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THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX OR OTHER COUNSEL BEFORE SIGNING.

**FOX HILL
BUILDER
PURCHASE AND SALE AGREEMENT**

THIS FOX HILL BUILDER PURCHASE AND SALE AGREEMENT (“**Agreement**”) is made as of the _____ day of _____, 20__ (“**Effective Date**”), between FOX HILL DEVELOPMENT, INC., a Colorado corporation (“**Seller**”), whose address is 20210 E. Smokey Hill Road, Centennial, Colorado 80125 Attn: Francis Gay, and the Buyer (“**Buyer**”) named below:

Buyer: _____

Buyer’s Address: _____

Business Telephone: _____

Mobile Telephone: _____

E-mail Address: _____

1. GENERAL.

1.1 Lot. “**Lot**” or “**Lots**” means that certain real property located in the County of Douglas, State of Colorado, consisting of the following described real property:

Lot(s) _____,
Fox Hill Filing No. 1 (the “**Plat**”),
County of Douglas, State of Colorado.

Also known by street and number as: _____.

The Plat identifies and describes the residential building lots that constitute the development known as Fox Hill (“**Project**”).

1.2 Property. “**Property**” means the Lot(s) identified in Section 1.1 of this Agreement together with any improvements constructed thereon by Seller, but excludes all oil, gas, minerals and mineral rights owned by Seller, if any.

1.3 Residence. “**Residence**” means the primary dwelling unit and related improvements to be constructed on a Lot by Buyer in accordance with the terms and provisions of this Agreement and the Project Documents, as hereinafter defined.

1.4 Covenants. “**Covenants**” means the Declaration of Covenants, Conditions,

Restrictions, and Easements for Foxhill Subdivision and Foxhill Metropolitan District Nos. 1-2 recorded July 15, 2016 as Reception No. 2016046295 in the office of the Clerk and Recorder of Douglas County, Colorado (“**Douglas County Records**”) and Affidavit of Scrivener’s Error recorded April 26, 2019 as Reception No. 2019022242, as supplemented by the Supplemental Declaration effective April 26, 2019, as amended from time to time, and including any applicable Supplemental Declaration annexing additional property into the Covenants. The Covenants are administered and enforced by the Foxhill Metropolitan District Nos. 1 & 2.

1.5 Interstate Land Sales Full Disclosure Act and Colorado Subdivision Developers Act Exemptions. It is acknowledged and agreed by the parties that the sale of the Property will be exempt from the provisions of the federal Interstate Land Sales Full Disclosure Act under the exemption applicable to sale or lease of property to any person who acquires such property for the purpose of engaging in the business of constructing residential, commercial or industrial buildings or for the purpose of resale of such property to persons engaged in such business. Buyer hereby represents and warrants to Seller that it is acquiring the Property for such purposes. It is further acknowledged by the parties that the sale of the Property will be exempt under the provisions of the Colorado Subdivision Developers Act under the exemption applicable to transfers between developers. Buyer represents and warrants to Seller that Buyer is acquiring the Property for the purpose of participating as the owner of the Property in the development, promotion, and/or sale of the Property.

2. PURCHASE AND SALE PROVISIONS

2.1 Agreement for Purchase and Sale. For good and valuable consideration, Seller hereby agrees to sell and Buyer hereby agrees to purchase the Property and construct a Residence on each Lot included in the Property upon the terms and conditions set forth in this Agreement and the Project Documents (as defined in Section 6.5).

2.2 Purchase Price. The “**Purchase Price**” for the Property is:

\$ _____ DOLLARS AND 00/100.

The Purchase Price for the Property does not assume the payment by Seller of, and Buyer agrees to pay, any and all tap fees (including water tap fees), systems development fees, plan check fees, building permit fees, septic system fees and all other fees and charges of any governmental or quasi-governmental authority or utility company which relate to the construction of a Residence upon a Lot by Buyer. The Purchase Price shall be paid as follows:

A. Deposit. Buyer shall deposit the sum of \$ _____ within three (3) business days after the Effective Date, with Colorado Escrow and Title, 10851 S. Crossroads Cr., Suite B, Parker, Colorado 80134 (referred to as the “**Escrow Agent**”), which is referred to herein as the “**Deposit**.” Provided that Buyer has not exercised a right hereunder to terminate Agreement at or before the expiration of the Investigation Period as such term is defined in paragraph 3.2, the Deposit shall be released to Seller at the end of the Investigation Period. As used herein, the “**Deposit**,” whether returned to Buyer, retained by Seller, or applied as a credit against the Final Closing Purchase Price, shall include any interest earned on the Deposit, up to the time of release of the Deposit by the Title Company. Upon the expiration of the Investigation Period, the Deposit is nonrefundable (except in the case of Seller’s default or another provision of this Agreement expressly provides for the return of Buyer’s Deposit).

B. Closing Payment. At Closing, a closing payment (“**Closing Payment**”) shall be paid at such Closing in an amount equal to the balance of the Purchase Price. The Deposit shall be applied as a credit against the Purchase Price.

2.3 Other Closing Payments. At Closing, Buyer shall purchase a water tap and pay a system development fee to the Foxhill Metropolitan District Nos. 1 & 2 (“**District**”) for each Lot being acquired at such Closing. The amount of the water tap fee and the system development fee is established and may be increased from time to time by the District. Buyer shall pay the water tap fee and system development fee at Closing in the amount then charged for such fees. Any other fees incident to ownership of the Property or construction of a Residence shall be borne by Buyer.

3. PRECLOSING CONDITIONS.

3.1 Finished Lot. The improvements which Seller will construct or has constructed or caused to be constructed in order for the Lot to be a "Finished Lot" hereunder are as follows (the “Finished Lot Improvements”): (a) corner monumentation for the Lot(s) installed in place; (b) installing water mains in the public street right-of-way adjacent to the Property or in an easement adjacent to the Property and a water line stubbed into the Lot; (c) constructing or installing the asphalt street surface, curb and gutter in the adjacent public streets; (d) street signs and signals installed to the extent required by Douglas County for the issuance of single family residential building permits for the Lot(s); (e) drainage systems and ponds to the extent required by Douglas County for the issuance of single-family residential building permits for the Lots have been installed. With respect to electric distribution lines, telephone service and cable television service, Seller will sign an agreement with the utility service provider for the installation of electric distribution lines and facilities to serve the Property, and will have installed all sleeves necessary for electric, gas, telephone and/or cable television service to the Lots, located in rights of way or an easement on or adjacent to the Lots. With respect to gas distribution lines, Seller will have signed an agreement with the utility service provider for the installation of gas distribution lines and facilities to service the Property. Buyer is responsible for activating such services through an end user contract. Buyer acknowledges that in some cases the telephone and cable companies may not have pulled the main line through the conduit if no consumer closings of residences have occurred. Notwithstanding the foregoing, Seller will not be required to cause lines to be pulled through the applicable conduit prior to a Closing for a Lot to be deemed a Finished Lot, but if dry utilities have not been installed, Seller shall have contracted for same and paid all costs and fees payable for such installation. The parties agree that the Finished Lot Improvements have been constructed and the Lot is a Finished Lot.

3.2 Investigation Period. Buyer's obligation to close under this Agreement is contingent on its reasonable satisfaction with the results of Investigations, Tests and Surveys that Buyer is permitted to make during the Investigation Period, as hereinafter provided. “**Investigations, Tests and Surveys**” shall mean, without limitation, the following: (a) inspecting, surveying, making engineering, environmental and architectural studies, testing the soil and otherwise determining the condition of the Property; (b) determining that utilities, including, without limitation, water, septic system, gas, electricity, telephone and cable television services, adequately serve each Residence which Buyer intends to construct on the Property; (c) determining the nature, magnitude, and times due of all taxes, fees, charges, system development fees, tap fees, and other costs which are or may be imposed upon the Property or Buyer by any utility company

or government or quasi-governmental entity; and (d) determining all other matters regarding the Property and the development thereof which Buyer deems appropriate, including, but not limited to, reviewing and approving the Title Commitment and Project Documents. The “**Investigation Period**” shall mean the period commencing upon the Effective Date and terminating forty-five (45) days after such date. If Buyer is not reasonably satisfied with the results of any Investigations, Tests and Surveys, Buyer may terminate this Agreement by written notice to Seller, delivered on or before the last day of the Investigation Period, in which case the Deposit shall be returned to Buyer and each party shall thereupon be relieved of all further obligations under this Agreement, except that Buyer shall not be relieved of its obligations under Section 10.5. If Buyer fails to exercise Buyer's option to terminate this Agreement in the manner and within the time as aforesaid, Buyer shall be deemed to have waived the foregoing condition and this Agreement shall remain in full force and effect. During the Investigation Period, Seller shall make available to Buyer for review any and all reports on soils or other physical features or characteristics of the Lot, including engineering geology investigations and/or percolation tests, which are in Seller's possession and control.

3.3 Entry Limitations. Buyer, its authorized agents, employees and independent contractors, shall have the right, for its benefit, to enter upon the Property for the purpose of making Investigations, Tests and Surveys. Any entry by or on behalf of Buyer shall be subject to such reasonable rules, regulations, standards and conditions as Seller may impose. Before making any such entry, Buyer shall deliver to Seller a Certificate of Insurance evidencing that Buyer, or the applicable subcontractor, has in effect a policy of commercial general liability insurance with a single limit of liability (per occurrence and aggregate) of not less than \$2,000,000.00, and naming Seller as an Additional Insured thereunder. Entry shall also be in compliance with all applicable provisions of the Covenants. All such Investigations, Tests and Surveys shall be at the sole cost and expense of Buyer and shall not damage, destroy or harm the Property and Buyer shall promptly repair and restore the Property to its original condition at Buyer's sole cost and expense. Neither Buyer nor any of its contractors or agents shall make any physical alterations to the Property beyond those necessary to fulfill the above purpose, nor shall they disturb trees, shrubs, or other vegetation or any drainage courses and shall return the Property to the same condition as it was prior to the entry upon the Property. Buyer shall not disturb or interfere with any of Seller's operations on the Property. Buyer's operations shall be conducted during daylight hours at times acceptable to Seller. Buyer shall notify Seller or Seller's representative, at the Re/Max Alliance (“**Broker**”) (or other designated representative of the Seller), phone number _____, at least 24 hours before entering upon the Property. Seller shall have the right to have a representative present during any Investigations, Tests and Surveys conducted on the Property. Buyer shall pay all expenses incurred or caused to be incurred by Buyer in connection with any Inspections, including without limitation, all expenses incurred to comply with applicable law and to prevent the filing of any liens arising out of the Investigations, Tests and Surveys. BUYER HEREBY AGREES TO DEFEND, INDEMNIFY, AND HOLD SELLER, ITS AFFILIATES, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY COSTS, CLAIMS, LIABILITIES, LIENS, DAMAGES OR EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES AND COURT COSTS) ARISING FROM OR RELATED TO THE INVESTIGATIONS, TESTS AND SURVEYS CONDUCTED BY BUYER OR ITS AGENTS, CONTRACTORS (OR THEIR SUBCONTRACTORS) OR EMPLOYEES, EXCEPT TO THE EXTENT TO WHICH ANY OF THE FOREGOING ARE CAUSED DIRECTLY BY THE GROSS NEGLIGENCE OF SELLER, ITS AGENTS OR CONTRACTORS. THE FOREGOING INDEMNITY SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

3.4 Financial Information of Buyer. This Agreement imposes substantial obligations upon Buyer. In order to evaluate the financial capability of Buyer to meet its obligations under this Agreement, Buyer agrees to deliver to Seller, within ten (10) days after mutual execution hereof, Buyer's most current audited financial statement, if any, any more recent unaudited financial statements it may possess, together with similar information from the persons owning membership interests in Buyer, and such other supplemental information as Seller or Seller's lender may reasonably request, certified to be true and correct by an officer of Buyer. Seller agrees not to disclose the financial information provided by Buyer to any person or entity who does not have a need to know in connection with the determination to be made by Seller pursuant to this Agreement. If Seller requests the financial information before the end of the Inspection Period and Seller is dissatisfied with any financial information relating to Buyer, Seller shall have the option to terminate this Agreement by giving written notice to Buyer on or before the end of the Inspection Period, whereupon the Deposit shall be returned to Buyer and both parties shall be relieved from all further obligations hereunder, except that Buyer shall not be relieved of its obligations under Section 10.5. If Seller shall fail to exercise such option in the manner and within the time period as aforesaid, then Seller shall be deemed to have waived such option and this Agreement shall remain in full force and effect. The foregoing indemnity shall survive the termination of this agreement.

3.5 Side Lot Easements. If because of any requirements which may be imposed by any governmental or quasi-governmental entity or any utility company or utility supplier (a "**Utility Provider**") in connection with its installation of utility lines and facilities for providing water, storm sewer, electricity, gas, telephone or cable television services to the Lot, any such Utility Provider requires that any additional easements along the side or rear portions of a Lot (a "**Side Lot Easement**") be granted to them, then the parties agree that either (a) Seller may grant any such required Side Lot Easement if the need therefor arises prior to the Closing, and each such Side Lot Easement shall be deemed a Permitted Exception, as hereinafter defined, hereunder, or (b) Buyer shall grant any such required Side Lot Easement if the need therefor arises after such Closing, provided that no Side Lot Easement shall unreasonably interfere with or unreasonably restrict the use of a Lot for a Residence. Buyer acknowledges that with respect to any damage caused to the Property pursuant to the Side Lot Easement, the sole recourse for such damage shall be against the Utility Provider, and no recourse shall be sought from Seller. This Section shall survive the Closing.

3.6 Other Easements. If Seller determines, prior to, at or after Closing, that any portion of the Property is necessary for purposes of trails, access, landscaping, monumentation, signage, mailboxes, fire hydrants or other utility or infrastructure purposes serving the Project and an additional easement or easements should be reserved and/or established for those purposes (collectively the "**Other Easements**"), then the parties agree that either (a) Seller may grant or reserve any such required Other Easement if the need therefor arises prior to such Closing, and each such Other Easement shall be deemed a Permitted Exception hereunder, or (b) Buyer shall grant any such required Other Easement if the need therefor arises after such Closing, provided that no Other Easement shall unreasonably interfere with or unreasonably restrict the use of the Property for the Residence. This Section shall survive the Closing.

3.7 Utility Rebates and Refunds. Buyer acknowledges that Seller may (but will not necessarily) pay on Buyer's behalf prior to Closing certain fees, charges or deposits to Utility Providers providing utility services to the Lot which may entitle the Seller of the Lot to rebates or refunds of such amounts paid. Seller shall be entitled to obtain and retain any rebate or refund of

such amounts paid from the Utility Provider and Buyer shall pay any such rebates or refunds to Seller if Buyer receives such funds directly from the Utility Provider or if such Utility Provider credits the Buyer for such amounts. Buyer shall remit such funds to Seller within ten (10) days after receipt of funds or a credit. This Section shall survive the Closing.

3.8 Participating Master Builder Program. Buyer and Seller shall execute a Participating Builder Program Master Agreement (“**Builder Agreement**”), in the form attached hereto as **Exhibit A**, on or before the date of Closing. The Builder Agreement is applicable to all Lots acquired by Buyer within the Project.

4. TITLE.

4.1 Title Insurance. Within ten (10) business days after the mutual execution of this Agreement, Seller shall deliver to Buyer a title insurance commitment (the “**Title Commitment**”) with respect to the Property, issued by Colorado Escrow and Title, 10851 S. Crossroads Cr., Suite B, Parker, Colorado 80134 (“**Title Company**”), committing to insure title to the Property in Buyer, and subject only to the Permitted Exceptions, in a face amount equal to the Purchase Price of the Property. Seller shall cause the Title Company to deliver copies of the documents reflected as exceptions to the Title Commitment upon Buyer's request therefor. As soon as possible after a Closing, Seller shall cause to be delivered to Buyer, at Seller's cost and expense, an owner's title insurance policy insuring the title of Buyer to the Property in accordance with the Title Commitment, and the provisions of this Agreement, and subject only to the Permitted Exceptions, in an amount equal to the Purchase Price for the Property.

4.2 Permitted Exceptions. The Title Commitment shall provide for the deletion, at Seller's expense, of the standard pre-printed exceptions, except that Seller's only obligations with respect thereto is to execute at Closing the Title Company's standard owner's affidavit (in a form reasonably acceptable to Seller and with any indemnity provided thereunder applicable only to Seller's acts), and furnish to the Title Company any existing survey of the Property in Seller's possession, and Seller will cooperate with Buyer if Buyer elects to obtain a plat certification from the surveyor who prepared the Plat. The “**Permitted Exceptions**” means (a) any easements, restrictions and conditions shown on the Plat; (b) real property taxes and assessments for the year of Closing and subsequent years; (c) the Foxhill Official Development Plan (“**ODP**”) as recorded in the Douglas County Records and all other applicable building, zoning and other ordinances and regulations of Douglas County and the State of Colorado; (d) any reservations, exceptions, easements, rights-of-way, restrictive covenants, conditions and other matters with respect to which Buyer does not timely deliver to Seller a Notice of Defect or which are deemed to be a Permitted Exception pursuant to Section 4.3; (e) taxes, assessments, fees or charges, if any, resulting from the inclusion of the Property in any special district; (f) any reservations, exceptions, easements, covenants, conditions, and restrictions set forth in the Deed, the form of which is attached hereto as **Exhibit C**, including, but not limited to, the reservation of minerals and mineral rights to be described in the Deed; (g) outstanding oil, gas and mineral interests; (h) the covenants, conditions and restrictions contained in the Covenants; (i) the covenants, conditions and restrictions contained in the Lot Declaration, as hereinafter defined; (j) any Side Lot Easement granted by Seller with respect to the Lot prior to Closing; (k) any liens, encumbrances or other matters affecting title to the Property that are caused by Buyer or anyone claiming by, through or under Buyer; (l) any condition which is open and obvious on the ground or which a survey would disclose; and (m) any other reservations, exceptions, easements, rights-of-way or other matters which are of record; and (n) any other reservations, exceptions, easements, rights-of-way or other matters which are waived

or deemed waived by Buyer pursuant to Section 4.3 hereof. Notwithstanding anything else stated herein, in all events, regardless of whether Buyer has given a Notice of Defect, on or before Closing, Seller shall satisfy and otherwise remove all monetary and financial liens and encumbrances caused by Seller (other than current taxes and assessments and non-delinquent special district fees not yet due).

4.3 Title Defects. If Buyer objects to any matter revealed in the Title Commitment or otherwise receives written notice of any lien, encumbrance, defect in or objection to title other than a Permitted Exception listed in subparagraphs (a) through (n) of Section 4.2 above (“**Defect**”), Buyer shall deliver notice thereof to Seller prior to the expiration of the Investigation Period as to those objectionable matters revealed in the Title Commitment and shall give immediate written notice thereof to Seller as to any other Defect (“**Notice of Defect**”), unless Buyer is willing to waive the Defect. Buyer's failure to give Seller written Notice of Defect before the expiration of the Investigation Period as to any objectionable matters revealed in the Title Commitment or within ten (10) days after the delivery of notice of any other such Defect (whether by notice from Seller or by notice from another source) shall constitute Buyer's waiver of such Defect. Within ten (10) days after Buyer's giving any written Notice of Defect, Seller shall give notice to Buyer advising Buyer whether Seller intends to cure any such Defect. If Seller elects, in its sole discretion, to cure any Defect, Seller may, by written notice to Buyer, extend the date of the Closing for a period of up to ninety (90) days in order to attempt a cure of such Defect in which case the deadlines and periods for the satisfaction of the performance of Seller's and Buyer's post-closing obligations, as set forth in Section 6 of this Agreement, shall be extended for like periods. Seller shall give written notice to Buyer when the Defect is cured and the Closing shall occur on the tenth (10th) business day following the giving of such notice or such other date to which the parties may agree. If within ten business days after Buyer's Notice of Defect Seller does not give notice to Buyer advising whether Seller intends to cure any such Defect, or if Seller declines to cure any such Defect or any such Defect cannot be cured or if any such Defect is not curable within ninety (90) days after the giving of the original Notice of Defect by Buyer to Seller, Buyer may, at its option, (a) waive in writing such Defect and close as provided in this Agreement in which case such Defect shall be a Permitted Exception, or (b) terminate any further effect of this Agreement in which case the Deposit shall be returned to Buyer and each party shall thereupon be relieved of all further obligations hereunder, except that Buyer shall not be relieved of its obligations under Section 10.5. Buyer agrees that any Defect shall be deemed cured if Seller shall cause the Defect to be deleted from the Title Commitment and the owner's title insurance policy to be delivered to Buyer or shall obtain affirmative title insurance protection with respect thereto.

4.4 Deed. Seller shall at Closing convey the Lot to Buyer by a Special Warranty Deed (“**Deed**”), free and clear of all liens, encumbrances, easements and restrictions, except the Permitted Exceptions.

5. CLOSING.

5.1 Closing. “**Closing**” means the date of execution and delivery of the Deed and other documents to be delivered at such Closing and the payment of the Closing Payment. Unless otherwise agreed in writing by the parties, Closing shall take place at the office of the Escrow Agent, at a time designated by Seller, thirty (30) days following expiration of the Investigation Period, or such earlier date as the parties may mutually agree, or such later date to which such Closing may be extended as provided in Section 4.3 hereof. “**Closing**,” “**Closing Date**” or “**Date of Closing**” mean the day on which such Closing is accomplished.

5.2 Documents at Closing. At Closing, the following documents, materials and other items shall be delivered by the parties: (a) a Seller Closing Statement executed by Seller and a Buyer's Closing Statement executed by Buyer, as hereinafter provided; (b) the Deed duly executed and acknowledged by Seller; (c) the Lot Declaration, duly executed and acknowledged by Seller and Buyer; (d) instructions for Closing for the benefit of the Title Company; (e) the Listing Agreement, as hereafter defined, duly executed by Buyer and Broker, as hereafter defined; (g) an affidavit, in a form sufficient to comply with applicable laws, stating that Seller is not a foreign person or a foreign corporation subject to the Foreign Investment in Real Property Tax Act, and therefore not subject to its withholding requirements; (h) a certification or affidavit to comply with the reporting and withholding requirements for sales of Colorado properties by non-residents (Colorado Department of Revenue Form DR 1083) executed by Seller; (i) a Seller's lien affidavit; (j) the Purchase Price payable by Buyer at Closing, computed in accordance with Section 2 above, for the Property, such payment to be made in Good Funds; (k) the Builder Agreement, if not previously executed; (l) a Farm Addendum signed by Buyer addressing the uncertainty of the continued operation of the Fox Hill Farm; and (m) all other instruments and documents contemplated pursuant to this Agreement and Closing Instructions.

5.3 Closing Statement Adjustments and Prorations; Taxes and Assessments. The Closing Statements to be delivered by the parties at Closing shall reflect the Purchase Price of the Property being acquired and any credits or adjustments provided in this Agreement. The real property taxes for the Property for the year of such Closing shall be prorated as of the date of such Closing based upon the most recent mil levy and assessment, shall be considered a final settlement, and thereafter shall be the sole responsibility of Buyer. From and after such Closing, Buyer or any third-party purchaser who owns such Property shall be responsible for all assessments levied against such Property pursuant to the terms contained in the Covenants. The Closing Statements will reflect that Seller is obligated to pay the premium for the owner's title insurance policy, including the title premium for deletion of the standard printed exceptions and the costs incident to the release of the Property from existing mortgages and financing statements, if any; and that Buyer shall be obligated to pay the premium for any mortgagee's title insurance policy, any title policy endorsements and the fees for recording the Deed, Lot Declaration and any documentary or other fees payable in connection with such recording; and that the parties shall equally split any closing fee payable to the Title Company.

5.4 Possession. Possession of the Property shall be delivered to Buyer as of Closing.

6. POST-CLOSING OBLIGATIONS; DISCLOSURES; ACCEPTANCE OF PROPERTY; RELEASE AND DISCLAIMER.

6.1 Incorporation of Buyer's Obligations in Covenants and Lot Declaration. The Covenants and Lot Declaration contain terms and provisions of certain obligations of Buyer after Closing. Buyer hereby agrees that Buyer shall comply with the terms and provisions set forth in the Covenants and Lot Declaration. As used in this Agreement, "**Lot Declaration**" means the Lot Declaration to be executed and acknowledged by Seller and Buyer and recorded at Closing immediately following the recording of the Deed. The form of the Lot Declaration is attached hereto as **Exhibit E**. In addition, Buyer hereby represents to Seller that Buyer has reviewed and is familiar with the terms and provisions of the Covenants and that Buyer has no objection to any of those terms and provisions and consents to the Property being subjected thereto. Buyer also acknowledges that the Covenants and the Design Standards thereunder, are subject to change and amendment from time to time in accordance with their provisions and/or applicable law.

6.2 Special Districts. **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 TAX 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. BUYERS SHOULD INVESTIGATE THE SPECIAL TAXING DISTRICTS IN WHICH THE PROPERTY IS LOCATED BY CONTACTING THE COUNTY TREASURER, BY REVIEWING THE CERTIFICATE OF TAXES DUE FOR THE PROPERTY, AND BY OBTAINING FURTHER INFORMATION FROM THE BOARD OF COUNTY COMMISSIONERS, THE COUNTY CLERK AND RECORDER, OR THE COUNTY ASSESSOR.**

The Property is located in the following special districts:

1. Foxhill Metropolitan District Nos. 1 & 2;
2. Franktown Fire Protection District.

Buyer acknowledges that under the laws of the State of Colorado, any special district may impose property taxes without limit in the future to retire its general obligation debts, notwithstanding its current level of taxation. Buyer has satisfied itself with regard to the financial condition of, services performed by, the rules and regulations of, and the systems development fees, tap fees and other fees charged by all Districts affecting the Lots, all of which shall be paid by Buyer.

6.3 Source of Water Disclosure. In accordance with the provisions of C.R.S. §38-35.7-104, Seller provides the following disclosure to Buyer:

**THE SOURCE OF POTABLE WATER FOR THIS REAL ESTATE IS:
A WATER PROVIDER, WHICH CAN BE CONTACTED AS FOLLOWS:**

NAME: Foxhill Metropolitan District Nos. 1 & 2
ADDRESS: c/o _____

WEB SITE:

www._____

TELEPHONE:

SOME WATER PROVIDERS RELY, TO VARYING DEGREES, ON NONRENEWABLE GROUND WATER. YOU MAY WISH TO CONTACT YOUR PROVIDER TO DETERMINE THE LONG-TERM SUFFICIENCY OF THE PROVIDER'S WATER SUPPLIES.

6.4 Oil, Gas, Water and Mineral Disclosure.

THE SURFACE ESTATE OF THE PROPERTY MAY BE OWNED SEPARATELY FROM THE UNDERLYING MINERAL ESTATE, AND TRANSFER OF THE SURFACE ESTATE MAY NOT INCLUDE TRANSFER OF THE MINERAL ESTATE. THIRD PARTIES MAY OWN OR LEASE INTERESTS IN OIL, GAS, OR OTHER MINERALS UNDER THE SURFACE, AND THEY MAY ENTER AND USE THE SURFACE ESTATE TO ACCESS THE MINERAL ESTATE.

THE USE OF THE SURFACE ESTATE TO ACCESS THE MINERALS MAY BE GOVERNED BY A SURFACE USE AGREEMENT, A MEMORANDUM OR OTHER NOTICE OF WHICH MAY BE RECORDED WITH THE COUNTY CLERK AND RECORDER.

THE OIL AND GAS ACTIVITY THAT MAY OCCUR ON OR ADJACENT TO THIS PROPERTY MAY INCLUDE, BUT IS NOT LIMITED TO, SURVEYING, DRILLING, WELL COMPLETION OPERATIONS, STORAGE, OIL AND GAS, OR PRODUCTION FACILITIES, PRODUCING WELLS, REWORKING OF CURRENT WELLS, AND GAS GATHERING AND PROCESSING FACILITIES.

THE BUYER IS ENCOURAGED TO SEEK ADDITIONAL INFORMATION REGARDING OIL AND GAS ACTIVITY ON OR ADJACENT TO THIS PROPERTY, INCLUDING DRILLING PERMIT APPLICATIONS. THIS INFORMATION MAY BE AVAILABLE FROM THE COLORADO OIL AND GAS CONSERVATION COMMISSION.

6.5 Project Documents. The “**Project Documents**” shall mean collectively: (a) the Covenants and the Design Standards for Foxhill (“**Design Standards**”) adopted and administered pursuant to the Covenants; (b) the Plat (c) the Lot Declaration; and (d) the ODP. Buyer agrees to deliver, prior to the time of execution of an agreement for the sale of any Residence constructed on the Property to a third-party purchaser, a copy of each of the applicable Project Documents.

6.6 Buyer's Post Closing, Construction and Maintenance Obligations. Buyer acknowledges that Buyer shall maintain the Property in good, healthful and sightly order, condition and repair as required in the Covenants and the Lot Declaration. Buyer further acknowledges that Buyer’s acquisition of the Property and the construction of improvements on the Property may adversely impact the then owner or owners of other portions of the Project. In order to minimize such impact, Buyer agrees to take, do and perform the following acts, actions and things following the Closing. Buyer’s covenants contained in this Section 6.6 shall survive during the entire period that Buyer or its assigns is constructing any improvements upon any of the Property.

A. The Property acquired at Closing shall be maintained in an orderly and neat manner, including the periodic mowing of vegetation prior to construction, and clearing of debris, weeds and signs during and after construction. Buyer shall also properly install and maintain all

erosion control devices and comply with all reasonable requests of Seller or any governmental agency with respect to the appearance of the Property. Trash, scrap, construction materials, and cement shall be cleared regularly and the construction area shall be regularly policed to clear any wind-blown debris or construction materials. At the election of Seller, construction and silt fences may be required on sites adjacent to landscaped greenbelt, open spaces, or occupied homes.

B. All construction and landscape materials shall be stored in a neat manner and protected from vandalism, theft and weather. Sites under construction shall have port-a-johns and trash dumpsters, the location of which shall be selected so as to minimize impacts on neighbors.

C. Buyer shall be responsible for the weed control, mowing and all other maintenance of the Property, for the effects of all wind, water and soil erosion and for all costs and expenses required to be incurred in the remediation thereof. If Buyer fails to adequately repair, maintain, or provide construction clean-up for the Property, or perform clean-up or repair any damage caused by Buyer to public improvements or adjacent property, then Seller shall have the right to perform such maintenance or repair and shall be entitled to obtain reimbursement from the Buyer for the expenses incurred by Seller in connection therewith. Seller shall also have the right to obtain reimbursement from the amount held as a maintenance, damage and construction clean-up deposit pursuant to Section 6.6F. Buyer also acknowledges that the amount held as a deposit shall not constitute any type of dollar limitation on the amount of Buyer's reimbursement obligation to Seller, should the expenses that Seller incurs in performing Buyer's maintenance and repair obligations exceed the amount Buyer has on deposit with the Seller.

D. Buyer shall keep clean and free from mud and other debris all streets providing access to portions of the Property by promptly cleaning and sweeping such streets so as not to allow the accumulation of such mud and debris.

E. During construction, access to any portion of the Property acquired by Buyer shall be designed to protect neighbors and limit unnecessary traffic. Parking shall be located in such a way as to minimize negative impacts on neighbors. Temporary on-site dirt piles, subject to the provisions of the Lot Declaration and the Design Standards, are permitted to be stored by Buyer within each Lot owned by Buyer, and the placement of excess dirt shall be in a location within the Project designated by Seller unless Seller notifies Buyer that excess dirt must be hauled off-site by the Buyer. No dirt shall be removed and taken off-site of the Project following the delivery to Buyer of Seller's election to use such dirt on-site, as Seller and Buyer hereby acknowledge and agree that following Seller's delivery of such notice to Buyer all excess dirt belongs to Seller. All excess dirt shall be hauled from the Property at Buyer's expense either for Seller's use to another site located within the Project designated by Seller or hauled off-site at the expense of the Buyer.

F. Buyer shall pay to Seller, at Closing, Two Thousand Five Hundred and 00/100 Dollars (\$2,500.00) as a maintenance, damage and construction clean-up deposit. Seller may use the deposit to pay for any maintenance, damage, repair and clean-up expenses that Seller reasonably believes are necessary due to damage caused by Buyer or its contractors, or their failure to adequately perform the Buyer's maintenance, repair and clean-up obligations relating to the Property as required by this Agreement. Buyer acknowledges and agrees that this damage deposit does not constitute any type of dollar limitation on the amount that may be recovered from Buyer should Buyer fail to maintain and repair, or cause damage to public improvements, or to other

portions of Fox Hill in excess of such sum. At any time following the issuance of the Certificate of Occupancy for the last residence constructed upon any portion of the Property, the unused portion of such deposit, if any, shall be refunded after inspection for damage to the Project and to public improvements is made by the Seller, if no damage has occurred and if no additional clean-up or repair is required to be instituted.

G. Buyer shall not directly or indirectly occupy or permit another to occupy any Residence or Speculative Residence (as defined in Section 2.3 of the Participating Builder Program Master Agreement attached hereto as **Exhibit A**) constructed on the Lot until:

(i) the entire purchase price or contract amount for the sale of such Residence or Speculative Residence has been paid by the third-party purchaser to the Buyer, subject to normal and customary holdbacks for punch list items; and

(ii) all financial obligations of the Buyer regarding such Residence or Speculative Residence have been paid including, but not limited to, payment of all loans or amounts owed by Buyer secured by the Residence or Speculative Residence being sold by Buyer to a third-party purchaser, payment of all bills for labor and materials, payment of all fees and commissions payable in connection with Buyer's construction of the Residence or Speculative Residence and sale to a third-party purchaser, and a certificate of occupancy for such Residence or Speculative Residence has been issued; or

(iii) if Buyer elects not to sell a residence to a third-party-purchaser, and instead Builder or any of its members, managers, officers, majority shareholders, partners, or the spouse or an immediate family member of any of the foregoing or anyone else seeks to occupy the Residence or Speculative Residence, payment of all fees and commissions payable in connection with Buyer's construction of the Residence or Speculative Residence, including the payment of the Additional Compensation Fee prior to occupancy, and a certificate of occupancy for such Residence or Speculative Residence has been issued.

6.9 Radon. Buyer acknowledges that radon gas and naturally occurring radioactive materials ("NORM") each naturally occurs in many locations in Colorado. The Colorado Department of Public Health and Environment and the United States Environmental Protection Agency (the "EPA") have detected elevated levels of naturally occurring radon gas in residential structures in many areas of Colorado, including Douglas County and all of the other counties along the front range of Colorado. The EPA has raised concerns with respect to adverse effects on human health from long-term exposure to high levels of radon and recommends that radon levels be tested in all Residences. Buyer acknowledges that Seller neither claims nor possesses any special expertise in the measurement or reduction of radon or NORM. Buyer further acknowledges that Seller has not undertaken any evaluation of the presence or risks of radon or NORM with respect to the Property nor has it made any representation or given any other advice to Buyer as to acceptable levels or possible health hazards of radon and NORM. SELLER HAS MADE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, CONCERNING THE PRESENCE OR ABSENCE OF RADON, NORM OR OTHER ENVIRONMENTAL POLLUTANTS WITHIN THE PROPERTY OR THE RESIDENCES TO BE CONSTRUCTED ON THE LOTS OR THE SOILS BENEATH OR ADJACENT TO THE PROPERTY OR THE RESIDENCES TO BE CONSTRUCTED ON ANY LOTS PRIOR TO, ON OR AFTER THE CLOSING DATE. Buyer, on behalf of itself and its successors and assigns, hereby releases the

Seller from any and all liability and claims with respect to radon gas. Every home sales contract entered in to by Buyer with respect to subsequent sales of Lots shall include any disclosures with respect to radon as required by applicable Colorado law.

6.10 Soils. Buyer acknowledges that soils within the State of Colorado consist of both expansive soils and low-density soils, and certain areas contain potentially heaving bedrock associated with expansive, steeply dipping bedrock, which will adversely affect the integrity of a dwelling unit constructed on the Property if the dwelling unit and the Property on which it is constructed are not properly maintained. Expansive soils contain clay mineral, which have the characteristic of changing volume with the addition or subtraction of moisture, thereby resulting in swelling and/or shrinking soils. The addition of moisture to low-density soils causes a realignment of soil grains, thereby resulting in consolidation and/or collapse of the soils. Buyer agrees that it shall obtain a current geotechnical report for the Property and an individual lot soils report for each Lot containing design recommendations from a licensed geotechnical engineer for all structures to be placed upon the Property. Buyer shall require all homes to have engineered footing and foundations consistent with results of the individual lot soils report for each Lot and shall take reasonable action as shall be necessary to ensure that the homes to be constructed upon each Lot shall be done in accordance with proper design and construction techniques. Buyer shall also provide a copy of the geotechnical report for the Property and the individual lot soils report for each Lot to Seller, and agrees in the event that this Agreement terminates for any reason Buyer shall use reasonable efforts to assign, without liability or recourse to Buyer, at Seller's request, the geotechnical report for the Property and the individual lot soils report for each Lot to any subsequent homebuilder who enters into a purchase and sale agreement with Seller to purchase all of a portion of the Lots. SELLER HAS MADE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, CONCERNING THE PRESENCE OR ABSENCE OF EXPANSIVE SOILS, LOW-DENSITY SOILS OR DIPPING BEDROCK UPON THE PROPERTY AND BUYER SHALL UNDERTAKE SUCH INVESTIGATION AS SHALL BE REASONABLE AND PRUDENT TO DETERMINE THE EXISTENCE OF THE SAME. Buyer shall provide all disclosures required by C.R.S. Section 6-6.5-101 in every home sales contract entered into by Buyer with respect to subsequent sales of a Lot to a homebuyer. Buyer, on behalf of itself and its successors and assigns, hereby releases the Seller from any and all liability and claims with respect to expansive and low-density soils and dipping bedrock located within the Property. Buyer shall also indemnify, defend and hold all Seller Parties harmless from and against any claims asserted by all subsequent owners of the Lots relating to geotechnical or soils conditions on the Lots; provided that Buyer is not required to indemnify consultants, contractors and subcontractors who contract with Seller and who perform services or supply labor, materials, equipment, and other work relating to geotechnical or soils conditions on the Lots that is necessary for the Lots to satisfy the requirements set forth herein.

6.11 Over Excavation. Seller has not performed any "over excavation" or comparable preparation or mitigation of the soil (the "Overex") on the Property and Buyer shall have sole responsibility at Buyer's sole expense with respect to any Overex. Any Overex performed by Buyer shall be performed in a manner that does not materially interfere with or result in a material delay or an increase in the costs or any expenses in the construction of other improvements in the Project, and provided further that Buyer shall promptly repair any adjacent property that is materially damaged by Buyer or its agents, designees, employees, contractors, or subcontractors in performing the Overex. Buyer shall obtain, at its cost, a current geotechnical report for the Property and an individual lot soils report for each Lot containing design recommendations from a licensed geotechnical engineer for all structures to be placed upon the Lot ("Buyer's

Geotechnical Reports”) shall not rely upon any geotechnical or soils report furnished by Seller, and Seller shall have no responsibility or liability with respect to the Overex, Buyer’s Geotechnical Reports or any matters related thereto. In no event shall the Seller be liable to Buyer for any delay or costs or damages incurred by Buyer with respect to such Overex. THE PARTIES ACKNOWLEDGE AND AGREE THAT SELLER IS NOT PERFORMING ANY OVER-EXCAVATION OF THE LOTS AND THAT SELLER SHALL HAVE NO LIABILITY WHATSOEVER WITH RESPECT TO OR ARISING OUT OF ANY OVER-EXCAVATION OF THE LOTS OR EXPANSIVE SOILS PRESENT ON THE LOTS AND SELLER EXPRESSLY DISCLAIMS ANY LIABILITY WITH RESPECT TO ANY OVER-EXCAVATION OF THE LOTS AND EXPANSIVE SOILS PRESENT ON THE LOTS. BUYER SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS SELLER AND ITS SHAREHOLDERS, EMPLOYEES, DIRECTORS, OFFICERS, AGENTS, AFFILIATES, SUCCESSORS AND ASSIGNS FOR, FROM AND AGAINST ALL CLAIMS, DEMANDS, LIABILITIES, LOSSES, DAMAGES (EXCLUSIVE OF SPECIAL, CONSEQUENTIAL, PUNITIVE, SPECULATIVE OR LOST PROFITS DAMAGES), COSTS AND EXPENSES, INCLUDING BUT NOT LIMITED TO COURT COSTS AND REASONABLE ATTORNEYS’ FEES, ARISING OUT OF ANY EXPANSIVE SOILS, OVER-EXCAVATION OR OTHER SOIL MITIGATION OR BUYER’S ELECTION NOT TO PERFORM SOILS MITIGATION, ON OR PERTAINING TO BUYER’S LOTS. THE PROVISIONS OF THIS SECTION SHALL EXPRESSLY SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

6.12 No Reliance on Documents. Except as expressly stated in this Agreement and/or expressly set forth in the documents executed by Seller at Closing, Seller makes no representation or warranty as to the truth, accuracy or completeness of any materials, data or information delivered by Seller or its brokers or agents to Buyer in connection with the transaction contemplated hereby. Except as otherwise provided in this Agreement and/or expressly set forth in the documents executed by Seller at Closing, all materials, data and information delivered by Seller to Buyer in connection with the transaction contemplated hereby are provided to Buyer as a convenience only and any reliance on or use of such materials, data or information by Buyer shall be at the sole risk of Buyer, except as otherwise expressly stated herein. The Seller Parties shall not be liable to Buyer for any inaccuracy in or omission from any such reports. Buyer hereby represents to Seller that, to the extent Buyer deems the same to be necessary or advisable for its purposes, and without waiving the right to rely upon the covenants, agreements, representations and warranties expressly contained in this Agreement and/or expressly set forth in the documents executed by Seller at Closing: (i) Buyer has performed or will perform an independent inspection and investigation of the Lots and has also investigated or will investigate the operative or proposed governmental laws, ordinances and regulations to which the Lots may be subject, and (ii) Buyer shall acquire the Lots solely upon the basis of its own or its experts' independent inspection and investigation, including, without limitation, (a) the quality, nature, habitability, merchantability, use, operation, value, fitness for a particular purpose, marketability, adequacy or physical condition of the Lots or any aspect or portion thereof, including, without limitation, appurtenances, amenities, access, landscaping, parking facilities, electrical, plumbing, sewage, and utility systems, facilities and appliances, soils, geology and groundwater, (b) the dimensions or sizes of the Lots, (c) the development or income potential, or rights of or relating to, the Lots, (d) the zoning or other legal status of the Lots or any other public or private restrictions on the use of the Lots, (e) the compliance of the Lots with any and all applicable codes, laws, regulations, statutes, ordinances, covenants, conditions and restrictions, (f) the ability of Buyer to obtain any necessary governmental permits for Buyer's intended use or development of the Lots, (g) the presence or absence of Hazardous Materials on, in, under, above or about the Lots or any adjoining or

neighboring property, (h) the condition of title to the Lots, (i) the economics of, or the income and expenses, revenue or expense projections or other financial matters, relating to the Lots, except as provided in any express representations/warranties and/or covenants contained in this Agreement, or (j) the establishment, continued operation and ongoing financial viability of the proposed Fox Hill Farm and related amenities.

6.13 As Is. Except for Seller's performance of its obligations under the Agreement, Buyer acknowledges and agrees that it is purchasing the Property based on its own inspection and examination thereof, and Seller shall sell and convey to Buyer and Buyer shall accept the property on an "AS IS, WHERE IS, WITH ALL FAULTS, LIABILITIES, AND DEFECTS, LATENT OR OTHERWISE, KNOWN OR UNKNOWN" basis in an "AS IS" physical condition and in an "AS IS" state of repair. Except as expressly contained in the Deed to be delivered at each Closing and Seller's representations (as set forth in Section 7 hereof), to the extent not prohibited by law the Buyer hereby waives, and Seller disclaims all warranties of any type or kind whatsoever with respect to the Property, whether express or implied, direct or indirect, oral or written, including, by way of description, but not limitation, those of habitability, fitness for a particular purpose, and use. Without limiting the generality of the foregoing, Buyer expressly acknowledges that, except as otherwise provided in the Seller's representations, the Deed to be delivered at each Closing, Seller makes no representations or warranties concerning, and hereby expressly disclaims any representations or warranties concerning the following: (i) The value, nature, quality or condition of the Property; (ii) The establishment, continued operation and ongoing financial viability of the proposed Fox Hill Farm and related amenities; (iii) Any restrictions related to development of the Property; (iv) The applicability of any governmental requirements; (v) The suitability of the Property for any purpose whatsoever; (vi) The presence in, on, under or about the Property of any Hazardous Material or any other condition of the Property which is actionable under any Environmental Law (as such terms are defined in this Section 10); (vii) Compliance of the Property or any operation thereon with the laws, rules, regulations or ordinances of any applicable governmental body; or (viii) The presence or absence of, or the potential adverse health, economic or other effects arising from, any magnetic, electrical or electromagnetic fields or other conditions caused by or emanating from any power lines, telephone lines, cables or other facilities, or any related devices or appurtenances, upon or in the vicinity of the Property.

EXCEPT FOR REPRESENTATIONS, WARRANTIES AND COVENANTS OF SELLER AS ARE EXPRESSLY SET FORTH IN THIS AGREEMENT OR OTHERWISE PROVIDED IN THIS AGREEMENT AND/OR EXPRESSLY SET FORTH IN THE CLOSING DOCUMENTS, SELLER SHALL NOT BE LIABLE TO BUYER FOR ANY CONSTRUCTION DEFECT, ERRORS, OMISSIONS, OR ON ACCOUNT OF SOILS CONDITIONS OR ANY OTHER CONDITION AFFECTING THE PROPERTY, INCLUDING, BUT NOT LIMITED TO, THOSE MATTERS DESCRIBED ABOVE AND BUYER AND ANYONE CLAIMING BY, THROUGH OR UNDER BUYER, HEREBY FULLY RELEASES SELLER, ITS PARTNERS, EMPLOYEES, OFFICERS, DIRECTORS, REPRESENTATIVES, ATTORNEYS AND AGENTS (BUT NOT INCLUDING ANY THIRD-PARTY PROFESSIONAL SERVICE PROVIDERS [E.G., ENGINEERS, ETC.], CONTRACTORS OR SIMILAR FIRMS OR PERSONS) FROM ANY AND ALL CLAIMS AGAINST ANY OF THEM FOR ANY COST, LOSS, LIABILITY, DAMAGE, EXPENSE, DEMAND, ACTION OR CAUSE OF ACTION (INCLUDING, WITHOUT LIMITATION, ANY RIGHTS OF CONTRIBUTION) ARISING FROM OR RELATED TO ANY CONSTRUCTION DEFECTS, ERRORS, OMISSIONS, OR OTHER CONDITIONS AFFECTING THE PROPERTY, INCLUDING, BUT NOT LIMITED TO, THOSE MATTERS DESCRIBED ABOVE AND INCLUDING ANY ALLEGED

NEGLIGENCE OF SELLER.

As used herein, "**Hazardous Materials**" means, collectively, any chemical, material, substance or waste which is or hereafter becomes defined or included in the definitions of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants," "pollutant" or "contaminant," or words of similar import, under any Environmental Law, and any other chemical, material, substance, or waste, exposure to, disposal of, or the release of which is now or hereafter prohibited, limited or regulated by any governmental or regulatory authority or otherwise poses an unacceptable risk to human health or the environment.

As used herein, "**Environmental Laws**" means all applicable local, state and federal environmental rules, regulations, statutes, laws and orders, as amended from time to time, including, but not limited to, all such rules, regulations, statutes, laws and orders regarding the storage, use and disposal of Hazardous Materials and regarding releases or threatened releases of Hazardous Materials to the environment.

6.14 Release. Buyer agrees that, subject to the Seller's Representations, Seller shall not be responsible or liable to Buyer for any defects, errors or omissions, or on account of geotechnical or soils conditions or on account of any other conditions affecting the Property, because Buyer is purchasing the Property AS IS, WHERE-IS, and WITH ALL FAULTS. Buyer, or anyone claiming by, through or under Buyer, hereby fully releases Seller, Seller's affiliates, divisions and subsidiaries and their respective managers, members, partners, officers, directors, shareholders, affiliates, representatives, employees, consultants and agents (the "**Seller Parties**" and each as a "**Seller Party**") from, and irrevocably waives its right to maintain, any and all claims and causes of action that it or they may now have or hereafter acquire against the Seller Parties for any cost, loss, liability, damage, expense, demand, action or cause of action arising from or related to any defects, errors, omissions or other conditions affecting the Property, except to the extent that such loss or other liability results from a breach of the Seller's representations. Buyer hereby waives any Environmental Claim (as defined in this Section) which it now has or in the future may have against Seller. The foregoing release and waiver shall be given full force and effect according to each of its express terms and provisions, including, but not limited to, those relating to unknown and suspected claims, damages and causes of action.

As used herein, "**Environmental Claim**" shall mean any and all administrative, regulatory or judicial actions, suits, demands, demand letters, directives, claims, liens, investigations, proceedings or notices of noncompliance or violation, whether written or oral, by any person, organization or agency alleging potential liability, including without limitation, potential liability for enforcement, investigatory costs, cleanup costs, governmental response costs, removal costs, remedial costs, natural resources damages, property damages, including diminution of the market value of the Property or any part thereof, personal injuries or penalties arising out of, based on or resulting from the presence or release into the environment of any Hazardous Materials at any location, or resulting from circumstances forming the basis of any violation or alleged violation of any Environmental Laws, and any and all claims by any person, organization or agency seeking damages, contribution, indemnification, costs, recovery, compensation or injunctive relief resulting from the presence or release of any Hazardous Materials.

6.15 Indemnification. Buyer shall indemnify, defend (with counsel reasonably selected by Buyer with Seller approval) and hold harmless the Seller Parties of, from and against any and

all claims, demands, liabilities, losses, expenses, damages, costs and reasonable attorneys' fees that any of the Seller Parties may at any time incur by reason of or arising out of: (i) any work performed in connection with or arising out of Buyer's activities, or Buyer's acts or omissions with respect to any Overex work, (ii) Buyer's failure to perform its work on the Property in accordance with applicable laws, and (iii) either personal injuries or property damage by reason of or arising out of the geologic, soils or groundwater conditions on the Property, (iv) Buyer's or its successor's development, construction, use, ownership, management, marketing or sale activities associated with the Lots (including, without limitation, land development, grading, excavation, trenching, soils compaction and construction on the Lots performed by or on behalf of Buyer (including, but not limited to, by all subcontractors and consultants engaged by Buyer); (v) the soils, subsurface geologic, groundwater conditions or the movement of any home; (vi) the design, engineering, structural integrity or construction of any homes constructed on the Lots after a Closing; or (vii) any claim asserted by Buyer's homebuyers or their successors in interest. The foregoing indemnity obligation of Buyer includes acts and omissions of Buyer and all agents, consultants and other parties acting for or on behalf of Buyer ("**Buyer Parties**"). Notwithstanding the foregoing, Buyer is not required by this indemnification provision to indemnify the Seller against Seller's failure to perform its obligations under this Agreement or under any of the Closing documents, or Seller's breach of an express warranty or representation set forth in this Agreement or in any of the Closing Documents, or claims arising directly from the decisions of Seller acting in its capacity as declarant under the Declaration.

6.16 Release and Waiver of Claims Regarding Development on Other Land. Buyer has had an opportunity to review the Plat for the Project which subdivides the Project into platted lots and tracts. Buyer shall not have, and releases, relinquishes and waives, any claims or causes of action against Seller or its affiliates for, as a result of, or with respect to the nature and extent of development that occurs or does not occur on any land within the Project other than the Property, regardless of the effect of said development (or lack thereof) on the Property in terms of value, marketability, views, shadows or any other feature or aspect.

6.17 STORM WATER POLLUTION PREVENTION PLAN. Seller has previously filed a Notice of Intent ("**NOI**") and/or prepared a Stormwater Pollution Prevention Plan ("**SWPPP**") to satisfy its stormwater obligations arising from its work on the Property. Seller covenants that prior to Closing Date, Seller and/or its contractor shall comply with the SWPPP with respect to all of the Lots owned by Seller, and shall comply with all local, state and federal environmental obligations (including stormwater) associated with the development of the Lots. Seller shall indemnify and hold Buyer harmless from all claims and causes of action arising from breach of the foregoing covenants of Seller to the extent there is an uncured notice of violation issued with respect to any Lot prior to conveyance of the Lot to Buyer. From and after conveyance of the Property, and until such time as the Property is subject to Buyer's SWPPP (as hereafter defined), Buyer shall be solely responsible for complying with the SWPPP, maintaining all required best management practices ("**BMPs**"), and conducting and documenting all required inspections. Buyer shall also comply with all local state and federal environmental obligations (including stormwater) associated with its ownership or development of the Lots conveyed to Buyer by Seller. Such obligations include, without limitation, (i) complying with the SWPPP or the Buyer's SWPPP, as applicable, (ii) maintaining all required BMPs, and (iii) conducting and documenting all required inspections. Buyer covenants and Seller acknowledges that, with respect to Lots acquired by Buyer, Buyer shall, within ten (10) days after conveyance of the Property, at its sole cost and expense (subject to Seller's prior written approval) submit its own notice of intent for a new stormwater pollution prevention plan (the "**Buyer's SWPPP**"). Subsequent to the applicable

Closing Date, Buyer shall comply with the Buyer's SWPPP with respect to all of the Lots then owned by Buyer, and shall comply with all local, state and federal environmental obligations (including stormwater) associated with its ownership or development of all such Lots. Buyer shall indemnify and hold Seller harmless from all third-party claims and causes of action solely arising from breach of the foregoing covenants of Buyer.

6.12 Continuing Obligations. All of the rights and obligations set forth in this Article 6 shall be deemed continuing and shall survive the Closing hereunder.

7. REPRESENTATIONS AND WARRANTIES OF SELLER.

7.1 Representations and Warranties of Seller. Seller represents and warrants to, and covenants with, Buyer as follows:

A. This Agreement constitutes a legal, valid and binding obligation of Seller and (together with all documents contemplated hereby when executed and delivered) is enforceable against Seller in accordance with its terms.

B. Seller is a Colorado corporation, duly organized, validly existing and in good standing under the laws of the State of Colorado and qualified to transact business in the State of Colorado, and the individuals executing this Agreement and the documents contemplated by this Agreement on its behalf are duly elected or appointed and validly authorized to execute and deliver the same.

7.2 Should Seller learn of any fact, condition, development or proposal which is contrary to or inconsistent with the above, Seller will immediately so advise Buyer.

8. REPRESENTATIONS AND WARRANTIES OF BUYER.

8.1 Representations and Warranties of Buyer. Buyer represents and warrants to, and covenants with, Seller as follows:

A. This Agreement constitutes a legal, valid and binding obligation of Buyer and (together with all documents contemplated hereby when executed and delivered) is enforceable against Buyer in accordance with its terms.

B. Buyer is a Colorado _____ duly organized, validly existing and in good standing under the laws of the State of Colorado, and qualified to transact business in the State of Colorado, and the individuals executing this Agreement and the documents contemplated by this Agreement on behalf of Buyer are duly elected or appointed and validly authorized to execute and deliver the same.

8.2 Should Buyer learn of any fact, condition, development or proposal which is contrary to or inconsistent with the above, Buyer will immediately so advise Seller.

9. DEFAULTS.

9.1 Defaults by Seller. If there is any default by Seller under this Agreement prior to a Closing, which default is not cured within ten (10) days of Buyer's written notice, Buyer may, at its option: (a) declare this Agreement terminated in which case the Deposit shall be returned to Buyer and each party shall thereupon be relieved of all further obligations hereunder, except that Buyer shall not be relieved of its obligations under Section 10.5; (b) waive such default and proceed to Closing; or (c) pursue the right to specific performance of Seller's obligations hereunder. Buyer waives and releases Seller from all claims for reimbursement of damages claimed to be incurred by Buyer as a result of any alleged default by Seller hereunder.

9.2 Defaults by Buyer. If there is any default by Buyer under this Agreement prior to a Closing, which default is not cured within ten (10) days of Buyer's written notice, Seller may, at its option: (a) since damages may be difficult to ascertain, retain the Deposit as liquidated damages, and declare this Agreement terminated in which case each party shall be relieved of all further obligations hereunder, except that Buyer shall not be relieved of its obligations under Section 10.5; and/or (b) bring an action against Buyer for specific performance and damages.

9.3 Defaults After Closing. Each party shall be entitled to pursue any and all legal and equitable remedies available to it in the event of a default by the other party with respect to any of the continuing obligations contained herein after Closing, including but limited to injunctive actions, but neither party shall be entitled to recover consequential damages.

9.4 Waiver of Jury Trial. TO THE EXTENT PERMITTED BY LAW, THE PARTIES HEREBY KNOWINGLY, INTENTIONALLY AND VOLUNTARILY, WITH AND UPON THE ADVICE OF COMPETENT COUNSEL, WAIVE, RELINQUISH AND FOREVER FORGO THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATING TO THE PROVISIONS OF THIS AGREEMENT.

10. MISCELLANEOUS.

10.1 Press Releases. Buyer and Seller agree that neither party shall make any statement or release to the media regarding this Agreement or the terms and provisions hereof unless the content and timing of said statement or release shall have been approved by the other party in writing, which approval shall not be unreasonably withheld.

10.2 Recommendation of Legal Review. Buyer acknowledges that Seller has recommended to Buyer that Buyer retain competent legal counsel to review and examine this Agreement, the Project Documents, and all other documents relating to this Agreement, including, but not limited to, an examination of title of the Property. All such review and examination should be completed prior to the end of the Investigation period.

10.3 No Recording. Except as may otherwise be specifically provided to the contrary in this Agreement, neither this Agreement nor any memorandum or reference thereto shall be recorded and any recorded reference to this Agreement shall be deemed void ab-initio and of no force and effect whatsoever, and shall, in no way, be construed as imposing or constituting a cloud or lien on title to any portion of the Property. Any recording, directly or indirectly, by Buyer shall

constitute a default of this Agreement, rendering it null and void, and entitling Seller to elect from the remedies described in paragraph 9.2 hereof.

10.4 Relationship of Parties. Buyer and Seller acknowledge and agree that the relationship established between the parties pursuant to this Agreement is only that of a seller and a purchaser of single-family lots. Neither Buyer nor Seller is, nor shall either hold itself out to be, the agent, employee, joint venturer or partner of the other party.

10.5 Indemnification; No Mechanic's Liens. Buyer hereby acknowledges that the making of investigations, tests and surveys is for the benefit of and at the insistence of Buyer. Buyer expressly acknowledges that nothing in this Agreement shall authorize Buyer, or any person dealing with, through or under Buyer to damage the Property or to subject Seller's interest in any portion of the Property to mechanic's liens prior to Closing of the Property. Buyer agrees to repair any damage to the Property at its sole cost and expense and to indemnify, hold harmless and defend Seller from any claim, liability, loss, damage, cost or expense, including attorneys' fees, which Seller may incur or which may be asserted by reason of any entry on the Property or work performed through or under Buyer or the making of investigations, tests and surveys ordered or conducted by Buyer. Buyer agrees not to permit or suffer and, to the extent so permitted or suffered, to cause to be removed and released, any mechanic's, materialman's or other lien on account of supplies, machinery, tools, equipment, labor or materials furnished or used in connection with the planning, design, inspection, construction, alteration, repair or surveying of the Property, or preparation of plans with respect thereto through or under Buyer. Seller may, at its option, at Buyer's cost and expense, with the assistance of attorneys of Seller's choosing, enter into, defend, prosecute or pursue any effort or action (whether or not litigation is involved) which Seller deems necessary to defend itself and the Property from and against all claims or liability arising by, through or under Buyer as set forth herein. Buyer acknowledges and agrees that Seller may, but shall not be required to, post or serve a notice that Seller's interest in the Property shall not be subject to any mechanics' liens pursuant to the provisions of C.R.S. Section 38-22-105, and to take such other actions as Seller deems necessary to comply with the provisions of said statute.

10.6 Notices. All notices, consents or other instruments or communications provided for under this Agreement shall be in writing, signed by the party giving the same, and shall be deemed properly given and received when personally delivered and received, when sent by facsimile or email confirmed as received, or three business days after mailed, if sent by registered or certified mail, postage prepaid, to the following addresses, which addresses may be modified by written notice to the other party:

If to Seller:

Fox Hill Development, Inc.
Attn: Francis Gay
20210 E. Smokey Hill Road
Centennial, Colorado 80125
Fax: _____
Email: fgay59@gmail.com

If to Buyer:

Attn: _____
_____, _____
Fax: _____

Email: _____

10.7 Entire Agreement. This Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof, and all prior agreements or understandings shall be deemed merged in this Agreement and therein.

10.8 No Oral Amendment or Modifications. No amendments, waivers or modifications hereof shall be made or deemed to have been made unless in writing executed by the party to be bound thereby.

10.9 Severability. If any provision of this Agreement shall be invalid, illegal or unenforceable, it shall not affect or impair the validity, legality or enforceability of any other provision of this Agreement, and there shall be substituted for the affected provision a valid and enforceable provision as similar as possible to the affected provision.

10.10 Assignability. Buyer may not assign its rights or obligations under this Agreement without the prior written consent of Seller, which consent may be withheld or conditioned in Seller's sole discretion, and any such attempted assignment shall be null and void. Prior to considering consent to any assignment, Seller shall be entitled to receive and review financial and other information reasonably requested by Seller with respect to the proposed assignee. In addition, upon request by Seller, Buyer shall pay all reasonable costs and expenses incurred by Seller, including but not limited to attorney's fees, in connection with Seller's consideration of whether to approve any such assignment, regardless of whether Seller approves or disapproves the assignment, and Seller may condition its consideration and/or approval of any such assignment upon Buyer's payment in full of said costs and expenses. Similarly, upon request by Seller, Buyer shall pay all reasonable costs and expenses incurred by Seller, including but not limited to attorney's fees, in connection with Seller's consideration of whether to exercise any of its rights with respect to the Property, including but not limited to its right to repurchase, that are activated by any transfer of any interest in the Property by Buyer after Closing, regardless of whether Seller exercises any of such rights, and Seller may condition its waiver of any such rights upon Buyer's payment in full of said costs and expenses. Notwithstanding the foregoing, Buyer shall have the right to assign its rights under this Agreement to any entity controlling, controlled by, or under common control with Buyer ("control" as used herein shall mean the ownership of 50% or more of the outstanding voting interest of the controlled entity); provided that the financial capability of such proposed assignee is comparable to or better than Buyer as of the date of this Agreement, as reasonably determined by Seller. Upon any assignment by Buyer either permitted under this Section 10.10 or as to which Seller has given its consent, Buyer shall thereupon be relieved of all further obligations hereunder, except that Buyer shall not be relieved of its obligation under Section 10.5 and provided that the assignee shall have agreed in writing with Seller to assume all of the duties and obligations of Buyer hereunder. After notice to Buyer, Seller may at any time prior to Closing, assign its right, title and interest hereunder to any person or entity. Buyer hereby acknowledges that Seller may assign to its construction lender ("**Lender**") certain rights and interests under this Agreement and upon Lender's agreement to timely perform and be subject to the provisions hereof, Buyer agrees, upon Lender's request, to execute an agreement mutually satisfactory to Seller, Buyer and Lender pursuant to which Buyer shall attorn to and subordinate any right, title, interest or lien, legal, equitable or otherwise, that Buyer has in the Property, to the lien of any deed of trust granted by Seller for the benefit of Lender.

10.11 Binding Effect. Subject to Section 10.10, this Agreement shall be binding upon

and inure to the benefit of the parties hereto and their respective successors and assigns.

10.12 Captions for Convenience. All headings and captions used herein are for convenience only and are of no meaning in the interpretation or effect of this Agreement.

10.13 Applicable Law. This Agreement shall be interpreted and enforced according to the laws of the State of Colorado.

10.14 Exhibits Incorporated. All exhibits to this Agreement are incorporated herein and made a part hereof as if fully set forth herein.

10.15 Time of the Essence. Time is of the essence with respect to performance required under this Agreement.

10.16 Brokers; Listing Agreement. The parties acknowledge that they have dealt with the undersigned Broker as broker in connection with the transaction contemplated by this Agreement. The real estate commission due to Broker shall be paid at Closing hereunder by Seller. Except as may be provided by separate written agreement, each party warrants and certifies to the other party that except for Broker, such party has not engaged or utilized the services of any broker in connection with this transaction who shall be entitled to any commission as a result of this Agreement or the transactions contemplated hereby. Each party agrees to defend, indemnify and hold harmless the other from and against any claims for broker's or finder's fees or commissions made by any party other than Broker claiming to have dealt with it. With respect to the sale of a Speculative Residence by Buyer to a third-party purchaser, Buyer agrees to enter into a listing agreement with Broker, wherein Buyer engages Broker as the exclusive listing broker with respect to Buyer's resale of the Property. The provisions of this section 10.16 shall survive Closing and Broker as broker shall have the right to enforce these provisions by an action against Buyer for specific performance and/or damages. Buyer and Broker shall enter into the aforesaid Listing Agreement in the form provided by Broker contemporaneously with the execution of this Agreement.

10.17 Costs of Legal Proceedings. In the event that either party institutes legal proceedings with respect to this Agreement or the transactions contemplated hereby, including, but not limited to, appearing and participating in any action initiated by or against the other party under the bankruptcy laws of the United States, or similar laws of any state, the prevailing party shall (or in the case of such a bankruptcy action by a party, the other party shall) be entitled to recover, in addition to any other relief to which it is entitled, its costs and expenses incurred in connection with such legal proceedings, including, without limitation, reasonable attorneys' fees.

10.18 General Cooperation. Notwithstanding any other provision of this Agreement to the contrary, and notwithstanding any Closing of the Property to Buyer, Buyer and Seller agree in good faith before and after any Closing to execute such further or additional documents, and to take such other actions, as may be reasonably necessary or appropriate to fully carry out the intent and purposes of the parties as set forth in this Agreement.

10.19 Computation of Time. In computing any period of time under this Agreement, the date of the act or event from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included unless it is a Saturday, Sunday, or Colorado or federal legal holiday, in which event the period shall run until the end of the next

day which is not a Saturday, Sunday, or Colorado or federal legal holiday.

10.20 Negotiated Provisions. This Agreement shall not be construed more strictly against one party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the parties.

10.21 No Implied Waiver. No failure by Seller or Buyer to insist upon the strict performance of any term, covenant, or provision contained in this Agreement, no failure by Seller or Buyer to exercise any right or remedy under this Agreement, and no acceptance of full or partial payment owed to Seller or Buyer during the continuance of any default by the other party, shall constitute a waiver of any such term, covenant, or provision, or a waiver of any such right or remedy, or a waiver of any such default unless such waiver is made in writing. Any waiver of a breach of a term or a condition of this Agreement shall not prevent a subsequent act, which would have originally constituted a default under this Agreement, from having all the force and effect of a default.

10.22 Further Acts. Each of the parties hereto covenants and agrees with the other, upon reasonable request from the other, from time to time, to execute and deliver such additional documents and instruments and to take such other actions as may be reasonably necessary to give effect to the provisions of this Agreement.

10.23 Seller's Acceptance Date. This Agreement shall not be binding on Seller unless and until accepted in writing by an authorized representative of Seller within 10 days of the date of Buyer's execution hereof. Upon such acceptance, a signed copy hereof shall be returned to Buyer. The execution of this Agreement by Broker shall not constitute acceptance of this Agreement by Seller. Acceptance of the Deposit shall not constitute acceptance of this Agreement by Seller.

10.24 Counterpart and Facsimile Provisions. This Agreement may be signed in counterparts and when at least one counterpart has been signed by each of the parties, such counterparts, when taken together, shall constitute one and the same document and the Agreement shall be deemed to have been duly and properly executed. This Agreement may also be transmitted by telefax copier or other electronic transmission. All parties agree that their original signatures which are facsimile copies on the electronically transmitted documents shall constitute the agreement of the parties and this Agreement shall be deemed to have been duly and properly executed as evidenced by the electronically transmitted signatures of the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Purchase and Sale Agreement as of the day and year first above written.

BUYER:

Buyer agrees to purchase the Property on the terms and conditions set forth herein and acknowledges having read all such terms and conditions:

a _____

By: _____
_____, _____

Date Signed

SELLER:

Fox Hill Development, Inc.,
a Colorado corporation

By: _____
Francis Gay, President

Date Accepted

BROKER:

RE/MAX Alliance

By: _____
Name: _____
Title: _____

Date Accepted

SCHEDULE OF EXHIBITS

Exhibit A	Fox Hill Participating Builder Program Master Agreement, Section 3.7
Exhibit B	[reserved]
Exhibit C	Special Warranty Deed, Section 4.2
Exhibit D	[reserved]
Exhibit E	Lot Declaration, Section 6.1

EXHIBIT A
TO
FOX HILL BUILDER PURCHASE AND SALE AGREEMENT

FOX HILL
PARTICIPATING BUILDER PROGRAM
MASTER AGREEMENT

THIS AGREEMENT is made as of _____, 20____, by and between FOX HILL DEVELOPMENT, INC., a Colorado corporation (the “Seller”), RE/MAX ALLIANCE, a _____ (“Broker”) and _____, a _____ (“Builder”).

Recitals

A. Seller is the developer of the planned residential community located in Douglas County, Colorado known as Fox Hill (the “Fox Hill Community”).

B. Broker is a licensed real estate brokerage company engaged in the management, development and marketing of the Fox Hill Community.

C. Builder is engaged in the business of constructing homes for sale to others.

D. The Seller, Broker and Builder desire to encourage the sale of building sites and the development of residences in the Fox Hill Community. For purposes of this Agreement, the term “Site” shall mean any lot within the Fox Hill Community that is suitable for the construction thereon of one (1) single-family detached residence and related improvements (collectively, the “Residence”).

E. Seller, Broker and Builder have determined that the terms and provisions of this Agreement will be beneficial for all parties and will provide economic incentives to the parties to encourage the sale of Sites and the development of Residences in the Fox Hill Community.

STATEMENT OF AGREEMENT

For and in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller, Broker and Builder, intending to be legally bound, hereby agree as follows:

ARTICLE I

FOX HILL COMMUNITY AND BUILDER PROGRAM

1.1 PARTICIPATING BUILDER PROGRAM. Upon execution of, and subject to continuing compliance with the terms of this Agreement by Builder, Seller hereby agrees to designate and admit Builder to the participating builder program for the Fox Hill Community (the “Builder Program”), entitling Builder: (a) to represent itself as an “Approved Seller Builder”; (b) to purchase Sites in the Fox Hill Community on such terms and conditions as may be agreed to by separate written Purchase and Sale Agreements (“Lot Contracts”) signed by Seller and Builder;

(c) to construct Residences on Sites purchased by Builder for sale to others; and (d) to construct Residences on Sites purchased by others. Builder's continued eligibility for the Builder Program is subject to Builder's compliance with the terms and conditions of this Agreement and fulfillment of all of Builder's obligations under the Lot Contracts. **Builder acknowledges that Seller reserves the right to admit, remove or exclude builders from its Approved Builder program in its reasonable discretion.**

1.2 COVENANT-CONTROLLED COMMUNITY. Builder acknowledges that the Fox Hill Community is a covenant-controlled community. A Declaration of Covenants, Conditions, Restrictions and Easements for Foxhill ("Covenants") and certain Lot Declarations, all as more specifically set forth in the Lot Contracts (individually, a "Declaration," and collectively, the "Declarations") have been recorded. Builder hereby consents to the inclusion of any Site owned by Builder into the Declarations.

1.3 COMMUNITY CONCEPT AND OBJECTIVE. Builder acknowledges that the Fox Hill Community is designed to be a custom residential community. Establishment of the Declarations, design standards for the Fox Hill Community are intended to create a lifestyle and environment that will protect and enhance the long-term value and attractiveness of the Fox Hill Community. Builder covenants and agrees to use its best efforts to carry out this objective by strict and creative adherence to these documents, with particular reference to the design.

1.4 DESIGN REVIEW APPROVAL. In order to assure that Residences constructed by Builder are compatible with the objective of the Fox Hill Community, Builder, pursuant to the Declarations, shall submit to the Design Review Committee ("DRC") under the Covenants all design documents required by the DRC. All design documents and modifications thereof shall be subject to approval by the DRC in accordance with the Covenants and the Design Standards for the Fox Hill Community (the "Standards"), which Seller shall provide to Builder upon execution of this Agreement. Builder also shall submit such design documents to Seller as may be required by separate agreement between Builder and Seller. By execution of this Agreement, Builder acknowledges receipt of the Standards.

1.6 SIGNAGE RESTRICTIONS. The parties hereto have determined that one standard sign for each Lot and Residence (the "Sign") will serve the purpose of marketing the Residence as well as represent other pertinent information including address and name of Builder. The installation and maintenance of the Sign will be the responsibility of Broker. Neither Builder, Builder's subcontractors nor Builder's lender shall have the right to install any signage on any Site.

1.7 MAINTENANCE. Builder shall perform exterior maintenance with respect to completed Residences as long as such Residences are owned by Builder. All maintenance shall be performed in a manner consistent with the Lot Contracts, the Declarations and the Standards. Builder acknowledges that in accordance with the Lot Contracts, Builder must pay to Seller, at the closing under a Lot Contract the amount of Two Thousand Five Hundred and 00/100 Dollars (\$2,500.00) as a maintenance, damage and construction clean-up deposit. Seller may use the deposit to pay for any maintenance, damage, repair and clean-up expenses that Seller reasonably believes are necessary due to damage caused by Builder or its contractors, or their failure to adequately perform the Builder's maintenance, repair and clean-up obligations relating to the Property as required by this Agreement, the Lot Contract or which arise under the Covenants.

1.8 TRASH REMOVAL/SITE CONDITIONS. Builder agrees to maintain Sites in a

neat and orderly condition throughout construction and not to allow trash and debris to accumulate anywhere within the Fox Hill Community. Builder agrees to keep Sites, roadways, easements, swales and other property within the Fox Hill Community clear of trash and construction materials at all times in accordance with the Lot Contracts, the Declarations and the Standards.

1.10 INSURANCE. Prior to or upon closing of the purchase of any Lot in the Community by Builder, Builder shall obtain and maintain a comprehensive public liability insurance policy in the amount of Two Million (\$2,000,000.00) Dollars for general liability or its equivalent in such other amount as may be acceptable to Seller and Broker covering all losses, damages and claims arising out of Builder's occupation, use of, activities on and ownership of Sites within the Fox Hill Community, including property damage, bodily injury and death. The policy shall name Builder as the insured party and Seller and Broker as additional insureds. A certificate evidencing such insurance shall be provided to Seller at or prior to any closing, and such insurance shall be maintained in effect as long as Builder owns any Sites within the Fox Hill Community. Builder will deliver copies of the certificate to Seller at least once each year or more frequently upon request.

1.11 SUBCONTRACTORS. Builder acknowledges and accepts responsibility for ensuring compliance with the terms and conditions of this Agreement and the Declarations by all agents, employees and subcontractors of Builder. In the event of any violation of any of the terms or conditions of this Agreement by any agents, employees or subcontractors of Builder or any other person acting under Builder, Seller first shall advise Builder verbally of the violation and Builder shall have a reasonable period of time, not exceeding three (3) days, to cure such violation. In the event such violation is not cured or if the violation continues after such verbal notification, Seller shall give Builder written notice and 24 hours to cure such violation. If Builder fails to cure such violation within such 24-hour period, Seller shall have the right to remove or cure the violation and to prohibit the violating agent, employee or subcontractor from performing any further services for Builder in the Fox Hill Community. Builder shall indemnify and hold Seller harmless against all claims, damages, losses and expenses, including, but not limited to, attorney's fees and court costs, that may be incurred or suffered by Seller as a result of its taking such action against the agents, employees or subcontractor pursuant to this Section. Notwithstanding the above, but subject to Builder's right to receive verbal notification of violations first as set forth above, the remedies provided for in this Section shall not limit Seller's right to declare Builder in default under this Agreement for violations by Builder's agents, employees or subcontractors and to proceed in accordance with Section 3.2 hereof.

1.12 USE OF "FOX HILL" AND RELATED NAMES. The names "Fox Hill", "Foxhill" and any related names or trademarks shall not be used by Builder without the prior written consent of Seller, except that Builder make use of the name "Fox Hill" in its sales, marketing and similar materials solely for the purpose of identifying the subdivision and location of the Lots and Builder's home construction activities. The parties agree that decisions about the use of these names in the marketing of the overall Fox Hill Community as well as the marketing of individual Residences constructed by Builder will be made solely by Seller.

1.14 STATUTORY COMPLIANCE. Builder acknowledges that the real property and Sites within the Fox Hill Community are not registered under the Interstate Land Sales Full Disclosure Act, nor is the Fox Hill Community registered with the Colorado Real Estate Commission. Builder agrees to cooperate fully with Seller in taking any action necessary to permit Seller to qualify for any exemptions from such registrations. In addition, Builder agrees to comply

with all federal, state and local laws, rules and regulations applicable to the Fox Hill Community, any Lot or builder active thereon, including, but not limited to, providing all disclosures required by C.R.S. Section 6-6.5-101 in connection with every contract entered into between Buyer and a homebuyer.

ARTICLE 2

MARKETING AND COMPENSATION STRUCTURE

2.1 MARKETING. Broker will undertake institutional marketing to generate exposure for the Fox Hill Community in order to produce prospective buyers (“Prospective Buyers”) of Residences or Sites within the Fox Hill Community. Broker shall encourage all Prospective Buyers of Sites in the Fox Hill Community to either (a) enter into a construction contract with one of the Approved Builders for development and construction of a Residence on a Lot to be purchased by the Prospective Buyer, (b) purchase an existing Residence located in the Fox Hill Community or (c) enter into a presale agreement with one of the Approved Builders for the development and construction by Builder of a Presold Residence (as defined below).

2.2 BUILDER MARKETING ASSISTANCE AND INDEMNIFICATION. In order to assist Broker's marketing efforts in the Fox Hill Community, Builder shall supply to Broker exact specifications, renderings, floor plans, blueprints, proposed completion dates, listing of all materials used in construction and all other information requested by Broker concerning any Residences that Builder has constructed, is in the process of constructing, plans to construct or offers for construction within the Fox Hill Community. Builder hereby acknowledges that Broker shall rely solely on the above-described information provided by Builder to describe such Residences to Prospective Buyers, and hereby agrees to indemnify Broker and Seller for any damages incurred by Broker or Seller as a result of Broker's transmission of any information provided by Builder to Prospective Buyers.

2.3 LISTING AGREEMENT.

2.3.1 Listing Agreement. For each Lot purchased by Builder from Seller within the Fox Hill Community, Builder shall execute a listing agreement granting Broker, or any successor broker then engaged by Seller to market properties within the Fox Hill Community, the exclusive right to sell the Lot and the Residence constructed thereon as listing broker for such Lot (the “Listing Agreement”). The Listing Agreement shall be executed by Builder at the Closing. The Listing Agreement shall provide, among other things, that Broker shall be entitled to a six percent (6%) sales commission on all homes built by Builder calculated as hereinafter set forth (the “Commission”) on the total gross selling price (“Gross Selling Price”) paid by a homebuyer to Builder for any “Speculative Residence” or any “Pre-sold Residence,” as hereinafter defined, constructed by Builder including, but not limited to, the Site, specifically priced and documented architectural and landscape plans, all building materials, labor, permit fees, tap fees, loan fees and charges, including interest, landscaping materials installed on the site, all Extras, as hereafter defined, and all other costs, expenses or charges associated with the Residence constructed on the Site.

2.3.2 Definitions.

2.3.2.1 “Speculative Residence” means any Residence constructed by a

Builder which was not the subject of an executed purchase agreement at the time a building permit for such Residence was obtained.

2.3.2.2 “Pre-sold Residence” means a residence that was the subject of a purchase contract at the time a building permit for such residence was obtained and is actually sold to the individual(s) who was a party to such agreement, and also includes any home retained by Builder and occupied as a residence.

2.3.2.3 “Extras” means any items installed by Builder following development of the plans for the Residence and pricing which are added to complete the sale of the Speculative Residence to the ultimate purchaser, including without limitation landscaping, finished basements, and all other upgrades added to the Residence following preparation of the initial specifications therefor.

2.3.2.4 “Commencement of Construction” or “Commence Construction,” means that the Builder or buyer of the Property has: (a) obtained approval for the residential improvements to be constructed on the Property from the Design Review Committee as set forth in the Covenants; (b) obtained building permits from the appropriate governmental authorities authorizing construction of the Residence; and (c) completed excavation and installation of the foundation of the Residence.

2.3.3 Additional Terms. The Listing Agreement shall not expire until the earlier of (a) 360 days after the issuance of a certificate of occupancy by the appropriate governmental authority for the improvements constructed on the Lot and shall provide that it shall be automatically extended for up to two (2) six (6)-month periods provided Broker is not in violation of its obligations under the subject Listing Agreement, or (b) two (2) years after the recording of the Deed conveying the Lot to Builder. For any Speculative Residence, the total commission will be due and payable by Builder to Broker at Closing of the Speculative Residence or the occupancy of the Residence, whichever is earlier. Builder agrees to provide Broker a copy of the certificate of occupancy immediately upon its issuance and to advise Broker immediately upon occupancy of the Residence. For any Pre-sold Residence, the total commission will be due and payable by Builder to Broker at the time of the initial construction draw for the Pre-sold Residence to be constructed on the Lot by Builder, or if no construction loan is in existence, then at the time of Commencement of Construction, as defined above. In all other respects, the Listing Agreement shall be the standard listing agreement used by Broker at the time of entering into the Listing Agreement. Broker agrees to pay all outside broker's commissions. Builder hereby acknowledges and agrees that it shall not receive directly or indirectly any real estate commissions in connection with sales or development in the Fox Hill Community. The Commission on the Gross Selling Price shall be calculated as follows: the Gross Selling Price shall be multiplied by 6% and the product so derived shall be the Commission payable by Builder.

2.4 ADDITIONAL COMPENSATION FEE AGREEMENTS FOR SITES PURCHASED BY CONSUMERS. If and when any consumer who has purchased a Lot in the Fox Hill Community directly from Seller (“Consumer”) selects Builder to construct a Residence on that Lot pursuant to a construction contract between Consumer and Builder, then within ten (10) days following the date of that selection, Builder shall enter into an agreement with Broker (the “Additional Compensation Fee Agreement”) obligating Builder to pay Broker as additional compensation (the “Additional Compensation Fee”) at the time of the initial construction draw for the Residence to be constructed on the Lot by Builder, or if no construction loan is in existence,

then at the time of Commencement of Construction as that term is defined in Section 2.3. above. The Additional Compensation Fee shall be equal to six percent (6%) of all costs and expenses incurred by Builder in constructing the Residence on the Lot (collectively, the "Buyer Improvements Construction Cost") including, but not limited to, all costs and expenses for building materials, labor, permit fees, tap fees and other costs, expenses and charges associated with said construction and landscaping, but excluding the cost of (a) loan fees and charges, including interest and (b) land acquisition, and (c) architectural and landscape plans. Finally, in the Additional Compensation Fee Agreement, Broker shall agree that upon receipt of the Additional Compensation Fee from Builder, Broker shall pay to any Cooperating Broker who participated in the original sale of the Lot from Seller to Consumer a commission equal to two percent (2%) of the amount of the Additional Compensation Fee collected by Broker. The Additional Compensation Fee shall be calculated as follows: the Buyer Improvements Construction Cost shall be multiplied by 6% and the product so derived shall be the Additional Compensation Fee payable by Builder.

2.5 OCCUPANCY RESTRICTIONS. Builder hereby agrees that no Residence constructed by Builder shall be occupied by any person, or for purposes of storage or for any other reason until: (a) the entire purchase price or contract amount for the Residence has been paid to Builder, subject to normal and customary holdbacks for punch list items; (b) all commissions and fees identified in or payable under this Agreement or the relevant listing or compensation agreement have been paid in full; and (c) all bills for labor and materials for the Residence have been paid in full by Builder.

2.6 REFERRALS.

(a) If Broker refers a Prospective Buyer to Builder and (i) Broker has secured the Prospective Buyer through its own contacts and not through any previous association by such Prospective Buyer with Builder; (ii) the Prospective Buyer's interest in Builder is not derived from any previous exposure to Builder's residences or any promotions or advertising undertaken by Builder; and (iii) the Prospective Buyer engages Builder to construct a residence for the Prospective Buyer on property not located within the Fox Hill Community, Builder shall pay Broker a sales commission of four percent (4%) of the total Gross Selling Price paid by the Prospective Buyer to Builder for any residential dwelling constructed by Builder, specifically priced and documented architectural and landscape plans, all building materials, labor, permit fees, tap fees, loan fees and charges, including interest, landscaping materials installed on the site, all Extras, and all other costs, expenses or charges associated with the residential dwelling constructed by Builder. Such sales commission shall be payable at the earlier of the closing of the sale of the residential dwelling or the occupancy of the residential dwelling.

(b) Notwithstanding the provisions hereof, if all of the following conditions have been satisfied and a Prospective Buyer closes on a Lot with a completed Residence thereon within the Fox Hill Community, Broker shall be entitled to and Builder shall be obligated to pay a sales commission of four and eight-tenths percent (4.8%) of the total Gross Selling Price paid by a Buyer to Builder for any Speculative Residence constructed by Builder including, but not limited to, the price paid for the Site, specifically priced and documented architectural and landscape plans, all building materials, labor, permit fees, tap fees, loan fees and charges, including interest, landscaping materials installed on the Site, all Extras, and all other costs, expenses or charges associated with the Residence constructed on the Site: (i) Builder has secured the Prospective Buyer through Builder's own contacts and not through any previous association by Prospective

Buyer with Seller, Broker or any other third-party broker not associated with Seller or exposure to Fox Hill or as a result of the existence of this Agreement; (ii) Prospective Buyer has had no prior association with or visits to the Fox Hill Community; and (iii) Prospective Buyer's interest in the Fox Hill Community is not derived from any promotions, advertising or other activities sponsored by Seller, Broker or any other third-party broker not associated with Seller. The commission payable pursuant to this Section 2.6(b) shall be calculated in the same manner as the Commission payable pursuant to Section 2.3 hereof.

ARTICLE 3

MISCELLANEOUS

3.1 TERM. The term of this Agreement shall be for one year, unless sooner terminated pursuant to the provisions of Section 3.2 below. Further, this Agreement shall be deemed automatically renewed for each succeeding year unless any of the parties gives notice of termination for the forthcoming year to the other parties at least thirty (30) days prior to the anniversary date of the Agreement or this Agreement has been terminated pursuant to Section 3.2. Anything to the contrary herein notwithstanding, termination of this Agreement shall not terminate Builder's obligations under Sections 2.2, 2.3, 2.4, 2.5 and 2.6 above with respect to any Lot purchased by Builder or any home constructed by Builder for a Consumer.

3.2 DEFAULT AND REMEDIES. If Builder: (a) defaults in any of its obligations hereunder or breaches any covenant contained herein, either directly or through its agents, employees or subcontractors; (b) defaults under any Lot Contract; or (c) is otherwise determined by Seller, in Seller's sole discretion, to be unacceptable for continued construction of Residences within the Fox Hill Community, Seller shall have the right to take any or all of the following actions: (i) to cure the default; (ii) to bring suit at law to recover all damages; (iii) to avail itself of the equitable remedy of specific performance as to any obligations not compensable by monetary damages; (iv) to terminate this Agreement by written notice to Builder; and (v) to bar Builder from any future participation in the Fox Hill Community. In the event of termination of this Agreement by Seller as provided above, Builder shall be permitted to complete construction on and sell all Sites that Builder then owns in the Fox Hill Community, but Builder shall not be eligible to purchase any additional Sites in the Fox Hill Community. If Seller defaults in any of its obligations hereunder or breaches any covenant contained herein, Builder shall have the right to elect any of the following actions: (i) to avail itself of the equitable remedy of specific performance; (ii) to bring suit at law to recover all damages; or (iii) to terminate this Agreement by written notice to Seller, in which event the parties shall be relieved of any further obligations hereunder. In no event shall either party be entitled to recover consequential damages.

3.3 NOTICE. Each notice or document (collectively referred to in this Section as "notice") required or permitted to be given hereunder must comply with the requirements of this Section. Each such notice shall be in writing and shall be delivered either by personally delivering it or by depositing it with the United States Postal Service or any official successor thereto, certified mail, return receipt requested, with adequate postage prepaid, addressed to the appropriate party (and marked to a particular individual's attention). Such notice shall be deemed delivered at the time of personal delivery, or, if mailed, when it is deposited as provided above, but the time period in which a response to any such notice must be given or any action taken with respect thereto shall commence to run from the date it is personally delivered or, if mailed, the date of receipt of the notice by the addressee thereof, as evidenced by the return receipt. Rejection or other

refusal by the addressee to accept the notice shall be deemed to be receipt of the notice. In addition, the inability of the United States Postal Service to deliver the notice because of a change of address of the party of which no notice was given to the other party as provided below shall be deemed to be the receipt of the notice sent. The addresses of the parties to which notice is to be sent shall be those set forth on the signature page of this Agreement. Such addresses may be changed by any party by designating the change of address to the other parties in writing.

3.4 SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties. Builder shall not assign this Agreement or any interest hereunder, in whole or in part, without the prior written consent of Seller, which consent may be withheld for any reason or for no reason in Seller's discretion. Notwithstanding the foregoing, Builder shall have the right to assign its rights under this Agreement to any of the following entities, provided that the financial capability of such proposed assignee is comparable to or better than Builder as of the date of this Agreement, as reasonably determined by Seller: (a) any entity controlling controlled by, or under common control with Builder ("control" as used herein shall mean the ownership of 50% or more of the outstanding voting stock or other ownership interests of the controlled entity); or (b) any joint venture or partnership in which Builder is a venturer or a general partner, as the case may be; or (c) any person or entity which purchases from Seller all or substantially all of Seller's then remaining interest in unsold land within the Project. Upon any assignment by Builder either permitted under this Section or as to which Seller has given its consent, Builder shall thereupon be relieved of all further obligations hereunder, provided that the assignee shall have agreed in writing with Seller to assume all of the duties and obligations of Builder hereunder. After notice to Builder, Seller may assign its rights and obligations hereunder without the approval or consent of Builder.

3.5 ENTIRE AGREEMENT. This Agreement embodies the entire agreement between and among the parties and cannot be waived or amended except by a written instrument executed by Builder, Broker and Seller. Builder has not been induced by or relied upon any information, representation, warranties or statements, whether oral or written, express or implied, made by Seller or any other person representing or purporting to represent Seller that are not expressly set forth or provided for in this Agreement.

3.6 APPLICABLE LAW. This Agreement shall be construed and interpreted under the laws of the State of Colorado.

3.7 SURVIVAL. All provisions of this Agreement shall survive the closing of any sale contemplated by this Agreement or any sale contemplated by any other agreement between the parties for the purchase and sale of Sites in the Fox Hill Community.

3.8 NO WAIVER. Failure of any party to insist upon compliance with any provision hereof shall not constitute a waiver of the rights of such party to subsequently insist upon compliance with that provision or any other provision of this Agreement.

3.9 CAPTIONS. Titles or captions of sections contained in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provisions hereof.

3.10 CONSTRUCTION OF AGREEMENT. Builder, Broker and Seller acknowledge that they have read, understand and have had the opportunity to be advised by legal counsel as to

each and every one of the terms, conditions, restrictions and the effect of all the provisions of this Agreement and Builder agrees to the enforcement of any and all these provisions and executes this Agreement with full knowledge of these. Should any provision of this Agreement require judicial interpretation, the parties agree that the court interpreting or construing that provision shall not apply a presumption that the terms hereof shall be more strictly construed against one party by reason of the-rule of construction that a document is to be construed more strictly against the party who itself or through its agent prepared the document. Typewritten or handwritten provisions inserted in this Agreement that are initialed by the parties shall control over all printed provisions of this Agreement in conflict therewith.

3.11 NON-RECORDATION OF THIS AGREEMENT/CONFIDENTIALITY. The parties agree that neither this Agreement, a copy of this Agreement nor any instrument describing or referring to this Agreement shall ever be filed or recorded. If any party does so record this Agreement, such action shall be deemed to be a default hereunder and the other parties may avail themselves of any remedies available to them hereunder or at law or in equity. Furthermore, Builder hereby agrees not to disclose the provisions of this Agreement to any person or entity not a party hereto, including without limitation any purchaser of a Lot from Builder or any Prospective Buyer.

3.12 TIME OF ESSENCE. Time is of the essence of this Agreement.

3.13 NO JOINT VENTURE. Builder, Broker and Seller hereby acknowledge that the relationship between them created hereby is not intended to be and shall not in any way be construed to be that of a partnership, joint venture, or principal and agent. The parties further acknowledge that any control exercised by Broker or Seller with respect to any Sites within the Fox Hill Community or any documents or matters related thereto is solely for the purpose of protecting the value of Seller Sites and Broker's management, development and marketing efforts. Any approval granted by Seller or Broker pursuant to this Agreement is solely for Seller's and Broker's benefit and no person or entity may rely upon Seller's approval for any other purpose.

3.14 COUNTERPARTS. This Agreement may be executed in counterparts. It shall be fully executed when each party whose signature is required has signed at least one counterpart even though no one counterpart contains the signatures of all parties.

3.15 SPECIAL STIPULATIONS. The special stipulations, if any, set forth on the schedule of this Agreement captioned "Special Stipulations" are a part of this Agreement and shall control in the event of any conflict or inconsistency with the provisions contained in the main body of this Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date indicated under their signatures.

BUILDER:

a Colorado _____

By: _____
Title: _____

Date: _____

Address: _____

Telephone: _____

SELLER:

Fox Hill Development, Inc.,
a Colorado corporation

By: _____

Francis Gay, President

Address: 20210 E. Smokey Hill Road
Centennial, Colorado 80125

Telephone:

Date Accepted

BROKER:

RE/MAX ALLIANCE

By: _____

Name: _____

Title: _____

Address: 18551 Mainstreet, #207
Parker, Colorado 80134

Telephone: _____

Date Accepted

EXHIBIT B
TO
FOX HILL BUILDER PURCHASE AND SALE AGREEMENT

[reserved]

EXHIBIT C
TO
FOX HILL BUILDER PURCHASE AND SALE AGREEMENT

SPECIAL WARRANTY DEED

After recording return to:

THIS DEED Made this _____ day of _____, 20___, between FOX HILL DEVELOPMENT, INC., a Colorado corporation, Grantor, and _____, a Colorado _____, whose legal address is: _____, of the County of _____ and State of Colorado, Grantee(s).

WITNESSETH, that the Grantor, for and in consideration of the sum of DOLLARS the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, sold, and conveyed, and by these presents does grant, bargain, sell, convey, and confirm unto the Grantee(s), and to Grantee(s) heirs, successors and assigns forever, all the real property, together with improvements, if any, situate, lying and being in the County of Douglas, State of Colorado, described as follows:

Lot _____,
Fox Hill Filing No. 1,
County of Douglas, State of Colorado

RESERVING, HOWEVER, UNTO GRANTOR, ITS SUCCESSORS AND ASSIGNS, FOREVER, ALL OIL, GAS, MINERALS AND MINERAL RIGHTS, IF ANY, OWNED BY GRANTOR, WITHOUT RIGHT OF SURFACE ENTRY (the "Property"),

also known by street and number as: _____

TOGETHER with and singular the hereditaments and appurtenances thereto belonging, or in any wise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and all the estate, right, title, interest, claim and demand whatsoever of the Grantor, either in law or equity, of, in and to the above bargained premises, with the hereditaments and appurtenances;

SUBJECT TO taxes and assessments for the year of _____ and subsequent years, not yet due and payable and subject to Statutory Exceptions and those matters set forth on Schedule 1 as "Permitted Exceptions" attached hereto and incorporated herewith.

TO HAVE AND TO HOLD the said premises above bargained and described with the appurtenances, unto the Grantee(s), and to Grantee(s) heirs, successors and assigns forever. The Grantor, for itself, its successors and assigns does covenant and agree that it shall and will

Schedule 1
to
Special Warranty Deed

Between FOX HILL DEVELOPMENT, INC. (“Grantor”)
and _____ (Grantee”)

PERMITTED EXCEPTIONS

1. Taxes for the year recorded and subsequent years.

[ADDITIONAL EXCEPTIONS TO BE ATTACHED UPON BUYER’S REVIEW AND
ACCEPTANCE OF TITLE EXCEPTIONS AS DISCLOSED IN TITLE COMMITMENT]

EXHIBIT D
TO
FOX HILL BUILDER PURCHASE AND SALE AGREEMENT

[reserved]

EXHIBIT E
TO
FOX HILL BUILDER PURCHASE AND SALE AGREEMENT

LOT DECLARATION

THIS LOT DECLARATION (“Declaration”) is made as of this ____ day of _____, 20____, by FOX HILL DEVELOPMENT, INC., a Colorado corporation (“Seller”), and _____ (“Buyer”) whose address is _____

PREAMBLE

A. Pursuant to the Special Warranty Deed recorded immediately prior to the recording of this Declaration, Buyer became the owner of certain real property consisting of one or more residential building lots (each a “Lot” and collectively the “Lots”) located in the County of Douglas, State of Colorado, more particularly described as follows:

Lot (s) _____,
Fox Hill Filing No. 1 (the “Property”),

B. Buyer purchased the Property from Seller pursuant to the terms and conditions contained in that certain unrecorded Purchase and Sale Agreement between Seller and Buyer dated _____ (“Purchase Agreement”).

C. Pursuant to the terms and provisions contained in the Purchase Agreement, Seller and Buyer agreed to enter into this Declaration to impose certain covenants, conditions, restrictions, and reservations on the Property, as hereinafter described.

D. All of the terms and provisions defined in the Purchase Agreement shall have the same meaning herein unless otherwise defined in this Declaration or the context otherwise requires.

THEREFORE, Seller and Buyer hereby declare as follows:

1. Maintenance of Property. During the period of construction on the Property, until Buyer sells the completed Residence thereon to an unaffiliated third-party purchaser, Buyer shall maintain, or cause to be maintained, the Property in good, healthful and sightly order, condition and repair. Without limiting the generality of the foregoing, Buyer's construction activities, including landscaping until final completion of all construction on the Property, shall in no way damage, hinder, or delay other construction and development activities within the Project. In connection therewith, Buyer shall be fully responsible for the acts of its agents, employees, subcontractors, and any other person or entity acting under Buyer's express or implied authority. **Buyer shall be solely responsible for maintaining proper drainage so as not to cause any damage whatsoever to adjoining real property or alter existing and/or designed drainage**

patterns. Buyer shall be responsible for assuring that all paper and trash on the Property shall be placed in trash bins of adequate size and that such bins shall be emptied and such paper and trash removed therefrom when such bins become full. Additionally, and without limiting the generality of the foregoing, Buyer shall be responsible for erosion control and weed mowing on the Property and street sweeping of adjacent streets. After completion of construction of any improvements, including landscaping until final completion of all construction on the Property, Buyer shall promptly clean all portions of the Property and shall thereafter maintain, or cause to be maintained, the improvements and all portions of the Property in good, healthful and sightly order, condition and repair. If Buyer does not maintain the Property in good condition suitable to Seller in Seller's sole discretion, Seller shall have the right, but not the obligation, after twenty-four (24) hours written notice to Buyer, to take corrective action on the Property at Buyer's expense. If Seller takes corrective action, Seller may deliver to Buyer an invoice for the cost of the corrective action taken by Seller. If Buyer does not pay said invoice within ten days (10) days after receipt of the invoice, it shall become a lien against the Property and may be foreclosed by Seller.

2. Landscaping. Buyer shall, at its cost and expense, install and maintain landscaping on each Lot included in the Property consistent and in compliance with the provisions set forth in the Declaration of Covenants, Conditions, Restrictions and Easements for Foxhill Subdivision and Foxhill Metropolitan District Nos. 1 & 2 recorded on July 15, 2016 at Reception No. 2016046295 of the real property records of Douglas County, Colorado, as it may be amended or supplemented from time to time (the "Covenants"). Buyer's landscape plan for each Lot shall be submitted for architectural review at the same time as Buyer's home plans. If Buyer does not intend to install landscaping, then Buyer shall require Buyer's ultimate purchaser to install and such ultimate purchaser shall be obligated to install the landscaping by as required by the Covenants and such purchaser shall deposit into the escrow with Seller the amount of \$10,000 which shall be returned to such purchaser upon such purchaser's completion of the installation of the landscaping as required by the Covenants. Buyer shall be obligated to maintain the landscaping in such condition as Seller may reasonably require.

3. Soil Condition and Compliance with Building and Other Codes. Buyer agrees and acknowledges that Seller has not made any representations or warranties to Buyer concerning the condition of the soil on the Property or the compliance of any Residence constructed on the Property with any building or other code requirements. Consequently, Buyer shall not have and hereby releases, relinquishes and waives, any claims or causes of action against Seller or its affiliates for, as a result of or with respect to the condition of the soil on the Property or the compliance of the Residence with any building or other code requirements.

4. Side Lot Easements. If because of any requirements which may be imposed by any governmental or quasi-governmental entity or any utility company or utility supplier (a "Utility Provider"), in connection with its installation of utility lines and facilities for providing utility services to the Property, any such Utility Provider requires that any additional easements along the side or rear portions of a Lot (a "Side Lot Easement") be granted to them, then upon request by Seller, Buyer shall grant any such required Side Lot Easement so long as the requested Side Lot Easement does not unreasonably interfere with or unreasonably restrict the building envelope or construction and occupancy of the Residence to be constructed on the Lot. Buyer acknowledges that with respect to any damage caused to a Lot pursuant to the Side Lot Easement, Buyer's sole recourse for such damage shall be against the Utility Provider, and no recourse shall be sought from Seller.

5. Access Easement and Other Easements. Seller reserves an access easement to the Property for purposes of exercising its rights hereunder. If Seller determines, from and after the date hereof, that any portion of the Property is necessary for purposes of trails, access, landscaping, monumentation, signage, mailboxes, fire hydrants or other utility or infrastructure purposes serving the Project and an additional easement or easements should be established for those purposes (collectively, the "Other Easements"), then upon request by Seller, Buyer shall grant any such required Other Easement provided that no Other Easement shall unreasonably interfere with or unreasonably restrict the building envelope or the construction and occupancy of the Residence on the Property.

6. Commission. Buyer acknowledges that it has entered a listing agreement with RE/MAX Alliance ("Broker") pertaining to the sale of each Lot in the Property and the Residences constructed thereon. The agreement provides, among other things, that Buyer will pay Broker a six percent (6%) sales commission (the "Commission") on the total gross selling price ("Gross Selling Price") paid by a homebuyer to Buyer for a Lot and the "Speculative Residence" or "Pre-sold Residence," as hereinafter defined, constructed by Buyer on such Lot. "Speculative Residence" means any Residence constructed by a Buyer which was not the subject of an executed purchase agreement at the time a building permit for such Residence was obtained. "Pre-sold Residence" means a residence that was the subject of a purchase contract at the time a building permit for such residence was obtained and is actually sold to the individual(s) who was a party to such agreement, and also includes any home retained by Buyer and occupied as a residence. For any Speculative Residence, the Commission is due and payable by Buyer to Broker at closing of the Speculative Residence or the occupancy of the Residence, whichever is earlier. For any Pre-sold Residence, the Commission is due and payable by Buyer to Broker at the time of the initial construction draw for the Pre-sold Residence to be constructed on the Lot by Buyer, or if no construction loan is in existence, then at the time of Commencement of Construction. "Commencement of Construction" or "Commence Construction," means that: (a) approval for the residential improvements to be constructed on the Property has been obtained from the Design Review Committee as set forth in the Covenants; (b) building permits have been obtained from the appropriate governmental authorities authorizing construction of the Residence; and (c) excavation and installation of the foundation of the Residence is substantially complete.

7. Construction of the Improvements. Buyer agrees to (a) Commence Construction (as defined in Section 7.1) of a single-family detached residential dwelling ("Residence") on each Lot within the Property by no later than six (6) months after the date of this Declaration; (b) to Complete Construction, as defined below, of the Residence by no later than eighteen (18) months after Buyer is required to Commence Construction of the Residence. All deadlines set forth in this Section are subject to any Force Majeure Delay Periods.

7.1 Commencement of Construction; Completion. Buyer will be deemed to have "Commenced Construction" of the Residence on a Lot when (a) all required design review approvals for the Residence to be constructed on the Lot have been obtained; (b) building permits from the appropriate governmental authorities authorizing construction of the Residence have been issued; and (c) the excavation and installation of the foundation of the Residence has been completed. Buyer will be deemed to have Completed Construction or to Complete Construction of the Residence when such Residence has been substantially completed in accordance with applicable rules, regulations and requirements of governmental authorities having jurisdiction and a valid final certificate of occupancy has been issued by the governmental authority having jurisdiction.

7.2 Repurchase Option and Repurchase Property. If a Repurchase Event (as defined in Section 7.3) occurs with respect to a Lot, Seller will have the right to repurchase the Property from Buyer upon the terms and conditions as hereinafter set forth (the "Repurchase Option").

7.3 Repurchase Event. A "Repurchase Event" will have occurred if Buyer has not Commenced Construction of a Residence on a Lot in the Property on or before eighteen (18) months after the date of this Declaration. The deadline referred to in the preceding sentence may be referred to below as a "Construction Deadline."

7.4 Exercise of Repurchase Option. If a Repurchase Event occurs with respect to a Lot, Seller may exercise the Repurchase Option for such Lot by giving Buyer written notice at any time during the six-month period of time beginning when such Repurchase Event occurs, provided that at the time of exercise Seller has first provided Buyer with a written notice of default and that Buyer has not Commenced Construction or Completed Construction, as required by Section 7.3, and Buyer has not cured such default within 60 days after delivery of the written notice to Buyer.

7.5 Repurchase Option Price. The "Repurchase Option Price" means an amount equal to the sum of the original Purchase Price paid by Buyer under the Purchase Agreement for the Lot.

7.6 [reserved]

7.7 Closing if Repurchase. Within 60 days after Seller gives notice of the exercise of the Repurchase Option, Buyer will tender to Seller a Special Warranty Deed for the Lot to be exchanged for a certified or cashier's check from Seller for the amount of the Repurchase Option Price. Buyer will deliver title to the Lot to Seller at the closing of the Repurchase Option in the same condition as when delivered by Seller to Buyer (including any documents recorded in connection with the conveyance of title to the Lot by Seller to Grantee or contemplated by the Purchase Agreement), except as to non-delinquent property taxes and assessments for the year of said closing, which taxes and assessments will be prorated between Seller and Buyer to the date of such closing, so that Buyer bears such taxes and assessments for the period of its ownership of the Lot. Buyer agrees to pay all costs and expenses for such closing, including the premium for a standard title insurance policy in the amount of the Repurchase Option Price, insuring that title to the Lot is vested in Seller.

7.8 Evidencing Expiration of Repurchase Option. If either (a) Buyer meets the Construction Deadline under Section 7.3, or (b) a Repurchase Events occur but Seller fails to exercise the Repurchase Option within the times and in the manner set forth above, Seller agrees, upon Buyer's written request, to deliver promptly to Buyer a duly executed and acknowledged release, in recordable form, releasing Seller's right to exercise the Repurchase Option with respect to the applicable Lot for Buyer's failure to meet the Construction Deadline.

7.9 Force Majeure. In the event that Buyer is unable to meet a Construction Deadline or other date set forth in this Declaration because of delays from causes beyond the reasonable control of the Buyer due to acts of God, strikes, moratoriums imposed by governmental authorities or other unreasonable delays in obtaining governmental processing or approvals,

weather conditions, or fire or other casualty, then the date by which the Buyer will be required to meet the Construction Deadline or date, and, if applicable, the date by which Seller will be required to exercise the Repurchase Option because of Grantee's failure to meet the Construction Deadline, will be extended for a period of time (a "Force Majeure Delay Period") equal to the length of said delay or delays; provided, however, that in no case will the date by which Seller will be entitled to exercise the Repurchase Option be extended pursuant to this Section to a date more than 10 years after the date of this Declaration.

8. Anti-Speculation Provision - Early Transfer by Grantee. An "Early Transfer" by Buyer of a Lot occurs if, before obtaining a certificate of occupancy for a completed Residence on a Lot, Buyer conveys such Lot (other than to a company that acquires Buyer by merger or sale). In the event of an Early Transfer of a Lot by Buyer to any party whatsoever, Buyer agrees to pay to Seller, on the date of the closing of such Early Transfer, 80% of the amount by which the sales price for such sale or conveyance or the exchange value for such exchange, exceeds the sum of (i) the prorated portion of the Purchase Price paid by Buyer under the Purchase Agreement and allocable to the Lot, (ii) any systems development fees and/or tap fees paid by Buyer (but not by Seller) with respect to such Lot, and (iii) any other Hard Costs actually paid by Buyer, if any, as of the date of closing of such conveyance, for construction of a Residence on such Lot. Notwithstanding the foregoing, nothing in this Section 8 will apply to any transfers by Buyer to any corporation or other entity that, directly or indirectly, controls, is controlled by, or is under common control with Grantee (an "Affiliate"). For purposes of this Section 8, "control" (including "controlled by" and "under common control with") with respect to an entity means the possession, directly or indirectly, of the power to vote more than 50% of the voting interest of such entity or to direct or cause the direction of the management and policies of such entity, whether through the ownership of voting interests, by contract or otherwise. If any such entity ceases to be an Affiliate of Buyer, then the transfer to such Affiliate will be deemed to be an Early Transfer, if the timing provisions of this Section 8 are otherwise satisfied.

9. Persons Entitled to Enforce Declaration. Seller and its successors and assigns, shall have the right to enforce any and all of the provisions and restrictions contained in this Declaration. The right of enforcement shall include: (i) the right to bring an action for damages, as well as any equitable action for the specific enforcement of any of the provisions contained herein; and (ii) solely with respect to the obligation to timely pay the Additional Compensation Fee, the right of foreclosure in the same manner as provided by the laws of the State of Colorado for the foreclosure of mechanics' liens.

10. Term of Declaration. Unless sooner terminated, this Lot Declaration shall continue and remain in full force and effect until the sale of a completed residence constructed on the Property to an unaffiliated third-party purchaser and the recordation in the office of the Clerk and Recorder of Douglas County, Colorado (the "Douglas County Records") of a deed for such Property by Buyer to such unaffiliated third-party purchaser, except that the provisions of paragraph 2 if those provisions become applicable to such third-party purchaser, shall remain in full force and effect until such third-party purchaser satisfies the landscaping obligations described therein, the provisions of paragraph 6 shall remain in full force and effect until the Commission is paid and satisfied in full, and the provisions of paragraph 8 shall remain in full force and effect until the Additional Compensation Fee Obligation is paid and satisfied in full. To evidence such expiration and termination, when the obligations are satisfied, a document in recordable form shall be executed by Seller and delivered to the then owner of the Property upon request. If Seller reacquires title to the Property or any portion thereof at any time, this Lot Declaration will

thereafter be of no further force or effect as to the portion of the Property reacquired by Seller.

11. Costs and Attorneys' Fees. In any action or proceeding under this Declaration, the prevailing party shall be entitled to recover its costs and expenses in connection therewith, including reasonable attorneys' fees.

12. Liberal Interpretation. The provisions of this Declaration shall be liberally construed as a whole to effectuate the purpose of this Declaration.

13. Governing Law. This Declaration shall be construed and governed under the laws of the State of Colorado.

14. Severability. Each of the provisions of this Declaration shall be deemed independent and severable and the invalidity or unenforceability or partial invalidity or partial unenforceability of any provision or portion hereof shall not affect the validity or enforceability of any other provision.

[signature pages follow]

IN WITNESS WHEREOF, Seller and Buyer has executed this Lot Declaration as of the day and year first above written.

SELLER:

FOX HILL DEVELOPMENT, INC.,
a Colorado corporation

By: _____
Francis Gay, President

BUYER:

By: _____
(Print Name and Title)

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____ as Manager of FOX HILL DEVELOPMENT, INC., a Colorado corporation.

Witness my hand and official seal.

My commission expires _____

Notary Public

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____ as _____ of _____, a _____.

Witness my hand and official seal.

My commission expires _____.

Notary Public