

Brown Homestead Condominiums Homeowners Association

c/o Full Circle HOA Management
560 Mountain Village Blvd., Suite 102B
Mountain Village, CO 81435
P: (970) 369-1428 F: (970) 369-1429
Mail@FullCircleHOA.com

By Mail and Copy Via Email

June 23, 2010

Dear Brown Homestead Owners,

The association has the "tennis court" property under contract to Wesley and Theona Boyd, owners of the "red house," for \$150,000. By way of background, Brown Homestead owns the property in front of the Boyds, which is under lease to them through 2022. The property is not developable, and the only people who would conceivably be interested in purchasing it are the Boyds. So the Brown Homestead board is happy to have it under contract to them for a fair price.

Since this property is part of the common elements of the association, the contract is contingent upon approval of sixty-seven percent (67%) of the owners in order to sell it. Enclosed is an owner consent form and a copy of the contract.

Once we have the owner approval, we can proceed to the next step in the conveyance process, which is an application to San Miguel County to create a legally saleable parcel. **Please try to return your signed consent by July 10, 2010. You can expect phone calls and nagging from our office after that date.**

Regards,
Full Circle HOA Management

**OWNER CONSENT
BROWN HOMESTEAD CONDOMINIUMS HOMEOWNERS ASSOC., INC.**

Owner Name: _____

Unit Number: _____

The undersigned Unit owner and member of the Brown Homestead Condominiums Homeowners Association, Inc. ("**Association**"), does hereby approve the following actions:

1. I hereby approve of and consent to the attached Contract to Buy and Sell Real Estate dated June 10, 2010 ("**Contract**"), pursuant to which the Association will sell certain common elements to J. Wesley Boyd and Theona K. Boyd for \$150,000 ("**Conveyance of Common Elements**").
2. I hereby further approve of and consent to all of the following in connection with the Contract and Conveyance of Common Elements:
 - a. Association applications to San Miguel County to create the separate legal parcel for conveyance
 - b. Amendments to the Association's declaration and plat
 - c. Expenditures by the Association to perform the Contract and complete the Conveyance of Common Elements

Only one signature is required per unit.

Unit Owner Signature

_____, 2010
Date

Print Name

Title (if applicable)

PLEASE RETURN YOUR SIGNED CONSENT BY MAIL, BY FAX, OR SCAN/EMAIL TO:

Full Circle HOA Management
560 Mountain Village Blvd., 102B, Mountain Village, CO 81435
Telephone: (970) 369-1428 Facsimile: (970) 369-1429
Mail@FullCircleHOA.com

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

CONTRACT TO BUY AND SELL REAL ESTATE (COLORADO RESIDENTIAL)

Date: June 10, 2010

Purchase Price: \$150,000.00

1. AGREEMENT. Buyer agrees to buy, and the undersigned Seller agrees to sell, the Property defined below on the terms and conditions set forth in this contract.

2. DEFINED TERMS.

a. Buyer, J. Wesley Boyd and Theona K. Boyd will take

title to the real property described below as [X] Joint Tenants [] Tenants In Common [] Other

b. Property. The Property is the following legally described real estate: A tract of land that is within the common elements of Brown Homestead Condominiums pursuant to an original declaration recorded in the Office of the Clerk and Recorder for San Miguel County Colorado, recorded on February 18, 1977, in Book 363, at Pages 277-323, as amended by the document recorded on November 26, 1979, in Book 383 Pages 800-808, as same has been further amended or supplemented, and map titled "Brown Homestead Condominium A & B," recorded November 9, 1979, in Plat Book 1 at Page 85, and the map recorded in Plat Book 1 at Page 184-186, as same has been amended or supplemented.

The Property is depicted as "Lease Area A and Lease Area B" on the attached EXHIBIT PROPERTY, which tract of land will be subject to a lot line adjustment that will incorporate it into the Vass Tract and Richmond Tract at Closing, all as provided herein.

in the County of, San Miguel Colorado,

commonly known as No 1979 Highway 145 Telluride Co 81435 Street Address City State Zip

together with the interests, easements, rights, benefits, improvements and attached fixtures appurtenant thereto, all interest of Seller in vacated streets and alleys adjacent thereto, except as herein excluded.

c. Dates and Deadlines.

Table with 4 columns: Item No., Reference, Event, Date or Deadline. Rows include Loan Application Deadline, Loan Commitment Deadline, Buyer's Credit Information Deadline, Disapproval of Buyer's Credit Deadline, Existing Loan Documents Deadline, Objection to Existing Loan Documents Deadline, Approval of Loan Transfer Deadline, Appraisal Deadline, Title Deadline, Survey Deadline, Survey Objection Deadline, Document Request Deadline, Governing Documents Objection Deadline and Title Objection Deadline, Off-Record Matters Deadline, and Off-Record Matters Objection Deadline.

Handwritten signature

16	.....§ 8f	.....	Right Of First Refusal Deadline	.....n/a
17	.....§ 10	.....	Seller's Property Disclosure Deadline	.....10 business days after execution of contract
18	.....§ 10a	.....	Inspection Objection Deadline	.....30 days after execution of contract
19	.....§ 10b	.....	Resolution Deadline	.....60 days after execution of contract
20	.....§ 10c	.....	Property Insurance Objection Deadline	.....n/a
21	.....§ 11	.....	Closing Date	.....15 business days after approval of the County Application (See Addendum A)
22	.....§ 16	.....	Possession Date	.....at closing
23	.....§ 16	.....	Possession Time	.....at closing
24	.....§ 27	.....	Acceptance Deadline Date	.....July 1, 2010
25	.....§ 27	.....	Acceptance Deadline Time	.....11:59 p.m. MT

d. Attachments. The following are a part of this contract: Addendum A

Note: The following disclosure forms **are attached** but are **not** a part of this contract:

e. Applicability of Terms. A check or similar mark in a box means that such provision is applicable. The abbreviation "N/A" means not applicable. The abbreviation "MEC" (mutual execution of this contract) means the latest date upon which both parties have signed this contract.

3. INCLUSIONS AND EXCLUSIONS. The Purchase Price includes the following items (Inclusions):

a. Fixtures. If attached to the Property on the date of this contract, lighting, heating, plumbing, ventilating, and air conditioning fixtures, TV antennas, inside telephone wiring and connecting blocks/jacks, plants, mirrors, floor coverings, intercom systems, built-in kitchen appliances, sprinkler systems and controls, built-in vacuum systems (including accessories), garage door openers including remote controls; and n/a

b. Exclusions. The following attached fixtures are excluded from this sale: n/a

c. Personal Property. If on the Property whether attached or not on the date of this contract: storm windows, storm doors, window and porch shades, awnings, blinds, screens, window coverings, curtain rods, drapery rods, fireplace inserts, fireplace screens, fireplace grates, heating stoves, storage sheds, and all keys. If checked, the following are included: **Water Softeners** **Smoke/Fire Detectors** **Security Systems** **Satellite Systems** (including satellite dishes) and none

d. Transfer of Personal Property. The Personal Property to be conveyed at Closing shall be conveyed, by Seller, free and clear of all taxes, (except personal property taxes for the year of closing), liens and encumbrances, except none

Conveyance shall be by bill of sale or other applicable legal instrument.

e. Parking and Storage Facilities. The **Use Only** **Ownership** of the following parking facilities: ; and the following storage facilities: none

f. Water Rights. The following legally described water rights: none

Any water rights shall be conveyed by deed or other applicable legal instrument.

4. PURCHASE PRICE AND TERMS. The Purchase Price set forth below shall be payable in U. S. Dollars by Buyer as follows:

Item No.	Reference Item	Amount	Amount
1	§ 4 Purchase Price	\$150,000	
2	§ 4a Earnest Money		\$15,000
3	§ 4b(1) New First Loan		\$
4	§ 4b(2) New Second Loan		\$
5	§ 4c Assumption Balance		\$
6	§ 4d Seller or Private Financing		\$
7			
8			
9	§ 4e Cash at Closing		\$135,000
10	TOTAL	\$150,000	\$150,000

Note: If there is an inconsistency between the Purchase Price on the first page and this § 4, the amount in § 4 shall control.

a. Earnest Money. The Earnest Money set forth in this section, in the form of good funds, is part payment of the Purchase Price and shall be payable to and held by United Title, Telluride (Earnest Money Holder), in its trust account, on behalf of both Seller and Buyer. The Earnest Money deposit shall be tendered with this contract unless the parties mutually agree and set forth a different deadline in writing for its payment. The parties authorize delivery of the Earnest Money deposit to the closing company, if any, at or before Closing. In the event Earnest Money Holder has agreed to have interest on earnest money deposits transferred to a fund established for the purpose of providing affordable housing to Colorado residents, Seller and Buyer acknowledge and agree that any interest accruing on the Earnest Money deposited with the Earnest Money Holder in this transaction shall be transferred to such fund.

b. New Loan.

(1) **New First Loan.** Buyer shall obtain a new loan set forth in this section as follows: **Conventional**
 FHA **VA** **Other**

This loan will be secured by a home equity loan on Buyer's other property (1st, 2nd, etc.) deed of trust.

The loan may be increased to add the cost of mortgage insurance, VA funding fee and other items for a total loan amount, not in excess of \$n/a, which shall be amortized over a period of any years at approximately \$ n/a per month including principal and interest not to exceed prime plus 1% per annum, plus, if required by Buyer's lender, a monthly deposit of 1/12 of the estimated annual real estate taxes, property insurance premium, and mortgage insurance premium. If the loan is an adjustable interest rate or graduated payment loan, the monthly payments and interest rate initially shall not exceed the figures set forth above.

Loan discount points, if any, shall be paid to lender at Closing and shall not exceed 1% of the total loan amount. Notwithstanding the loan's interest rate, the first (all) loan discount points shall be paid by buyer, and the balance, if any, shall be paid by buyer.

Buyer shall timely pay Buyer's loan costs and a loan origination fee not to exceed 1% of the loan amount. If the loan is an FHA/VA insured or guaranteed loan, Seller shall pay closing costs and fees that Buyer is not allowed to pay, in an amount not to exceed \$0 for only the following items: third party document preparation, tax service, tax certificate and

(2) New Second Loan. Buyer shall obtain a new loan set forth in this section as follows: n/a

This loan will be secured by a (2nd, etc.) deed of trust.

The total loan amount, not in excess of \$, shall be amortized over a period of years at approximately \$ per month including principal and interest not to exceed % per annum. If the loan is an adjustable interest rate or graduated payment loan, the monthly payments and interest rate initially shall not exceed the figures set forth above.

Loan discount points, if any, shall be paid to lender at Closing and shall not exceed % of the total loan amount. Notwithstanding the loan's interest rate, the first loan discount points shall be paid by, and the balance, if any, shall be paid by.

Buyer shall timely pay Buyer's loan costs and a loan origination fee not to exceed % of the loan amount.

c. Assumption. Buyer agrees to assume and pay an existing loan in the approximate amount of the Assumption Balance set forth in this section, presently payable at \$ per month including principal, interest presently at % per annum, and also including escrow for the following as indicated: Real Estate Taxes Property Insurance Premium Mortgage Insurance Premium and

Buyer agrees to pay a loan transfer fee not to exceed \$n/a. At the time of assumption, the new interest rate shall not exceed % per annum and the new monthly payment shall not exceed \$ principal and interest, plus escrow, if any. If the actual principal balance of the existing loan at Closing is less than the Assumption Balance, which causes the amount of cash required from Buyer at Closing to be increased by more than \$, then **Buyer May Terminate** this contract effective upon receipt by Seller of Buyer's written notice of termination or

Seller Shall Shall Not be released from liability on said loan, and if a VA-guaranteed loan, Seller's eligibility Shall Shall Not be reinstated. If applicable, compliance with the requirements for release from liability or reinstatement of eligibility shall be evidenced by delivery at Closing of an appropriate letter of commitment from VA Lender. Cost payable for release of liability/reinstatement of VA eligibility shall be paid by in an amount not to exceed \$

d. Seller or Private Financing. Buyer agrees to execute a promissory note payable to: n/a, as Joint Tenants Tenants in Common Other, on the note form as indicated:

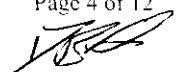
(UCCC - No Default Rate) NTD 82-5-04 (Default Rate) NTD 81-5-04

Other secured by a (1st, 2nd, etc.) deed of trust

encumbering the Property, using the form as indicated: Strict Due-On-Sale (TD 72-5-04)

Creditworthy (TD 73-5-04) Assumable - Not Due On Sale (TD 74-5-04) Other

The promissory note shall be amortized on the basis of Years Months, payable at \$ per month including principal and interest at the rate of % per annum. Payments shall commence and shall be due on the day of each succeeding month. If not sooner paid, the balance of principal and accrued interest shall be due and payable after Closing. Payments Shall Shall Not be increased by 1/12 of estimated annual real estate



taxes, and **Shall** **Shall Not** be increased by 1/12 of estimated annual property insurance premium. The loan shall also contain the following terms: (1) if any payment is not received within _____ calendar days after its due date, a late charge of _____ % of such monthly payment shall be due, (2) interest on lender disbursements under the deed of trust shall be _____ % per annum, (3) default interest rate shall be _____ % per annum, (4) Buyer may prepay without a penalty except _____, and (5) Buyer **Shall** **Shall Not** execute and deliver, at Closing, a Security Agreement and UCC-1 Financing Statement granting the holder of the promissory note a (1st, 2nd, etc.) lien on the personal property included in this sale.

Buyer **Shall** **Shall Not** provide a mortgagee's title insurance policy, at Buyer's expense.

e. Cash at Closing. All amounts paid by Buyer at Closing including Cash at Closing, plus Buyer's closing costs, shall be in funds which comply with all applicable Colorado laws, which include cash, electronic transfer funds, certified check, savings and loan teller's check and cashier's check (Good Funds).

5. FINANCING CONDITIONS AND OBLIGATIONS.

a. Loan Application. If Buyer is to pay all or part of the Purchase Price by obtaining a new loan, or if an existing loan is not to be released at Closing, Buyer, if required by such lender, shall make a verifiable application by **Loan Application Deadline** (§ 2c). Buyer shall cooperate with Seller and lender to obtain loan approval, diligently and timely pursue same in good faith, execute all documents and furnish all information and documents required by lender, and, subject to § 4b (1) and (2) and § 4c, timely pay the costs of obtaining such loan or lender consent. Buyer agrees to satisfy the reasonable requirements of lender, and shall not withdraw the loan or assumption application, nor intentionally cause any change in circumstances that would prejudice lender's approval of the loan application or funding of the loan. Buyer may obtain different financing provided Seller incurs no additional delay, cost or expense, and provided Buyer is approved for such substitute loan.

b. Loan Commitment. If Buyer is to pay all or part of the Purchase Price by obtaining a new loan as specified in § 4b, this contract is conditional upon Buyer obtaining a written loan commitment. This condition shall be deemed waived unless Seller receives from Buyer, no later than **Loan Commitment Deadline** (§ 2c), written notice of Buyer's inability to obtain such loan commitment. If Buyer so notifies Seller, this contract shall terminate. **IF SELLER DOES NOT RECEIVE WRITTEN NOTICE TO TERMINATE AND BUYER DOES NOT CLOSE, BUYER SHALL BE IN DEFAULT.**

c. Credit Information. If Buyer is to pay all or part of the Purchase Price by executing a promissory note in favor of Seller or if an existing loan is not to be released at Closing, this contract is conditional upon Seller's approval of Buyer's financial ability and creditworthiness, which approval shall be at Seller's sole and absolute discretion. In such case: (1) Buyer shall supply to Seller by **Buyer's Credit Information Deadline** (§ 2c), at Buyer's expense, information and documents concerning Buyer's financial, employment and credit condition; (2) Buyer consents that Seller may verify Buyer's financial ability and creditworthiness (including obtaining a current credit report); (3) any such information and documents received by Seller shall be held by Seller in confidence, and not released to others except to protect Seller's interest in this transaction; (4) if Seller does not provide written notice of Seller's disapproval to Buyer by **Disapproval of Buyer's Credit Deadline** (§ 2c), then Seller waives this condition. If Seller does provide written notice of disapproval to Buyer on or before said date, this contract shall terminate.

d. Existing Loan Review. If an existing loan is not to be released at Closing, Seller shall provide copies of the loan documents (including note, deed of trust, and any modifications) to Buyer by **Existing Loan Documents Deadline** (§ 2c). This contract is conditional upon Buyer's review and approval of the provisions of such loan documents. If written notice of objection to such loan documents, signed by Buyer, is not received by Seller by the **Objection to Existing Loan Documents Deadline** (§ 2c), Buyer accepts the terms and conditions of the documents. If the lender's approval of a transfer of the Property is required, this contract is conditional upon Buyer obtaining such approval without change in the terms of such loan, except as set forth in § 4c. If lender's approval is not obtained by **Approval of Loan Transfer Deadline** (§ 2c), this contract shall terminate on such date. If Seller is to be released from liability under such existing loan or if Seller's VA eligibility is to be reinstated and Buyer does not obtain such compliance as set forth in § 4c, this contract may be terminated at Seller's option.

6. APPRAISAL PROVISIONS.

a. Appraisal Condition.

(1) **No Appraisal Condition.** This subsection a. shall not apply.

(2) **FHA.** It is expressly agreed that notwithstanding any other provisions of this contract, the Purchaser (Buyer) shall not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of Earnest Money deposits or otherwise unless the Purchaser (Buyer) has been given in accordance with HUD/FHA or VA requirements a written statement by the Federal Housing Commissioner, Veterans Administration, or a Direct Endorsement lender setting forth the appraised value of the Property of not less than \$ _____. The Purchaser (Buyer) shall have the privilege and option of proceeding with consummation of the contract without regard to the amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage the Department of

Housing and Urban Development will insure. HUD does not warrant the value nor the condition of the Property. The Purchaser (Buyer) should satisfy himself/herself that the price and condition of the Property are acceptable.

(3) **VA.** If Buyer is to pay the Purchase Price by obtaining a new VA-guaranteed loan, it is agreed that, notwithstanding any other provisions of this contract, Buyer shall not incur any penalty by forfeiture of Earnest Money or otherwise be obligated to complete the purchase of the Property described herein, if the contract Purchase Price or cost exceeds the reasonable value of the Property established by the Veterans Administration. Buyer shall, however, have the privilege and option of proceeding with the consummation of this contract without regard to the amount of the reasonable value established by the Veterans Administration.

(4) **Other.** Buyer shall have the sole option and election to terminate this contract if the Purchase Price exceeds the Property's valuation determined by an appraiser engaged by . The contract shall terminate by Buyer giving Seller written notice of termination and either a copy of such appraisal or written notice from lender that confirms the Property's valuation is less than the Purchase Price, received on or before **Appraisal Deadline** (§ 2c). If Seller does not receive such written notice of termination on or before **Appraisal Deadline** (§ 2c), Buyer waives any right to terminate under this subsection.

b. Cost of Appraisal. Cost of any appraisal to be obtained after the date of this contract shall be timely paid by Buyer Seller.

7. EVIDENCE OF TITLE.

a. Evidence of Title. On or before **Title Deadline** (§ 2c), Seller shall cause to be furnished to Buyer, at Seller's expense, a current commitment for owner's title insurance policy (Title Commitment) in an amount equal to the Purchase Price, or if this box is checked, **An Abstract** of title certified to a current date. At Seller's expense, Seller shall cause the title insurance policy to be issued and delivered to Buyer as soon as practicable at or after Closing. If a title insurance commitment is furnished, it **Shall** **Shall Not** commit to delete or insure over the standard exceptions which relate to:

- (1) parties in possession,
- (2) unrecorded easements,
- (3) survey matters,
- (4) any unrecorded mechanic's liens,
- (5) gap period (effective date of commitment to date deed is recorded), and 7
- (6) unpaid taxes, assessments and unredeemed tax sales prior to the year of Closing.

Any additional premium expense to obtain this additional coverage shall be paid by Seller.

b. Copies of Exceptions. On or before **Title Deadline** (§ 2c), Seller, at Seller's expense, shall furnish to Buyer and Buyer's counsel, (1) a copy of any plats, declarations, covenants, conditions and restrictions burdening the Property, and (2) if a title insurance commitment is required to be furnished, and if this box is checked **Copies of any Other Documents** (or, if illegible, summaries of such documents) listed in the schedule of exceptions (Exceptions). Even if the box is not checked, Seller shall have the obligation to furnish these documents pursuant to this subsection if requested by Buyer any time on or before **Document Request Deadline** (§ 2c). This requirement shall pertain only to documents as shown of record in the offices of the clerk and recorder. The abstract or title insurance commitment, together with any copies or summaries of such documents furnished pursuant to this section, constitute the title documents (Title Documents).

c. Survey. On or before **Survey Deadline** (§ 2c) **Seller** **Buyer** shall cause Buyer and the issuer of the Title Commitment or the provider of the opinion of title if an abstract, to receive a current

Improvement Survey Plat **Improvement Location Certificate** (the description checked is known as Survey). An amount not to exceed \$See Addendum A for Survey shall be paid by **Buyer** **Seller**. If the cost exceeds this amount, Buyer shall pay the excess on or before Closing unless Buyer delivers to Seller before Survey is ordered, Buyer's written notice allowing the exception for survey matters.

d. Common Interest Community Governing Documents.

(1) **Not Applicable.** This subsection d. shall not apply.

(2) **Conditional on Buyer's Review.** Seller shall cause to be furnished to Buyer, at Seller's expense, on or before **Title Deadline** (§ 2c) a current copy of the owners' association declarations, bylaws, rules and regulations, party wall agreements, minutes of most recent annual owners' meeting and minutes of any directors' meetings during the 6 month period immediately preceding the Title Deadline, if any (herein collectively "Governing Documents"), most recent financial documents consisting of (a) annual balance sheet, (b) annual income and expenditures statement, and (c) annual budget (herein collectively "Financial Documents"), if any. Written notice of any unsatisfactory provision in any of these documents signed by Buyer, or on behalf of Buyer, and given to Seller on or before **Governing Documents Objection Deadline** (§ 2c), (which is the same as **Title Objection Deadline** [§ 2c]), shall terminate this contract. If Seller does not receive written notice from Buyer within such time, Buyer accepts the terms of said documents, and Buyer's right to

terminate this contract pursuant to this subsection is waived, notwithstanding the provisions of § 8e.

(3) **Not Conditional on Review.** Buyer acknowledges that Seller has delivered a copy of the Governing Documents and Financial Documents. Buyer has reviewed them, agrees to accept the benefits, obligations and restrictions that they impose upon the Property and its owners and waives any right to terminate this contract due to such documents, notwithstanding the provisions of § 8e.

8. TITLE AND SURVEY REVIEW.

a. Title Review. Buyer shall have the right to inspect the Title Documents. Written notice by Buyer of unmerchantability of title, form or content of Title Commitment or of any other unsatisfactory title condition shown by the Title Documents, notwithstanding § 12, shall be signed by or on behalf of Buyer and given to Seller on or before **Title Objection Deadline** (§ 2c), or within five (5) calendar days after receipt by Buyer of any change to the Title Documents or endorsement to the Title Commitment together with a copy of the document adding any new Exception to title. If Seller does not receive Buyer's notice by the date specified above, Buyer accepts the condition of title as disclosed by the Title Documents as satisfactory.

b. Matters not Shown by the Public Records. Seller shall deliver to Buyer, on or before **Off-Record Matters Deadline** (§ 2c) true copies of all leases and surveys in Seller's possession pertaining to the Property and shall disclose to Buyer all easements, liens (including, without limitation, governmental improvements approved, but not yet installed) or other title matters (including, without limitation, rights of first refusal, and options) not shown by the public records of which Seller has actual knowledge. Buyer shall have the right to inspect the Property to determine if any third party has any right in the Property not shown by the public records (such as an unrecorded easement, unrecorded lease, or boundary line discrepancy). Written notice of any unsatisfactory condition disclosed by Seller or revealed by such inspection, notwithstanding § 12, shall be signed by or on behalf of Buyer and given to Seller on or before **Off-Record Matters Objection Deadline** (§ 2c). If Seller does not receive Buyer's notice by said date, Buyer accepts title subject to such rights, if any, of third parties of which Buyer has actual knowledge.

c. Survey Review. Buyer shall have the right to inspect Survey. If written notice by or on behalf of Buyer of any unsatisfactory condition shown by Survey, notwithstanding § 8b or § 12, is received by Seller on or before **Survey Objection Deadline** (§ 2c) then such objection shall be deemed an unsatisfactory title condition. If Seller does not receive Buyer's notice by **Survey Objection Deadline** (§2c), Buyer accepts Survey as satisfactory.

d. Special Taxing 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 EXCESSIVE TAX BURDENS TO SUPPORT THE SERVICING OF SUCH DEBT WHERE CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF SUCH A DISTRICT TO DISCHARGE SUCH INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL LEVIES. BUYER SHOULD INVESTIGATE THE DEBT FINANCING REQUIREMENTS OF THE AUTHORIZED GENERAL OBLIGATION INDEBTEDNESS OF SUCH DISTRICTS, EXISTING MILL LEVIES OF SUCH DISTRICT SERVICING SUCH INDEBTEDNESS, AND THE POTENTIAL FOR AN INCREASE IN SUCH MILL LEVIES.

In the event the Property is located within a special taxing district and Buyer desires to terminate this contract as a result, if written notice is received by Seller on or before **Off-Record Matters Objection Deadline** (§ 2c), this contract shall then terminate. If Seller does not receive Buyer's notice by such date, Buyer accepts the effect of the Property's inclusion in such special taxing district and waives the right to terminate.

e. Right to Object, Cure. Buyer's right to object shall include, but not be limited to those matters listed in § 12. If Seller receives notice of unmerchantability of title or any other unsatisfactory title condition or commitment terms as provided in subsections 8 a, b, c and d above, Seller shall use reasonable efforts to correct said items and bear any nominal expense to correct the same prior to Closing. If such unsatisfactory title condition is not corrected to Buyer's satisfaction on or before Closing, this contract shall then terminate; provided, however, Buyer may, by written notice received by Seller on or before Closing, waive objection to such items.

f. Right of First Refusal or Approval. If there is a right of first refusal on the Property, or a right to approve this contract, Seller shall promptly submit this contract according to the terms and conditions of such right. If the holder of the right of first refusal exercises such right or the holder of a right to approve disapproves this contract, this contract shall terminate. If the right of first refusal is waived explicitly or expires, or the contract is approved, this contract shall remain in full force and effect. Seller shall promptly notify Buyer of the foregoing. If expiration or waiver of the right of first refusal or contract approval has not occurred on or before the **Right of First Refusal Deadline** (§ 2c), this contract shall terminate.

g. Title Advisory. The Title Documents affect the title, ownership and use of the Property and should be reviewed carefully. Additionally, other matters not reflected in the Title Documents may affect the title, ownership and use of the Property, including without limitation boundary lines and encroachments, area, zoning, unrecorded easements and claims of easements, leases and other unrecorded agreements, and various laws and governmental regulations concerning land use, development and environmental matters. **The surface estate may be owned separately from the underlying mineral estate, and transfer of the surface estate does not necessarily include transfer of the mineral rights. Third**

parties may hold interests in oil, gas, other minerals, geothermal energy or water on or under the Property, which interests may give them rights to enter and use the Property. Such matters may be excluded from the title insurance policy. Buyer is advised to timely consult legal counsel with respect to all such matters as there are strict time limits provided in this contract (e.g., **Title Objection Deadline** [§ 2c] and **Off-Record Matters Objection Deadline** [§ 2c]).

9. LEAD-BASED PAINT. Unless exempt, if the improvements on the Property include one or more residential dwellings for which a building permit was issued prior to January 1, 1978, this contract shall be void unless a completed Lead-Based Paint Disclosure (Sales) form is signed by Seller and the required real estate licensees, which must occur prior to the parties signing this contract.

10. PROPERTY DISCLOSURE, INSPECTION AND INSURABILITY; BUYER DISCLOSURE. On or before **Seller's Property Disclosure Deadline** (§ 2c), Seller agrees to provide Buyer with a Seller's Property Disclosure form completed by Seller to the best of Seller's current actual knowledge.

a. Inspection Objection Deadline. Buyer shall have the right to have inspections of the physical condition of the Property and Inclusions, at Buyer's expense. If the physical condition of the Property or Inclusions is unsatisfactory in Buyer's subjective discretion, Buyer shall, on or before **Inspection Objection Deadline** (§ 2c):

(1) notify Seller in writing that this contract is terminated, or

(2) provide Seller with a written description of any unsatisfactory physical condition which Buyer requires Seller to correct (Notice to Correct). If written notice is not received by Seller on or before **Inspection Objection Deadline** (§ 2c), the physical condition of the Property and Inclusions shall be deemed to be satisfactory to Buyer.

b. Resolution Deadline. If a Notice to Correct is received by Seller and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **Resolution Deadline** (§ 2c), this contract shall terminate one calendar day following the **Resolution Deadline** (§ 2c), unless before such termination Seller receives Buyer's written withdrawal of the Notice to Correct.

c. Insurability. This contract is conditioned upon Buyer's satisfaction, in Buyer's subjective discretion, with the availability, terms, conditions and premium for property insurance. This contract shall terminate upon Seller's receipt, on or before **Property Insurance Objection Deadline** (§ 2c) of Buyer's written notice that such insurance was not satisfactory to Buyer. If said notice is not timely received, Buyer shall have waived any right to terminate under this provision.

d. Damage, Liens and Indemnity. Buyer is responsible for payment for all inspections, surveys, engineering reports or for any other work performed at Buyer's request and shall pay for any damage which occurs to the Property and Inclusions as a result of such activities. Buyer shall not permit claims or liens of any kind against the Property for inspections, surveys, engineering reports and for any other work performed on the Property at Buyer's request. Buyer agrees to indemnify, protect and hold Seller harmless from and against any liability, damage, cost or expense incurred by Seller in connection with any such inspection, claim, or lien. This indemnity includes Seller's right to recover all costs and expenses incurred by Seller to enforce this subsection, including Seller's reasonable attorney and legal fees. The provisions of this subsection shall survive the termination of this contract.

e. Buyer Disclosure. Buyer represents that Buyer Does **Does Not** need to sell and close a property to complete this transaction.

Note: Any property sale contingency should appear in **Additional Provisions** (§ 24).

f. Megan's Law. If the presence of a registered sex offender is a matter of concern to Buyer, Buyer understands that Buyer must contact local law enforcement officials regarding obtaining such information.

11. CLOSING. Delivery of deed from Seller to Buyer shall be at closing (Closing). Closing shall be on the date specified as **Closing Date** (§ 2c) or by mutual agreement at an earlier date. The hour and place of Closing shall be as designated by the Closing company.

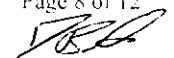
12. TRANSFER OF TITLE. Subject to tender or payment at Closing as required herein and compliance by Buyer with the other terms and provisions hereof, Seller shall execute and deliver a good and sufficient warranty deed to Buyer, at Closing, conveying the Property free and clear of all taxes except the general taxes for the year of Closing. Except as provided herein, title shall be conveyed free and clear of all liens, including any governmental liens for special improvements installed as of the date of Buyer's signature hereon, whether assessed or not. Title shall be conveyed subject to:

a. those specific Exceptions described by reference to recorded documents as reflected in the Title Documents accepted by Buyer in accordance with § 8a (Title Review),

b. distribution utility easements (including cable TV),

c. those specifically described rights of third parties not shown by the public records of which Buyer has actual knowledge and which were accepted by Buyer in accordance with § 8b (Matters not Shown by the Public Records) and § 8c (Survey Review).

d. inclusion of the Property within any special taxing district,



- e. the benefits and burdens of any declaration and party wall agreements, if any, and
- f. other

13. PAYMENT OF ENCUMBRANCES. Any encumbrance required to be paid shall be paid at or before Closing from the proceeds of this transaction or from any other source.

14. CLOSING COSTS, DOCUMENTS AND SERVICES. Buyer and Seller shall pay, in Good Funds, their respective Closing costs and all other items required to be paid at Closing, except as otherwise provided herein. Buyer and Seller shall sign and complete all customary or reasonably required documents at or before Closing. Fees for real estate Closing services shall be paid at Closing by **One-half by Buyer and One-half by Seller** Buyer Seller Other

Any fees incident to the issuance of owners' association's statement of assessments (Status Letter) shall be paid by Buyer Seller. Any fees incident to the transfer from Seller to Buyer assessed by the owners' association (Owners' Association Transfer Fee) shall be paid by Buyer Seller. The local transfer tax of 0% of the Purchase Price shall be paid at Closing by **One-half by Buyer and One-half by Seller** Buyer Seller Other. Any sales and use tax that may accrue because of this transaction shall be paid when due by Buyer Seller.

15. PRORATIONS. The following shall be prorated to **Closing Date** (§ 2c), except as otherwise provided:

a. **Taxes.** Personal property taxes, if any, and general real estate taxes for the year of Closing, based on Taxes for the Calendar Year Immediately Preceding Closing Most Recent Mill Levy and Most Recent Assessment Other n/a - The Property is not separately taxed.

b. **Rents.** Rents based on Rents Actually Received Accrued. Security deposits held by Seller shall be credited to Buyer. Seller shall assign all leases to Buyer and Buyer shall assume such leases.

c. **Association Assessments.** Current regular owners' association assessments and association dues. Owners' association assessments paid in advance shall be credited to Seller at Closing. Cash reserves held out of the regular owners' association assessments for deferred maintenance by the owners' association shall not be credited to Seller except as may be otherwise provided by the Governing Documents. Any special assessment by the owners' association for improvements that have been installed as of the date of Buyer's signature hereon shall be the obligation of Seller. Any other special assessment assessed prior to **Closing Date** (§ 2c) by the owners' association shall be the obligation of Buyer Seller. Seller represents that the amount of the regular owners' association assessment is currently payable at \$ _____ per _____ and that there are no unpaid regular or special assessments against the Property except the current regular assessments and except not applicable - there are no association assessments

Such assessments are subject to change as provided in the Governing Documents. Seller agrees to promptly request the owners' association to deliver to Buyer before **Closing Date** (§ 2c) a current statement of assessments against the Property.

d. **Loan Assumption/Mortgage Insurance.** FHA or private mortgage insurance premium, if any, Shall Shall Not be apportioned to **Closing Date** (§ 2c). Any such amount shall be apportioned as follows:

e. **Other Prorations.** Water and sewer charges; interest on any continuing loan, and . none

f. **Final Settlement.** Unless otherwise agreed in writing, these prorations shall be final.

16. POSSESSION. Possession of the Property shall be delivered to Buyer on **Possession Date** and **Possession Time** (§ 2c), subject to the following leases or tenancies: Land Lease Recorded at Reception No. 314186 and Modification to Lease Recorded at Reception No. 319843. This lease will merge into the Property deed at closing.

If Seller, after Closing, fails to deliver possession as specified, Seller shall be subject to eviction and shall be additionally liable to Buyer for payment of \$ _____ per day from the **Possession Date** (§ 2c) until possession is delivered.

Buyer Does Does Not represent that Buyer will occupy the Property as Buyer's principal residence.

17. NOT ASSIGNABLE. This contract shall not be assignable by Buyer without Seller's prior written consent. Except as so restricted, this contract shall inure to the benefit of and be binding upon the heirs, personal representatives, successors and assigns of the parties.

18. INSURANCE; CONDITION OF, DAMAGE TO PROPERTY AND INCLUSIONS. Except as otherwise provided in this contract, the Property, Inclusions or both shall be delivered in the condition existing as of the date of this contract, ordinary wear and tear excepted.

a. **Casualty Insurance.** In the event the Property or Inclusions shall be damaged by fire or other casualty prior to Closing, in an amount of not more than ten percent of the total Purchase Price, Seller shall be obligated to repair the same before the **Closing Date** (§ 2c). In the event such damage is not repaired within said time or if the damages exceed

such sum, this contract may be terminated at the option of Buyer by delivering to Seller written notice of termination. Should Buyer elect to carry out this contract despite such damage, Buyer shall be entitled to a credit, at Closing, for all the insurance proceeds resulting from such damage to the Property and Inclusions payable to Seller but not the owners' association, if any, plus the amount of any deductible provided for in such insurance policy, such credit not to exceed the total Purchase Price.

b. Damage, Inclusions and Services. Should any Inclusion or service (including systems and components of the Property, e.g. heating, plumbing, etc.) fail or be damaged between the date of this contract and Closing or possession, whichever shall be earlier, then Seller shall be liable for the repair or replacement of such Inclusion or service with a unit of similar size, age and quality, or an equivalent credit, but only to the extent that the maintenance or replacement of such Inclusion, service or fixture is not the responsibility of the owners' association, if any, less any insurance proceeds received by Buyer covering such repair or replacement. Seller and Buyer are aware of the existence of pre-owned home warranty programs that may be purchased and may cover the repair or replacement of some Inclusions.

c. Walk-Through and Verification of Condition. Buyer, upon reasonable notice, shall have the right to walk through the Property prior to Closing to verify that the physical condition of the Property and Inclusions complies with this contract.

19. RECOMMENDATION OF LEGAL AND TAX COUNSEL. By signing this document, Buyer and Seller acknowledge that the respective broker has advised that this document has important legal consequences and has recommended the examination of title and consultation with legal and tax or other counsel before signing this contract.

20. TIME OF ESSENCE, DEFAULT AND REMEDIES. Time is of the essence hereof. If any note or check received as Earnest Money hereunder or any other payment due hereunder is not paid, honored or tendered when due, or if any other obligation hereunder is not performed or waived as herein provided, there shall be the following remedies:

a. If Buyer is in Default:

(1) **Specific Performance.** Seller may elect to treat this contract as canceled, in which case all payments and things of value received hereunder shall be forfeited and retained on behalf of Seller, and Seller may recover such damages as may be proper, or Seller may elect to treat this contract as being in full force and effect and Seller shall have the right to specific performance or damages, or both.

(2) **Liquidated Damages.** All payments and things of value received hereunder shall be forfeited by Buyer and retained on behalf of Seller and both parties shall thereafter be released from all obligations hereunder. It is agreed that such payments and things of value are LIQUIDATED DAMAGES and (except as provided in subsection c) are SELLER'S SOLE AND ONLY REMEDY for Buyer's failure to perform the obligations of this contract. Seller expressly waives the remedies of specific performance and additional damages.

b. If Seller is in Default: Buyer may elect to treat this contract as canceled, in which case all payments and things of value received hereunder shall be returned and Buyer may recover such damages as may be proper, or Buyer may elect to treat this contract as being in full force and effect and Buyer shall have the right to specific performance or damages, or both.

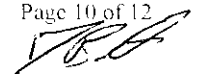
c. Costs and Expenses. In the event of any arbitration or litigation relating to this contract, the arbitrator or court shall award to the prevailing party all reasonable costs and expenses, including attorney and legal fees.

21. MEDIATION. If a dispute arises relating to this contract, prior to or after closing, and is not resolved, the parties shall first proceed in good faith to submit the matter to mediation. Mediation is a process in which the parties meet with an impartial person who helps to resolve the dispute informally and confidentially. Mediators cannot impose binding decisions. The parties to the dispute must agree before any settlement is binding. The parties will jointly appoint an acceptable mediator and will share equally in the cost of such mediation. The mediation, unless otherwise agreed, shall terminate in the event the entire dispute is not resolved within 30 calendar days of the date written notice requesting mediation is sent by one party to the other at the party's last known address. This section shall not alter any date in this contract, unless otherwise agreed.

22. EARNEST MONEY DISPUTE. In the event of any controversy regarding the Earnest Money and things of value (notwithstanding any termination of this contract or mutual written instructions), Earnest Money Holder shall not be required to take any action. Earnest Money Holder may await any proceeding, or at its option and sole discretion, interplead all parties and deposit any money or things of value into a court of competent jurisdiction and shall recover court costs and reasonable attorney and legal fees.

23. TERMINATION. In the event this contract is terminated, all payments and things of value received hereunder shall be returned and the parties shall be relieved of all obligations hereunder, subject to §§ 10d, 21 and 22.

24. ADDITIONAL PROVISIONS. (The following additional provisions have not been approved by the Colorado Real Estate Commission.) See Addendum A



25. ENTIRE AGREEMENT, MODIFICATION, SURVIVAL. This agreement constitutes the entire contract between the parties relating to the subject hereof, and any prior agreements pertaining thereto, whether oral or written, have been merged and integrated into this contract. No subsequent modification of any of the terms of this contract shall be valid, binding upon the parties, or enforceable unless made in writing and signed by the parties. Any obligation in this contract that, by its terms, is intended to be performed after termination or Closing shall survive the same.

26. NOTICE, DELIVERY AND CHOICE OF LAW.

a. Physical Delivery. Except for the notice requesting mediation described in § 21, and except as provided in § 26b below, all notices must be in writing. Any notice to Buyer shall be effective when received by Buyer or by Selling Brokerage Firm, and any notice to Seller shall be effective when received by Seller or Listing Brokerage Firm.

b. Electronic Delivery. As an alternative to physical delivery, any signed document and written notice may be delivered in electronic form by the following indicated methods only: Facsimile E-mail None. Documents with original signatures shall be provided upon request of any party.

c. Choice of Law. This contract and all disputes arising hereunder shall be governed by and construed in accordance with the laws of the State of Colorado that would be applicable to Colorado residents who sign a contract in this state for property located in Colorado.

27. NOTICE OF ACCEPTANCE, COUNTERPARTS. This proposal shall expire unless accepted in writing, by Buyer and Seller, as evidenced by their signatures below, and the offering party receives notice of acceptance pursuant to § 26 on or before **Acceptance Deadline Date** (§ 2c) and **Acceptance Deadline Time** (§ 2c). If accepted, this document shall become a contract between Seller and Buyer. A copy of this document may be executed by each party, separately, and when each party has executed a copy thereof, such copies taken together shall be deemed to be a full and complete contract between the parties.

Date: _____ Date: _____

Buyer _____ Buyer _____

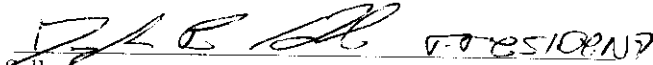
Address: 65 Wachusett Road, Needham, MA 02490 Address: Email: jwboyd@cha.harvard.edu

Phone No.: _____ Phone No.: _____

Fax No.: _____ Fax No.: _____

[NOTE: If this offer is being countered or rejected, do not sign this document. Refer to § 28]

Date: _____ Date: 6/25/10

 Seller _____ Seller _____

Address: Brown Homestead Conodminiums Homeowners Association, Inc.
c/o Full Circle HOA Management Address:
560 Mountain Village Blvd., 102B
Mountain Village, CO, 81435
Email: Mail@FullCircleHOA.com

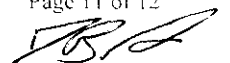
Phone No.: 970-728-4471 Phone No.: _____

Fax No.: 970-369-1429 Fax No.: _____

28. COUNTER; REJECTION. This offer is Countered Rejected.
Initials only of party (Buyer or Seller) who countered or rejected offer

END OF CONTRACT

Note: Closing Instructions and Earnest Money Receipt should be signed on or before Title Deadline (§ 2c).



BROKER INFORMATION – LEAVE BLANK IF SOLD BY OWNER

BROKER ACKNOWLEDGMENTS. The undersigned Brokers acknowledge receipt of the Earnest Money deposit specified in § 4 and, while not parties to the contract, agree to cooperate upon request with any mediation conducted under § 21.

The Selling Broker is a **Buyer's Agent** **Transaction-Broker** in this transaction.

The Listing Broker is a **Seller's Agent** **Transaction-Broker** in this transaction.

BROKERS' COMPENSATION DISCLOSURE.

Selling Brokerage Firm's compensation or commission is to be paid by **Listing Brokerage Firm** **Buyer**
 Other

(To be completed by Listing Broker) Listing Brokerage Firm's compensation or commission is to be paid by: **Seller**
 Buyer **Other**

Selling Brokerage Firm's Name: _____

Date: _____

Broker: _____

Address: _____

Phone No.: _____

Fax No.: _____

Listing Brokerage Firm's Name: _____

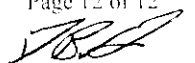
Date: _____

Broker: _____

Address: _____

Phone No.: _____

Fax No.: _____



FOLEY ASSOCIATES, INC.
CIVIL ENGINEERING AND LAND SURVEYING
P. O. BOX 1385
TELLURIDE, CO 81435
970-728-6153

LEGAL DESCRIPTION
Lease Area "A"

Beginning at a rebar and aluminum cap LS 6310 at the southwest corner of the Vass Tract, according to the Replat for Richmond and Vass Tracts P.U.D. recorded in the office of the Clerk and Recorder in Plat Book 1 at page 501; Thence S 79°50'18" E 58.52 feet to a rebar and aluminum cap LS 6310 at the southeast corner of said Vass Tract, also being the southwest corner of the Richmond Tract according to said Replat; Thence S 79°45'55" E 68.03 feet to a rebar and aluminum cap LS 24954 at the southeast corner of said Richmond Tract; Thence S 36°37'11" E 9.68 feet along the centerline of an existing ditch; Thence S 00°51'33" E 13.38 feet along the centerline of an existing ditch; Thence S 14°17'27" W 7.91 feet along the centerline of an existing ditch; Thence S 44°47'12" E 9.84 feet along the centerline of an existing ditch; Thence S 07°38'14" W 5.75 feet along the centerline of an existing ditch to a 24" culvert pipe; Thence S 12°06'30" W 13.23 feet along said culvert pipe to a centerline of an existing ditch; Thence S 16°52'54" W 10.07 feet along the centerline of an existing ditch; Thence N 79°49'28" W 26.49 feet to the northeast corner of an existing fence for a tennis court; Thence continuing N 79°49'28" W 116.75 feet along said fence to the westerly boundary of Brown Homestead Condominiums according to the Subdivision of the Brown Homestead P.U.D. recorded in the office of the Clerk and Recorder in Plat Book 1 at page 68; Thence N 11°02'23" E 62.34 feet along said westerly boundary to the Point of Beginning, containing 8686 square feet, more or less,
County of San Miguel, State of Colorado.

The Basis of Bearings for this legal description is assumed as the historic bearing of S 72°06'00" E along brass cap monuments LS 24954 in the centerline of Colorado Avenue in the Town of Telluride.



J. David Foley,

P.L.S. #24954

Q:\doc\legals\97048.leg

Exhibit A-2

START DATE 3/13/97

THIS IS A LEGAL INSTRUMENT. IF NOT UNDERSTOOD, LEGAL, TAX OR OTHER COUNSEL SHOULD BE CONSULTED BEFORE SIGNING.

ADDENDUM A
TO CONTRACT TO BUY AND SELL REAL ESTATE
June 10, 2010

Reference is made to a contract dated June 10, 2010, between Brown Homestead Condominiums Homeowners Association, Inc., as Seller, and J. Wesley Boyd and Theona K. Boyd, as Buyer ("Contract"), regarding a tract of land within the common elements of Brown Homestead Condominiums ("Property"). This Addendum is hereby made a part of the Contract. In the event of a conflict between this Addendum and the Contract, this Addendum shall prevail. All capitalized terms shall have the same meaning as in the Contract.

BUYER Buyer reserves the right to re-designate the form of tenancy in the Closing Instructions.

DATES AND DEADLINES Unless otherwise expressly specified in the Contract, all deadlines are through 11:59 p.m. Mountain Time of the date indicated. In the event any date described herein for payment or performance of this Contract (excluding Seller's obligation to provide Buyer possession of the Property) falls on a Saturday, Sunday or legal holiday recognized by the State of Colorado or the United States of America, the time for such payment or performance shall be extended to the next business day.

PROPERTY DISCLOSURE AND INSPECTION Buyer's right to inspect, object and terminate shall not be limited to the physical condition of the Property or Inclusions, but shall include Buyer verifying any feature of or relating to them including, without limitation, the actual lot size, location and square footage of improvements, building, zoning and allowed use regulations, water rights, suitability for Buyer's needs, electromagnetic fields (proximity to power lines), ants or other infestations, exterior insulation and finish systems, plumbing, roofing, structural integrity, proximity to a flood plain or hazardous waste site, and the quality of the schools, and other similar matters.

ADDITIONAL PROVISIONS. The following additional provisions shall be included the Contract:

- 24.1 Earnest Money The Earnest Money shall be delivered to Escrow Agent as follows: \$15,000 within five (5) business days after both parties fully execute the Contract.
- 24.2 HOA Approval of Sale Seller Approval of Sale Seller is a home owner's association that requires approval of at least sixty-seven percent (67%) of the total owner votes of the association to approve sale of the Property. Seller shall in good faith diligently proceed to obtain such owner approval of this Contract at Seller's sole cost and expense. If such owner approval is not obtained on or before August 15, 2010, then this Contract shall automatically terminate, and the Seller will refund to Buyer its Earnest Money. Seller shall promptly notify Buyer when owner approval is obtained.
- 24.3 County Application In order to sell the Property to Buyer, Seller and Buyer will have to jointly apply to San Miguel County for a Substantial Plat/PUD Amendment and Lot Line Adjustment ("County Application"). Promptly upon approval of the Brown Homestead Condominium owners of this Contract, as set forth above, Buyer and Seller shall in good faith promptly and diligently pursue the County Application. Buyer's attorney will prepare the County Application and represent Buyer in the County Application, and Seller's attorney will review and approve the



County Application prior to submission, and will represent Seller in the County Application, and all such attorneys fees shall be shared equally by Buyer and Seller. Buyer and Seller will jointly retain Foley and Associates for the surveying work in connection with the County Application. Buyer and Seller agree to share equally and timely pay for:

- A. The total of both Buyer's and Seller's attorneys fees, costs, application fees, and surveying fees incurred in preparing and pursuing the County Application, and the costs of an improvement survey plat and an amended subdivision/PUD plat.
- B. Costs of executing final plats of the Property, except that any costs related to Buyer's lender's approval of the lot line adjustment shall be at Buyer's sole cost and expense.
- C. Amending the existing access easement created by the instrument recorded in Plat Book 1 at Page 68, Book 369 at Pages 20-22, and Book 383 at Pages 800-808, benefitting the Richmond Tract shall be amended to benefit the newly created tract that includes the Property ("Access Easement").

The Substantial Plat/PUD Amendment and Lot Line Adjustment are contingent upon and will be recorded at Closing. The obligation to share costs and fees set forth above shall survive termination of the Contract and Closing.

If the Board of County Commissioners for San Miguel County either denies the County Application, or fails to approve the County Application on or before November 1, 2010, then the Contract shall automatically terminate on the earlier of the date of the denial or November 1, 2010, and the Seller will refund to Buyer its Earnest Money, less any unpaid costs related to the County Application, which Seller shall use for payment of such costs, if any.

24.4 Effective as of Closing:

- A. The Access Easement shall be amended to benefit the newly created tract that includes the Property.
- B. The existing Land Lease established by documents recorded at Reception Nos. 314186 and 319843, shall be mutually terminated by the Buyer and Seller.

24.5 The Closing Date (Section 2; Item No. 21) shall be within fifteen (15) business days of approval by San Miguel County of the County Application by the Board of County Commissioners for San Miguel County.

BROKERS AND REAL ESTATE COMMISSION There are no real estate agents involved in this transaction and both parties agree that there is no real estate commission due to any person or entity arising out of this transaction.

Buyer

(Date)

Seller

[Signature]
PRESIDENT

6/23/10
(Date)

Buyer

(Date)

[Signature]