



UNIT SALES AGREEMENT

THE LODGE AT MOUNTAINEER SQUARE

THIS AGREEMENT, in multiple copies, is dated the \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_, at Mt. Crested Butte, Gunnison County, Colorado, as follows:

1. SELLER. The Seller is:

Mt. CB REAL ESTATE, LLC, a Colorado limited liability company, hereafter termed "Seller."

2. PURCHASER. The Purchaser is:

\_\_\_\_\_  
\_\_\_\_\_

( ) in joint tenancy, ( ) as tenants in common, ( ) to be determined hereafter termed "Purchaser."

3. UNIT TO BE PURCHASED. Seller agrees to sell and Purchaser agrees to purchase, under the terms and conditions set forth in this Agreement, the following described real property (the "Unit") situated in Gunnison County, Colorado:

Unit \_\_\_\_\_, MOUNTAINEER SQUARE CONDOMINIUMS, according to the official Plat thereof recorded April 6, 2007 bearing Reception No. 574194 of the records of Gunnison County, Colorado.

Town of Mt. Crested Butte,  
County of Gunnison,  
State of Colorado.

The Unit is part of Mountaineer Square, in accordance with the Condominium Map and the Condominium Declaration for the Mountaineer Square Condominium Association, Inc., and has been recorded with the Clerk and Recorder of Gunnison County, subject to all covenants, reservations, restrictions, easements and rights of way of record. Mountaineer Square is located on the following real property in the Town of Mt. Crested Butte, Gunnison County, Colorado:

LOT SV-2, MT. CRESTED BUTTE TOWN CENTER, according to the official plat recorded August 12, 2005 at Reception No. 556853 of the records of Gunnison County, Colorado.

Town of Mt. Crested Butte,  
County of Gunnison,  
State of Colorado.

The declaration, as further supplemented, is referred to herein as the "Declaration." All improvements constructed at Mountaineer Square, subject to the Declaration, are hereinafter referred to as the "Project." The Condominium Unit, which includes the appurtenant interest in general common elements as set forth in the Declaration, is hereinafter referred to as the 'Unit.'

This Unit has \_\_\_\_\_ bedroom(s) and \_\_\_\_\_ bathrooms and is approximately \_\_\_\_\_ square feet, excluding balconies. A floor plan and site plan for this Unit is attached hereto as Exhibit A and Exhibit B.

4. PURCHASE PRICE: The purchase price of the Unit is:

\$ \_\_\_\_\_  
(United States Dollars)

5. PAYMENT OF PURCHASE PRICE. The purchase price of the Unit shall be paid by Purchaser to Seller in the following manner:

5.1 \$ \_\_\_\_\_, ( \_\_\_\_\_ % of the Purchase Price), in good funds as defined by Colorado law, within seven (7) days of the date of execution of this Agreement as an earnest money deposit and partial payment of the purchase price payable to, and to be held by the Closing Agent in an interest bearing FDIC insured escrow account as the Agent for Seller and Purchaser, under the terms and conditions of this Agreement. The earnest money deposit, together with the interest thereon, is defined as the "Earnest Money Deposit."

5.2 \$ \_\_\_\_\_, in good funds, the balance of the purchase price, on the date of closing, as adjusted by any pro-rations to be paid at closing in accordance with this Agreement, together with such closing costs to be paid by Purchaser at closing.

5.3 All sums paid by Purchaser shall be treated as an Earnest Money Deposit. Such amounts shall be NON-REFUNDABLE except for those circumstances as specified in this Agreement. Seller shall be entitled to receive a disbursement from the title company of all sums paid by Purchaser under this Agreement. Purchaser consents and agrees that Seller may pledge such funds for financing for the construction and other expenses in connection with the construction of the Project.

5.4 All risk of loss to the Unit shall be borne by Seller until the Closing. Thereafter, all such risk of loss shall be borne by Purchaser.

6. DATE OF CLOSING AND DATE OF POSSESSION

6.1 The date of closing shall be

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or by mutual agreement at any earlier date.

6.2 Seller and/or Broker reserve the right to extend the date of closing for an additional ten business days, if required, due to processing or mail delays or for other similar reasons.

6.3 The date of closing shall be the date of possession of the Unit.

6.4 The place of closing of the purchase of the Unit shall be at the offices of the Closing Agent, unless the parties otherwise mutually agree.

6.5 It is agreed that Gunnison County Abstract Company, (the "Closing Agent") is the designated agent for the closing of the purchase and sale of the Unit and in such capacity shall prepare all settlement statements and related closing documents, shall receive and disburse all funds and documents at closing, and shall record all required documents to allow it to issue the Owner's Policy of Title Insurance in accordance with paragraph 10 of this Agreement.

6.6 Seller and Purchaser shall each pay one-half of all closing fees charged by the Closing Agent for such closing services but subject to the condition that the Purchaser's closing fees shall not exceed \$200.00.

7. GENERAL WARRANTY DEED. On the date of closing, Seller shall execute and deliver to Purchaser a General Warranty Deed conveying marketable title to the Unit free and clear of all liens and encumbrances except only:

7.1 The Protective Covenants for the Lodge Sites Area recorded August 21, 1973 in Book 458, Page 47.

7.2 A right of way for ditches or canals constructed by the authority of the United States as reserved in the United States Patent for the subject property.

7.3 Terms and conditions in the Replat of Northern Lodge Sites Subdivision Agreement as recorded October 24, 1986 in Book 635 at page 28 through 59.

7.4 Any taxes, fees, assessments or charges by reason of the inclusion of subject property within the Mt. Crested Butte Water and Sanitation District and the Town of Mt. Crested Butte Special Improvement District.

7.5 Terms and conditions in Grant of Utilities Easement from Henry A. Gallin to Crested Butte Mountain Resort, Inc., a Colorado corporation as recorded November 10, 1993 in Book 735 at page 043.

7.6 Terms and conditions in Agreement between Henry A. Gallin and the Town of Mt. Crested Butte, a Colorado home rule municipality recorded July 10, 1995 in Book 766 at page 845.

7.7 Grant of Easement between Galena Building Limited Liability Company, a Colorado limited liability company and Town of Mt. Crested Butte, Colorado, a Colorado home rule municipality recorded September 3, 1998 as Reception No. 486688.

7.8 Grant of Utilities Easement from Krandex Corporation, a Wisconsin corporation to Crested Butte Mountain Resort, Inc., a Colorado corporation across Lot Augusta, Town Square Subdivision recorded November 21, 1994 in Book 756 at page 079.

7.9 Construction Management, Funding and Easement Agreement recorded April 11, 2005 at Reception No. 552532 and Resolution approving said agreement recorded at Reception No. 552533.

7.10 The following Easement Agreements for tie back and shoring facilities and utility easements under and along the Property:

7.10.1 Easement Agreement from Mt. CB Properties, LLC recorded April 6, 2005 at Reception No. 552534.

7.10.2 Easement Agreement from Mountain Associates, Inc., recorded April 8, 2005 at Reception No. 552719.

7.10.3 Easement Agreement from Village Center Condominium Association recorded April 18, 2005 at Reception No. 552720.

7.10.4 Easement Agreement from Colorado Properties, Limited Partnership recorded April 27, 2005 at Reception No. 552989.

7.10.5 Utility Easement Agreement from Mountain Associates, Inc., recorded June 28, 2005 at Reception No. 555079.

7.11 Any and all easements and building envelopes as set forth on the Plat of Mt Crested Butte Town Center bearing Reception No. 556853.

7.12 The PUD Guide for Mt. Crested Butte Town Center bearing Reception No. 556861.

7.13 The Subdivision Improvements Agreement recorded at Reception No. 556862.

7.14 Town of Mt. Crested Butte Ordinance No. 2, Series 2005 recorded August 12, 2005 at Reception No. 5556848.

7.15 The Construction Management, Funding & Temporary Easement Agreement recorded August 12, 2005 at Reception No. 556850.

7.16 The Landscape and Improvement Easement Agreement recorded August 12, 2005 at Reception No. 556860.

7.17 The Public Notice for use of a fire lane and limited access easement in Book 671 at page 668.

7.18 The First Addendum to Easement Agreement in Book 660 at page 787.

7.19 The Community Declaration for Mt. Crested Butte Town Center bearing Reception No. 573262 and the First Amendment to Community Declaration at Reception No. 574199 ("Master Declaration").

7.20 The Condominium Declaration for Mountaineer Square Condominiums bearing Reception No. 574195 ("Condominium Declaration").

7.21 Any and all easements and restrictions on the Condominium Map for Mountaineer Square Condominiums bearing Reception No. 574194 ("Condominium Map").

7.22 Utility distribution easements.

7.23 Taxes and assessments for the year of closing and subsequent years.

Immediately following the closing of the purchase of the Unit, the Closing Agent shall deliver the General Warranty Deed, together with the required Declaration Pursuant to C.R.S. Section 39-14-102, as executed by the Purchaser, and the required recording fee and documentary fee to the Clerk and Recorder of Gunnison County for recording of the General Warranty Deed in the records of Gunnison County, Colorado.

8. **BILL OF SALE.** On the date of closing, Seller shall execute and deliver to Purchaser a Bill of Sale conveying marketable title to the personal property, appliances and fixtures situate in the Unit, free and clear of all liens and encumbrances, and shall further assign to Purchaser all manufacturer's warranties pertaining thereto.

9. **TITLE INSURANCE POLICY.** On or before 30 days prior to Closing, Seller shall deliver to Purchaser, at Seller's expense, a Commitment for Title Insurance issued by the title insurance company selected by Seller (the "Commitment"), which Commitment shall agree to insure the marketability of title of the Unit for the amount of the purchase price according to the terms and conditions of the Commitment. The Commitment shall show title to be marketable in Seller, free and clear of any liens and encumbrances, except only the following:

9.1 The items set forth in paragraphs 7.1 through 7.23 of this Agreement.

9.2 The standard printed exceptions as contained in an ALTA Commitment issued in the State of Colorado which are:

9.2.1 Rights or claims of parties in possession not shown by the public records.

9.2.2 Easements, or claims of easements, not shown by the public records.

9.2.3 Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts, which a correct survey and inspection of the premises would disclose and which are not shown by the public records.

9.2.4 Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records.

9.2.4.1 The Seller shall, at or before closing, sign a Final Affidavit and Agreement or other documentation in a form acceptable to the Closing Agent which shall issue an endorsement deleting this exception from the Owner's Policy of Title Insurance when issued.

9.2.5 Taxes and assessments which are a lien or due and payable; any tax, special assessment, charge or lien imposed for water and sewer service, or for any other special taxing district; any unredeemed tax sales.

9.2.5.1 The Seller shall, at or before closing, furnish to Purchaser a Certificate of Taxes Due issued by the County Treasurer of Gunnison County, Colorado verifying and confirming that all taxes and assessments, except only for the taxes and assessment for the year of closing, have been paid in full.

9.3 The requirement of a General Warranty Deed from Seller to Purchaser.

In the event Purchaser did not receive all of the documents referenced in the Commitment prior to issuance of the Commitment, the Title Company shall furnish Purchaser legible copies of all of the documents listed as exceptions in the Commitment with such Commitment.

Purchaser shall have 10 days from the date of receipt of the Commitment to examine the same and give written notice to Seller of any exception to the marketability of title to which it objects, except only the exceptions stated in paragraphs 9.1 and 9.2 above. If Purchaser does not give such notice to Seller, Purchaser shall be deemed to have accepted the status of title as set forth in the Commitment. If Seller receives notice from Purchaser as to the unmarketability of title or other unsatisfactory title condition as above provided, Seller shall have ten (10) days to use all reasonable efforts to cure or correct such defects to the marketability of title or obtain an Endorsement to the Commitment to obtain title insurance coverage as to such defect or exception in accordance with the requirements of this Agreement on or before the date of closing. If Seller elects not to cure or correct such defects or exceptions to title on or before the date of closing, or at any earlier date that Seller is unable to cure such defects to the satisfaction of the Purchaser, Seller shall inform Purchaser, at which time Purchaser may elect to either waive Purchaser's objections and proceed to close, or terminate this Agreement within 5 days of the date Seller advises Purchaser of its election to not cure or correct such defects, and any payments paid by Purchaser under this Agreement shall be immediately refunded to Purchaser by the Closing Agent.

As soon as received from the title insurance company, Seller shall deliver to Purchaser the Owner's Policy of Title Insurance, in accordance with the Commitment, insuring the Purchaser's title to the Unit in the amount of the purchase price.

10. TAXES AND ASSESSMENTS.

10.1 Seller shall, on or before the date of closing, provide to Purchaser a current Certificate of Taxes Due as to the Unit issued by the County Treasurer of Gunnison County, Colorado. Seller shall pay the real estate taxes and assessments levied against the Unit for all years prior to the year of closing. Real estate taxes and assessments due and payable for the year in which the sale is closed shall be prorated as of the date of closing and, for the purpose of such proration, the prior year's real estate taxes and assessments shall be utilized. Purchaser assumes and agrees to pay all subsequent real estate taxes and assessments and the real estate taxes and assessments for the year of closing, subject to the proration being made as above provided.

10.2 Any assessments, fees, or charges levied against the Unit or the owner thereof by the Mt. Crested Butte Water and Sanitation District and/or the Mt. Crested Butte Town Center Association and Mountaineer Square Condominium Association shall be prorated between the parties as of the date of closing.

11. WARRANTIES, REPRESENTATIONS AND DISCLOSURES. Seller and Purchaser agree that the following warranties, representations and disclosures have been made between the parties and apply to this Agreement:

11.1 Purchaser, or his or her spouse, has inspected the Unit to the extent that Purchaser deems necessary and relies upon his or her own judgment and the inspection of the Unit.

11.2 Neither Seller or Broker, nor their agents and representatives have made any warranties or representations as to the Unit except only for the warranties and representations of Seller as set forth in this Agreement.

11.3 Neither Seller or Broker, nor their agents and representatives, have made any representations as to the investment potential or rental income of the Unit.

11.4 The PUD Guide, Declaration of Protective Covenants for Mt. Crested Butte Town Center, and Declaration of Protective Covenants of Mountaineer Square Condominiums, and the assessments and fees charged thereunder may be amended, changed or revised from time to time in the manner set forth in the applicable documents.

11.5 Seller and Broker have recommended that Purchaser obtain the advice of legal counsel regarding this Agreement and all required documents for the closing of the transaction represented by this Agreement.

11.6 Corporations, Partnerships and Associations, and Liability.

11.6.1 Corporations. If Purchaser is a corporation, Purchaser shall deliver to Seller at or prior to Closing a copy of a resolution of Purchaser, duly adopted and certified by the secretary of Purchaser as required by the laws of the state of Purchaser's incorporation, authorizing the purchase of the Unit, together with all trade name affidavits and other documents required by Colorado law to enable Purchaser to hold title to the Unit. Purchaser represents that at Closing Purchaser will be in good standing and authorized, as necessary, to conduct its business in Colorado.

11.6.2 Partnership or Association. If Purchaser is a partnership, limited liability company, joint venture, or other association, Purchaser shall deliver to Seller at or prior to Closing a copy of any approval required by Purchaser's organization documents, certified by the appropriate representative of Purchaser, together with all registration forms, trade name affidavits, and other documents required to be filed in the office of the Colorado Secretary of State, the Colorado Department of Revenue, the Gunnison County Clerk and Recorder, or otherwise required under Colorado law to enable Purchaser to hold title to the Unit. Purchaser represents and warrants that at Closing Purchaser will be in good standing and authorized, as necessary, to conduct its business in Colorado.

11.6.3 Joint and Several Liability. If Purchaser is comprised of two or more parties, they shall be jointly and severally obligated under this Agreement.

12. LIMITED WARRANTY. The following warranty (the "Limited Warranty") is the only warranty made by Seller regarding labor and materials used in the construction of the Unit, and the Limited Warranty shall not be effective until Closing.

LIMITED WARRANTY

SELLER WARRANTS THAT ALL MATERIALS INCORPORATED IN AND MADE A PART OF THE STRUCTURE OF THE UNIT WERE NEW AS OF THE DATE OF INSTALLATION AND SHALL REMAIN FREE FROM DEFECT IN WORKMANSHIP OR QUALITY FOR A PERIOD OF **ONE (1) YEAR** FROM THE DATE OF ISSUANCE OF THE CERTIFICATE OF OCCUPANCY. SELLER REPRESENTS THAT SELLER WILL CAUSE TO BE REMEDIATED, BY REPAIR OR REPLACEMENT AT SELLER'S OPTION, ANY MATERIAL DEFECTS IN THE UNIT WHICH APPEAR WITHIN ONE YEAR AFTER THE DATE OF ISSUANCE OF THE CERTIFICATE OF OCCUPANCY AND WHICH ARE THE DIRECT RESULT OF FAULTY MATERIAL OR WORKMANSHIP, PROVIDED THAT PURCHASER SHALL PROVIDE TO SELLER WRITTEN NOTICE OF SUCH DEFECT WITHIN TEN (10) DAYS AFTER PURCHASER'S DISCOVERY OF THE SAME. ANY SUCH NOTICE SHALL BE ADDRESSED TO SELLER AT THE ADDRESS PROVIDED ABOVE OR SUCH OTHER ADDRESS FOR NOTICE FURNISHED TO PURCHASER IN ACCORDANCE WITH PARAGRAPH 22. PURCHASER'S SOLE REMEDY (IN LIEU OF ALL REMEDIES IMPLIED BY LAW OR OTHERWISE) AGAINST SELLER IN CONNECTION WITH SUCH DEFECTS SHALL BE TO REQUIRE SELLER TO CORRECT THE DEFECTIVE MATERIAL OR WORKMANSHIP.

WITH RESPECT TO ANY FIRE, ALARM OR OTHER LIFE-SAFETY OR SECURITY SYSTEM INSTALLED IN OR SERVICING THE UNIT, SELLER'S LIABILITY UNDER THIS LIMITED WARRANTY SHALL BE LIMITED TO THE COST OF CORRECTING ANY DEFECTIVE WORKMANSHIP AND INSTALLATION OR REPLACING ANY DEFECTIVE MATERIALS IN SUCH SYSTEMS.

THIS LIMITED WARRANTY DOES NOT EXTEND OR RELATE TO ANY ITEMS OF TANGIBLE PERSONAL PROPERTY IN THE UNIT (WHETHER OR NOT SUCH PROPERTY IS ATTACHED TO OR INSTALLED IN THE UNIT) INCLUDING, WITHOUT LIMITATION, ANY RANGE, OVEN, RANGE HOOD AND FAN, TRASH COMPACTOR, GARBAGE DISPOSAL, DISHWASHER, REFRIGERATOR, HOT WATER HEATERS, AND COMPONENTS OF THE HEATING SYSTEM. SELLER WILL ASSIGN TO PURCHASER AT CLOSING ANY UNEXPIRED WARRANTIES SELLER HAS RECEIVED FROM THE MANUFACTURERS OF SUCH TANGIBLE PERSONAL PROPERTY, TO THE EXTENT SUCH WARRANTIES ARE ASSIGNABLE. SELLER SHALL NOT BE RESPONSIBLE FOR THE PERFORMANCE OF ANY SUCH MANUFACTURER UNDER THE MANUFACTURER'S WARRANTIES.

WITH REGARD TO ANY APPLIANCES OR OTHER ITEMS OF TANGIBLE PERSONAL PROPERTY, SELLER DISCLAIMS ALL WARRANTIES INCLUDING, BUT NOT LIMITED TO, THOSE OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

EXCEPT AS SPECIFICALLY STATED IN THE FIRST PARAGRAPH OF THIS LIMITED WARRANTY ABOVE, SELLER MAKES NO WARRANTY OR REPRESENTATION OF ANY NATURE, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THOSE OF WORKMANLIKE CONSTRUCTION, HABITABILITY, DESIGN, CONDITION, OR QUALITY AS TO THE PREMISES UNDERLYING THE PROJECT, THE UNIT, OR THE OTHER IMPROVEMENTS CONSTITUTING THE PROJECT, AND SELLER HEREBY EXPRESSLY DISCLAIMS ANY SUCH REPRESENTATIONS OR WARRANTIES.

SELLER SPECIFICALLY DISCLAIMS, AND PURCHASER SPECIFICALLY RELEASES SELLER FROM, ANY LIABILITY FOR ACTUAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES TO ANY PERSON OR THE UNIT OR ANY OTHER REAL OR PERSONAL PROPERTY RESULTING FROM A DEFECT. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES SO THE ABOVE LIMITATION OR EXCLUSION MAY NOT APPLY TO PURCHASER.

SELLER MAKES NO REPRESENTATION OR WARRANTY CONCERNING ANY GEOLOGICAL OR ENVIRONMENTAL MATTERS AND SPECIFICALLY EXCLUDES GEOLOGICAL AND ENVIRONMENTAL MATTERS FROM ANY WARRANTIES GIVEN UNDER THIS AGREEMENT.

PURCHASER HEREBY ACKNOWLEDGES AND ACCEPTS SUCH DISCLAIMERS AND AGREES TO WAIVE ANY AND ALL RIGHTS PURCHASER MAY HAVE BY VIRTUE OF THE REPRESENTATIONS AND WARRANTIES DISCLAIMED. EXCEPT AS OTHERWISE PROVIDED IN THIS LIMITED WARRANTY, PURCHASER ASSUMES THE RISK OF DAMAGE OCCURRING IN THE UNIT AFTER THE CLOSING REGARDLESS OF THE CAUSE.

WITH RESPECT TO ANY APPLIANCE FINALLY DETERMINED BY A COURT TO BE WITHIN THIS LIMITED WARRANTY DESCRIBED ABOVE, ALL IMPLIED WARRANTIES ARE LIMITED IN DURATION TO THE PERIOD OF THIS WRITTEN WARRANTY. THIS INCLUDES, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS AND HABITABILITY IF CREATED OR RECOGNIZED IN COLORADO. SOME STATES DO NOT ALLOW LIMITATION ON HOW LONG AN IMPLIED WARRANTY LAST, SO THE ABOVE LIMITATION MAY NOT APPLY TO PURCHASER. ON ALL OTHER APPLIANCES, WHETHER OR NOT WARRANTED BY MANUFACTURERS, ALL IMPLIED WARRANTIES ARE EXPRESSLY DISCLAIMED AND DO NOT APPLY INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS AND HABITABILITY TO THE EXTENT

RECOGNIZED UNDER THE COLORADO LAW.

THIS LIMITED WARRANTY GIVES PURCHASER SPECIFIC LEGAL RIGHTS, AND PURCHASER MAY ALSO HAVE OTHER RIGHTS, WHICH VARY FROM STATE TO STATE. THE PROVISIONS OF THIS SECTION SHALL SURVIVE CLOSING AND TERMINATE NO LATER THAN ONE (1) YEAR AFTER CLOSING.

13. UTILITY SERVICES. The following utility services will be provided to the Unit by Seller prior to Closing: municipal water and sewer service, electrical service, telephone service, natural gas or propane service, and cable or satellite television.

14. PARKING FACILITIES.

14.1 Upon purchase of a Unit, Purchaser and Purchaser's guests staying at the Unit will have the non-exclusive right to use the parking facility owned by the Community Association under the Project for parking pursuant to the Parking License Agreement recorded at Reception No. 574197.

The Condominium Association has contracted with the Community Association for the non-exclusive use of the parking facility, and Purchaser's use will be pursuant to such agreement, as amended, and also subject to the rules and regulations adopted by the Condominium Association and the Community Association for the use of the parking facilities.

15. SPECIAL DISTRICT DISCLOSURE. Seller discloses the following information to Purchaser:

15.1 The Unit is within the Mt. Crested Butte Water and Sanitation District and Town of Mt. Crested Butte Downtown Development Authority.

15.2 Such Districts which have been formed and organized for the purpose of providing benefits and/or metropolitan district services to all of the Units, tracts and parcels of land within its service area which includes the Unit. The Unit is subject to taxes, assessments and fees by reason of inclusion of the Unit within such Districts.

15.3 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 EXCESSIVE 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. PURCHASERS SHOULD INVESTIGATE THE DEBT FINANCING REQUIREMENT 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.

16. FEES AND EXPENSES.

16.1 Seller agrees and shall pay all fees and expenses for (1) the premium for the Commitment for Title Insurance and the Owner's Policy of Title Insurance; (2) any real estate commissions due and payable by Seller as a result of this sale; (3) all attorneys' fees, costs and expenses incurred by Seller to close this transaction, including the preparation of the General Warranty Deed and any other documents required to be furnished by Seller and drawn by Wilderson, O'Hayre, Dawson & Norris, P.C.; (4) one-half of the fee charged by the Closing Agent to close this transaction.

16.2 Purchaser agrees and shall pay all fees and expenses for (1) all attorneys' fees or other professional fees incurred by Purchaser; (2) one-half of the fee charged by the Closing Agent to close this transaction (up to a max of \$200 as per 7.6); (3) any express mail charges of the Closing

Agent; (4) the fee to record the General Warranty Deed and the Documentary Fee therefore; (5) a certificate of taxes due; (6) any costs fees or expenses incurred to delete exceptions 9.2.1 through 9.2.4 from any owner's or mortgagee's policy of title insurance to be issued by the title company; and (7) the premium for the issuance of any mortgagee's policy of title insurance required by Purchaser.

17. TOWN CENTER ASSOCIATION. The Mt. Crested Butte Town Center Community Association, a Colorado non-profit corporation, ("Community Association") has been formed as the resort association to do and perform all duties assigned to it by the Master Declaration, as amended and the Articles of Incorporation and Bylaws of the Community Association (together the "Community Association Documents"). The following disclosures are made:

17.1 Upon the purchase of the Unit it is mandatory that Purchaser become a member of the Community Association.

17.2 The Community Association, in accordance with the Community Association Documents imposes the following assessments on the Unit:

17.2.1 Annual Assessments as set forth in the budget approved by the Community Association.

17.2.2 Real Estate Transfer Assessment. There will be an Initial Real Estate Transfer Assessment of one-half percent ( $\frac{1}{2}\%$ ) times the gross sales price on initial sales by the Seller ("Initial Transfer Assessment") and one percent (1%) times the gross sales price on subsequent sales of the Unit. The Community Association Documents currently provide the maximum Real Estate Transfer Assessment is one percent (1%) of the gross sales price or fair market value on any transfer of a Unit. Seller shall pay the Initial Transfer Assessment, and thereafter Purchaser shall be responsible to pay all Real Estate Transfer Assessments to the Community Association.

17.2.3 Retail Assessment. The Community Association imposes assessments on the sale of tangible personal property or services in the amount of one percent (1%) of the gross sales receipts received by the owner. The Retail Assessment is payable by the owner of the Unit. The Community Association Documents currently provide the maximum Retail Assessment is two percent (2%) of the gross receipts received by the owner of the Unit.

17.2.4 Lodging Assessment. The Community Association imposes assessments on the rental of the Unit in the amount of two percent (2%) of the gross rental receipts received by the Owner of a Unit. The Lodging Assessment is payable by the owner of the Unit. The Community Association Documents currently provide the maximum Lodging Assessment is four percent (4%) of the gross receipts received by the owner of the Unit.

17.3 The Community Association levies assessments against the Unit in accordance with the budget and resolutions adopted by the Board of Directors of the Community Association. Purchaser shall be responsible for the payment of all assessments due and payable after the date of Closing.

17.4 Seller shall pay all assessments levied by the Community Association for all the years prior to the year of closing. All assessments levied by the Community Association for the year in which the sale is closed shall be prorated as of the date of closing based upon that year's assessments. Purchaser shall be liable for all assessments levied by the Community Association from and after the date of closing, subject to the proration being made as above provided.

17.5 Seller reserves the right, subject to the provisions of the Community Association Documents, to revise and amend any of the Master Declaration and to establish easements, reservations and restrictions which in the sole judgment of the Seller, are consistent with the

development of the Project which do not materially lessen the value or materially restrict the intended use or occupancy of the Unit.

17.6 Purchaser acknowledges receipt of the Community Association Documents and approves the same.

18. MOUNTAINEER SQUARE CONDOMINIUM ASSOCIATION. The Mountaineer Square Condominium Association, a Colorado non-profit corporation, ("Condominium Association") has been formed as a homeowners association to do and perform all duties assigned to it by the Condominium Declaration for Mountaineer Square and the Articles of Incorporation and Bylaws of the Condominium Association, together with any amendments thereto, and the Condominium Map of the Project (together the "Condominium Documents").

18.1 Purchaser has examined the most recent version of the Condominium Documents, and approves of the same.

18.2 Upon the purchase of the Unit it is mandatory that Purchaser become a member of the Condominium Association.

18.3 The Condominium Association is responsible for and has the duty to maintain the exterior and common walls of the Project, including all Units, and common elements therein and assesses each such Unit for such maintenance.

18.4 No improvements, alterations or construction of any nature may be commenced on the Unit nor any use made of the Unit except only in accordance with the Condominium Declaration. The Condominium Association is the governing body to enforce the Condominium Declaration.

18.5 The Condominium Association assesses levies against all Units within Mountaineer Square in accordance with the budget and resolutions adopted by the Board of Directors of the Condominium Association. Purchaser shall be responsible for the payment of all assessments due and payable after the date of closing.

18.6 Seller shall pay all assessments levied by the Condominium Association for all the years prior to the year of closing. All assessments levied by the Condominium Association due and payable for the year in which the sale is closed shall be prorated as of the date of closing based upon that year's assessments. Purchaser shall be liable for all assessments levied by the Condominium Association from and after the date of closing, subject to the proration being made as above provided.

18.7 Seller reserves the right, subject to the provisions of the Condominium Documents, to revise and amend any of the Condominium Documents and to establish easements, reservations and restrictions which in the sole judgment of the Seller, are consistent with the development of the Project which do not materially lessen the value or materially restrict the intended use or occupancy of the Unit.

18.8 Subject to the Condominium Documents, the Seller, as "Declarant" in the Association, retains certain powers and rights, including enforcement rights, until a specified number of Units within the Project are sold in order to facilitate the smooth and orderly completion of the Project and the approval of the Project by Mt. Crested Butte, Colorado.

19. RECEIPT OF DOCUMENTS. Upon acceptance of this Agreement, Purchaser shall be delivered copies of the following documents by Seller:

19.1 The Plat of Mt. Crested Butte Town Center Subdivision.

19.2 The PUD Guide.

- 19.3 The Community Association Declaration.
- 19.4 The Mountaineer Square Condominium Declaration.
- 19.5 The Articles of Incorporation and Bylaws of the Community Association.
- 19.6 The Articles of Incorporation and Bylaws of the Condominium Association.
- 19.7 A schedule of the Unit's expected assessments, dues and fees.

20. ASSIGNMENT. Purchaser may assign its rights under this Agreement to any entity or person controlling or controlled by Purchaser. Except as expressly set forth in the foregoing sentence, Purchaser's rights under this agreement may be assigned only with the prior written consent of the Seller. Any purported assignment without the Seller's prior written consent shall be void, shall terminate the Purchaser's rights in the Agreement, and shall cause a forfeiture of any monies paid by Purchaser hereunder to Seller as liquidated damages. Seller may assign this Agreement and pledge any monies paid hereunder by Purchaser to its lender in connection with the financing and construction of the Project.

21. DEFAULT. Seller and Purchaser hereby covenant and agree as follows:

21.1 If Purchaser shall fail, neglect or refuse to make any payments required to be made under this Agreement on the date that the same are due and payable or otherwise fails to comply with the terms and conditions of this Agreement, it is admitted that Seller shall have suffered damages by reason of such default and the parties desire and intend to liquidate such damages and it is difficult to ascertain at the time of entering into this Agreement the actual damages occurring from a breach of this Agreement. Therefore, Seller shall be entitled to retain as its actual damages all amounts paid by Purchaser under this Agreement, including any interest thereon, through the date of default and upon such payment this Agreement shall be terminated in its entirety and no further rights shall accrue hereunder.

21.2 If Seller shall fail, neglect or refuse to comply with the terms of this Agreement on or before the date of closing, Purchaser shall have the right to have returned to him or her any amounts paid under this Agreement, including any interest thereon, as a full and complete settlement between the parties. The payment of such amount shall constitute a full and complete settlement between Seller and Purchaser and upon such payment this Agreement shall be terminated in its entirety and no further rights shall accrue hereunder.

21.3 The Seller and Purchaser shall have the additional right to seek specific performance to enforce the terms and conditions of this Agreement and to obtain full performance of the same or to bring an action for damages caused by the default of the Purchaser or Seller.

22. NOTICES. All notices and other communications required or permitted under this Agreement shall be in writing and shall be, as determined by the person giving such notice, either hand delivered; mailed by registered or certified mail, return receipt requested; delivered by overnight delivery service such as Federal Express or United Parcel Service; or by telecopier or email transmission. Service of such notice shall be deemed given and received when personally delivered, or 3 business days after mailing properly addressed with postage prepaid, or the day sent by telecopier or email transmission, or the day following the delivery to an overnight delivery service with delivery charges prepaid. All notices shall be given to the required party at the following address:

SELLER: Mt. CB REAL ESTATE, LLC  
Attn: Michael Kraatz  
Post Office Box 5700  
Mt. Crested Butte, Colorado 81225

Telephone: 970-349-2202  
Telecopier: 970-349-2208  
Email: [mkraatz@cbmr.com](mailto:mkraatz@cbmr.com)

with a copy to:

CRESTED BUTTE RESORT REAL ESTATE, LLC  
Attn: Bo Stambaugh  
Post Office Box 5700  
Mt. Crested Butte, Colorado 81225  
Telephone: 970-349-2231  
Telecopier: 970-349-4265  
Email: [bstambaugh@cbmr.com](mailto:bstambaugh@cbmr.com)

and

Michael C. Dawson, Esq.  
O'Hayre, Dawson & Norris, P.C.  
120 N. Taylor  
Gunnison, Colorado 81230  
Telephone: 970-641-3326  
Telecopier: 970-641-3094  
Email: [mdawson@wodlaw.com](mailto:mdawson@wodlaw.com)

PURCHASER: As set forth following the Purchaser's signature.

Any party may change its address by giving written notice of a change of address to the other party in the manner above provided.

23. ENTIRE AGREEMENT. This Agreement constitutes the entire and only Agreement between the parties. All prior negotiations, Agreements, representations and understandings, whether written or oral, are merged into and superseded by this Agreement and shall be of no further force and effect.

24. APPLICABLE LAW. This Agreement is executed in Gunnison County, Colorado, and shall be interpreted, construed and governed by the laws of the State of Colorado without, however, giving effect to Colorado choice of law principles.

25. JURISDICTION AND VENUE. Jurisdiction and venue of any action as to this Agreement and the interpretation, enforcement or the determination of the rights and duties of the parties hereto shall be the District Court of Gunnison County, Colorado. Each party submits to the personal jurisdiction of the District Court of Gunnison County, Colorado and waives any and all rights under the laws of any other State or County to object to the jurisdiction of the District Court of the Gunnison County, Colorado as to any action pertaining to this Agreement.

26. ATTORNEYS' FEES. If any legal action is commenced or maintained in Court, whether in law or in equity, by any party to this Agreement as to the interpretation, enforcement, construction or the determination of the right and duties of the parties to this Agreement or any document provided herein, the prevailing party in any such action shall be awarded its reasonable attorneys' fees together with all reasonable costs and expenses incurred in such action.

27. TIME OF ESSENCE. It is expressly agreed that time is of the essence of this Agreement.

28. WAIVER. No consent to or waiver (whether express or implied) of any default or the failure by any party to exercise any right under this Agreement upon a default of any other party shall be deemed a consent to or waiver of such party as to the same or any other or subsequent default by any such other party of the same or any other right, duty or obligation under this Agreement. Failure by a party to complain, continue to complain or pursue a remedy with respect to any act or failure to act of any other party or the

failure of a party to declare any other party in default, regardless of how long such default may continue, shall not constitute a waiver by such party of its rights or remedies, either under this Agreement or at law or in equity.

29. TERMINATION. This Agreement and the terms and conditions hereof shall remain in full force and effect until fully performed by the parties and it is understood and agreed that the terms and conditions of this Agreement shall survive the date of closing and shall not be merged in nor extinguished by any instrument of conveyance or assignment.

30. COUNTERPARTS. This Agreement and any other documents or instruments required under this Agreement may be executed in counterparts, each of which shall for all purposes be deemed an original and all of which together shall constitute one and the same Agreement, document or instrument.

31. TELECOPIER (FAX) SIGNATURE. The parties agree that a signature to this Agreement transmitted by telecopier or facsimile equipment shall be the binding signature of such party for the purpose of this Agreement. The parties agree to provide copies of the Agreement with the actual signature of the party not later than 10 days from the date of the telecopier transmittal or on the date of closing, whichever date occurs first.

32. AGENCY DISCLOSURE. Crested Butte Real Resort Estate, LLC, the listing broker, and its sales agents, represent the Seller or the transaction, indicated in the acknowledgment of listing Broker attached to this Agreement. Purchaser acknowledges notice of such disclosure on or before the date of execution of this Agreement. The Selling Broker, if any, represents the purchaser or the transaction as indicated in the acknowledgment of Selling Broker as attached to this Agreement.

33. PROCEEDS REPORTING REQUIREMENT. Under current tax law, the Broker or the designated Closing Agent is required to report to the Internal Revenue Service on Form 1099B the proceeds paid to Seller. Seller shall supply to Broker at closing the information necessary to complete such form and to include, but not limited to, the tax identification number, name, address and ownership of Seller.

34. EARNEST MONEY DISPUTE. Seller and Purchaser agree that, notwithstanding any termination provision of this Agreement, in the event of any controversy regarding the Earnest Money Deposit as provided in paragraph 5.1 or any other payments under this Agreement held by the Broker or the Closing Agent, the Broker or Closing Agent shall not be required to take any action but may await the outcome of any legal proceeding, or at the Broker's or Closing Agent's sole option, may interplead all parties to this Agreement and deposit all monies or payments with the District Court of Gunnison County, Colorado. In such event, the Broker or Closing Agent shall be entitled to recover all reasonable attorneys fees, court costs and expenses incurred by them under this paragraph.

35. FOREIGN PERSON TRANSFEROR. The Seller warrants that it is not subject to withholding as defined under the Internal Revenue Code Section 897 and the Internal Revenue Code Section 1445 (Foreign Person Transferor) and agrees to execute any required Affidavit at closing to that effect. An executed Affidavit by the Seller shall be provided to the Purchaser on or before the time of closing.

36. BINDING AGREEMENT. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties and their respective successors, assigns, legal representatives and heirs.

37. ADDITIONAL PROVISIONS. The following additional provisions shall apply to this Agreement.

37.1 Seller's obligations under this Agreement are expressly contingent on approval of this Agreement and the release of the Unit by Seller's Lender.

EXECUTED the day first above written.

MT. CB REAL ESTATE, LLC,  
a Colorado limited liability company

\_\_\_\_\_, 200\_\_  
Date signed

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SELLER

\_\_\_\_\_, 200\_\_  
Date signed

\_\_\_\_\_  
PURCHASER  
Address of Purchaser: \_\_\_\_\_

SSN: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Telecopier: \_\_\_\_\_  
Email: \_\_\_\_\_

ACKNOWLEDGMENT OF LISTING BROKER

Crested Butte Resort Real Estate, LLC, the Listing Broker, confirms the agency disclosure set forth below.

LISTING BROKER REPRESENTS:

- [X] SELLER
[ ] TRANSACTION

\_\_\_\_\_, 200\_\_
Date signed

CRESTED BUTTE RESORT REAL ESTATE, LLC
a Colorado limited liability company

By: \_\_\_\_\_
Name: \_\_\_\_\_
Title: \_\_\_\_\_
P.O. Box 5700
Mt. Crested Butte, Colorado 81225
Telephone: 970-349-4029
Telecopier: 970-349-2208

ACKNOWLEDGMENT OF EARNEST MONEY DEPOSIT

Gunnison County Abstract Company, the Closing Agent, acknowledges receipt of the Earnest Money Deposit set forth in paragraph 5.1 above.

\_\_\_\_\_, 200\_\_
Date signed

GUNNISON COUNTY ABSTRACT COMPANY

By: \_\_\_\_\_
Name: \_\_\_\_\_
Title: \_\_\_\_\_
504 N. Main Street
Gunnison, CO 81230
970-641-0710
970-641-4628 (fax)

ACKNOWLEDGMENT OF SELLING BROKER

The undersigned Selling Broker confirms that (mark appropriate paragraph):

- \_\_\_\_\_ 1. The undersigned Broker is the Purchaser's agent (Purchaser's agent) and represents the Purchaser and is acting solely on behalf of the Purchaser.
- \_\_\_\_\_ 2. The undersigned Broker is a Transaction Broker and does not represent either the Seller or the Purchaser as an agent and is assisting the Seller and/or Purchaser in the Transaction.

The undersigned Broker confirms that it has made a full disclosure to the Purchaser and Seller of such status and that the Broker is entitled to receive compensation from the Listing Broker for its services.

\_\_\_\_\_, 200\_\_  
Date signed

Selling Broker

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_

Telephone: \_\_\_\_\_  
Telecopier: \_\_\_\_\_