or certified, to the respective addresses of the parties set forth in the first paragraph of this Agreement. Any notices will be conclusively deemed received as of the date of mailing or hand delivery. The address to which any notice or demand may be given or sent to any party may be changed by giving notice as provided herein. Buyer may elect to receive written notices via e-mail by providing an e-mail address and initialing below: E-mail address: _____; Buyer's initials: _____.

(f) This Agreement sets forth the entire agreement between you and us with respect to its subject matter and no amendment or modification of this Agreement will be binding or valid unless expressed in a writing executed by both parties hereto. This Agreement supersedes all prior understandings or agreements between the parties, whether written or oral, with respect to its subject matter.

(g) This Agreement may not be recorded, and any recorded reference to this Agreement will in no way be construed as imposing or constituting a cloud or lien on title to the Property. Any recording of this Agreement by you will be a default of this Agreement, entitling us to our rights and remedies for default. The parties direct any title examiner to ignore any recorded copy of this Agreement as having no effect on title to the Property.

(h) A copy of this Agreement may be executed by each party separately, and when each party has executed a copy thereof, such copies taken together will be deemed to be a full and complete Agreement between and binding upon all parties.

(i) Original signatures on copies of this Agreement transmitted by facsimile will be deemed originals for all purposes and will be binding on the parties. If requested by us, you will conform a facsimile signature by delivery of the original signature within ten (10) calendar days. The failure to request or deliver an original signature will not affect this Agreement in any manner.

(j) The captions and headings contained in this Agreement are for convenience only and will in no way enlarge or limit the scope or meaning of the various and several provisions hereof.

(k) If the purchaser under this Agreement is more than one person or entity, their obligations under this Agreement are joint and several, and each appoints the other(s) as his, her or its agent for all purposes under this Agreement.

(l) The parties agree that this Agreement will not, in the event of any vagueness or ambiguity in any provision hereof, be construed or interpreted against any party hereto, but will instead be interpreted according to the fair and common meaning of its terms.

(m) This Agreement has important legal consequences. By signing this Agreement, you acknowledge that we have recommended that you obtain the advice of your own legal counsel regarding the examination of title and this Agreement.

(n) The parties hereto expressly covenant that they will act in good faith towards one another in the execution of this Agreement, in the performance of any conditions or obligations required herein, and in any dealings with each other relating to this Agreement.

(o) The parties each acknowledge, by their respective signatures hereto, that the law prohibits discrimination for or against any person because of race, creed, color, sex, national origin, marital status, or physical disability.

17. EFFECTIVE DATE/ACCEPTANCE. This Agreement is not binding on us unless and until accepted in writing by an authorized representative of ours. Upon such acceptance, a signed copy will be returned to you. **Sales representatives are not authorized to accept this Agreement.** Acceptance of the Earnest Money does not constitute acceptance of this Agreement by us. In the event this offer is not accepted by us, we have no obligation under this Agreement and all Earnest Money will be refunded to you.

By signing below, you acknowledge that you have read and understand all of the terms and conditions of this Agreement. This Agreement will not become a binding, enforceable contract unless and until we accept it by signing below and you receive notice of our acceptance. The effective date of this Agreement will be the date on which we accept it by signing below.

PURCHASER:

X _____

Print Name: _____

Date: _____

X _____

Print Name: _____

Date: _____

ACCEPTED by Seller this _____ day of _____, 200____.

THE CABINS AT PORCUPINE RIDGE, ltd.
a Colorado Corporation, or
its affiliates, successors or assigns

By: _____

ACKNOWLEDGMENT and receipt of Earnest Money deposit in the amount of \$_____this
____ day of _____, 200____.

By: _____

Print Name: _____

Title:

EXHIBIT B
Upgrade Packages

| | Cost | Include |
|---|------------|---------|
| 1. Lot Premium | \$0-30,000 | _____ |
| 2. Walk-Out | \$30,000 | _____ |
| 3. Finished Basement: Arapaho and Corona | \$35,000 | _____ |
| Byers Peak | \$30,000 | _____ |
| Includes two bedrooms, bath and family room in Arapahoe and Corona; bedroom/bonus room and bath in Byers Peak; finished laundry room with cabinets. | | |
| 4. Finished Garage | \$ 9,500 | _____ |
| includes insulation,, sheetrock, spray texture & paint | | |
| 5. Comfort Package | \$20,000 | _____ |
| Includes hot water heat with in-floor radiant heat in basement and baseboard radiant heat in upper levels, multiple heat zones including heat zone in garage, and sound reduction insulation added in all partition walls and floors, hot tub pre-wire | | |
| 6. Designer Package | \$50,000 | _____ |
| <ul style="list-style-type: none"> • Electrical package • Plumbing package • Hardwood floors in great room and dining area • Granite counters in kitchen and all baths • Log beams framing tongue and groove ceilings in the kitchen and great room • Hand crafted log stairs and railings to second floor • Hand textured walls in all living spaces • Designer paint and custom caulking in all living areas • Custom shower enclosures • Cast iron door hardware • Carpet upgrade • Stone on interior fireplace • Refrigerator cabinet panels (except Byers Peak) | | |
| 7. Itemized upgrade inclusion list in lieu of Designer Package: | | |
| a. <u>Electrical Package</u> | \$ 4,000 | _____ |
| includes fixture upgrade premium recessed lights, extra quiet bath fans, cabinet lights and rocker arm switches. | | |
| b. <u>Plumbing Package</u> | \$ 4,500 | _____ |
| includes Delta Venetian Bronze faucets, bath valves, water closet handles and hookups; and choice of biscuit, almond or white fixtures | | |
| c. <u>Hardwood Floors</u> | \$ 6,500 | _____ |
| choice of hickory, white or red oak through dining area and great room | | |
| d. <u>Granite Counters</u> in kitchen and all baths | \$ 6,500 | _____ |
| choose from different stone colors | | |
| e. <u>Log Beams</u> and tongue and groove ceilings | \$11,000 | _____ |
| in kitchen and great room. | | |
| f. <u>Log Stairs</u> and railings to second level | \$10,000 | _____ |
| g. <u>Hand Textured walls</u> in all living spaces | \$ 3,000 | _____ |
| h. <u>Custom Paint</u> and caulking in all living areas | \$ 7,000 | _____ |
| i. <u>Custom shower enclosures.</u> | \$ 1,000 | _____ |
| j. <u>Emtek cast door hardware</u> | \$ 1,000 | _____ |

| | | |
|---|----------|-------|
| k. <u>Carpet upgrade to Mohawk Wunda-Weve</u> | \$ 1,800 | _____ |
| l. <u>Stone on interior fireplace</u> | \$ 7,000 | _____ |
| m. <u>Refrigerator cabinet panels</u> | \$ 750 | _____ |
| 8. Steam Shower includes steam unit, bench, full tile and sealed enclosure | \$6,000 | _____ |
| 9. Hot Tub Pre-wire (if not purchasing comfort package) includes panel and breakers | \$ 1,000 | _____ |
| 10. Log Stairs to Basement | \$10,000 | _____ |
| 11. Bonus Attic over Garage includes attic trusses, sheet wood floor, light, pull-down stairs in garage | \$ 5,500 | _____ |
| 12. Highlander Package: Corona model only as per plans | \$59,650 | _____ |
| Total Option Costs | | _____ |