

THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES AND SHOULD BE READ AND UNDERSTOOD THOROUGHLY PRIOR TO SIGNING. IF BUYER HAS ANY QUESTIONS ABOUT BUYER'S OR SELLER'S RIGHTS OR RESPONSIBILITIES UNDER THIS ADDENDUM, BUYER SHOULD CONSULT AN ATTORNEY OF BUYER'S CHOICE. BUYER'S SIGNATURE AND/OR INITIALS ON THIS ADDENDUM EVIDENCES BUYER'S ACCEPTANCE AND COMPLETE UNDERSTANDING OF ITS TERMS AND CONDITIONS. BUYER ACKNOWLEDGES AND REPRESENTS THAT BUYER HAS READ THIS ADDENDUM AND ALL EXHIBITS TO IT, THAT BUYER AGREES TO BE BOUND BY ALL OF ITS TERMS, AND THAT BUYER IS NOT RELYING ON ANY STATEMENT, PROMISE, CONDITION OR STIPULATION NOT SPECIFICALLY SET FORTH IN THIS ADDENDUM. BUYER UNDERSTANDS THAT SELLER IS RELYING ON BUYER'S ACKNOWLEDGEMENT AND REPRESENTATIONS, AND SELLER WOULD NOT AGREE TO SELL THE PROPERTY TO BUYER WITHOUT BUYER'S ACKNOWLEDGEMENT AND AGREEMENT TO THIS ADDENDUM A.

BUYER ACKNOWLEDGES THAT THIS LIMITED WARRANTY PROVIDES THAT ANY AND ALL CLAIMS AND DISPUTES BETWEEN BUYER AND SELLER THAT ARE UNABLE TO BE RESOLVED BY MUTUAL AGREEMENT, SHALL BE RESOLVED SOLELY AND EXCLUSIVELY THROUGH THE DISPUTE RESOLUTION PROVISIONS SET FORTH IN THIS ADDENDUM AND AS DESCRIBED WITHIN THIS DOCUMENT.

ADDENDUM A
To
CONTRACT TO BUY AND SELL REAL ESTATE

AGREEMENTS REGARDING LIMITED WARRANTY, PUNCH LIST WORK, AND DISPUTE RESOLUTION

This Addendum A is attached to and forms a part of that certain Residential Contract to Buy and Sell Real Estate dated _____ (the "Contract") by and between _____, a **Limited Liability Company**, as Seller, and, as Buyer(s), concerning certain real property commonly known and numbered as _____.

Buyer and Seller are referred to herein collectively as the "Parties".

In consideration of the mutual covenants and conditions contained in the Contract, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer(s) agree to supplement and amend the Contract as follows:

1. **Definitions.** The capitalized terms used herein shall have the same definition as set forth in the Contract, unless otherwise defined herein. The term "Addendum A" shall mean and refer to this attachment thereto and the exhibits hereto.

2. **Limited Warranty.** THE SELLER'S EXPRESS WARRANTY IS CONTAINED IN THE LIMITED WARRANTY AGREEMENT ATTACHED HERETO AS EXHIBIT A, WHICH SHALL BE GIVEN TO BUYER AT CLOSING AND EXECUTED BY BUYER TO SHOW AGREEMENT WITH ITS TERMS. EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN THE LIMITED WARRANTY AGREEMENT ATTACHED HERETO AS EXHIBIT A, SELLER MAKES NO WARRANTIES OR REPRESENTATIONS OF ANY NATURE IN ANY WAY RELATED TO THE PROPERTY, AND SELLER HEREBY EXPRESSLY DISCLAIMS, TO THE FULLEST EXTENT ALLOWED BY LAW, ANY REPRESENTATIONS OR WARRANTIES OTHER THAN THOSE SET FORTH IN THE LIMITED WARRANTY AGREEMENT DELIVERED TO BUYER AT CLOSING. BUYER HEREBY ACKNOWLEDGES AND ACCEPTS SUCH DISCLAIMER AND, EXCEPT TO THE EXTENT OTHERWISE SPECIFICALLY PROVIDED FOR IN THE LIMITED WARRANTY AGREEMENT, OR IN ANY OTHER WRITTEN DOCUMENT SIGNED BY SELLER'S AUTHORIZED REPRESENTATIVE AND DELIVERED BY SELLER SIMULTANEOUSLY HERewith, OR AT THE CLOSING, BUYER HEREBY WAIVES AND RELEASES ANY AND ALL RIGHTS BUYER MAY HAVE, NOW OR IN THE FUTURE, AS TO ANY OTHER REPRESENTATIONS OR ANY EXPRESSED OR IMPLIED WARRANTIES CONCERNING THE PROPERTY, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND BUYER HEREBY WAIVES ANY CLAIMS AGAINST OR LIABILITY OF THE SELLER FOR INCIDENTAL, CONSEQUENTIAL, SECONDARY,

PUNITIVE, OR SPECIAL DAMAGES UNDER THE CONTRACT FOR THE PURCHASE OF THE PROPERTY OR THE LIMITED WARRANTY AGREEMENT. IN NO EVENT MAY ANY ACTION(S) ARISING OUT OF THE CONTRACT FOR THE PURCHASE OF THE PROPERTY OR THE LIMITED WARRANTY AGREEMENT BE BROUGHT BY BUYER AGAINST SELLER MORE THAN ONE (1) YEAR AFTER THE CLOSING.

BUYER UNDERSTANDS AND AGREES THAT THE LIMITED WARRANTY DESCRIBED HEREIN SHALL BE THE SOLE AND EXCLUSIVE WARRANTY GIVEN TO BUYER IN CONNECTION WITH BUYER'S PURCHASE OF THE PROPERTY IDENTIFIED IN THE CONTRACT TO BUY AND SELL REAL ESTATE.

BUYER UNDERSTANDS AND AGREES THAT THIS LIMITED WARRANTY DESCRIBED HEREIN IS IN LIEU OF ALL OTHER WARRANTIES IN CONNECTION BUYER'S PURCHASE OF THE PROPERTY IDENTIFIED IN THE CONTRACT TO BUY AND SELL REAL ESTATE, WHETHER EXPRESS OR IMPLIED, AND THAT ALL OTHER WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED IN THEIR ENTIRETY INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, HABITABILITY, OR FITNESS FOR A PARTICULAR PURPOSE.

AS TO ANY PERSONAL PROPERTY AND AS TO ANY CONSUMER PRODUCT (AS THAT TERM MAY BE DEFINED UNDER APPLICABLE FEDERAL, STATE OR LOCAL LAWS OR THEIR IMPLEMENTING REGULATIONS) WHICH MAY BE A PART OF OR LOCATED AT THE PROPERTY, SELLER NEITHER MAKES NOR ADOPTS ANY WARRANTY WHATSOEVER AND BUYER AGREES THAT IT WILL LOOK SOLELY TO THE MANUFACTURER'S WARRANTY FOR REMEDYING ANY DEFECTS IN ANY PERSONAL PROPERTY OR CONSUMER PRODUCTS.

IN THE EVENT THAT ANY PROVISIONS IN THE LIMITED WARRANTY CONFLICT WITH ANY APPLICABLE FEDERAL OR COLORADO STATUTES WHICH PROVIDE NON-WAIVABLE LEGAL RIGHTS, INCLUDING, WITHOUT LIMITATION, THE COLORADO CONSTRUCTION DEFECT ACTION REFORM ACT OR THE COLORADO CONSUMER PROTECTION ACT, THEN THE NON-WAIVABLE TERMS OF SUCH STATUTE SHALL CONTROL

3. **Walk-Through Prior to Closing; Punch List.** On a mutually agreed upon date prior to Closing, Buyer shall completely inspect the Property with an agent of Seller at a time agreed to by Seller and Buyer. Immediately following such inspection, Buyer shall complete and execute a reasonable punch list of items of cosmetic items which are identified as needing repair by Seller ("Inspection Objection"). All other construction items, if any, that Buyer believes are incomplete or require repair are required to be identified at the time of the home inspection. The items included in the Punch List are referred to herein as the "Punch List Items." If Buyer does not appear for such inspection at the appointed time, then Seller or its representative may, but shall not be obligated to, prepare the Punch List on behalf of Seller and Buyer, and said Punch List shall be binding on Buyer.

Within five (5) business days after receipt of the Punch List Items by Seller or Seller's agent, Buyer and an agent of Seller shall agree upon those Punch List Items, if any, which will be repaired by Seller. **NOTE: Seller will complete one and only one Punch List.** Any additional items identified by Buyer after the Punch List, if any, must be handled under the Limited Warranty Agreement to the extent that the item is a covered item under the Limited Warranty Agreement. Seller will complete the Punch List Items which Seller or Seller's agent agrees to repair, at Seller's expense, within a reasonable time not to exceed sixty (60) days after the Punch List is completed and signed by Buyer, and in any event will be completed by the Closing Date set forth in the Contract, subject to delays encountered by Seller for reasons beyond its control. Thereafter, Buyer shall promptly (and not later than one (1) business day prior to Closing) inspect the Property to view Seller's work on the Punch List Items. Closing upon the purchase of the Property shall constitute Buyer's written acknowledgement that the Property is accepted by Buyer in its then condition and that all Punch List Items have been completed or repaired to Buyer's satisfaction.

If Buyer and the agent of Seller cannot agree on which Punch List Items are reasonable and only of a cosmetic nature and which the Seller will repair, Seller shall have the right, in its sole and absolute discretion, to either (i) complete the purchase and sale of the Property in accordance with the terms of the Contract, with the dispute in question to be resolved in accordance with the provisions of Section 4 below or (ii) to terminate the Contract for the purchase of the Property. In the event Seller opts to terminate the Contract, Seller shall have no further legal obligations to Buyer and Buyer hereby expressly waives any and all claims against Seller in any way related to the Contract including, but not limited to, any claims for consequential damages or specific performance.

4. **Dispute Resolution.** Any dispute resolution provisions set forth in the Contract are hereby rescinded and replaced with the following dispute resolution procedures.

Buyer and Seller desire to resolve any dispute between them as quickly, inexpensively, and efficiently as possible, avoiding the expense and delay of court proceedings. Consequently, the Parties agree that if either party feels a dispute has arisen out of the construction of the improvements on the Property, then such dispute(s) shall be settled in accordance with the procedures outlined in this Section 4.

Nothing in the Contract or this Addendum shall relieve the Buyer of its obligations to comply with all provisions of the Colorado Construction Defect Action Reform Act at C.R.S. § 13-20-801 *et seq.* ("CDARA"). In addition to any requirements under CDARA, any notice of claim required pursuant to C.R.S. § 13-20-803.5 must be sent by email to warranty@dawndevelopment.com. Failure to comply with these notice provisions shall constitute a waiver by Buyer of any and all claims that could have been asserted against Seller related to the Property.

This Section shall apply to any and all claims or disputes that may arise as between Seller, its agent and employees, and Buyer in any way related to the Contract or the Limited Warranty. Buyer expressly acknowledges that it must comply, in full, with the dispute resolution provisions set forth herein as an express condition precedent to the filing of any claims against Seller, its sureties, or its agents or employees including any demand for mediation, arbitration, or the filing of any civil action as set forth below.

Notice of Claim and Inspection/Repair Process. Prior to filing any demand for mediation or arbitration as set forth below, Buyer shall provide Seller with a detailed list of claimed defects and repair items which the Buyer alleges the Seller is responsible for correcting. The list of claimed defects and repair items shall be prepared by a licensed construction professional retained by Buyer. The list shall contain a summary of the defective conditions or Limited Warranty items claimed and a detailed estimate of the costs of repair including a breakdown of all costs associated with any labor or materials needed to make the claimed repairs. To the extent that the Buyer claims that there are deficiencies that are structural in nature, Buyer's list of claimed defects and repair items shall be stamped by a professional engineer licensed in the State of Colorado as to those structural items. Upon receipt of the list of claimed defects and repair items, Seller shall have a period of not less than ninety (90) days from receipt to review the list of claimed defects and repair any items listed prior to any demand for mediation or arbitration being made by Buyer. Buyer shall provide Seller and its agents and representatives reasonable access to the Property to inspect the alleged defective conditions or repair items and to repair any items listed. During this 90 day time period, and without acknowledging any legal obligation to do so, Seller may elect, at its sole option and discretion, to do one or more of the following: (1) undertake some or all of the repairs identified in the Buyer's list of claimed defects and repair items and repair those items at Seller's cost and expense; (2) reject some or all of Buyer's list of claimed defect and repair items and repair some or all of those items; or (3) tender to Buyer in lawful currency the amount claimed by Buyer in its list of claimed defects and repair items for all or a portion of the items listed. In the event, Seller opts to repair some or all of the repairs identified in the Buyer's list of claimed defects and repair items, Seller and its agents and employees shall be provided with reasonable access to the Property to make the repairs and Buyer's licensed construction professional shall inspect and either approve of or reject the repairs upon completion. Buyer's licensed construction professional's approval of any repairs shall release Seller from any and all further liability in any way related to the repair item and the repairs made. Failure of the Buyer to have its own licensed professional inspect the repair work performed by Seller within fourteen (14) calendar days of Seller's notice of completion of the repairs shall constitute Buyer's acceptance of the repair work and a waiver of any claims against Seller and its agents and employees in any way related to the work, the Contract, or the Limited Warranty. In the event that Seller opts to tender the costs of repair to Buyer as reflected in Buyer's list of claimed defects and repair items, Buyer shall accept the payment from Seller and Seller, its sureties, agents and employees, shall be forever released from any and all further liability or claims in any way related to the repair items at issue and paid for. Buyer's failure to comply with this Notice of Claim and Inspection/Repair Process shall constitute a waiver of any and all claims Buyer may have against Seller in any way related to any alleged defects or deficiencies in the work or Seller's performance under the Contract or the Limited Warranty.

In the event that Seller fails or refuses to make the repairs requested or tender payment for the repairs reflected in the list of claimed defects and repair items, Buyer may then invoke the Mediation provisions set forth below with respect to any unresolved items.

Mediation. If a dispute arises relating to the Contract or the Limited Warranty, prior to or after Closing, and is not resolved through the Notice of Claim and Inspection/Repair Process identified above, Buyer must then proceed in good faith to submit the matter to mediation as a condition precedent to filing any demand for arbitration. 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, in writing, 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, will terminate in the event the entire dispute is not resolved within sixty (60) days of the date written notice requesting mediation is delivered by one party to the other at the party's last known address.

Binding Arbitration. Following full compliance with the Notice of Claim and Mediation provisions set forth above, Buyer must submit any remaining dispute, controversy or claim concerning the rights or obligations of the parties under the Contract or Limited Warranty, any condition or element of the work, the need or propriety of any repair or replacement under any Warranty or otherwise, or any claim of misrepresentation, fraud or breach of contract, to binding arbitration pursuant to the American Arbitration Association Construction Arbitration Rules and subject to the laws of Colorado. Buyer agrees that such arbitration shall be mandatory and binding and shall be in lieu of any other legal process or remedy. Arbitration may be requested by either party and shall be conducted in the County where the Property is located. Any arbitrator must be experienced in the new home construction industry, its practices and standards of performance. If Seller is deemed to be the prevailing party in any arbitration, Seller shall be awarded all attorney's fees and costs incurred as a result of any dispute. The party filing for arbitration shall bear the initial costs and deposits for the arbitration. Should any party fail to pay the arbitration costs by any deadline established by the dispute resolution provider, the other party shall be awarded a default judgment and shall be granted relief in accordance with its claims. Any award of costs shall include those initially paid for arbitration. Any award rendered by the arbitrator shall be binding on the parties and fully enforceable as a judgment in a court of law. Seller shall have the sole right to remove, at its sole and absolute discretion, any arbitration action filed by Buyer, as described in this Section, to any court of law with jurisdiction provided that Seller notifies Buyer of its intent to remove the case to Court within thirty (30) calendar days of Seller's receipt of a Demand for Arbitration from Buyer.

BUYER UNDERSTANDS AND ACKNOWLEDGES THAT BY SIGNING THIS CONTRACT, BUYER IS WAIVING HIS/HER/ITS LEGAL RIGHTS TO FILE A LAWSUIT OR APPEAL TO RESOLVE DISPUTES AND THE FINAL DECISION ON ANY DISPUTE WILL BE MADE BY AN ARBITRATOR AND NOT A JUDGE OR JURY.

Nothing in this Addendum shall be construed as a waiver of any rights or obligations of the parties as set forth under Colorado's Construction Defect Action Reform Act, C.R.S. 13-20-801 et. seq. ("CDARA"). No steps taken by the Seller or any other person to inspect, test, correct or repair any alleged deficiencies shall operate to extend any time periods set forth under CDARA or under any applicable warranty under the terms of this Addendum.

Under no circumstances shall Seller be liable for any claims by Buyer regarding the Contract, Property, or Limited Warranty which are submitted to Seller more than one (1) year after Closing.

The provisions of this Section 4 shall survive closing.

5. Incorporation of Contract Terms; Conflict. With the exception of those matters set forth in this Addendum A, the transaction contemplated in the Contract shall be subject to all terms, covenants and conditions set forth in the Contract. In the event of any express conflict or inconsistency between the terms of this Addendum A and the terms of the Contract, the terms of this Addendum A shall control and govern.

READ AND AGREED TO THIS DATE_____.

Buyer's Signature & Date:_____

Buyer's Signature & Date:_____

Seller:_____, a Colorado limited liability company

Seller Signature & Date:_____

Seller Signature & Date:_____

to

ADDENDUM A

LIMITED WARRANTY AGREEMENT

This Limited Warranty Agreement is extended by _____,
a Limited Liability Company, whose address is _____ (the "Seller") (the "Buyers") of the Property at the
following
address: _____ (the "Home" or the "Property").

PURSUANT TO THE TERMS OF THAT CERTAIN CONTRACT TO BUY AND SELL REAL ESTATE DATED _____ AND ALL ATTACHMENTS, ADDENDA AND AMENDMENTS THERETO, BY AND BETWEEN THE ABOVE-NAMED SELLER AND BUYER FOR THE SALE AND PURCHASE OF THE ABOVE-REFERENCED HOME (COLLECTIVELY, THE "CONTRACT"), THE LIMITED WARRANTY SET FORTH IN THIS LIMITED WARRANTY AGREEMENT IS THE ONLY EXPRESS WARRANTY GRANTED TO THE BUYER WITH RESPECT TO THE HOME BEING PURCHASED. TO THE EXTENT PERMITTED BY LAW, ALL EXPRESS OR IMPLIED WARRANTIES OTHER THAN THIS LIMITED WARRANTY AGREEMENT, INCLUDING ANY ORAL OR WRITTEN STATEMENTS OR REPRESENTATIONS MADE BY SELLER OR ANY OTHER PERSON, AND ANY IMPLIED WARRANTY OF HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY EXPRESSLY DISCLAIMED BY SELLER AND ARE WAIVED BY BUYER. BUYER'S ONLY REMEDY IN THE EVENT OF A CONSTRUCTION DEFECT AT THE HOME, OR TO THE REAL PROPERTY ON WHICH THE HOME IS SITUATED IS THAT PROVIDED TO BUYER BY SELLER UNDER THIS LIMITED WARRANTY AGREEMENT.

OTHER THAN AS SET FORTH IN THIS LIMITED WARRANTY AGREEMENT, SELLER MAKES NO WARRANTIES OR REPRESENTATIONS OF ANY KIND OR NATURE IN ANY WAY RELATED TO THE HOME AND PROPERTY. SELLER HEREBY EXPRESSLY DISCLAIMS, TO THE FULLEST EXTENT ALLOWED BY LAW, ANY SUCH REPRESENTATIONS OR WARRANTIES INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. BUYER HEREBY WAIVES ANY CLAIMS AGAINST OR LIABILITY OF THE SELLER FOR INCIDENTAL, CONSEQUENTIAL, SECONDARY, PUNITIVE, OR SPECIAL DAMAGES UNDER THIS LIMITED WARRANTY AGREEMENT. IN NO EVENT MAY ANY ACTION(S) ARISING OUT OF THE CONTRACT FOR THE PURCHASE OF THE HOME OR PROPERTY OR THIS LIMITED WARRANTY AGREEMENT BE BROUGHT BY BUYER AGAINST SELLER MORE THAN ONE (1) YEAR AFTER THE CLOSING.

BUYER UNDERSTANDS AND AGREES THAT THE LIMITED WARRANTY DESCRIBED HEREIN SHALL BE THE SOLE AND EXCLUSIVE WARRANTY GIVEN TO BUYER IN CONNECTION WITH BUYER'S PURCHASE OF THE PROPERTY IDENTIFIED IN THE CONTRACT TO BUY AND SELL REAL ESTATE.

AS TO ANY PERSONAL PROPERTY AND AS TO ANY CONSUMER PRODUCT (AS THAT TERM MAY BE DEFINED UNDER APPLICABLE FEDERAL, STATE OR LOCAL LAWS OR THEIR IMPLEMENTING REGULATIONS) WHICH MAY BE A PART OF OR LOCATED AT THE HOME OR PROPERTY, SELLER NEITHER MAKES NOR ADOPTS ANY WARRANTY WHATSOEVER AND BUYER AGREES THAT IT WILL LOOK SOLELY TO THE MANUFACTURER'S WARRANTY FOR REMEDYING ANY DEFECTS IN ANY PERSONAL PROPERTY OR CONSUMER PRODUCTS.

IN THE EVENT THAT ANY PROVISIONS IN THIS LIMITED WARRANTY AGREEMENT CONFLICT WITH ANY APPLICABLE FEDERAL OR COLORADO STATUTES WHICH PROVIDE NON-WAIVABLE LEGAL RIGHTS, INCLUDING, WITHOUT LIMITATION, THE COLORADO CONSTRUCTION DEFECT ACTION REFORM ACT OR THE COLORADO CONSUMER PROTECTION ACT, THEN THE NON-WAIVABLE TERMS OF SUCH STATUTE SHALL CONTROL.

1. Who Is Covered Under the Warranty. The express limited warranty given under this Limited Warranty Agreement is given exclusively to the above-named Buyer, and not to the Buyer's heirs, executors, administrators, successors, and/or assigns (including, without limitation, successor trustees, beneficiaries and assignees), or successors in interest including

future owners of the Home. The express limited warranty given under this Agreement is personal to the above-named Buyer and may not be transferred or assigned to any subsequent owner of the Home or Property. This Limited Warranty Agreement shall automatically terminate if title to the Home or Property is transferred.

2. What Is Covered by the Warranty. The Seller warrants that, subject to the limitations and exclusions set forth below, all construction of residential improvements performed by or for Seller at the Home or Property will be free from latent defects due to faulty materials or workmanship for a period of one (1) year from the date of closing (the "Warranty Period").

During the term of the Warranty Period, the Seller will repair or replace, at the Seller's option, any latent defects in material or workmanship by the standards of construction prevailing in Denver, Colorado. Such repair or replacement shall be at the Seller's expense and without charge to Buyer. A latent defect is defined as one which was not apparent or ascertainable at the time Buyer took occupancy of the Property. The Buyer agrees to accept a reasonable match in any repair or replacement in the event the original item is no longer reasonably available.

Latent structural defects in structural elements of the Home include deficiencies in the foundation and/or footings, beams, girders, lintels, floor joists, load-bearing walls and the roof framing system and will be under warranty by Seller for a period of six (6) years from the date of Closing notwithstanding the Warranty Period referenced above. The repair of structural defects affecting load-bearing elements of the Home shall be limited to the restoration of such items to load-bearing ability. Any other repairs necessitated in connection with the correction of the items listed in this paragraph shall be limited to repair or restoration of any damage to improvements as originally constructed by Seller (and will not include repairs to or restoration of any alterations or improvements made by or for Buyer after Closing).

Seller encourages Buyer to purchase, at its sole cost and expense, a home warranty for the Property from a third party as such warranties may cover additional items not covered under the terms of this Limited Warranty.

3. What Is Not Covered by the Warranty. This Limited Warranty Agreement does not cover the following items:

- A. Loss or damage resulting from use of the Home for other than single-family residential purposes or resulting from abnormal use or abnormal wear and tear;
- B. Loss or damage resulting from move-in or the subsequent moving of furniture, appliances, or other items;
- C. Loss or damage resulting from (or made worse by) the negligence or intentional wrongful act of Buyer or third parties including, by way of example, the use of light bulbs of a wattage other than designated by the manufacturer of the fixture in which they are installed, the use of appliances requiring voltage other than that for which the Home is wired, failure to check and maintain heating and air conditioning units (such as the failure to change filters or maintain clear air flow into and out of all air ports and ducts), or failure to clean out downspouts, gutters and drain covers;
- D. Loss or damage resulting from explosions, fires, smoke, floods, the elements or adverse weather conditions (including sun damage, storms, winds, lightning, or hail), riots, civil commotions or unrest, landslides, mudslides, earth movement, earthquakes, electrical malfunctions, glass breakage, accidents, falling objects, vehicles or aircraft, acts of God or other casualty, including changes in the water table and/or drainage erosion;
- E. Loss or damage caused by birds, rodents, vermin, wild or domestic animals, or insects;
- F. Loss or damage caused by changes in the grading of the property around the Home other than those performed by Seller or Seller's employees, agents, contractors, and subcontractors as well as any loss or damage caused by any landscaping on the property, including but not limited to any roots, trees, shrubs, sprinkler systems, fire pits and water features;
- G. Water damage from any defect otherwise covered by this limited warranty, which damage could have been avoided or mitigated if reported to the Seller immediately, it being understood and agreed that Buyer is required to report all water leaks or seepage, and evidence of leaks or seepage, and/or water damage to the Seller immediately;
- H. Loss or damage caused by dampness or condensation arising from Buyer's failure to maintain adequate ventilation and/or adequate drainage, or caused by mold or fungus;

I. Any defect if Buyer alters the item or component in which the defect appears, or if Buyer performs repairs or causes repairs to be performed to the defective item or component without first receiving the prior written consent of the Seller to do so;

J. Loss or damage from misuse or abuse, or neglect, of the covered items by any person including, by way of example, the use of water closets or water fixtures for any purposes for which they are not intended, the improper or excessive disposal of items down drains or pipes, the running of whirlpool jets and/or motors without sufficient water in the tub or fixture, the use of items such as shower heads or cabinet doors to bear weight for which such items were not designed;

K. Loss or damage resulting from the Buyer's failure to observe any operating and/or maintenance instructions of manufacturers or which are otherwise furnished by the Seller to the Buyer, or resulting from the failure to perform routine maintenance or from improper maintenance by Buyer or third parties, or resulting from the negligence of anyone other than the Seller, its employees, agents, contractors, or subcontractors, it being understood that Buyer is responsible for being familiar with and aware of all routine maintenance of the Home and to perform all routine maintenance on a regular basis as noted in Exhibit A to this Limited Warranty Agreement;

L. Loss or damage resulting from a malfunction of appliances and/or equipment or lines of the telephone, sewer, gas, power, or water companies, or arising from a malfunction of cable or internet services equipment or facilities;

M. Any failure of the heating and cooling systems serving the Home to maintain temperatures outside levels of performance established by the Seller, it being expressly understood and agreed that the heating and cooling systems are designed to maintain seasonally reasonable indoor temperatures (which may vary up to 15 degrees from floor to floor depending on the time of the year and prevailing weather conditions), and depend upon proper maintenance by Buyer, proper balancing of the registers, and the proper utilization of window coverings;

N. Any item furnished or installed by the Buyer or any work done by the Buyer, or any modification of the Home by the Buyer (or on behalf of Buyer by third parties), including, by way of example, built-in-shelving, lighting, sprinkler systems, security alarms, and security doors, and damage to or malfunction of wiring and/or wired fixtures which have been moved, modified, extended, expanded or otherwise altered in any way by persons other than the Seller or Seller's contractors or subcontractors;

O. Natural variations in building materials, such as color variations in stained woods, including cabinets, paneling, doors, floors, stairs, railings and woodwork, and variations in natural stone, including variations in color, veining, and texture;

P. Any loss or damage for any defects for which the Buyer receives payment, reimbursement, or compensation from insurance coverage or from public funds;

Q. Any items listed as Non-Warrantable Conditions on the list that is incorporated into this Limited Warranty Agreement, the Buyer hereby acknowledging receipt of the list of Non-Warrantable Conditions;

R. Any appliance, piece of equipment, or other item that is a consumer product for the purposes of the Magnuson-Moss Warranty Act, 15 U.S.C. Sec. 2301 *et seq.*, installed or included in the Home;

S. Loss or damage resulting from weight that exceeds the load bearing design of the Home;

T. Any damage to the Home, any person or property of any kind, resulting from a swimming pool, spa, hot tub or combination of same or to any of those items installed or included in the Home, including but not limited to water damage in the Home from the water source;

U. Any loss or damage as a result of the Home being equipped with glass garage doors, which may experience higher thermal gain or loss compared to the use of other materials and may experience certain water and moisture at the floor of such doors when water is present, including but not limited to the inside area next to such doors;

V. Any additional construction defect, loss or damage as to which the Seller did take timely and reasonable steps to protect and minimize damage after its discovery by Seller;

W. Cracks, chips, dents, scratches, mars, spots, stains, tarnishing, frays, snags or tears in, on or of the following are excluded from this Limited Warranty unless such defects are listed on the Punch List: flooring material (including but not limited to bamboo, marble, ceramic or vinyl resilient tile and carpet); doors; walls and woodwork; cabinets and vanities; countertops and vanity tops (natural stone, laminate or solid surface); appliances; plumbing fixtures and equipment (including sinks, toilets, tubs, shower enclosures and faucets); mirrors; medicine cabinets; hardware; light fixtures; light switches and electrical outlets. Any damage occurring upon move in is excluded from this Limited Warranty;

X. Nail or screw pops and/or wrinkled or open seams, cracks in walls, floors or ceilings, concrete shrinkage cracks, and swelling or shrinkage of wood floors are excluded from this Limited Warranty since such conditions do not result from faulty materials or workmanship but are the result of natural shrinkage, drying out of building materials, normal settlement of the Home, seasonal changes, habitation of the Home, wind loads or other normal movement of the structural components. Such occurrences are common in gypsum wallboard installations, are a homeowner's maintenance responsibility and are excluded from this Limited Warranty;

Y. Mold. Any and all damage relating to, consisting of, or caused directly or indirectly by mold and fungus are excluded from this Limited Warranty;

Z. Walls, ceilings, terraces, patios and floors can develop cracks due to characteristics of expanding and contracting of concrete and such cracks are excluded from this Limited Warranty. This is a normal occurrence that cannot be controlled. However, Buyer can protect exterior concrete by keeping it free and clear of ice and snow and by not applying salt in any form. All concrete surfaces, including those in precast and prestressed concrete products, may discolor due to temperature, humidity, or light. Variations in the material composition and discoloration are excluded from this Limited Warranty. Small surface holes caused by air bubbles, color variations, form joint marks and minor chips and spalls are normal and are excluded from this Limited Warranty;

AA. Floor squeaks. Extensive research and writing on the subject of floor squeaks concludes that much has been tried, but little can be done to completely eliminate floor squeaks and floor squeaks are excluded from this Limited Warranty. Generally, these will appear and disappear with changes in weather conditions;

BB. Frozen pipes or sillcocks caused by the failure to drain sillcocks, close shut-off valves, or disconnect garden hoses, and damage to the Home caused by frozen pipes and sillcocks, are excluded from this Limited Warranty;

CC. Stained woods. Woods, cabinets, paneling, doors, floors, stairs, railings and wood trim all have variations in wood grain and color. These variations cannot be controlled and are excluded from this Limited Warranty;

DD. Paint. Walls have been painted and are warranted to be in good condition at the time of Closing. Thereafter, care and maintenance is the responsibility of the Buyer and damage or defects in paint arising after closing is excluded from this Limited Warranty. Chips, cracks and peeling are conditions that may occur due to causes other than the paint or its application and, therefore, are excluded from this Limited Warranty;

EE. Natural Stone. Natural stone (including but not limited to marble, granite, limestone and slate) is a product of nature and not subject to the same consistency that is typical of manufactured building materials, said consistency is excluded from this Limited Warranty. As a result, displayed samples of stone may not be exactly the same in color, veining and/or texture as the products installed. While efforts will be made to limit variations in color, veining, shade and texture within a Home generally, variation cannot be completely controlled, and exact matching is not guaranteed or warranted;

FF. Architectural Woodwork and Other Wood Products. Dimensional changes in architectural wood products, and other wood-based products such as plywood, veneers and particleboard may occur and are excluded from this Limited Warranty. Under normal use conditions all wood products contain some moisture. Wood readily exchanges this moisture with the water vapor in the surrounding atmosphere according to the existing relative humidity. As fluctuations in humidity occur, some dimensional changes in painted or unfinished wood products will occur and are excluded from this Limited Warranty;

GG. Floors. Wood used to produce flooring will contract or expand according to the amount of moisture in the air, and such events are excluded from this Limited Warranty. In high humidity, wood floors will absorb moisture, causing boards to expand so that the edges rub together and produce squeaks. Conversely, during periods when wood floors are constantly exposed to heat and unusually dry conditions, visible buckling or cracks, sometimes up to the thickness of a dime, between boards may appear, and these events are

excluded from this Limited Warranty;

HH. Floor Levelness. The Home will experience minor settlement of the foundation over time and minor settlement is excluded from this Limited Warranty; and

II. Landscaping. All landscaping is excluded from this Limited Warranty.

Buyer's Initials: _____ Buyer's Initials: _____ Seller's Initials: _____

THE ONLY WARRANTIES FOR THE ITEMS LISTED BELOW (IF APPLICABLE) ARE THOSE THAT THE MANUFACTURER PROVIDES TO THE BUYER:

Appliances

- Range, Stove, or Cooktop
- Dishwasher
- Oven and Hood
- Microwave
- Refrigerator

Heating and Ventilation

- | | | |
|-----------------------|-------------|--------------|
| Air-Conditioning Unit | Exhaust Fan | Space Heater |
| Boiler | Furnace | Thermostat |
| Heat Pump | | |

Mechanical and/or Electrical

- | | |
|--------------------|--------------------------------|
| Garage Door Opener | Gas or Electric Barbecue Grill |
| Chimes | |
| Smoke Detector | |
| Water Pump | |
| Fire Alarm | |

Plumbing

- | | |
|--------------|---------|
| Sump Pump | Hot Tub |
| Water Heater | |

The following items are not consumer products under the Magnuson-Moss Warranty Act when sold as part of a new home and are not covered under this Warranty:

Heating and Ventilation

- | | | |
|-------|-----------|-----------|
| Ducts | Registers | Radiators |
|-------|-----------|-----------|

Mechanical and/or Electrical

Circuit Breaker	Electric Panel	Garage Door
Electrical Switch Box and Outlets	Light Fixtures	Fuses
Wiring		

Plumbing

Bidet	Faucet, Trap	Shower Stall
Bathtub	Vanity	Sink
Laundry Tray	Toilet	Sprinkler Head
Medicine Cabinet	Plumbing Fittings (shower head & drain)	Escutcheon (flange around a pipe or fitting)

Miscellaneous Items

Cabinets	Shelving	Wall or Wall Covering
Ceiling	Roofing	Windows
Chimney and Fireplace	Door	Gutters

Note: If the item has a function separate and apart from the Home as a residence, it is likely to be considered a consumer product (such as a water heater, stove, or refrigerator), whereas other items (such as floorboards and trusses) are not considered consumer products.

(i) The Seller has made any such warranties available to the Buyer for the Buyer's inspection, and the Buyer acknowledges receipt of copies of any warranties requested.

(ii) The Seller hereby assigns (to the extent that they are assignable) and conveys to the Buyer all warranties provided to the Seller on any manufactured items that have been installed or included in the Buyer's Home. The Buyer accepts this assignment and acknowledges that the Seller's only responsibility relating to such items is to lend assistance to the Buyer in settling any claim resulting from the installation of these manufactured items.

Should an appliance or item of equipment malfunction, Buyer acknowledges and agrees that Buyer must follow the procedures set forth in that manufacturer's warranty to correct such problem. Seller has no obligation for appliances and equipment defined as Consumer Products.

Buyer's Initials: _____ Buyer's Initials: _____ Seller's Initials: _____

4. Remedies and Limitations.

A. Buyer acknowledges and agrees that its sole remedies under this Limited Warranty Agreement are the repair or replacement of the covered item as set forth herein, or the payment by the Seller to the Buyer of the actual cost of repair or replacement of the defective item or component (at Seller's option). These remedies are expressly conditioned upon Buyer having first notified the Seller of Buyer's request for warranty service as required in Section 5 below and allowing Seller the opportunity to correct the defective item or component. Buyer acknowledges and agrees Seller's aggregate liability under this Limited Warranty Agreement is limited to the actual and direct cost of repairing or replacing the covered items. .

B. With respect to any claims whatsoever asserted by the Buyer against the Seller under this Limited Warranty Agreement, the Buyer acknowledges and agrees that the Buyer will have no right to recover or request compensation for, and the Seller shall not be liable for:

- (i) Incidental, consequential, secondary, punitive, or special damages;
- (ii) Damages for aggravation, mental anguish, emotional distress, or pain and suffering; or
- (iii) Attorneys' fees or costs.

C. The Buyer acknowledges and agrees that no other express warranties whatsoever apply to the structure of the Home and items that are functionally part of the Home. The Seller disclaims, and Buyer hereby waives the existence and benefit of, any other express warranties, including (but not limited to) warranties of habitability, merchantability or fitness for a particular purpose to the extent allowed by law. These limitations shall be enforceable to the fullest extent permitted by law.

D. Except to the extent otherwise specifically provided for in this Limited Warranty Agreement Buyer accepts and agrees to these limitations and Buyer acknowledges and agrees that this Limited Warranty Agreement is personal to the Buyer of the Home and will not be applicable to any subsequent purchaser of the Home or the items contained in the Home. The original Buyer may not assign, transfer, or convey any of Buyer's rights under this Limited Warranty Agreement.

E. If any provision of this Limited Warranty Agreement is determined to be unenforceable, such a determination will not affect the remaining provisions of this Limited Warranty Agreement.

5. How to Obtain Service. If a problem develops during the Warranty Period, the Buyer must sign up for the Builders Warranty Services by completing the form at <https://www.dawndevelopment.com/contact/warranty> (if that was not completed at time of close) AND notify the Seller by completing a Warranty Services Request within the Builder Warranty Services software, as soon as reasonably possible after Buyer becomes aware of, or reasonably should have become aware of such problem, but in no event later than the Warranty Period (unless the problem to be reported involves a water leak or water damage of any kind, in which case the Builder should be notified by telephone immediately at the Emergency Contact number provided below AND by creating a Warranty Services Request within the Builders Warranty Services software). The Warranty Services Request needs to include the Buyer's name, address, telephone number, and a detailed description of the nature of the problem and supporting photo(s). The Seller or Builder shall have no obligation to correct items that are covered by this Limited Warranty Agreement unless Buyer signed up for the Builders Warranty Services software AND submitted a Warranty Services Request before the expiration of the Warranty Period. In the event the problem involves a water leak or water damage of any kind, Buyer's failure to comply with the above referenced notice provisions shall void the Limited Warranty with respect to that item as well as any water damage resulting therefrom. Buyer acknowledges that it has an affirmative obligation to take all steps reasonably necessary to limit any water infiltration into the Home including, but not limited to, shutting off the affected water source and that any damage resulting from Buyer's failure to do so is not covered by this Limited Warranty.

Emergency Contact: 303-757-3296

Buyer telephonic or face-to-face discussion is NOT a substitute for signing up for the Builders Warranty Services software or submitting a Warranty Services Request and will not protect Buyer's rights under this Limited Warranty Agreement.

Unless the Seller has opted to pay the reasonable direct costs of repairing any item covered under this Limited Warranty Agreement, the Seller will begin performing its obligations under this Limited Warranty Agreement within a reasonable time (not to exceed thirty (30) days) after the Seller's receipt of Warranty Services Request via the Builders Warranty Services software. Seller or its representative will diligently pursue the completion of all work required under this Limited Warranty Agreement and will complete such work within sixty (60) days of receipt of Buyer's Warranty Services Request via the Builders Warranty Services software, subject to delays encountered by Seller for reasons beyond its control.

Repair work will be done during the Seller's normal business working hours (8:00 a.m. to 4:00 p.m. Monday through Friday, excluding designated national holidays) except where delay will cause additional damage. The Buyer agrees to provide the Seller or Seller's representative access to the Home during the Seller's normal business working hours to effect needed repairs or replacements. In the event of emergency repairs, Buyer shall provide Seller or its representative immediate access to the Property as required by Seller or its representative. The Buyer also agrees to ensure that a responsible adult with the authority to approve the repair and sign a repair ticket upon completion of the repair will be present at all times during said repair work. Buyer agrees to give Seller or third parties acting on Seller's behalf necessary access for inspecting, investigating testing, monitoring, repairing, replacing or otherwise correcting an items covered under this Limited Warranty Agreement. This includes, but is not limited to, providing reasonable access to the Home. Should the Buyer fail to cooperate or provide Seller or third parties acting on Seller's behalf reasonable access to the Home, Seller shall have no further obligation under this Limited Warranty Agreement. Buyer agrees to not make any voluntary payments or assume any obligations or incur any expenses to third parties for any items that are covered under this Limited Warranty Agreement for the remedy of a condition Buyer believes is covered under this Limited Warranty Agreement. Seller will not, under any circumstances, reimburse Buyer for costs incurred where Buyer did not receive prior written approval from Seller prior to Buyer incurring said costs for such payments.

6. Specific Legal Rights. This Limited Warranty Agreement gives the Buyer specific legal rights, and the Buyer may also have other rights which may be afforded under state or federal law.

7. Where to Get Help. If the Buyer wants help or information concerning this Limited Warranty Agreement, the Buyer should contact the Seller.

8. Only Warranty Given by the Seller. The Buyer acknowledges that (a) he or she has thoroughly examined the Home and any personal property, including appliances, conveyed to Buyer with the Home, (b) the Buyer has read and understands this Limited Warranty Agreement, and (c) the Seller has made no guarantees, warranties, understandings, nor representations (nor have any been made by any representatives of the Seller) that are not expressly set forth in this document.

9. Dispute Resolution.

With respect to any obligations or duties arising under this Limited Warranty Agreement, Buyer and Seller desire to resolve any dispute between them as quickly, inexpensively, and efficiently as possible, avoiding the expense and delay of court proceedings. Consequently, the Parties agree that if either party feels a dispute has arisen concerning this Limited Warranty Agreement, then such dispute(s) shall be settled in accordance with the procedures outlined in this Section 9.

Nothing in this Limited Warranty Agreement shall relieve the Buyer of its obligations to comply with all provisions of the Colorado Construction Defect Action Reform Act at C.R.S. § 13-20-801 *et seq.* (“CDARA”). In addition to any requirements under CDARA, any notice of claim required pursuant to C.R.S. § 13-20-803.5 must be sent by email to warranty@dawndevelopment.com. Normal and customary requests for warranty service and repair should also be sent via email to warranty@dawndevelopment.com. Failure to comply with these notice provisions shall constitute a waiver by Buyer of any and all claims that could have been asserted against Seller related to the Property.

This Section shall apply to any and all claims or disputes that may arise as between Seller, its agent and employees, and Buyer in any way related to the Limited Warranty Agreement. Buyer expressly acknowledges that it must comply, in full, with the dispute resolution provisions set forth herein as an express condition precedent to the filing of any claims against Seller, its sureties, or its agents or employees including any demand for mediation, arbitration, or the filing of any civil action as set forth below.

Notice of Claim and Inspection/Repair Process. Prior to filing any demand for mediation or arbitration as set forth in below, Buyer shall provide Seller with a detailed list of claimed defects and repair items which the Buyer alleges the Seller is responsible for correcting. The list of claimed defects and repair items shall be prepared by a licensed construction professional retained by Buyer. The list shall contain a summary of the defective conditions or Warranty items claimed and a detailed estimate of the costs of repair including a breakdown of all costs associated with any labor or materials needed to make the claimed repairs. To the extent that the Buyer claims that there are deficiencies that are structural in nature, Buyer’s list of claimed defects and repair items shall be stamped by a professional engineer licensed in the State of Colorado as to those structural items. Upon receipt of the list of claimed defects and repair items, Seller shall have a period of not less than 90 days from receipt to review the list of claimed defects and repair any items listed prior to any demand for mediation or arbitration being made by Buyer. Buyer shall provide Seller and its agents and representatives reasonable access to the Property to inspect the alleged defective conditions or repair items and to repair any items listed. During this 90 day time period, and without acknowledging any legal obligation to do so, Seller may elect, at its sole option and discretion, to do one or more of the following: (1) undertake some or all of the repairs identified in the Buyer’s list of claimed defects and repair items and repair those items at Seller’s cost and expense; (2) reject some or all of Buyer’s list of claimed defect and repair items and repair some or all of those items; or (3) tender to Buyer in lawful currency the amount claimed by Buyer in its list of claimed defects and repair items for all or a portion of the items listed. In the event, Seller opts to repair some or all of the repairs identified in the Buyer’s list of claimed defects and repair items, Seller and its agents and employees shall be provided with reasonable access to the Property to make the repairs and Buyer’s licensed construction professional shall inspect and either approve of or reject the repairs upon completion. Buyer’s licensed construction professional’s approval of any repairs shall release Seller from any and all further liability in any way related to the repair item and the repairs made. Failure of the Buyer to have its own licensed professional inspect the repair work performed by Seller within fourteen (14) calendar days of Seller’s notice of completion of the repairs shall constitute Buyer’s acceptance of the repair work and a waiver of any claims against Seller and its agents and employees in any way related to the work, the Contract, or the Limited Warranty. In the event that Seller opts to tender the costs of repair to Buyer as reflected in Buyer’s list of claimed defects and repair items, Buyer shall accept the payment from Seller and Seller, its sureties, agents and employees, shall be forever released from any and all further liability or claims in any way related to the repair items at issue and paid for. Buyer’s failure to comply with this Notice of Claim and Inspection/Repair Process shall constitute a waiver of any and all claims Buyer may have

against Seller in any way related to any alleged defects or deficiencies in the work or Seller's performance under the Limited Warranty Agreement.

In the event that Seller fails or refuses to make the repairs requested or tender payment for the repairs reflected in the list of claimed defects and repair items, Buyer may then invoke the Mediation provisions set forth below with respect to any unresolved items.

Mediation. If a dispute arises relating to the Contract or the Limited Warranty, prior to or after Closing, and is not resolved through the Notice of Claim and Inspection/Repair Process identified above, Buyer must then proceed in good faith to submit the matter to mediation as a condition precedent to filing any demand for arbitration. 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, in writing, 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, will terminate in the event the entire dispute is not resolved within sixty (60) days of the date written notice requesting mediation is delivered by one party to the other at the party's last known address.

Binding Arbitration. Following full compliance with the Notice of Claim and Mediation provisions set forth above, Buyer must submit any remaining dispute, controversy or claim concerning the rights or obligations of the parties under the Contract or Limited Warranty, any condition or element of the work, the need or propriety of any repair or replacement under any Warranty or otherwise, or any claim of misrepresentation, fraud or breach of contract, to binding arbitration pursuant to the American Arbitration Association Construction Arbitration Rules and subject to the laws of Colorado. Buyer agrees that such arbitration shall be mandatory and binding and shall be in lieu of any other legal process or remedy. Arbitration may be requested by either party and shall be conducted in the County where the Property is located. Any arbitrator must be experienced in the new home construction industry, its practices and standards of performance. If Seller is deemed to be the prevailing party in any arbitration, Seller shall be awarded all attorney's fees and costs incurred as a result of any dispute. The party filing for arbitration shall bear the initial costs and deposits for the arbitration. Should any party fail to pay the arbitration costs by any deadline established by the dispute resolution provider, the other party shall be awarded a default judgment and shall be granted relief in accordance with its claims. Any award of costs shall include those initially paid for arbitration. Any award rendered by the arbitrator shall be binding on the parties and fully enforceable as a judgment in a court of law. Seller shall have the sole right to remove, at its sole and absolute discretion, any arbitration action filed by Buyer, as described in this Section, to any court of law with jurisdiction provided that Seller notifies Buyer of its intent to remove the case to Court within thirty (30) calendar days of Seller's receipt of a Demand for Arbitration from Buyer.

BUYER UNDERSTANDS AND ACKNOWLEDGES THAT BY SIGNING THIS LIMITED WARRANTY AGREEMENT, BUYER IS WAIVING HIS/HER/ITS LEGAL RIGHTS TO FILE A LAWSUIT OR APPEAL TO RESOLVE DISPUTES AND THE FINAL DECISION ON ANY DISPUTE WILL BE MADE BY AN ARBITRATOR AND NOT A JUDGE OR JURY.

Nothing in this Limited Warranty Agreement shall be construed as a waiver of any rights or obligations of the parties as set forth under Colorado's Construction Defect Action Reform Act, C.R.S. 13-20-801 et. seq. ("CDARA"). No steps taken by the Seller or any other person to inspect, test, correct or repair any alleged deficiencies shall operate to extend any time periods set forth under CDARA or under any applicable warranty under the terms of this Limited Warranty Agreement.

I/We acknowledge having received, read understood and agree to be bound by the terms and conditions of this Limited Warranty Agreement.

Buyer's Signature & Date: _____

Buyer's Signature & Date: _____

Seller: _____, a Colorado limited liability company

Seller Signature & Date: _____

Seller Address: _____

EXHIBIT A
To
LIMITED WARRANTY AGREEMENT

**STATEMENT OF NON-WARRANTABLE CONDITIONS ATTACHED TO THE
LIMITED WARRANTY AGREEMENT**

This Statement of Non-Warrantable Conditions (“Statement”) outlines some of the conditions that are not subject to the Seller's Limited Warranty Agreement and explains certain changes and maintenance requirements that may occur in a new residence over the first year of occupancy. In the event of any conflicts between this Statement and the Limited Warranty Agreement, the terms of the Limited Warranty Agreement shall control. Terms not defined herein have the meaning set forth in the Limited Warranty Agreement.

A residence requires more maintenance and care than most products because it is made of many different components, each with its own special, distinct characteristics. From soft wood of the frame to the hard concrete of a footing, each of these materials will react differently to changes in temperature, humidity, setting, support, use, and other conditions. Knowing this, Seller can predict minor flaws, if not evident at completion that may occur over time, which fall into a category called Non-Warrantable Conditions.

The Buyer understands that, like other products made by humans, the Home is not perfect. It will show some minor flaws and unforeseeable problems, and it may require some adjustments and touching up by Buyer.

As described in the Limited Warranty Agreement provided to the Buyer, the Seller will correct certain items that arise during the Warranty Period. Other items that are not covered by the Seller's Limited Warranty Agreement may be covered by manufacturer's warranties.

Some conditions, including (but not limited to) those listed in this Statement of Non-Warrantable Conditions, are not covered under the Seller's Limited Warranty. The Buyer should read these carefully and understand that the Buyer shall not hold the Seller liable or responsible for correcting certain types of problems that may occur in the Home. These guidelines will alert the Buyer to certain types of maintenance problems that are the exclusive responsibility of the Buyer and that could lead to problems if they are neglected.

The following list outlines some of the conditions that are not warranted by the Seller. The Buyer should be sure to understand this list. If the Buyer has any questions, he or she should ask the Seller and feel free to consult an attorney before signing the acknowledgment at the end of this document.

Routine Maintenance. It is the Buyer's responsibility to be familiar with and aware of all routine maintenance of the Home, and to perform all routine maintenance on a regular basis. This includes Buyer making himself/herself knowledgeable about all recommended procedures for using and maintaining all components of the Home, including outdoor hardscape surfaces and landscaping. Failure to perform routine maintenance may void the Seller's Limited Warranty as to the item(s) for which Buyer has not performed routine maintenance, including but not limited to manufacturer's recommended maintenance and installation guidelines.

Concrete. Concrete foundations, steps, walks, drives, and patios as well as polished concrete floors can develop minor cracks that do not affect the structural integrity of the Home. These cracks are caused by characteristics of the concrete itself and by expansion and contraction. No reasonable method of eliminating these cracks exists. This condition does not affect the strength of the concrete components of the Home. Buyer acknowledges that cracks and heaving in concrete occur, and so long as they do not exceed one-quarter of one inch (¼”) in width, are considered within normal tolerances and are not covered by the Limited Warranty provided by the Seller. Buyers are advised that hairline cracking, heaving, shifting, spalling, discoloration, etc. of concrete, are not covered by the Limited Warranty. Problems which arise as a direct result of the addition of concrete patios, walks or other concrete items by parties other than Seller are also not

warranted by Seller.

Masonry and Mortar. Masonry and mortar can develop minor cracks from shrinkage of either the mortar or the brick. This condition is normal and should not be considered an item covered under the Limited Warranty.

Wood. Wood will check, warp or crack and the fibers will spread apart because of the drying out process. This condition is most often caused by the heat inside the residence or the exposure to the sun on the outside of the residence. This condition is considered normal, and the homeowner is responsible for any maintenance or repairs resulting from it. Further, homeowner acknowledges and agrees that discoloration, gapping and warping of wood is normal and is also not warranted by Seller. **THE LIMITED WARRANTY AGREEMENT PROVIDED TO THE BUYER SPECIFICALLY EXCLUDES ANY AND ALL FLOOR COVERINGS (INCLUDING BUT NOT LIMITED TO HARDWOODS, CONCRETE, WOOD, CORK, CARPETING, LINOLEUM, TILE, PARQUET).**

Sheetrock and Drywall. Sheetrock or drywall will sometimes develop nail pops or settlement cracks. These nail pops and settlement cracks are a normal part of the drying out process. These items can easily be handled by the homeowner with spackling during normal maintenance. These nail pops or settlement cracks are not Seller's responsibility; nor will Seller perform repainting in connection with such nail pops or settlement cracks.

Floor Squeaks. After extensive research on the subject, technical experts have concluded that, although numerous remedies have been tried to correct squeaking floors, little can be done about such squeaks. Generally, floor squeaks will appear and disappear over time with changes in the weather and other phenomena. The Limited Warranty Agreement provided to the Buyer specifically excludes the repair of any floor squeaks present or that may become present in the Home.

Floors. Floors of any kind are not warranted under the Limited Warranty Agreement. Wood, tile, concrete, cork, and carpet all require maintenance. Floor casters are recommended to prevent scratching or chipping of wood or tile, and stains should be cleaned from carpets, wood, or tile immediately to prevent discoloration. Carpet has a tendency to loosen in damp weather or stretch over time and is therefore not a defect in the material or an item covered under the Limited Warranty.

Caulking; Weather Stripping. Exterior caulking and interior caulking in bathtubs, shower stalls, and ceramic tile surfaces may dry out, shrink, crack or bleed in the months after installation. These conditions are normal and should not be considered a problem. Any maintenance or repairs resulting from drying out, shrinking, cracking or bleeding of caulking are the homeowner's responsibility. Likewise, exterior weather stripping may shrink, crack, or tear in the months after installation. These conditions are normal and should not be considered a problem. Any maintenance or repairs resulting from shrinking, cracking or tearing of weather stripping are the homeowner's responsibility. Any exterior penetrations should be monitored and repaired by the homeowner with silicon or another sealant and such repairs are the sole responsibility of homeowner and are not an item covered under the Limited Warranty.

Exterior Maintenance and Stucco. Most bricks may discolor because of the elements, rain or other water run-off, weathering, or bleaching. Efflorescence and the formation of salts on the surface of brick walls may occur because of the passage of moisture through the wall. Efflorescence is a common occurrence, and the homeowner can clean these areas as the phenomenon occurs. Any wood exterior, including but not limited to cedar wood requires periodic maintenance, including cleaning and sealing to prevent problems associated with water penetration and continual exposure to the elements. Hairline cracks in exterior trim, block, concrete, or stucco walls are normal. Cracks in exterior stucco wall surfaces should not exceed one-eighth (1/8) inch in width. Seller will repair cracks exceeding one-eighth (1/8) of an inch for a period of one year. It is the Buyer's responsibility to perform regular maintenance on the exterior and stucco thereafter, and damage caused by neglect or weathering are not warranted.

Fencing, Decking and Railings. Wood fencing installed by the Seller as part of the Home is weather sealed at time of installation. It is the Buyer's responsibility to perform regular maintenance on the fencing thereafter, and damage caused by neglect or the incidents of use or weathering are not warranted. Exterior decks installed by the Seller as part of the Home are not designed and/or engineered to support extraordinary weight loads (such as planters or hot tubs). Problems (such as sagging, splitting, or member failure) which arise as a direct result of extraordinary weight loads are not warranted. Decking is also not warranted for damage caused by neglect or the incidents of use or weathering. Metal railings may also deteriorate over time from continued exposure to the weather conditions and require regular maintenance. Damages caused by neglect or lack of maintenance are not warranted.

Swimming Pools, Spas and Hot Tubs. Swimming pools, spas and hot tubs require periodic maintenance. It is the

Buyer's responsibility to perform such periodic maintenance. Any water source used to fill a swimming pool or Hot Tub may leak and may rupture in the event a hose is left connected to a water source during freezing weather conditions. Buyer should have any swimming pool, spa or hot tub maintained by a bonded and licensed service provider who should provide Buyer property documentation of compliance with the manufacturer's maintenance procedures. Buyer should not, under any circumstances, drain such equipment onto the roof of or into any drain in the Home. Seller has expressly disclaimed liability for any losses or damages resulting from any swimming pools, spas and hot tubs that are or may be located on the Home or Property, including but not limited to losses or damages to the Home, persons or other property.

Broken Glass. Any chipped or broken glass or mirrors that are not noted by the Buyer on the Punch List prepared prior to Closing are the responsibility of the Buyer and are not an item covered under the Limited Warranty.

Frozen Pipes. The Buyer must take precautions to prevent pipes and sillcocks from freezing during cold weather, including leaving faucets with a slight drip, and turning off the water system if the Home is to be left for an extended period during cold weather. Homeowner acknowledges and agrees to detach all hoses when the weather is cold and to winterize each of the sprinkler systems on the Property as well as any swimming pools or hot tubs to ensure no damage to the residence is caused by such items.

Stained Wood. All items that are stained will normally have a variation of colors because of the different textures and graining patterns of the woods. Because of weather changes, doors which have panels will sometimes dry out and leave a small space of bare wood, which the homeowner can easily touch up. These normal conditions should not be considered defects. Homeowner acknowledges and agrees to perform maintenance on stained wood according to the manufacturer's recommended specifications.

Paint. Good quality paint has been used internally and externally on the Home. Nevertheless, exterior paint can sometimes crack or check. The source of this defect is most often something other than the paint. To avoid problems with the paint, Buyer should avoid washing down painted areas with abrasive tools or chemicals. Buyer should also not scrub latex-painted surfaces and be careful of newly painted walls as furniture is moved. Even the best paint will be stained or chipped if it is not cared for properly. Any touch-up painting performed by Seller will be performed using a paint match as close in color as reasonably possible, but Seller cannot guarantee an exact match in color or sheen (due to conditions such as aging and fading) and Seller will not repaint entire walls. Any defects in painting that are not noted in the Punch List are the Buyer's responsibility and are not an item covered under the Limited Warranty.

Cosmetic Items. The Buyer has not contracted with the Seller to cover ordinary wear and tear or other occurrences subsequent to construction that affects the condition of features in the Home. Chips, scratches, or mars in tile, woodwork, walls, porcelain, brick, mirrors, plumbing fixtures, countertops, lighting fixtures, kitchen and other appliances, doors, paneling, siding, screens, paint, windows, carpet, vinyl floors, cabinets, and the like that are not recognized and noted by the Buyer in the Punch List are non-warrantable conditions, and upkeep of any cosmetic aspect of the house is the Buyer's responsibility.

Plumbing. Notwithstanding the Warranty Period set forth in the Limited Warranty Agreement, dripping faucets, toilet adjustments, and toilet seats are covered by the Seller's warranty for a thirty (30) day period only. After that period, they are the Buyer's responsibility. If the plumbing is stopped up during the warranty period and the person servicing the plumbing finds foreign materials in the line, the Buyer will be billed for the call.

Heating and Air Conditioning. The source of heating and air conditioning to the Home is covered by a manufacturer's warranty not the Limited Warranty Agreement. The Buyer is responsible for making sure the filters are kept clean and changed on a 30- day basis. Failure to do so may void the manufacturer's warranty. Having the equipment serviced or checked at least yearly is highly recommended.

Electrical Breakers. Current Electrical Code requires AFCI breakers be used in all new construction panels. While safe these breakers are very sensitive. Repeated tripping due to overloading or misuse of the circuit will result in long term damage to the breaker. There are a few preventative steps you can take to decrease the chance that your breaker will trip. First, all connections between the light socket and the light bulb base should be tight. An arc can occur in a loose connection, which will cause the AFCI breaker to trip. Beware that the circuit is not overloaded with an excessive amount of electronics. The breaker is only able to support a specified amount of wattage, and if exceeded, the breaker will trip. Protect electronics on surge protectors. They will protect the electronics from times of high electrical surges, like thunderstorms. All electronics purchased should be Underwriters Laboratories (UL) listed, or equivalent, and comply with part 15 of the FCC rules, or they may cause unnecessary tripping. Make sure furniture is not on or pushing against electrical wires. Seller will not replace breakers after Buyer move in.

Indoor Air Quality. Seller hereby expressly disclaims any and all liability relating to indoor air quality issues.

Landscaping. Seller is not responsible for making any changes, improvements or additions to the landscaping on the property, or for repairs with respect to the landscaping or lawn installed at the time of Closing of the Home. The irrigation system, if any is installed at the Home, requires proper professional maintenance, including winterization and re-activation seasonally, and is Buyer's sole responsibility.

Alterations to Grading. Buyer's lot has been graded by Seller to ensure proper drainage away from home. Should Buyer wish to change the drainage pattern because of landscaping, installation of patio or service walks or other reasons, Buyer should be sure a proper drainage slope is retained. Seller assumes no responsibility for the grading, subsequent flooding or stagnant pool formation if the established pattern is altered. Further, the Home has been sold to Buyer with water downspouts in a proper down position and such downspouts are intended to be and should remain in this position indefinitely. Failure to keep such downspouts in this position may result in water damage to the foundation of the Home, the damage to which is not covered by the terms and conditions of the Limited Warranty Agreement. Buyer is also cautioned not to install plants or irrigation adjacent to the Home's foundation walls as this can cause saturation of the soils resulting in damage to the foundation.

Roof Damage: The manufacturer's warranty on Buyer's roof is for material only prorated over the lifetime use of the roof. Warranty claims for any defects in materials will be handled through the manufacturer by Buyer and is not an item covered under the Limited Warranty. Seller will not be responsible for any damages caused by walking on the roof or by installing any television antenna or satellite dish or any other item on the roof.

We acknowledge having read, understood and received a copy of the above Statement of Non-Warrantable Conditions. We understand and agree that these are conditions for which we have not contracted and will not hold the Seller liable under the Limited Warranty Agreement. In the event that a trip and or hours are incurred by Seller or Seller's agents for a non-warrantable item, Buyer herein agrees to compensate Seller and Seller's agents for the cost of their time and materials.

Buyer's Signature & Date: _____

Buyer's Signature & Date: _____

THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES AND SHOULD BE READ THOROUGHLY PRIOR TO SIGNING. IF BUYER HAS ANY QUESTIONS ABOUT BUYER'S RIGHTS OR RESPONSIBILITIES UNDER THIS ADDENDUM, BUYER MAY WISH TO CONSULT AN ATTORNEY OF BUYER'S CHOICE. BUYER'S SIGNATURE AND/OR INITIALS ON THIS ADDENDUM EVIDENCES BUYER'S ACCEPTANCE AND UNDERSTANDING OF ITS TERMS. BUYER ACKNOWLEDGES AND REPRESENTS THAT BUYER HAS READ THIS ADDENDUM AND ALL ATTACHMENTS TO IT, THAT BUYER AGREES TO BE BOUND BY ALL OF ITS TERMS, AND THAT BUYER IS NOT RELYING ON ANY STATEMENT, PROMISE, CONDITION OR STIPULATION NOT SPECIFICALLY SET FORTH IN THIS ADDENDUM. BUYER UNDERSTANDS THAT SELLER IS RELYING ON BUYER'S ACKNOWLEDGEMENT AND REPRESENTATIONS, AND SELLER WOULD NOT AGREE TO SELL THE PROPERTY TO BUYER WITHOUT BUYER'S ACKNOWLEDGEMENT

ADDENDUM B

to

CONTRACT TO BUY AND SELL REAL ESTATE

DISCLOSURE REGARDING EXPANSIVE SOILS IN COLORADO AND RELATED CONCRETE AND FOUNDATION ISSUES

This Addendum B is attached to and forms a part of that certain Contract to Buy and Sell Real Estate dated _____ (the "Contract"), by and between _____, a Limited Liability Company, as Seller, and ___ as Buyer(s), concerning certain real property commonly known and numbered as _____.

In consideration of the mutual covenants and conditions contained in the Contract, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer(s) agree to supplement and amend the Contract as follows:

DISCLOSURE

Each year throughout the United States and in Colorado, homes are damaged by swelling soils. Swelling, or "expansive" soils contain certain clay materials that can take on water and expand; conversely, if water is taken away, the soils may shrink. Although many areas in the United States have expansive soils, Colorado's climate and geology combine to make it one of the most severely affected.

Homes can, of course, be properly built over expansive soil and homeowner maintenance is critical to the success of those building methods. Even a building with the proper foundation, interior structure and drainage design may be damaged if good landscaping and maintenance practices are not carefully followed. Particular precautions are needed when homeowners undertake work with respect to landscaping, concrete, grading, foundation, or drainage changes or improvements.

Colorado Revised Statutes, Section 6-6.5-101 requires that certain soil analysis information be provided to buyers of residential property. Buyer should review this Disclosure for further information regarding expansive soils, foundation design, and related recommendations for home maintenance. In addition, Seller has provided to you a publication from the Colorado Geological Survey, 1313 Sherman Street, Room 715, Denver, Colorado 80203 for more detailed information: Special Publication 43, entitled *A Guide to Swelling Soils for Colorado Home Buyers and Homeowner.* Special Publication 43 contains more detailed information about expansive soils, including the problems associated with expansive soils, the building methods available to address these problems during construction, and suggestions for care and maintenance to address such problems.

POTENTIAL DAMAGE

Damage from expansive soil can occur when the soil materials either shrink or swell due to moisture change. The swelling and shrinkage potential of a particular area of soil depends on the type and amount of clay that the soil contains. Soils are typically "rated" as having no, very low, low, moderate, high, very high or critical expansion potential. Damage from swelling or shrinking soil can range from cracked sidewalks to severe structural distress and the breakage of pipes and sewer lines. For example, concrete may move upwards or downwards and may not move uniformly, resulting in uneven cracks and possible tripping hazards. Please review Special Publication 43 provided to you for more details of potential damage.

SOILS TEST

Buyer acknowledges that it has been advised by Seller, and understands, that the soils within the State of Colorado may consist of both expansive soils and low-density soils. The properties of these soils may result in shifting or other movement of the building's foundation or otherwise result in damage to the Home if the Home and the property upon which it sits are not properly maintained.

A copy of the soils report is available for your review in the Seller's offices and a summary of the soils report is being provided to you. Buyer acknowledges receipt of a summary report of the soils analysis and site recommendations, in addition to all other publications and disclosures, required by Colorado Revised Statutes, Section 6-6.5-101.

FOUNDATION DESIGN AND COST

Soil investigations and tests conducted by an independent soil engineer have been made on the property on which the Home is located. The floor slabs and foundation have been (or will be) installed in substantial accordance with recommendations made by this engineer based on the information then available about the soil conditions on the property.

Buyer, for himself/herself, their respective heirs, administrators, executors, successors in interest and assigns, accepts the soil conditions of the Property and the foundation design, floor slabs and caissons/footings installed without any express warranties other than those contained in Seller's Limited Warranty Agreement. Except as expressly provided in the Limited Warranty Agreement provided by Seller at Closing, SELLER MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, REGARDING THE SOIL OR SOIL CONDITIONS OF THE PROPERTY AND SELLER HEREBY EXPRESSLY DISCLAIMS ANY SUCH WARRANTIES. No liability or obligation of Seller will arise as a result of cracking or other non-structural damage to concrete in or around the Home. Further, Seller will in no manner be responsible for landscaping problems of any type or kind unless present at the time of Closing. Buyer, for itself and its heirs, administrators, executors and assigns, accepts the soil conditions of the Home and the property upon which it resides and foundation design and floor slabs and floorings installed thereon without any express or implied warranties.

RECOMMENDATIONS

A. Landscaping and Drainage.

The grade of the ground surrounding the Home will be engineered and constructed to direct drainage away from the Home and its foundation. The greatest danger for expansive soil related damage comes from excessive moisture in the soils under your foundation; it is critical that homeowners maintain precautions to keep water away from the foundation to every reasonable extent.

Do not alter the grade of the property surrounding the Home in any manner that will prevent the proper drainage of water away from the building. In addition, changing the gutters, downspouts and downspout extensions, swales that have been graded into your lot by the Seller, or any other drainage improvements may drastically affect the designed drainage. Any change to the gutters, downspouts and downspout extensions, or any drainage improvements or grades installed on, in or around the Home, or improper watering by Buyer, may cause the Limited Warranty provided by Seller under the Limited Warranty Agreement and/or any other warranty on the structure of your Home to be voided. Further, any Loss or damage caused by changes in the grading of the property around the Home other than those performed by Seller or Seller's employees, agents, contractors, and subcontractors as well as any loss or damage caused by any landscaping on the Property, including but not limited to any roots, trees, scrubs, sprinkler systems, fire pits or water features may cause the Limited Warranty provided by Seller under the Limited Warranty Agreement and/or any other warranty on the structure of your Home to be voided.

As described in other areas of this Disclosure, in order to minimize the potential for damage to concrete areas from

swelling soils, it is extremely important that water be kept away from the foundation of the Home as much as possible. It is the Buyer's responsibility to maintain surface drainage in such a way as to direct water away from the foundation of the Home so as to avoid ponding or saturation of soil around the foundation.

B. Sump Pumps and Sump Pits.

If the Home includes a sump pump and/or sump pit in the basement, it is the Buyer's responsibility to monitor these improvements for any possible water seepage and to determine that the sump pump is functioning in the presence of water in the sump pit. Failure to do so may result in the pooling of water under the floor, in the crawl space, or other areas of the basement or the foundation, and may void the Limited Warranty given to the Buyer with respect to all losses or damages cause thereby. Seller encourages Buyer to purchase, at his, her or its sole cost and expense, a sump pump alarm to detect any rising water levels in the sump pit and to maintain adequate insurance covering any sump pump failure or sump pit overflows.

C. Concrete Walks, Driveways, Steps, Garage Floors and Concrete Floors.

The combination of expansive and low density soils which expand and contract at different rates when they get wet, together with the wide temperature swings prevalent in Colorado, can cause cracking and shrinkage of concrete, including but not limited to poured concrete floors. Moreover, the very nature of concrete's material composition makes concrete subject to cracking. In fact, some cracking will occur in most concrete flat work. This cracking is expected and is not covered under the Seller's Limited Warranty.

The Buyer is advised that all portions of the Home constructed of concrete, including poured concrete floors, garage floors, walks, patios, balconies and foundation walls are subject to cracking, shifting or other movement. Buyer acknowledges that cracks and heaving in concrete occur, and so long as they do not exceed one-quarter of one inch (1/4") in width, are considered within normal tolerances and are not covered by the Limited Warranty provided by the Seller. Buyers are advised that hairline cracking, heaving, shifting, spalling, discoloration, etc. of concrete, are not covered by the Limited Warranty. Problems which arise as a direct result of the addition of concrete patios, walks or other concrete items by parties other than Seller are not warranted either.

We acknowledge having read, understood and received a copy of the above Addendum B.

Buyer's Signature & Date: _____

Buyer's Signature & Date: _____