



Sales Contract

This Contract is made effective _____, 20_____, by and between Colorado Modular Homes, a Colorado corporation ("CMH"), and _____, (individually or collectively "Owner") for the ordering and delivery of a single-family residence (the "Home") for Owner on the property legally described as: _____ ("Owner's Property").

1. The Home - CMH agrees to order for Owner the Home from _____ (the "Manufacturer") in accordance with the Modular Final Floor Plan, dated _____, Options List, dated _____, Selections, dated _____, Design Expectations, the Manufacturer's Documents, and/or Home Specific Completion Items list, dated _____, attached hereto upon completion collectively as **Exhibit A**, (collectively the "Plans"). Subject to the terms and conditions hereof. Owner acknowledges and agrees the CMH is not contracted hereunder and shall not serve as the general contractor or other trade provider for the unloading, setting and/or completion of Owner's Home.

2. Contract Price - The Owner agrees to pay to CMH the "Contract Price" of \$_____ for the Home and its options. Said Contract Price is subject to change as provided herein.

3. Payments - The Contract Price will be paid as follows:

a. Owner agrees to pay \$_____ of the Contract Price as a down-payment and modular processing fee to CMH once the order for the Home has been placed and/or as required by the Manufacturer to commence construction of the Home and/or obtain applicable approvals. Owner acknowledges and agrees that said down-payment is non-refundable.

b. Owner agrees to pay to CMH the remaining amount of the Contract Price, plus any additional costs reflected by Change Orders, within five (5) days of the Manufacturer's completion of the Home, as evidenced by a copy of the notification of completion from the Manufacturer.

c. Owner acknowledges and agrees that CMH reserves all applicable lien rights against the Home until CMH receives payment of the full Contract Price, plus any additional costs reflected by Change Orders.

d. Owner acknowledges and agrees that once the Home is ordered from the Manufacturer, Owner can no longer rescind this Contract for any reason, except as otherwise expressly provided herein.

e. Payments due from Owner which are unpaid for seven (7) days shall be subject to a late fee equal to 2% of the payments in default, and the amount in default plus said late fee shall bear interest at the rate of 15% per annum until cured in full to CMH. Additionally, Owner shall indemnify and hold harmless

CMH, CMH's shareholders, fiduciaries, employees, successors, affiliates, and assigns from and against claims, damages, losses and expenses, including, but not limited to, late fees and interest charged by subcontractors, attorney's fees, and expert witness' fees, provided that such claim, damage, loss or expense is attributable, directly or indirectly, upon Owner's breach of this Contract.

4. Financing – If Owner is obtaining financing to pay some or all of the Contract Price, all fees and expenses of obtaining said loan, inclusive of commissions, appraisals, title charges and credit reports, shall be borne by the Owner. CMH is not required to begin services hereunder until the Owner provides CMH, if requested, with written notice from the lender that the Owner has closed on said loan and that the lender has approved this Contract. Owner acknowledges and agrees that Owner's responsibility to pay the Contract Price shall never be conditioned on Owner's financing.

5. Taxes - CMH will collect from the Owner and submit Colorado State sales tax as well as county and town/city sales tax, if any. Owner is responsible for any and all other county, city, or other local jurisdictions' taxes and fees if any, that may apply to this transaction.

6. Delivery - The Delivery Date is: _____, 20____, OR if this is checked:____, once the Delivery Preconditions are met. Owner and CMH must agree on the date when the Delivery Preconditions are satisfied. The "Delivery Preconditions" are:

- a. The Home is ready and able to be shipped to Owner's Property.
- b. The Owner site is ready and able to accept the Home, unload the Home, and set or store the Home.
- c. Reasonable access to Owner's Property is available.
- d. Owner is in compliance with the terms and conditions of this Contract.

The Delivery Date is subject to: 1) changes to the Plans; 2) unforeseen manufacturing delays; 3) Owner's delay in timely payment to CMH; 4) Owner's failure to timely execute any Change Order; 5) Owner's unreasonable delay in making selections and/or providing information needed by CMH; 6) any other act by Owner or Owner's general contractor and agents in timely performing duties required in this Contract; 7) strikes; 8) weather conditions not reasonably anticipated; and/or 9) any other conditions that are not within CMH's control. CMH shall not be liable for any such delay.

7. Owner's Responsibility for Delivery - CMH will arrange delivery of the Home to Owner's Property as part of the Contract Price. With regard to such delivery, Owner is responsible, at Owner's expense, to timely:

- a. Insure timely, adequate and legally authorized access to Owner's Property. Owner hereby releases CMH, CMH's shareholders, fiduciaries, employees, successors, affiliates, and assigns, and the Manufacturer, from any and all demands, suits or counter-claims, based on the size of the unit purchased, if it exceeds the limitations which are now, or may later be, imposed by any state.
- b. .Contract for the proper unloading, storage and setting of the Home, and provide written verification thereof to CMH upon CMH's request.
- c. Timely execute all documents required by the Manufacturer.

8. Change Orders - Without invalidating this Contract, and pursuant to the terms hereof, the parties may make changes to this Contract. However, no such changes are to be made except upon a prior written order (signed by both parties) consisting of the change, any additional cost, and the additional number of days to be added to the Delivery Date. Neither CMH, nor the Manufacturer, are under any obligation to approve all changes requested by Owner. Owner's refusal to execute and timely return to CMH any Change Order which CMH deems reasonable and necessary to successfully complete this transaction may be deemed a breach of this Contract at CMH's discretion. If there are multiple Owners, any single Owner may sign a Change Order on his or her own behalf and on behalf of the other(s), and the signature shall be binding on all Owners. All executed Change Orders shall be incorporated herein by this reference as Contract Documents.

9. Statutory Language - Attached hereto as **Exhibit B** is statutory provisions which may apply to the Home and this Contract.

10. Warranties - Owner acknowledges and agrees that CMH provides no warranties with regard to the Home. Owner must look to the Manufacturer for any and all warranty claims.

11. Risk of Loss, Owner's Insurance and Hold Harmless Provision – Owner acknowledges and agrees that once the Manufacturer transfers ownership of the Home to Owner, regardless of where the Home is at that time, Owner is responsible for the entire risk of loss to the Home, subject to any applicable insurance coverage, if any. Owner is responsible, at Owner's expense, to provide and/or to cause sufficient liability and casualty coverage upon the Home, effective on or before the time the Manufacturer transfers ownership of the Home to Owner, regardless of where the Home is at that time. Owner further acknowledges that neither CMH nor the Manufacturer provide such post-transfer insurance coverage. Additionally, Owner shall hold harmless and indemnify CMH, CMH's shareholders, officers, fiduciaries, employees, successors, affiliates, and assigns, from and against claims, damages, losses and expenses, including, but not limited to attorney's fees and costs incurred and/or late fees and interest charged by the Manufacturer, provided that such claim, damage, loss or expense is attributable, directly or indirectly, upon Owner's breach of this Contract.

12. Limitation of Scope and/or Liability - Owner acknowledges CMH is not an architectural, engineering or designer firm. CMH is not responsible to review or approve the Manufacturer's nor engineers work and plans. Additionally, because this is a sales transaction only, Owner hereby waives to the fullest extent permitted by applicable law any claim against CMH for special, incidental, consequential, or punitive damages.

13. Governing Law, Jurisdiction, and Dispute Resolution - This Contract will be construed, interpreted, and applied according to the laws of the state of Colorado as they exist on the date this Contract is executed. Exclusive jurisdiction and venue shall be in Colorado.

Should any dispute arise regarding the performance of this Contract that the parties cannot satisfactorily resolve, the parties agree to first participate in non-binding mediation except as otherwise provided hereon. The parties shall bear their own costs associated with the mediation and split the mediation service's fees equally.

Failing successful mediation, the parties agree to submit such disputes to binding arbitration by a single arbitrator, and the arbitrator's decision shall be enforceable, final, and non-appealable, except as provided by Colorado law. The dispute shall be referred to a single arbitrator acceptable to the parties. Any dispute over the selection of the arbiter shall be resolved by the filing of a declaratory judgment action, for the purpose of resolving that issue only, in the Colorado District Court selected by CMH. The party demanding arbitration shall give written notice to the opposite party promptly after the matter in dispute arises, but in no event longer than twelve 12 months after the issue arises. Further, a written notice of demand for arbitration shall

not be valid if given after the date on which a legal action concerning the matter in dispute would be barred by the appropriate statute of limitations or statute of repose. The decision of the arbitrator may be entered as a judgment in Colorado state court. This arbitration agreement shall be deemed to be a self-executing arbitration agreement. Any disputes concerning the interpretation or the enforceability of this arbitration agreement, including without limitation, its revocability or violability for any cause, the scope of arbitrable issue, and any defense based upon waiver, estoppels or laches, shall be decided by the arbitrator. The prevailing party shall be entitled to its legal fees and costs in such arbitration from the other party. All parties to this Contract hereby waive trial by jury in any action, claim, or counterclaim arising out of or in any way relating to this Contract and any warranties provided by CMH and/or the Manufacturer. Owner understands that this waiver and consent and agreement to mediate and arbitrate are material terms and consideration inducing CMH to enter into this Contract. If any provision of this arbitration agreement shall be determined to be unenforceable by the arbitrator or by court, the remaining provisions shall be deemed to be servable and enforceable according to their terms.

Owner acknowledges and agrees that CMH need not submit to mediation and/or arbitration any claims for payment, collection, replevin, or other lien claims, and may proceed with those claims in the County Owner's Property and/or Clear Creek County, Colorado, at CMH's discretion.

Owner further acknowledges and agrees that CMH reserves the right to terminate this Contract if Owner materially breaches this Contract. CMH can so terminate this Contract upon written notice to Owner; all amounts due and payable from Owner to Contractor at the time of such termination must be paid in full within ten (10) days after the sending/mailling date of such written notice of termination. Except as expressly limited by this Contract, and with regard to Owner's breach of this Contract, CMH reserves all other legal remedies.

14. No Waiver - Excuse of the performance of any obligation hereunder shall not constitute waiver of that term or requirement.

15. Severability - The parties agree that each portion of this Contract is independent, and if any Section or provision is found to be unenforceable, the rest of the Contract will remain valid and effective, and the parties will attempt to replace such provision with a similar, enforceable provision.

16. Entire Agreement - This Contract and its attachments and incorporated documents constitute the entire agreement of the parties, and shall inure to the benefit of the parties, their successors and assigns. This Contract shall not be assigned without the prior written consent of all parties. No other oral statements, and no other written documents not included in or expressly incorporated into this Contract affect the rights of the parties. This Contract may only be modified in writing by a document that specifically references this Contract and is signed by all parties to this Contract. Time is of the essence with respect to giving of all notices and the performance of all obligations arising hereunder; provided, however, that if the last day for the giving of any notice or the performance of any obligation shall be a Saturday, Sunday or legal holiday in the State of Colorado, the time for the giving of such notice or the performance of such obligation shall be extended until midnight of the next full business day. Additionally, the parties acknowledge that they have been advised, and have had time, to have their respective legal and/or tax counsel review this Contract, and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not be employed in the interpretation of this Contract.

17. Effective Date and Signature - This Contract shall become effective on the day it is signed by both parties.

Owner: I/We the undersigned have read, understand, and agree to each of the provisions of this Contract and hereby acknowledge receipt of a copy of this Contract and Exhibits. I/We have reviewed the Contract with legal counsel, or have had the opportunity to do so, prior to our voluntary signing of this Contract.

Signature

Signature

Print Name

Print Name

Address: _____

Telephone: _____

E-mail: _____

Facsimile: _____

Address for notice if different than above: _____.

Preferred method of notice in addition to mailing: _____ (Fax or E-mail).

CMH:

Colorado Modular Homes,
a Colorado corporation

By _____

_____, as _____

264 Snow Ridge Rd, Evergreen, Colorado 80439
Telephone: (303) 968-7183