

JACKSON DESIGN BUILD, LLC

SALES AGREEMENT

THIS SALES AGREEMENT ("Agreement") is entered into as of the date of signature below, by and between Jackson Design Build, LLC, a Colorado limited liability company ("Seller") and the following Buyer:

Buyer Name(s): _____
Buyer Address: _____
Buyer Phone: _____ Buyer Email: _____

In consideration of the mutual promises contained herein, Buyer agrees to purchase the following described real property from Seller, located in the State of Colorado:

Legal Description: WITTER & COFIELDS SUB MANLY & STAHL'S RESUB B27 L30
City: Denver County: Denver Schedule #: 02322-17-035-000
Commonly Known As: 2346 King St, Denver CO 80211

The Buyer hereby agrees to purchase the above-described parcel ("Property") according to the recorded plat or map thereof, together with improvements to be constructed thereon in accordance with the Plans (Exhibit A). The Plan is incorporated herein as if fully restated hereunder.

1. Purchase Price: The total purchase price for the Property sold herein described shall consist of:

Base Price:	<u>\$915,000</u>
Plus Options / Add-Ins:	<u>\$</u>
TOTAL PURCHASE PRICE:	<u>\$</u>

2. Deposit: The parties agree to an advance deposit of fees and expenses payable to Seller, in consideration of the Purchase Price. Buyer agrees to deposit with Seller, within seventy-two (72) hours of signature hereupon, an advance deposit constituting \$25,000 towards the Purchase Price. Deposit shall be made to Seller (Jackson Design Build, LLC) in the form of certified funds or wire transfer. Buyer's failure to transmit the agreed deposit shall be grounds for immediate termination of this Agreement by Seller. Seller shall not be obligated to perform any covenant hereunder until such deposit is received in full. Upon receipt of the full and timely deposit, Seller shall hold the same as an Earnest Money Deposit upon the transaction. After fifteen (15) days of receipt, if this Agreement is not terminated, Buyer's Earnest Money becomes a nonrefundable, hard-money deposit. Buyer agrees to transmit the remaining balance upon Purchase Price owed to Seller at the time of delivery of deed, payable as certified funds or via wire transfer. Buyer may issue the balance of payment prior to delivery of the deed, but agrees that Seller is not obligated to deliver title to the Property unless and until full and final payment is received by Seller.

3. Loan Contingency: If Buyer is unable to self-finance the Purchase Price, this Agreement is expressly contingent upon Buyer obtaining a firm commitment for a mortgage loan from a licensed lender. If Buyer has not already procured financing, Buyer agrees to make application for such mortgage loan within five (5) days from signature upon this Agreement, and Buyer is solely and exclusively responsible for undertaking and closing upon the mortgage application. Upon its signature hereunder, Buyer expressly and unconditionally authorizes Seller to communicate with the chosen lender regarding the purchase contemplated herein, and Buyer waives any right or claim associated therewith. In the event no written notice to the contrary is received by Seller within thirty (30) days of signature on this Agreement, Seller shall assume that financing is secured and the contingency of this

Initial _____ Initial _____

Initial _____

clause will be deemed satisfied.

Upon approval of Buyer's application for a loan, Buyer agrees to provide Seller with a complete and accurate copy of said loan commitment or notice as provided by lender. Buyer shall be responsible for all fees and other costs incurred in connection with obtaining and consummating the aforesaid loan. Until final satisfaction of this Agreement, Buyer shall immediately provide written notice to Seller of any changes in the loan commitment. If Buyer, after receiving initial approval for its loan, is later disapproved by the lender, Buyer shall immediately provide written notice to Seller and the parties shall renegotiate the terms of this Agreement in good faith. In such circumstance, Seller shall be entitled to retain all Earnest or Hard Money deposits made by Buyer.

4. **Termination:** Buyer may unilaterally terminate this Agreement and receive a full refund of its Earnest Money deposit if termination is made within fifteen (15) days of signature hereupon. If not terminated within the applicable timeframe, this Agreement may only be terminated by either party for cause, including:
 - a. The death of Buyer(s) or the dissolution of Seller;
 - b. Upon Buyer's material breach of this Agreement;
 - c. Upon Seller's material breach of this Agreement, where Seller has failed to cure or reasonably resolve the same after ten (10) days' written notice; or
 - d. Upon the mutual, written agreement of Seller and Buyer to modify or terminate this Agreement.
5. **Limitation of Services:** Buyer acknowledges that, unless otherwise expressly stated in writing, Seller shall not be liable to any services or deliverables not expressly outlined in this Agreement.
6. **Options & Modifications:** If the Property construction has not been commenced or finalized by Seller as of the date of this Agreement, Buyer and Seller may agree to designate, in writing, interior and exterior design selections. Seller may designate, at its sole and absolute discretion, deadlines for Buyer in the selection of any design elements, and may further exclusively limit the available selection options for Buyer. If Seller advises Buyer that a particular selection is unavailable, Buyer shall be granted an additional 10 days to make a comparable selection, which shall be given in writing to Seller. If Buyer fails to timely make selections, Buyer waives the right to design selections and Seller may make design selections in its sole discretion. If construction has already commenced or completed, Buyer hereby waives any right to design selections not available due to commencement of construction.

Buyer expressly acknowledges and agrees that it may not hire or utilize its own trade professionals for performance of any construction, improvements, or design implementation pursuant to this Agreement.

7. **Evidence of Title:** A current commitment for an owner's title insurance policy, with copies of all items listed in Schedule B-2 of such commitment, (collectively "Title Documents"), in an amount equal to the purchase price, shall be furnished to Buyer at Seller's expense no less than thirty (30) days prior to the scheduled closing of this transaction. The commitment shall be issued by a title insurance company designated by Seller, evincing fee-simple title in Seller, and obligating the title insurance company to issue an Owner's Title Insurance Policy to Buyer within a reasonable time following the date of closing, insuring fee-simple title in the Buyer up to the full value of the Purchase Price, free and clear of all liens and encumbrances, excepting: (i) the standard printed exceptions contained in an ALTA Owner's Form; (ii) general taxes and assessments for the calendar year of the closing and subsequent years; (iii) liens for special improvement districts; (iv) the plat or map filed and recorded in the records of the applicable County Clerk and Recorder; and (v) the conditions, covenants, and restrictions recorded in said Clerk and Recorder records.

Initial _____ Initial _____

Initial _____

8. **Title Review:** Buyer shall have the right to inspect the Title Documents. Written notice of any unsatisfactory title condition shown by the Title Documents shall be signed by or on behalf of the Buyer and transmitted to Seller within seven (7) calendar days after Buyer's receipt of Title Documents, or within five (5) calendar days of receipt by Buyer of an endorsement to the title commitment together with a copy of the Title Document adding new exception(s) to title. If Seller does not receive Buyer's notice by the specified deadline, Buyer shall be deemed to have accepted the Title Documents as satisfactory and thereafter waives any claim associated therewith.

9. **Date of Closing:** The date of closing shall set by mutual written agreement of the parties. The hour and place of closing shall be designated by Seller. At closing Seller shall deliver a Special Warranty Deed to Buyer conveying the Property free and clear of all liens, encumbrances, and restrictions, except those described in Section 7. The Deed will be delivered at closing, but only once final payment has been transmitted by Buyer in accordance with Section 2.

10. **Prorations:** All associated taxes upon the Property for the year of closing, based on the most recent levy and the most recent assessment, rents, water, and sewer charges, homeowner's association dues, and interest on continuing loan(s) if any, shall be prorated to date of closing and the responsibility of Seller. All prorations shall be final, and any such expenses and liabilities accruing after the date of closing shall be the sole and exclusive responsibility of Buyer.

11. **Closing Costs, Documents and Services:** Buyer and Seller shall pay their respective closing costs at closing except as otherwise provided herein. Buyer and Seller shall sign and complete all customary or required documents at or before closing. Fees for closing and settlement services provided by a Title Company for closing this transaction shall be paid at closing equally by Buyer and Seller.

12. **Occupancy:** Possession of the property described herein shall be delivered to the Buyer at the time of closing. The property shall not be occupied prior to closing by Buyer nor shall any personal property of Buyer be stored therein prior to closing. Buyer shall not attempt to access the Property, nor authorize any agent to access the Property, without the prior express written consent of Seller.

13. **Assignment:** This Agreement is personal to Buyer and shall not be assigned by Buyer without prior written consent of Seller.

14. **Warranties:** Except as provided in Section 7, the Property is sold by the Seller and accepted by the Buyer in its current, **AS IS CONDITION**. Upon satisfaction of final payment and closing, Seller shall deliver to Buyer the Seller's 2-10 HBW Warranty administered by Home Buyers Warranty Corporation ("HBW"). Buyer agrees to the 2-10 HBW Warranty in lieu any other warranty, express or implied, identified in this Agreement. The 2-10 HBW Warranty is a limited warranty that provides one-year workmanship, two-year systems, and ten-year qualifying structural defect coverage for certain construction defects in the subject home. Buyer agrees to be bound by all terms of the HBW warranty agreement, including binding arbitration for warrantable defects. After delivery of possession of the Property to Buyer, all liabilities, obligations, claims, rights and remedies of Seller and Buyer arising out of this Agreement, or out of the Seller's construction and sale of the residence on said Property, or out of any consumer products in the residence, shall be limited to those warrantable claims set forth in such HBW Warranty Agreements, which are incorporated herein by reference as if fully restated hereunder. If requested by Seller, Buyer expressly agrees to execute a 2-10 HBW Warranty at the time of delivery of deed, and Buyer's failure to do so shall be grounds to withhold delivery of such deed.

The above-described 2-10 HBW Warranty is issued by Seller in lieu of all other warranties

Initial _____ Initial _____

Initial _____

available to Buyer, including Warranty of Habitability, Warranty of Workmanlike Condition, and any further right or claim provided in Colorado Revised Statutes, Title 38. Buyer expressly acknowledges this limitation of warranty and agrees to the same.

- 15. Limitation of Liability:** Regardless of the presence or absence of insurance coverage, Seller shall not be liable for loss or damage occasioned by delays, or for loss of earnings, loss of use, loss of production, or incidental or consequential damages suffered by Buyer or others, however caused. The recourse of Buyer or its successors or assigns against Seller with respect to the alleged breach by or on the part of Seller shall extend only to Seller, and no personal liability or personal responsibility of any sort with respect to any alleged breach thereof is assumed by, or shall at any time enforceable against Seller's directors, officers, managers, members, employees, agents, beneficiaries, trustees or representatives.
- 16. Indemnification:** Buyer shall indemnify, defend and hold harmless Seller and its officers, directors, employees and subcontractors from and against all losses, damages, expenses, actions, proceedings, demands, costs and claims, including but not limited to reasonable legal fees and expenses suffered by Seller or any third party, where such loss, damage, or claim is the result of a wrongful action, negligence, or willful misconduct by the Buyer or its agents. Seller shall indemnify, defend and hold harmless the Buyer and any of its agents from and against all losses, damages, expenses, actions, proceedings, demands, costs and claims, including but not limited to reasonable legal fees and expenses suffered by the Buyer or any third party, where such loss, damage, or claim is the result of a wrongful action, negligence or willful misconduct by Seller or its agents.
- 17. Third-Party Liability:** Seller shall not be liable for any loss or damage occasioned by the acts or omissions or any third-party actor, and Buyer hereby agrees to hold Seller harmless from any claim related thereto. Buyer's sole recourse shall be as to the third party, directly, and assigns no liability of any kind to Seller.
- 18. Soils:** Buyer expressly acknowledges that Buyer has been advised expansive soils may be present on said Property and as such there is a risk of swelling soils that may result in cracking and heaving of the concrete slabs, drives, walks, patios, and garage floor. Buyer may request in writing, and Seller shall provide within five (5) days of such request, the soils report regarding the Property. **BUYER HAS BEEN ADVISED THAT THE CONCRETE SLABS ARE NOT STRUCTURAL AND ARE NOT COVERED BY THE STRUCTURAL WARRANTY AND THAT MINOR CRACKING AND HEAVING ARE NOT COVERED BY THE WARRANTY PROVIDED BY SELLER UNLESS SUCH CRACKING AND HEAVING BECOMES EXCESSIVE AND WARRANTABLE UNDER THE 2-10 HBW WARRANTY AGREEMENT. COMMENCEMENT OF LANDSCAPING BY BUYER OR BUYER'S AGENT SHALL CONSTITUTE ACCEPTANCE OF ALL GRADING COMPLETED BY SELLER AND SHALL RELEASE SELLER FROM RESPONSIBILITY FOR ANY DRAINAGE PROBLEMS OR FOR CORRECTION OF ANY DAMAGE DUE TO DRAINAGE PROBLEMS.**
- 19. Remedies:** Time is of the essence in this Agreement, and if any payment or any other condition hereof is not made, tendered, or performed by either Seller or Buyer as provided herein, the non-defaulting party shall issue a demand for cure. The defaulting party shall resolve the noticed issue within ten (10) days of receipt of notice, or otherwise the parties shall negotiate in good faith to resolve the same within ten (10) days. A party's failure to cure their default after notice and opportunity shall be deemed a material breach of this Agreement. Upon the same, the non-defaulting party may, but is not required to, deem this Agreement terminated. In the event of termination due to Seller's default, all payments made hereunder shall be returned to the Buyer. In the event of termination due to Buyer's default, all payments made by Buyer shall be forfeited and retained by Seller. In the event, however, that the non-defaulting party elects to treat this Agreement

as being in full force and effect, then nothing herein shall be construed to prevent its specific performance. All disputes regarding performance of this Agreement, and any damages related thereto, shall be resolved through binding arbitration as set forth hereunder.

20. Risk of Loss: Prior to the date of closing, all risk of loss of the Property shall be borne by Seller. In case of partial or total destruction of the residence, the date of completion may be extended at Seller's sole and absolute discretion; provided, however, if completion is delayed beyond twelve (12) months after execution of this Agreement, then, at the option of the Buyer or Seller, this Agreement may be terminated by written notice to the other party. Upon such termination, all monies paid hereunder to Seller, except those non-refundable deposits, shall be refunded to Buyer without interest and both parties shall be released from any further obligation hereunder. Immediately upon delivery of deed of possession by Seller, Buyer expressly assumes all risk of loss to the Property.

21. Inspection of Premises: Buyer shall have the right to inspect the premises not less than ten (10) days prior to the closing and shall specify by notice in writing to Seller prior to closing, any and all matters which Buyer claims do not conform to the requirements of this Agreement. Seller shall issue a written response to each problem item identified in the inspection report. Seller, at its sole and exclusive discretion, may take corrective action for any inspection item identified and communicated by Buyer, within the timeframe specified by Seller. For any disputed items requiring corrective action, the parties shall negotiate in good faith towards resolution, and the closing date shall be extended, without consequence to either party, as needed to resolve the same. Buyer shall not be entitled to void this Agreement due to the findings of an inspection report. Buyer's performance of closing obligations and its acceptance of a deed of possession shall be construed as satisfaction of every obligation of the Seller hereunder, except for items specified in any written notice in which Seller has agreed to take corrective action.

22. Arbitration Agreement: Any and all claims or disputes arising between Seller and Buyer, including as to the HBW and/or the Warranty Insurer arising from the 2-10 HBW Warranty, this Agreement, the Property, and any common elements in which the Homeowner has an interest, including without limitation, any claim of negligent or intentional misrepresentation, shall be settled by binding arbitration. The arbitration shall be conducted by and in accordance with the commercial rules of the American Arbitration Association, and the parties shall utilize the services of Construction Dispute Resolution Services LLC, or the Judicial Arbitrator Group, or another mutually agreeable service. The parties shall complete the arbitration process within sixty (60) days of written notice of the controversy, and all arbitration proceedings shall be held in Douglas County, Colorado, unless otherwise agreed between the parties. The decision of the arbitrators shall be final and binding and may be entered as a judgment in any state or federal court of competent jurisdiction. Any person in contractual privity with the Seller whom the Buyer contends is responsible for any construction defect in the Home shall be entitled to enforce this arbitration agreement. By signing this Agreement, the Parties hereto agree to have any dispute arising out of the matters included or related to this Agreement decided by neutral arbitration as provided by applicable law and understand that they are giving up any rights they might possess to have the dispute litigated in a court or by jury trial, as well as giving up their right to appeal. Except as provided herein, each Party will be responsible for its own legal fees and expenses, and will share equally the expenses of the arbitrator(s) and other related costs of arbitration. If any claim is made by a party under this Agreement, the prevailing party shall be entitled to its costs and reasonable attorney's fees at trial and on appeal. By signing this Agreement, Buyer(s) agrees to all terms of the arbitration agreement and waive any right to a jury trial or class action litigation.

23. Entire Agreement: This Agreement constitutes the entire agreement between the parties, and no other representation, warranty, or agreement, express or implied, shall be binding between them

Initial _____ Initial _____

Initial _____

unless reduced to writing and signed by both parties. Buyer acknowledges that sales personnel for the Seller have no authority to bind the Seller. Buyer's offer will not become a contract binding upon Seller until it is approved and signed by one of Seller's authorized officers.

24. Survival of Terms: Regardless of the circumstances of termination or expiration of this Agreement, the obligations of the parties under this Agreement that by their nature continue beyond the expiration of this Agreement shall survive any termination or cancellation of this Agreement.

25. Equitable Remedies: Each party to this Agreement acknowledges that its breach or threatened breach of any of its obligations under this Agreement would give rise to irreparable harm to the other parties and monetary damages would not be an adequate remedy. Therefore, each party to this Agreement agrees that if any party breaches or threatens to breach any of its obligations, each of the other parties to this Agreement will be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance, and any other equitable relief available from a court of competent jurisdiction (without any requirement to post bond). These equitable remedies are in addition to all other rights and remedies that may be available in respect of the breach.

26. Governing Law and Severability: This Agreement shall be governed by Colorado law. If any term, condition or provision of this Agreement or the application thereof to any circumstances is determined to be invalid or unenforceable to any extent, the remaining provisions of this Agreement shall not be affected and shall remain fully enforceable and valid.

27. Additional Provisions:

A) "Special Districts:" Special taxing districts may be subject to general obligation indebtedness that is paid by revenues produced from annual tax levies on the taxable property within such districts. Property owners in such districts may be placed at risk for increased mill levies and 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 is solely and exclusively responsible for investigating the debt financing requirements of any special district in which the Property is situated, and releases Seller from any claim arising from the same.

B) All notices under this Agreement shall be effective upon personal delivery to the Buyer or to the Seller, as the case may be, or three (3) days after deposit in the United States mail, postage fully prepaid and addressed to the respective party at the address contained in this Agreement or to such other address as the parties may from time to time designate in writing.

C) Should Buyer, through its acts or omissions, cause any undue delays to performance of the Agreement, Company shall unilaterally add an amount of time equal to the length of time lost from the agreed schedule to the completion time contemplated herein. **Buyer shall be liable for all expenses incurred by Seller and Seller's agents and contractors associated with any delays resulting from Buyer, including but not limited to interest carry expenses and late fees.**

D) If water, rock, frost or unstable soil conditions are found during excavation for the basement, service laterals, perimeter drain, ground plumbing, when the caissons are being drilled, or additional requirements are imposed by the engineer beyond those in the original design, Buyer will be notified by Seller that such conditions have been encountered and Buyer agrees to pay for the additional expenses incurred to solve the problem at actual Seller cost.

E) Seller shall retain ownership of all plans, designs, and blueprints associated with the Property. Seller may photograph or take video recordings of the Property and may use such photographs and

recordings in any company advertising and marketing materials. Buyer hereby releases Seller from any claim associated therewith, including assertion of intellectual property rights, and further waives and releases Seller from any right to compensation associated with reproduction and advertisement of the Property.

F) Seller is a Colorado licensed real estate broker but is not the listing broker.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

BUYER:

JACKSON DESIGN BUILD, LLC

Signature

Print Name

By: _____

BUYER (If Applicable):

Signature

Print Name