

**CONTRACT FOR THE SALE AND PURCHASE OF
IDARADO LEGACY SUBDIVISION PROPERTY
(Lot _____)**

This Contract (“**Contract**”), entered into as of _____, 2005 (“**Effective Date**”), is made by and between the Buyer and Seller (as defined below). Buyer and Seller are sometimes individually referred to as a “**Party**” and sometimes collectively as the “**Parties**”. The Parties agree as follows:

1. **Defined Terms.** The Seller and Buyer (defined below) hereby agree to the following defined terms and agree that each defined term is integrated into the Contract.

“**Buyer**”: shall mean _____;

“**Closing Date**”: shall mean _____, 2005;

“**County Approvals**”: shall mean, collectively, the Final Plat, First Plat Amendment, Second Plat Amendment, Site Constraints Map, First Amendment to the Site Constraints Map, Second Amendment to the Site Constraints Map and also refers to those certain resolutions of the Board of Commissioners for San Miguel County, Colorado, including any modifications, supplements, amendments or amendments and restatements, which authorize the development of the Idarado Legacy Subdivision, which “**Resolutions**” are listed as follows: (a) Resolution #2003-23, recorded in the records of the San Miguel County Clerk and Recorder on July 9, 2003, at Reception No. 358536; (b) Resolution #2003-30A, recorded in the records of the San Miguel County Clerk and Recorder on September 22, 2003, at Reception No. 360440; (c) Resolution #2003-30B, recorded in the records of the San Miguel County Clerk and Recorder on September 22, 2003, at Reception No. 360441; (d) Resolution #2003-30C, recorded in the records of the San Miguel County Clerk and Recorder on September 22, 2003, at Reception No. 360442; (e) Resolution #2003-30D, recorded in the records of the San Miguel County Clerk and Recorder on September 22, 2003, at Reception No. 360443; (f) Resolution #2004-4, which amends Resolutions #2003-30A to reflect insubstantial amendments to the Subdivision Exemption Plat and Cluster Plan approval previously granted by the BOCC, recorded in the records of the San Miguel County Clerk and Recorder on February 10, 2004, at Reception No. 364047; (g) Resolution #2004-5, which amends Resolution #2003-30B to reflect insubstantial amendments to the Employee Housing Subdivision Exemption Plat, recorded in the records of the San Miguel County Clerk and Recorder on February 10, 2004, at Reception No. 364048; (h) Resolution #2004-35, which further amends the Subdivision Exemption Plat and Cluster Plan Resolution, recorded in the records of the San Miguel County Clerk and Recorder on November 1, 2004, at Reception No. 370140, (i) Resolution #2005-11, which further amends the Subdivision Exemption Plat and Cluster Plan Resolution, recorded in the records of the San Miguel County Clerk and Recorder on August 18, 2005, at Reception No. 377040, as the same may be amended or supplemented;

“**Declaration**”: shall mean the Declaration of Covenants, Conditions and Restrictions for Idarado Legacy Subdivision, recorded at Reception No. 367146 in those records, and the First Amendment to the Declaration recorded on September 17, 2004 in Reception No. 369142, the Second Amendment to the Declaration recorded on November 1, 2004 in Reception No. 370144; the Third Amendment to the Declaration recorded on November 1, 2004 in Reception No. 370145; the Fourth Amendment to the Declaration recorded on January 27, 2005 in Reception No. 372009; the Fifth Amendment to the Declaration recorded on August 18, 2005,

at Reception No. 377044, as may be further amended. The Declaration establishes various covenants, conditions and restrictions, which govern the use of property within the Community, and further established rights, duties, obligations, restrictions that govern Declarant, the Association and each Lot Owner and other third parties and further create and reserve use and access rights for certain third parties including, without limitation, Idarado Mining Company;

“**Earnest Money**”: shall mean _____ and 00/100 dollars (\$_____);

“**Final Plat**”: shall mean the Final Record Plat of Idarado Legacy Subdivision recorded February 10, 2004 in Plat Book 1 at Page 3238, Reception No. 364049, in the Office of the Clerk and Recorder of San Miguel County, Colorado;

“**First Plat Amendment**”: shall mean the First Amendment to the Idarado Legacy Subdivision Plat recorded on November 1, 2004 in Plat Book 1 at Page 3368, Reception No. 370139;

“**First Constraints Map Amendment**”: shall mean the First Amendment to the Site Constraints Map recorded on November 1, 2004 in Plat Book 1 at Page 3378;

“**First Constraints Map Amendment**”: shall mean the First Amendment to the Site Constraints Map recorded on November 1, 2004 in Plat Book 1 at Page 3378;

“**IMC**”: shall mean Idarado Mining Company, a Delaware corporation;

“**Inspection Deadline**”: shall mean the date Buyer has to review all Inspection Matters and which expires on _____ at 5:00 PM. Mountain Standard Time;

“**Property**”: shall mean Lot _____, according to the Final Plat and First Plat Amendment and according to the Declaration, together with and subject to all easements, rights-of-way reservations, and other encumbrances of record;

“**Purchase Price**”: shall mean _____ (\$_____);

“**Resolution Deadline**”: shall mean the date that Buyer and Seller shall resolve any objections to Inspection Matters raised by Buyer and responded to by Seller which shall expire on _____ at 5:00 PM. Mountain Standard Time;

“**Second Constraints Map Amendment**”: shall mean the Second Amendment to the Site Constraints Map recorded on August 18, 2005 in Reception No. 377042;

“**Second Plat Amendment**”: shall mean the Second Amendment to the Plat recorded on August 18, 2005 in Plat Book 1 at Page 3508, Reception No. 377041;

“**Seller**”: shall mean Idarado Legacy, LLC, a Colorado limited liability company;

“**Seller’s Inspection Objection Response Deadline**” shall mean the date that Seller shall review and reply to Buyer’s Notice of Inspection Objection and which expires on _____ 2005 at 5:00 PM. Mountain Standard Time;

“**Site Constraints Map**”: shall mean the Site Constraints Map recorded February 10, 2004 in Plat Book 1 at Page 3247 in the Office of the Clerk and Recorder of San Miguel County, Colorado;

“**Title Company**”: shall mean Security Title Guaranty Company, Telluride, Colorado. The Title Company shall also serve as and shall also sometimes be referred to herein as the Escrow Agent.

2. **Agreement.** Buyer hereby agree(s) to buy the Property from Seller and Seller hereby agrees to sell the Property to Buyer on the terms and conditions stated herein, including Buyer’s agreement to pay the Purchase Price to Seller and to pay such other costs and expenses attributable to Buyer under this Contract.

3. **Earnest Money.**

3.1. **Payment of Earnest Money By Buyer.**

3.1.1. Earnest Money shall be paid as follows:

A. \$25,000.00 shall be paid within three days of the execution of this Contract by Buyer and Seller;

B. The balance of the Earnest Money shall be paid within three days of the expiration of the Inspection Deadline, unless Buyer shall have properly and timely terminated this Contract.

3.1.2. The Earnest Money shall be paid to Escrow Agent in the form of a personal check, cashier’s check or wire transfer.

3.1.3. The Earnest Money deposit shall be placed by Escrow Agent in a federally insured interest bearing account, and interest earned thereon shall accrue for the benefit of Buyer, unless Buyer defaults under the terms of this Contract, in which case, interest earned thereon shall accrue to the benefit of Seller. The interest shall be held in an account under Buyer’s Taxpayer Identification Number (TIN) and Buyer shall submit a completed W-9 for purposes of establishing said account.

3.1.4. Failure to timely make a payment of Earnest Money shall be a default hereunder and shall entitle Seller to terminate the Contract and obtain an immediate release to Seller of all Earnest Money and accrued interest.

3.1.5. The balance of the Purchase Price, subject to adjustment for apportionments and closing costs, shall be paid in cash or by cashier’s check or wire transfer at Closing.

3.2. **Release and Disposition of Earnest Money.** The Parties agree that Escrow Agent shall administer and release the Earnest Money and accrued interest as follows:

3.2.1. In the event that Buyer has elected to and has properly terminated this Contract in strict accordance with the Contract, then upon such termination, Escrow Agent shall forthwith release the Earnest Money and all accrued interest to Buyer.

Buyer(s) Initials: _____ and _____

Seller’s Initials_____

3.2.2. Subject to the provisions of Section 6 below, in the event that Buyer has not elected to terminate this Contract in strict accordance with the Contract, then Buyer and Seller hereby agree and direct the Escrow Agent/Title Company that the Earnest Money and all accrued interest (accumulated from the date the earnest money was tendered and continuing through the date of Closing) shall be disbursed as follows: (a) at Closing, to credit the Earnest Money and all accrued interest against the Purchase Price due from Buyer ; or (b) in the event that Buyer is in material breach of the Contract at or before Closing and such default has not been cured by Buyer within five days of receipt of written notice from Seller (provided that such notice shall not extend the date of Closing), to promptly pay the Earnest Money and all accrued interest to Seller.

3.2.3. In the event that Seller shall be in material default under the Contract and such default has not been cured by Seller within five days of receipt of written notice from Buyer or if Seller fails to close on the Closing Date, then Buyer shall be entitled to pursue its remedies provided for in the Contract. Should Buyer elect to terminate the Contract, then the Escrow Agent shall promptly release the Earnest Money and all accrued interest to Buyer. Alternatively, if Buyer elects to maintain the effectiveness of the Contract, at Closing, Buyer shall be paid the interest on the Earnest Money and shall be credited the Earnest Money against the Purchase Price.

3.2.4. Escrow Agent shall release the Earnest Money and accrued interest to Seller or Buyer, as provided for above, upon receipt by Escrow Agent of a written termination/cancellation of Contract and request for refund signed by either the Buyer or Seller.

3.2.5. Escrow Agent shall also deliver the Earnest Money deposit pursuant to any other express provision of the Contract upon receipt of a request to do so signed by Seller or Buyer and specifying the provision of the Contract pursuant to which delivery of the earnest money deposit is authorized, or in accordance with any supplemental instructions to Escrow Agent that are signed by both Seller and a Buyer; provided, however, that Escrow Agent will not deliver the Earnest Money deposit to either Seller or Buyer upon receipt of a request signed only by one Party until Escrow Agent has delivered a copy of such request to the other Party, and five days has passed without delivery of an objection to such delivery by the other Party. If Escrow Agent does receive an objection from the other Party, then Escrow Agent may deposit this Contract and all funds and items deposited with Escrow Agent pursuant to this Contract, with the District Court in and for the County of San Miguel, State of Colorado, and may interplead the Parties hereto. Upon so depositing this Contract and such funds and items and filing its complaint in interpleader, Escrow Agent shall be released from all liability under the terms hereof as to the funds and items so deposited by Escrow Agent.

3.2.6. Upon the refund of the earnest money deposit and accrued interest to Buyer or Seller, as provided for above, Escrow Agent shall have no further obligations to Buyer or Seller under this Contract.

3.3. **Earnest Money Dispute.** Notwithstanding any termination of this Contract, Buyer and Seller agree that, in the event of any controversy regarding the earnest money and things of value held by Escrow Agent prior to closing, unless mutual written instructions are received by the holder of the Earnest Money, Escrow Agent shall not be required to take any action but may await any proceeding, or at Escrow Agent's option and sole discretion, may

interplead all Parties and deposit any moneys or things of value into a court of competent jurisdiction and shall recover court costs and reasonable attorney fees.

3.4. **Limitations of Liability of Escrow Company.** The foregoing instructions are subject to the following provisions, which are expressly approved by Seller and Escrow Agent:

3.4.1. **Depository Duty.** Escrow Agent will be liable as a depository only and will not be responsible for the sufficiency or accuracy of the form, execution or validity of any document delivered to Escrow Agent hereunder or any description of the property or other thing contained therein or the identity, authority, or rights of the persons executing or delivering or purporting to execute or deliver any such document. Escrow Agent's duties hereunder are limited to the safekeeping of the earnest money deposits and the delivery of the same in accordance with this Contract.

3.4.2. **Standard of Care.** Escrow Agent will not be liable for any act or omission done in good faith or for any claim, demand, loss or damage made or suffered by any Party to this Contract, or by any Buyer, except such as may arise through or be caused by Escrow Agent's willful misconduct or gross negligence.

3.4.3. **Reliance.** Escrow Agent will not be liable for collection items until the proceeds of the same in actual cash have been received by Escrow Agent. Escrow Agent is authorized to rely on any document believed by Escrow Agent to be authentic in making any delivery of funds or property hereunder. Escrow Agent will in no way be responsible or have any duty to notify any person interested in a earnest money deposit of any maturity under the terms of this Contract.

3.4.4. **Termination.** Escrow Agent will have the right to terminate and render its participation in this Contract of no further force and effect by written notice of termination to Seller, Buyer, and the Colorado Real Estate Commission, and delivery of the earnest money deposits to a depository or escrow agent to which the Parties agree. Such termination and delivery will relieve the Escrow Agent of any further performance and liability with respect to this Contract. Any modification of the terms of this Contract relating to the Escrow Agent may be made at any time by Seller and Escrow Agent, provided that the same is reduced to writing, approved by the Colorado Real Estate Commission, and delivered to and accepted by each Buyer affected thereby.

3.4.5. **Modification.** This Contract is the only agreement binding on the Escrow Agent relating to the earnest money deposits and the Escrow Agent may rely absolutely hereon to the exclusion of any and all other agreements between the Seller and Escrow Agent.

4. **Closing Costs; Real Estate Transfer Assessment.**

4.1. At Closing, Seller shall pay for preparation of the deed and for the owner's title insurance policy ("**Title Policy**"), in an amount equal to the Purchase Price of the Property, to be delivered to Buyer by Title Company within a reasonable time after Closing, and any other closing costs customarily charged to sellers. Seller and Buyer shall each pay one-half of the Title Company's closing service costs.

4.2. At Closing, Buyer shall pay all other closing costs customarily charged to buyers, and Buyer shall pay the Transfer Assessment imposed by Section 11.13 of the Declaration of one percent (1%) of the Purchase Price, the documentary transfer fee, the charge for the tax certificate, all recording fees for the deed of conveyance and Buyer financing documents, if any, and the cost of any endorsements to the Title Policy requested by Buyer.

5. **Title.**

5.1. **Title Commitment.** As part of the Inspection Documents, Seller has furnished a specimen title commitment covering the Property to Buyer issued by the Title Company (“**Commitment**”), together with copies of all of the recorded documents shown as exceptions to title therein. Within five (5) days of the date of Seller’s signature on this Contract, Seller shall furnish Buyer with an update to the Commitment, in the amount of the Purchase Price and showing Buyer as the proposed insured thereunder. The condition of the title, as disclosed by the Commitment, shall be subject to Buyer’s approval as set forth below.

5.2. **Survey.** Buyer shall pay for any survey work desired by Buyer.

5.3. **Title Documents.** The Title Commitment and, if applicable, the Survey obtained by Buyer, constitute the title documents (**Title Documents**).

5.4. **Title Insurance Premium.** Seller will pay the premium at closing and have the title insurance policy delivered to Buyer as soon as practicable after closing.

5.5. **Objections.** If the Commitment contains any title exceptions or defects which would render title unmarketable or other matter to which Buyer objects and written notice thereof is given by Buyer to Seller prior to the end of the Inspection Period (as defined below), Seller, at its option, shall have a period of seven (7) days thereafter in which to cause such objectionable defects or objections to be removed or insured over by the Title Company.

5.6. **Updated Commitment.** Should Title Company update the Title Commitment to add any newly disclosed title exception relating to the Property, Title Company shall provide Buyer and Seller with a copy of the revised Title Commitment (“**Updated Commitment**”). If the Updated Commitment contains any newly disclosed title exceptions or defects which actually affect the Property and which would render title unmarketable or otherwise reasonably objectionable to Buyer and Buyer has provided Seller with written notice thereof within five days from the date the Updated Commitment was delivered to Buyer, Seller, at its option, shall have a period of seven (7) days thereafter in which to cause such defects or objections to be removed or insured over by the Title Company, and if Closing is scheduled to occur during that period, Seller may postpone the date of Closing by up to seven days in order to attempt to have such defects or objections removed or insured over. A valid objection may concern only exceptions or defects that actually affect the Property and which render title unmarketable, which is newly disclosed to Buyer in the Updated Commitment and which was not disclosed in the initial Commitment or another previous Updated Commitment.

5.7. **Other Title Insurance Coverage.** Buyer may obtain such additional title insurance coverage as Buyer may deem necessary and appropriate, provided that Buyer is responsible for any additional premium coverage and Seller is not obligated to incur costs or

expenses or to unreasonably undertake actions to satisfy the Title Company as a precondition to the desired addition coverage to issue.

5.8. **Buyer's Remedies.** In the case of a notice of title defects delivered by Buyer as provided for in Section 5, if Seller fails to secure the removal of or insurance over such title defects, or gives notice to Buyer that it will not remedy such defects, Buyer may, by written notice given to Seller within two (2) business days after expiration of the seven-day period provided in those subsections, or within two (2) business days after Buyer's receipt of Seller's notice that such title defects will not be cured, elect to terminate this Contract by written notice delivered to Seller, in which event each Party hereto shall be released from all obligations hereunder and all payments and things of value received hereunder shall be returned to Buyer; or, if Buyer does not make such election, any objections to such defects or exceptions shall be deemed waived, and Buyer shall accept title in such condition as Seller is prepared to provide. **THE REMEDIES PROVIDED HEREIN TO BUYER WITH RESPECT TO A CLAIM OF DEFECTIVE TITLE SHALL BE THE SOLE REMEDIES OF BUYER HEREUNDER FOR SUCH A CLAIM.**

5.9. **Mechanics' Lien And Other Title Insurance Endorsements.** Buyer shall not be relieved of Buyer's obligation to close the purchase of the Property by virtue of the existence of lien claims of mechanics and materialmen that Seller disputes in good faith, and for the ultimate discharge of which Seller and the Title Company shall remain responsible. So long as Buyer obtains a survey of the Lot as provided below which is acceptable to the Title Company for purposes of deleting the standard exceptions, or provides other documents or information which is acceptable to Title Company for this purpose, the Title Policy to be delivered by Seller to Buyer shall include a deletion of standard pre-printed exception Nos. 1, 2, 3 and 5. Pre-printed exception No. 4 shall be amended to except only mechanics' liens created by Buyer. Buyer and Seller will sign any affidavit, indemnity, or other agreement reasonably required by the Title Company to delete or modify the standard exceptions as described. Buyer shall be responsible for the cost of any endorsements desired by Buyer and, except with respect to the affidavit of Seller described in the preceding sentence, shall be responsible for obtaining and paying for a survey or any other materials required by the Title Company for deletion of the standard exceptions or for extended coverage to issue. Seller shall reasonably cooperate with Buyer to secure such coverage, provided it does not result in cost or additional liability to Seller.

6. **Inspection Period.**

6.1. **Inspection Period.** Buyer shall have until the expiration of the Inspection Deadline ("**Inspection Period**") to review any and all matters related to the Property ("**Inspection Matters**"), including, without limitation, physical inspections of the Property, review of the Commitment and the Inspection Documents (defined below), review of the County Approvals, and review of soil conditions, geo-hazard conditions, environmental conditions and such other and additional studies, tests and investigations as Buyer deems necessary or appropriate. Unless objections are noted by Buyer, as provided for below in Section 6.3, Buyer shall be deemed to have reviewed, understood, accepted and agreed to be bound to (as applicable) all of the Inspection Matters.

6.2. **Site Investigation.** Buyer shall have the right to inspect the Property and undertake reasonable reviews of the Inspection Matters, subject to Seller's advance written

approval, which Seller may withhold or condition as deemed reasonable, necessary and appropriate by Seller. If approved by Seller, Buyer or its designees may enter upon the Property during the term of this Contract for the purpose of investigating the suitability of the Property for Buyer's intended uses, provided that such activities do not interfere with Seller's construction activities in the subdivision. Buyer shall undertake said investigations, including any and all tests that Buyer may reasonably seek to undertake, at Buyer's sole cost and expense and shall defend, indemnify and hold harmless Seller and the Property against any mechanic's liens or other claims or liabilities which may result from such investigations. Buyer shall conduct any tests in a manner that does not adversely impact the Property in any way. Buyer shall promptly restore the Property to the condition existing prior to the testing. Seller may use the Earnest Money deposited by Buyer to restore the Lot to its condition that existed prior to Buyer's testing, should Buyer fail to have properly restored the Lot, which right of Seller shall survive a termination of the Contract by Buyer. Buyer agrees to authorize Title Company to release a sufficient amount of Earnest Money to Seller to allow to restore the Property as contemplated herein. Any Earnest Money used for this restoration shall not be applied against the Purchase Price, should Buyer Close on the Property. If required by Seller, Buyer shall obtain and maintain liability insurance to cover Buyer's presence on the Property to undertake the Inspection Matters, and shall name Seller as an additional insured on such policy. The obligations of Buyer contained in this Section 6.2 shall survive Closing or the earlier termination of this Contract.

6.3. **Notice of Objection.** At any time during the Inspection Period, Buyer shall have the right in Buyer's sole discretion to send written notice to Seller either:

6.3.1. Terminating the Contract for any reason and in the event of such election, then this Contract shall be deemed to be terminated and all earnest money, accrued interest and things of value shall be returned to Buyer immediately; or

6.3.2. Preparing and sending to Seller its written notice ("**Notice of Objection**") stating: (a) each of the specific matters relating to the Inspection Matters that are objected to by Buyer, (b) noting the specific provision of each document so objected to, if applicable, (c) indicating the specific steps or actions, which, if undertaken by Seller will resolve each of Buyer's noted objections, and (d) requesting that Seller cure such alleged defect.

6.3.3. Upon receipt of Buyer's Notice of Objection, Seller may elect at its sole option, on or before the Seller's Inspection Objection Response Deadline, to send Buyer written notice stating Seller's election to either ("**Seller's Notice of Proposed Resolution**"):

A. Employ reasonable efforts to cure the alleged defect and including in its written notice the actions, manner and timing that Seller will utilize to cure the matters raised in the Notice of Objection; or

B. Not cure the alleged defect.

6.3.4. Upon receipt of Seller's Notice of Proposed Resolution, Buyer may elect at its sole option, on or before the Resolution Deadline, to either: (a) accept the Inspection Matters either as proposed for resolution by Seller or "as is" and proceed to Closing, (b) accept the cure efforts stated in Seller's Notice of Proposed Resolution and, subject to Seller's completion of the cure efforts, proceed to Closing, or (c) terminate the Contract and in the event

of such election, then this Contract shall be deemed to be terminated and all Earnest Money, accrued interest and things of value shall be returned to Buyer immediately. THE REMEDIES PROVIDED HEREIN TO BUYER WITH RESPECT TO ANY CLAIM RELATED TO AN INSPECTION MATTER SHALL BE THE SOLE REMEDIES OF BUYER HEREUNDER FOR SUCH A CLAIM.

6.3.5. **Updated Inspection Documents.** At any time prior to Closing, if Seller makes changes or additions to the Inspection Documents which actually, materially and adversely affect the Property as described in Section 17 below, Seller shall provide Buyer with such updated Inspection Documents (“**Updated Inspection Documents**”). If the Updated Inspection Documents contain any new matters which actually, materially and adversely affect the Property to which Buyer has a valid objection, and written notice thereof is given by Buyer to Seller within five days from the date the Updated Inspection Documents were delivered to Buyer, such written notice shall be treated as an objection notice under Section 6.3 above, and Seller and Buyer shall both have the same election rights set forth in that Section with respect to that notice. If Closing is scheduled to occur during the seven-day period during which Seller may elect to cure such objection, then Seller may postpone the date of Closing by up to thirty days in order to attempt to have such defects removed or insured over. A valid objection may concern only material matters which are newly disclosed to Buyer in the Updated Inspection Documents, which were not disclosed in the initial Inspection Documents and which actually, materially and adversely affect the Property.

6.3.6. **Effect of Failure to Furnish Notice.** Should Buyer not tender any notice of termination or objection within the deadlines established herein, then Buyer shall be deemed to have accepted the condition of the Property and this Contract shall continue in full force and effect.

6.4. **Seller Property Disclosure.** The Property is being sold as vacant land. In lieu of a Seller’s Property Disclosure, Seller has provided Buyer with the Inspection Documents (as defined below), the Parties hereby agree to waive any obligation on the part of Seller to prepare and deliver to Buyer a Seller’s Property Disclosure form concerning the Property.

6.5. **Environmental Site Assessment for the Property.**

6.5.1. Not less than ten days prior to Closing, Seller shall provide Buyer with a written report concerning an Environmental Site Assessment for the Property (“**Site ESA**”). Buyer shall have five days from the date sent by Seller to review the Site ESA. Should the Site ESA not be acceptable to Buyer, Buyer shall have the right to either (a) accept the Site ESA and proceed with Closing in accordance with the Contract; or (b) terminate the Contract and obtain a release of Buyer’s earnest money. If necessary, the date of Closing shall be extended by a sufficient number of days to allow the Buyer to have five days to review the Site ESA.

6.5.2. If Buyer fails to notify Seller of an objection to the Site ESA within the time period provided above, and proceeds to Closing, then Buyer shall be deemed to have accepted the status of the matters described in the Site ESA and the effect of each of those matters upon the Property.

7. **Closing.**

7.1. **Date.** Closing under the Contract shall occur on or before the Closing Date, unless extended by the provisions of this Contract. The place of Closing shall be at the offices of the Title Company, located at 124 E. Pacific Avenue, Telluride, Colorado 81435. The time of Closing shall be as designated by the Title Company.

7.2. **Special Warranty Deed.** Subject to Buyer's payment of the Purchase Price as above provided and compliance by Buyer with all other terms and provisions hereof, Seller agrees to convey to Buyer title to the Property by a good and sufficient special warranty deed at Closing. Immediately following the Closing, the Buyer's special warranty deed will be delivered to the San Miguel County Clerk and Recorder for recording.

7.3. **Permitted Exceptions.** The deed to Buyer shall be subject only to real estate taxes and assessments for the year of Closing which are not yet due and payable, and those exceptions and reservations set forth in Schedule B, Section 2 of the Commitment which were not either removed or insured over in response to an objection by Buyer pursuant to Section 6.3 above ("**Permitted Exceptions**"), and shall be in the form of the specimen deed provided in the Idarado Legacy Document Package. Buyer agrees to accept the deed in such form and title to the Property subject to building, zoning, and land use regulations, and to the Permitted Exceptions.

7.4. **Reservation of Mineral Rights.** The Declaration precludes the extraction or processing of minerals with the Community. To further assure that no such activities will be undertaken by any Owner of a Lot, Seller shall retain all mineral rights on the Property at Closing, which shall be reserved by Seller in the Special Warranty Deed.

7.5. **Encumbrance.** Any encumbrance required to be paid may be paid at the time of settlement from the proceeds of this transaction or from any other source.

7.6. **Taxes and Assessments.** Real property taxes for the year of Closing, based on Seller's best estimate based on discussions with the San Miguel County Assessors' Office, and homeowners' association assessments, if any, shall be apportioned to the date of Closing, and shall be deemed a final settlement.

7.7. **Possession.** Subject to any rights reserved to Seller herein or in the Declaration, possession of the Property shall be delivered to Buyer on the date of Closing. Buyer acknowledges, however, that all infrastructure serving the Property will not be in place by Closing. (See disclosures pertaining to infrastructure set forth in Section 18 below.)

8. **Time Of Essence.** Time is of the essence hereof.

9. **Default By Buyer.** If a check received as earnest money hereunder or any other payment due hereunder is not paid, honored or tendered when due, or if Buyer shall fail to consummate the purchase of the Property for any reason other than: (a) failure of title; (b) default by Seller; or, (c) any other contingency specifically provided in this Contract relieving Buyer of Buyer's obligation to consummate the purchase, Seller may elect to treat this Contract as terminated, in which case all payments and things of value received hereunder shall be forfeited and retained by Seller as liquidated damages.

10. **Default By Seller.** In the event Seller shall fail to consummate the sale for any reason except Buyer's default, this Contract shall be deemed terminated, in which case all payments received hereunder, plus any accrued interest, shall be returned to Buyer; or, Buyer shall have the right to seek specific performance, except in the event of pending litigation or any governmental action which would prevent Seller from selling the Property. THE ABOVE IS BUYER'S SOLE REMEDY, AND BUYER SHALL NOT BE ENTITLED TO DAMAGES.

11. **Litigation.** Anything to the contrary herein notwithstanding, in the event of any litigation or arbitration arising out of this Contract, the court shall award to the prevailing Party all reasonable costs and expenses actually incurred in such litigation, including attorneys' fees.

12. **Assessments Of Idarado Legacy Homeowners' Association.** Buyer acknowledges and agrees that the Idarado Legacy Homeowners' Association Inc. has been formed, and that as the owner of the Property, Buyer's membership and payment of assessments shall be mandatory. Buyer agrees to pay all assessments to the Association as described in the Declaration, as such are billed to Buyer by the Association based on the budgets prepared by the Association. Seller shall be responsible for any assessments owed on any lands owned by Seller.

13. **Assignment.** Buyer may not assign this Contract or any of Buyer's rights or interests hereunder without Seller's prior written consent and approval. No assignment shall relieve Buyer, or Buyer's heirs, successors or assigns of any obligation imposed hereunder, including the obligation to pay the Purchase Price and any other sums due. Notwithstanding the foregoing, subject to Seller's prior written approval, which will not be unreasonably withheld, delayed or conditioned, Buyer may assign its rights under this Contract to an entity in which Buyer retains both managerial responsibility and a majority economic interest; provided, that Buyer shall complete any such assignment, and provide Seller with a copy of the applicable assignment agreement and all other documentation reasonably requested by Seller, at least five (5) days prior to the date of Closing, and provided further that no such assignment may delay the date of Closing.

14. **Entire Agreement.** This Contract and any addenda, amendments or supplements hereto, if any, constitute the entire contract between the Parties. NO REPRESENTATION, WARRANTIES, UNDERTAKINGS OR PROMISES, WHETHER ORAL, IMPLIED OR OTHERWISE, CAN BE MADE OR HAVE BEEN MADE BY EITHER SELLER OR ITS AGENTS OR BROKERS TO BUYER OR ANYONE UNLESS EXPRESSLY STATED HEREIN OR MUTUALLY AGREED IN WRITING BY THE PARTIES. ALL ADDENDA, AMENDMENTS OR SUPPLEMENTS HERETO SHALL BE IN WRITING EXECUTED BY BOTH PARTIES.

15. **Notices.** All notices, elections and/or demands required shall be made in writing, and shall be addressed to Seller or to Buyer at the respective addresses given in this Contract, and along with all other documents being furnished or sent, shall be deemed received upon being deposited in any post office or postal box regularly maintained by the United States postal service, postage prepaid and return receipt requested, only if concurrently with that deposit a copy of the notice is sent by facsimile to that intended recipient. If that copy is not sent by facsimile, the notice shall not be deemed to have been received until actually received by the intended recipient. Notice may also be given by facsimile alone, so long as a copy of such notice is deposited on that same day with a recognized overnight courier service,

addressed to the intended recipient. Either Party, by notice given as above, may change the address to which future notices or copies of notices may be sent.

16. **Inspection Documents.**

16.1. Seller agrees to deliver to Buyer the following below described documents for Buyer's review (together, the "**Inspection Documents**") either by the delivery of hard copies of a document or by posting the document on its website (www.idaradolegacy.com) and making it available for online review and/or printing. The Inspection Documents will be delivered to Buyer within five days of the date that Buyer and Seller shall have executed this Contract. Buyer acknowledges that the Inspection Documents supersede all previous documents received and/or reviewed, and Buyer has no reliance upon such previous documents. Buyer acknowledges and agrees that plans and specifications for constructing and installing infrastructure improvements such as utilities, roads, retaining walls, or drainage may be changed as necessary as required by final engineering, based on field conditions. Buyer shall have reviewed the above-referenced Inspection Documents and the County Approvals and given notice to Seller of any objections thereto within the timeframes described in Section 6 above, and unless Buyer properly terminates the Contract pursuant to that Section, Buyer shall be deemed to have accepted the status of the matters described in the Inspection Documents and the County Approvals and the effect of each of those matters upon the Property.

16.2. **Idarado Legacy Homeowner's Association Documents.**

- A. Declaration;
- B. Articles of Incorporation for the Idarado Legacy Homeowners Association, Inc.
- C. Bylaws for Idarado Legacy Homeowners Association, Inc.;
- D. Design Review Guidelines; and
- E. Proposed Budget.

16.3. **Building in Telluride:**

- A. Introduction;
- B. History of Idarado Mining Company Tailings;
- C. Management Plan for Miscellaneous Mill-Related Wastes, dated May 14, 2004, prepared by MFG; and
- D. Letter reports dated July 17, 2003, August 11, 2003, and August 21, 2003, prepared by Arthur Mears, P.E., regarding geohazards issues.

16.4. **Subdivision Improvements:**

- A. Introduction;

B. Onsite Wastewater Assessment for the Idarado Legacy Project prepared by Eric Krch, P.E., dated July 22, 2003; and

C. Site-specific Onsite Wastewater Assessment.

16.5. Idarado Legacy Amenities.

16.6. Title Documents:

A. Specimen Title Commitment and copies of each title exception documents noted in the Title Commitment, if not otherwise provided for hereunder,

B. Copies of County Approvals, including: (a) the Resolutions; and (b) Subdivision Improvement Agreement for Idarado Legacy Subdivision, as amended; and

C. Specimen special warranty deed.

16.7. Maps:

A. Final Plat, First Plat Amendment and Second Plat Amendment;

B. Site Constraints Map, First Constraints Map Amendment and Second Constraints Map Amendment.

16.8. Other Documents.

A. Closing Agreement.

17. Seller's Right To Make Changes to the Inspection Documents.

17.1. Prior to the Closing of this Contract, Seller reserves the right to amend any or all of the Inspection Documents and/or to draft new documents which will be deemed Inspection Documents, at any time or from time to time, as Seller may deem necessary or desirable to make corrections or other changes, or to meet the requirements of applicable laws, governmental regulations, pending claims, actions or assertions made or raised by third Parties, lending institutions, and marketing programs. Seller shall furnish a copy of any such changes or new documents to Buyer for review as provided for above in Section 6.3.5.

17.2. Buyer acknowledges that Seller has reserved the right, at any time after Closing, to amend the documents of the Association or draft new documents referenced in Section 16. herein for the purposes and under the conditions outlined under those documents.

17.3. In the event that actions or challenges have been made by third parties asserting rights, claims or interests in the Idarado property or challenging the Seller's right or ability to perform its obligations under this Contract or the Resolutions or applicable law, which in the opinion of Seller could affect the ability of Seller to undertake its obligations to install Infrastructure (as provided for below) or to otherwise deliver title to the Property in the form and manner required by this Contract, Seller shall have the right to notify Buyer of such determination, in which event the Parties shall meet and confer and agree to dates that will extend the timeframe for Seller to complete these requirements and if the Parties are unable to

agree on such dates, Seller shall have the right to terminate this Contract and return the Earnest Money and accrued interest to Buyer and in such event, Buyer will have no interests in the Contract or the Property.

18. **Infrastructure.**

18.1. **Roads and Utilities.**

18.1.1. Buyer acknowledges and agrees that the utilities and roads are not yet completed or in place in the Idarado Legacy Subdivision, and the fact that such items may not have been completed prior to Closing shall not extend the date of Closing, or give Buyer any right to terminate this Contract. Seller agrees to use commercially reasonable efforts to complete construction of the following in accordance with the Subdivision Improvements Agreement for Idarado Legacy Project (“**Road and Utility Improvements**”) and generally within the timeframes established, subject to force majeure events:

A. **Pandora.** The grading and sub-base for Pandora Lane to the Property has been completed. The walls for the main entryway have been completed. The installation of electric lines, phone lines, natural gas lines and cable TV lines has been completed. Asphalt paving for Pandora Lane will be completed on or about _____, 2005. This provision affects only Lots within Pandora.

B. **Bridal Veil.** The entrance feature for Bridal Veil shall be completed on or about _____. The installation of electric lines, phone lines, natural gas lines and cable TV lines has been completed. This provision affects only Lots within Bridal Veil.

C. **Liberty Bell.** The grading and sub-base for Liberty Bell Lane will be completed on or about _____. The rear retaining walls for Liberty Bell Lane will be completed on or about _____. The installation of electric lines, phone lines, natural gas lines and cable TV lines will be completed on or about _____. Asphalt paving for Liberty Bell Lane will be completed on or about _____. This provision affects only Lots within Liberty Bell.

D. **Revegetation.** Seller shall complete any revegetation required by the County in connection with the Road and Utility Improvements on or before September 1, 2005.

18.1.2. If Seller is unable to complete construction of the Road and Utility Improvements by the stated dates for any reason for the portion of the Project for which the Property is located, Seller may extend the dates for completion of such work for a reasonable period of time by delivery of written notice to Buyer. In addition, if Seller is unable to complete construction of the Road and Utility Improvements by that extended date due to acts of God, defaults of contractors or subcontractors or materialmen, or other causes beyond the control of Seller, the date for completion of such work shall be extended accordingly.

18.1.3. After utility lines are constructed and in place to serve the Property, Buyer shall be responsible for paying any costs of connection, tap fees, or construction costs incurred by Buyer in tapping into or connecting into these utilities.

Buyer(s) Initials: _____ and _____

Seller's Initials _____

18.1.4. Prior to and after the Closing on the Property, Seller shall maintain the right to access the Property and to store and stockpile dirt on the Property during the construction of roads, utilities, and the Idarado Trail; provided, however, if Buyer is building a house on the Property at the time of the construction of roads, utilities or the Idarado Trail, the stockpiling will not be done in a manner which would interfere with Buyer's house construction. This right to stockpile and store dirt shall survive the Closing, and shall be a burden which runs with the land until October 15, 2005, at which time said right shall expire.

18.2. **Driveways.** Buyer acknowledges and agrees that while Seller is responsible for constructing Pandora Lane, Buyer shall be responsible for constructing the private driveway from such access road to the residence upon the Property, and for the maintenance, repair and improvement of such private driveway at Buyer's expense in accordance with the Declaration; provided that the cost of constructing, maintaining, repairing and improving the portion of any shared driveway that serves the Property shall be shared equally by the Owners of the Lots benefited thereby.

18.3. **Individual Water Wells; Condition to Closing.**

18.3.1. Seller, at its cost, will complete the drilling and testing of a domestic well ("**Well**") on the Property, prior to Closing. The Well will be constructed and installed in accordance with the requirements of the Colorado State Engineer Board of Examiners Water Well Construction Standards and with the requirements of San Miguel County, including the conditions of approval of the Idarado Cluster Subdivision Plan, as may be modified from time to time based upon field conditions or issues encountered by the Seller's well driller.

18.3.2. Seller shall test the Well to determine conditions of the well relating to its quantity, based upon pumping tests, and its quality, based upon sampling ("**Well Test**") more particularly described as follows:

A. **Quantity.** The test shall quantify a steady-state production rate versus drawdown of each well. Each well shall be pump tested at a constant pumping rate for a period of not less than 24 hours. Following completion of the pumping test, the well recovery rate will be monitored for a period of 24 hours or until 90% recovery of the well static water level has been determined. The Well Test will indicate the actual gallons of water per minute the well has produced; and

B. **Quality.** Seller will test water quality concentrations, which will test for factors and components that are customarily tested, reviewed and accepted in the Telluride region.

18.3.3. Not less than seven days prior to Closing, Seller shall provide Buyer with a written report concerning the results of the Well Test. Buyer shall have five days to review the well test. Buyer shall have the right to either (a) accept the Well and the results stated in the Well Test and proceed with Closing in accordance with the Contract; or (b) terminate the Contract and obtain a release of Buyer's earnest money. If necessary, the date of Closing shall be extended by a sufficient number of days to allow the Buyer to have five days to review the Well Test.

18.3.4. If Buyer fails to notify Seller of an objection to the Well Report within the time period provided above, and proceeds to Closing, then Buyer shall be deemed to have accepted the status of the matters described in the Well Report and the effect of each of those matters upon the Property.

18.3.5. The well drilled by Seller upon the Property shall be maintained, repaired and/or replaced by Buyer, at Buyer's cost and expense, and no other water wells shall be drilled or permitted to remain by Buyer on the Property.

18.3.6. Buyer shall comply with all of the provisions of Section 3.25 of the Declaration and the Resolutions concerning such well. **THE REMEDIES PROVIDED HEREIN TO BUYER WITH RESPECT TO ANY CLAIM RELATED TO THE WELL REPORT SHALL BE THE SOLE REMEDIES OF BUYER HEREUNDER FOR SUCH A CLAIM.**

18.3.7. Seller will install a well pump within the Well on the Property at its cost and expense on or before _____.

18.3.8. Prior to Closing, Seller will provide a copy of the well permit for the Property and assign its rights in that well permit to Buyer at Closing.

18.4. **OWS.** The Property will be served by an OWS/Sewer Facility ("**OWS**"), to be constructed by Buyer and maintained by the Association in accordance with Section 4.2 of the Declaration and the Resolutions.

18.5. **Closing Agreement.** Buyer and Seller agree that the form Closing Agreement provided to Buyer as part of the Inspection Documents shall be executed by the Parties at Closing. Seller shall cause IMC to sign the Closing Agreement.

19. **Special Taxing Districts.** This notice is given in compliance with Colorado Senate Bill 143, Section 38-35.7-10, effective as of July 1, 1992. "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. Buyers should investigate the debt financing requirements of the authorized general obligation indebtedness of such districts serving such indebtedness, and the potential for an increase in such mill levies."

20. **Annexation And Building Approvals.**

20.1. **Telluride.** Buyer acknowledges that the Declaration prohibits owners within the Idarado Legacy Subdivision from filing an annexation petition with the Town of Telluride for a period of time, and Buyer hereby consents to that prohibition.

20.2. **Building Permit.** Buyer must obtain, at Buyer's expense, a building permit and a development permit from the San Miguel County Building Department before Buyer may build on the Property. Such permits may or may not be issued until the infrastructure is completed.

20.3. **Design Review Committee.** Buyer acknowledges that all construction on the Property shall be subject to approval by the Design Review Committee pursuant to the Declaration.

20.4. **Soil.** Seller has caused preliminary soils reports for septic testing to be prepared for the Idarado Legacy Project area by Eric Krch, P.E., consulting geotechnical engineer, of which Buyer has received a summary for its review and which Buyer acknowledges is preliminary only, and cannot be relied upon by Buyer for construction on the Property. Varying soil conditions exist within the Property, which may require different construction techniques. As part of any Design Review Committee Submission for building plan approvals for the Property, Buyer, at Buyer's expense, shall deliver a site specific soils report for the homesite on the Property.

20.5. **Geohazards.** If the Property is identified on the Site Constraints Map furnished to Buyer as part of the Inspection Documents as being potentially exposed to geohazard conditions ("**Geohazard Lot**"), Buyer shall adhere to and comply with the geohazard standards, requirements and procedures set forth in Section 4.1 of the Declaration and in the Resolutions. Specifically, Buyer acknowledges that it has been informed that, if the Property is a Geohazard Lot, Buyer must submit a geohazard mitigation plan, as approved by the Design Review Committee under the Declaration, to the County for review and approval prior to issuance of a development permit and building permit for development on the Property.

20.6. **County Approvals.** Use and development of the Property shall occur only in accordance with the County Approvals.

21. **Acknowledgments.** Buyer hereby acknowledges and accepts the following:

21.1. **Gold Run Employee Housing.** As contemplated by Resolution No. 2003-30B, delivered as part of the Inspection Documents, a parcel of land located near the historic Gold Run Mill and across from the Lone Tree Cemetery has been conveyed to San Miguel County or its designee for purposes of employee housing.

21.2. **Future Development Activities.** Either Seller or Idarado Mining Company ("**IMC**"), a member of Seller, may be engaged in further construction and/or demolition activities in the vicinity of the Property in the future, including without limitation the construction of the Road and Utility Improvements and additional infrastructure improvements, construction of the Idarado Trail and additional trails or amenities, and either remediation, demolition or renovation of certain structures associated with past mining and milling activities, such as the Pandora Mill Building. Buyer acknowledges that final alignment of the Idarado Trail as contemplated by the Resolutions may require minor modifications to the building envelope located upon the Property.

21.3. **Other Seller Land.** Buyer acknowledges that Seller has not made any representations or warranties to Buyer concerning the ultimate nature or extent of the development and use of any land owned by Seller or IMC in the vicinity of the Property ("**Other Seller Land**"), and that in making its determination to acquire the Property, Buyer has not relied on nor does it have any expectations about the nature and extent of development that may occur on the Other Seller Land. Consequently, Buyer hereby agrees that as long as any development of the Other Seller Land occurs in accordance with the requirements of law at the

time, Buyer shall not have, and hereby waives, any claims or causes of action against Seller and IMC for, as a result, of or with respect to, the nature and extent of development that occurs or does not occur on any of the Other Seller Land, regardless of the effect of that development (or lack thereof) on the Property in terms of value, marketability, views, shadows or any other features or aspects.

21.4. Closing Agreement. Buyer, Seller and IMC shall execute and deliver a copy of the Closing Agreement, which shall be materially in the form provided for in the Inspection Documents at Closing. Seller or IMC each make and shall be bound only by those representations, warranties and undertakings contained in the Closing Agreement.

22. Survival Of Terms After Closing. To the extent applicable, the terms and provisions of this Contract which are ongoing in nature shall survive the Closing.

23. Binding Effect; Governing Law; Venue. This Contract shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, personal representatives, successors and assigns, and shall be construed in accordance with and governed by the laws of the State of Colorado. Any action or proceeding relating in any way to this Contract may be brought and enforced in the District Court in and for the County of San Miguel, Colorado. This Contract contains the entire agreement between the Parties pertaining to the subject matter hereof, and supersedes all prior agreements, writings, representations, and negotiations relating thereto. Finally, this Contract may not be amended or modified except by an instrument in writing signed by all of the Parties.

24. Recommendation Of Legal Counsel. By signing this document, Buyer acknowledges that Seller and the real estate brokers participating in this transaction have advised Buyer 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.

25. Miscellaneous.

25.1. Contract Execution/Counterparts/Facsimile. This Contract may be executed in one or more counterparts, which together shall be one and the same instrument, binding on all Parties, although not signatory to the original or same counterpart. Facsimile transmission of original documents signed by either Party shall be deemed valid, provided the Party transmitting the document deposits the original document in overnight mail to the other Party within one (1) business day.

25.2. IRS Section 897. Seller warrants that it is not subject to withholding as defined under Internal Revenue Code Section 897 (Foreign Person Transferor), and hereby agrees to execute the form of affidavit described in Internal Revenue Code Section 1445 and deliver said affidavit to Buyer at Closing.

25.3. Real Estate Agent (Rule E-35). Pursuant to Colorado Real Estate Commission Rule E-35, Buyer hereby acknowledges that Seller's real estate broker, Idarado Real Estate Company, and its salespersons ("**Listing Agents**") are agents of Seller, and are not representing Buyer as Buyer's agent in this transaction. If Buyer has engaged the services of an outside broker (a "**Selling Broker**"), the Selling Broker and its salespersons will be engaged as either a

buyer's broker or transaction broker. The Selling Broker has previously disclosed in writing to the Buyer that different relationships are available which include buyer agency, transaction broker, or seller agency.

25.4. **Real Estate Commissions.** Buyer and Seller each represent and warrant that no commission is owed to a broker or finder other than the broker or brokers whose names and signatures are on this Contract. Buyer and Seller shall indemnify, defend, and hold each other harmless from and against all other claims for a brokerage commission arising out a breach of the respective warranties contained in this Section.

25.5. **Prohibition Against Recording.** Neither this Contract, nor any memorandum, affidavit or other writing with respect thereto, shall be recorded by Buyer or by anyone acting through, under or on behalf of Buyer, and the recording thereof in violation of this provision shall make this Contract voidable at Seller's election.

25.6. **Investment Disclaimer.** Buyer expressly acknowledges that the Property to be acquired pursuant to this Contract is acquired for Buyer's personal use without reliance on representations or inducements by Seller or any agent or employee thereof with respect to tax benefits, rental income, appreciation, or other investment potential or economic benefits to be derived from the Property, including economic benefits to be derived from the managerial efforts of others.

26. **Additional Provisions.**

THIS CONTRACT IS EXECUTED BY BUYER AS OF _____, 2005.

BUYER:

By: _____

By: _____

BUYER INFORMATION:

(Residence Address)

(City, State and Zip Code)

(Mailing Address)

(City, State and Zip Code)

(Facsimile)

SELLER ACCEPTS THIS CONTRACT AS OF _____, 2005.

SELLER:

Idarado Legacy, LLC,
a Colorado limited liability company

By: CLH-Telluride Associates, LLC,
a Colorado limited liability company,
Member of Idarado Legacy, LLC

By: Wildcat Land Company, its Manager

By: _____
William R. Hegberg, President

SELLER INFORMATION:

Seller's Address

P.O. Box 1039
Telluride, CO 81435
Fax No.: (970) 728-1489

with a copy to:
P.O. Box 620
Basalt, CO 81621
Fax No.: (970) 927-0286

The undersigned Broker(s) acknowledges and confirms its broker relationship as set forth in Section 25.3.

SELLING COMPANY AND SELLING AGENT:

Name of Company: _____

Name of Seller Agent: _____

By: _____

Date: _____

Address:

Telephone: () _____

Fax No.: () _____

LISTING AGENT:

Idarado Real Estate Company

By: _____

Date: _____

J. Christopher Chaffin, Broker

Address:

P.O. Box 1039

Telluride, CO 81435

Telephone: (970) 728-1488

Fax No.: (970) 728-1489

The undersigned Escrow Agent acknowledges and confirms its relationship as set forth in Section 3.

ESCROW AGENT:

Security Title Guaranty Company,
a Colorado corporation

By: _____

Date: _____

ESCROW AGENT INFORMATION:

Security Title Guaranty Company
124 E. Pacific Ave., Suite G
P.O. Box 428
Telluride, Colorado 81435
Attention: Mr. Randy Williams