

EXHIBIT A

LIMITED WARRANTY AGREEMENT

NAMES OF OWNERS (S): _____

UNIT NO.: _____

BUILDER: FIFTH AND YAMPA, LLC, a Colorado limited liability company

DATE OF CLOSING: _____

I. THE UNIT. The term “the Unit” as used in this Limited Warranty Agreement has the same meaning as defined in the Declaration of Covenants, Conditions and Restrictions for The Olympian, a Condominium recorded in the real property records of Routt County, Colorado, on **December 17, 2008**, at **Reception No. 681384** (the “**Declaration**”). The term “Project” as used in this Limited Warranty Agreement means the “Project” as defined in the Declaration. The term “Common Elements” as used in this Limited Warranty Agreement means the “Common Elements” as defined in the Declaration. The warranty set forth in this Limited Warranty Agreement applies to the Unit and the Common Elements and the improvements within which the Unit exists as of the Commencement Date of this warranty and which were constructed by the Builder (collectively “**Improvements**”).

The Common Elements are owned by the members of the owners association established pursuant to the Declaration (the “**Association**”).

II. ONE-YEAR LIMITED WARRANTY.

A. Scope of Warranty. Subject to the exclusions listed below, Builder warrants to Owner that during the Warranty Period:

1. The Unit and the Common Elements will be free from defects in workmanship and materials due to non-compliance with the construction standards attached hereto (“**Standards of Construction**”). To the extent that the Standards of Construction do not include a standard for an item in the Unit or Common Elements, then such item will be free from defects in workmanship and materials due to non-compliance with the structural, mechanical, electrical and quality standards which were accepted by the home building industry of Steamboat Springs, Colorado, which are in effect at the time the improvements are constructed.

B. Period of Warranty.

1. Unit. Builder’s warranty with respect to the Unit is limited to the following period (“**Warranty Period**”): twelve (12) months from the date of closing of the initial sale of the Unit to Owner, stated above.

2. Common Elements. The Builder’s warranty as to the Common Elements pursuant to this Limited Warranty Agreement shall remain in effect for a period of one (1) year following the closing of the sale of the first condominium unit in the

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Project sold by Builder. With respect to the Common Elements, the term “Warranty Period” shall refer to such one (1) year period. In addition, the warrant as to the Common Elements pursuant to this Limited Warranty Agreement shall also benefit and inure to the benefit of the Association and may be enforced by the Association on behalf of any one or more of its respective members in accordance with the terms of this Limited Warranty Agreement.

III. CONSUMER PRODUCTS EXCLUDED. Any appliance, item of equipment or other item in the Improvements which is a consumer product for the purpose of the Magnuson-Moss Warranty Act (15 U.S.C. 2301 through 2312) is hereby excluded from the coverage of this Limited Warranty Agreement (“**Limited Warranty Agreement**”). The following are examples of consumer products, although other items in the Improvements may also be consumer products: fire and security alarm systems, refrigerator, trash compactor, range, dishwasher, garbage disposal, air conditioner, furnace, hot water heater, clothes washer and dryer, thermostat, furniture and furnishings. The Unit may not contain all such items.

IV. ASSIGNMENT OF MANUFACTURERS’ WARRANTIES. Builder hereby assigns to Owner the unexpired manufacturers’ and suppliers’ warranties on all consumer products installed in the Unit, to the extent they are assignable. A copy of each of these warranties has been delivered to Owner, and Owner hereby acknowledges receipt of same. Owner should follow the procedure set forth in the applicable warranty if a defect appears in any consumer product. Builder is not responsible for the performance of any manufacturer or supplier under any such warranty.

V. OTHER EXCLUSIONS FROM COVERAGE. In addition to consumer products, the liability of Builder under this Limited Warranty Agreement shall NOT apply or extend to, and Builder assumes no responsibility for, loss or damage caused by:

1. The installation or materials which Owner supplied, installed or had installed under the direction of Owner.
3. Additions, alterations, repairs or modifications to the Improvements done by parties other than Builder or parties under the control of Builder.
4. Introduction of excessive water into the soils surrounding the Improvements by parties other than Builder or parties under the control of Builder.
5. Normal wear and tear or normal deterioration.
6. Normal shrinkage caused by drying of the Improvements and the materials used therein within tolerances generally acceptable under the building standards in effect for the geographic area in which such improvement are situated.
7. Normal settling of Improvements within tolerances generally acceptable under the building standards in effect for the geographic area in which the Improvements are situated.
8. Dampness and condensation caused by the failure to provide sufficient ventilation after occupancy by parties other than Builder or parties under the control of Builder.

9. Negligent or intentional failure to maintain the Improvements by parties other than Builder or parties under the control of Builder.
10. Changes in the grading of the ground around the Improvements by parties other than Builder or parties under the control of Builder.
11. Failure by parties other than Builder to maintain the grades, swales and drainage patterns established by Builder which assure that any water falling on the Unit surrounding the Improvements, whether from natural precipitation or irrigation, will flow positively away from such improvements.
12. Landscaping installed by or at the direction of parties other than Builder or parties under the control of Builder.
13. Insects or animals.
14. Failure of Owner to take timely action to minimize such loss or damage and/or failure of Owner to give Builder proper or timely notice of the defect.
15. Accidents, natural disasters, or acts of God, including, but not limited to: fire, explosion, smoke, water escape, unforeseen changes in the water table, wind, hail, lightning, falling trees, aircraft and vehicles, flood, and earthquake, except when the loss or damage is caused by Builder's negligence.
16. Soil movement where the resulting loss or damage is compensated for by legislation or covered by insurance.
17. Soil conditions of the real property upon which the Improvements are constructed.
18. Defects in an appliance, item of equipment or consumer product.
19. Any defect which does not result in actual loss or damage.

VI. PROCEDURES.

A. Non-Emergency Repairs. If Owner discovers a defect which is covered by this Limited Warranty Agreement, Owner must give written notice to Builder. The notice must specify the following information: (1) name, address and telephone number of Owner; (2) the nature of the defect; (3) the date the defect first was discovered or occurred as the case may be; (4) the loss or damage claimed; (5) the times (Builder's working hours are 8 a.m. to 5 p.m., Monday through Friday, excluding holidays) that Builder may have access to the Improvements to inspect the loss or damage and, if necessary, take corrective action; and (6) the arrangement to be taken by Owner to provide Builder with access to the Improvements. Such notice shall be either delivered personally or sent by registered or certified mail, postage prepaid, return receipt requested. Notice to Builder shall be given to the notice address specified in this Limited Warranty Agreement or to such other address, as Builder shall specify in a notice given in the manner provided in this Section for the giving of notices. Such notice must be given to Builder as soon as practicable after Owner either discovers or, in the exercise of reasonable diligence, should have discovered the defect in the Improvements or loss or damage caused by such defect, but in no event later than thirty (30) days after the Warranty Period expires.

B. Emergency Repairs. If the defect constitutes an emergency situation, Builder should be notified by telephone. Emergency situations are only:

1. Total loss of heat.

2. Total loss of electricity.
3. Total sewer stoppage.
4. Plumbing leak that cannot be stopped without shutting off all the water in the Improvements or a building constituting part of the Improvements.
5. Roof leak.
6. Total loss of hot water.

VII. REMEDIES.

A. Repair or Replacement. If, following the inspection of the Improvements, Builder determines that a valid warranty claim exists, Owner shall give Builder reasonable access to the Unit and Builder shall promptly repair or replace (at its option) the defective item and any damage to those portions of the Unit and Improvements installed by Builder caused thereby and, upon completion of the repair or replacement, shall leave such improvements in a broom clean condition. Builder shall promptly perform its repair or replacement within a period of time not to exceed 30 days unless delayed by unavailability of materials or equipment or acts of God, in which case repair or replacement will be done as soon as possible after the reason for delay has been eliminated. In the event that the warranty claim is for Emergency Repairs as defined above, Builder shall respond immediately and commence the repair within 12 hours, and if not, Owner may contract or complete the repair and Builder will be responsible for and pay such repair bills. Builder shall not be responsible if (i) a repaired area of pre-finished material does not match in color and/or texture, but shall take commercially reasonable measures to mitigate and match to the extent possible. All work shall be performed by Builder or subcontractors chosen by Builder, Builder will not honor invoices, bills or receipts for labor performed or materials furnished by or at the direction of Owner.

B. Limitation of Liability. If the repair or replacement remedy should fail of its essential purpose, Builder's liability under this Limited Warranty Agreement:

1. Shall **not** exceed Owner's actual damages.
2. For the Common Elements, does **not** exceed the cost of repair to the Common Elements.
3. Shall **not** include loss of wages or other revenue derived from any occupation, or loss of any profit or income derived from the sale or rental of the Unit.

C. Warranty Not Extended. Actions taken by Builder to correct a defect(s) shall not extend the term of the Warranty Period.

D. Termination of Agreement. If Owner refuses to provide Builder with reasonable access to perform repairs or replacements following Owner's notice of a warranty claim, then this warranty shall terminate with respect to such items.

VIII. ASSIGNABILITY. The warranties provided in this Limited Warranty Agreement may not be transferred or assigned by Owner to subsequent owners of the Unit. If the Owner is other than a natural person, then any change in fifty percent (50%) or more of the equity interests of Owner shall be considered an assignment prohibited by this Section.

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IX. EXCLUSIVE WARRANTY. Except as provided in this Limited Warranty Agreement, Builder makes no other representations or warranties of any nature, express or implied, including, but not limited to, those of workmanlike construction, fitness, merchantability, tenantability, habitability, design, condition, quality or otherwise as to the Unit and the Improvements; and Builder hereby expressly disclaims any such representations and warranties. Owner hereby acknowledges and accepts such disclaimer and waives any and all rights Owner may have by virtue of such representations and warranties. Except for the warranties provided in this Limited Warranty Agreement, Owner assumes the risk of any and all damage hereafter occurring to or appearing on the Unit and Improvements regardless of the cause thereof. Owner's assumption of this risk is partially in consideration of the amount of the purchase price of the Unit, which is lower than it would be if Builder was to be held responsible for any such risks by virtue of such express or implied representations or warranties.

EXCEPT TO THE EXTENT NOT PERMITTED UNDER THE HOMEOWNER PROTECTION ACT OF 2007: (i) OWNER UNDERSTANDS AND AGREES THAT BUILDER'S LIABILITY, WHETHER IN CONTRACT, IN TORT, UNDER ANY WARRANTY, IN NEGLIGENCE OR OTHERWISE, IS LIMITED TO THE REMEDY PROVIDED IN THIS LIMITED WARRANTY AGREEMENT, AND (ii) UNDER NO CIRCUMSTANCES SHALL BUILDER BE LIABLE FOR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, ANY DAMAGES BASED ON A CLAIMED DIMINUTION IN THE VALUE OF THE UNIT, EVEN IF BUILDER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

X. ALTERNATIVE DISPUTE RESOLUTION.

A. Procedures. Owner and Builder desire to resolve any dispute between them as quickly, inexpensively and efficiently as possible, avoiding the expense and delay of court proceedings. This applies to every potential dispute between the parties, even if the dispute is not based upon this Limited Warranty Agreement. Consequently, the parties agree to the following sequence of negotiation, mediation and arbitration procedures to resolve such disputes. First, when either party believes a dispute has arisen, that party shall notify the other party in writing of the nature and details of the dispute. Within ten (10) days, a meeting shall be held between the parties to begin a good faith attempt to negotiate a resolution. Next, if negotiation does not resolve the dispute within twenty (20) days following the meeting, the parties agree to submit the matter to a professional mediator, whose role is to facilitate further negotiation between the parties but will not have power to decide how to resolve the dispute; and the mediation will last a minimum of two (2) hours unless the dispute is sooner resolved. Last, if the parties cannot agree on a mediator or if the dispute is not resolved by mediation, the matter shall be submitted to binding arbitration at the request of either party. This means the power to decide the outcome of the dispute will be assigned to the arbitrator, and the parties agree to accept the decision of the arbitrator as final. In making this agreement, the arbitrator, and the parties agree to accept the decision of the arbitrator as final. In making this agreement, the parties are waiving all rights to appeal the decision of the arbitrator to a court of law, to file a lawsuit relating to any dispute between them and to have the dispute resolved by a judge or a jury.

B. Appointment of Mediator and Arbitrator. The mediator and arbitrator shall be a person mutually agreed upon, but if the parties cannot agree, then appointed by the Judicial Arbitrator Group in Denver, Colorado pursuant to the provisions of the Colorado Arbitration Act.

C. Fees and Costs. Each party shall be responsible for its own fees and costs during the negotiation and mediation phases. However, the fees and costs of the mediator shall be divided equally between Builder and Owner. If arbitration becomes necessary, the fees and costs of the arbitrator will be the responsibility of the non-prevailing party. Each party shall pay its own attorneys' fees.

D. Place Where ADR Procedures Shall Be Held. Negotiation meetings, mediation sessions and arbitration hearings shall be held in the City of Steamboat Springs, Colorado.

E. Owner and Builder Acknowledgement. The terms of this section are an essential element and part of this Limited Warranty Agreement.

XI. APPLICABLE LAW. This Limited Warranty Agreement shall be construed in accordance with the laws of the State of Colorado.

XII. ENTIRE AGREEMENT. This Limited Warranty Agreement constitutes the entire agreement of the parties with respect to its subject matter and may not be changed orally. Any amendments to this contract or waivers of any of the provisions of this Limited Warranty Agreement must be agreed upon in writing by both Builder and Owner.

IN WITNESS WHEREOF, Builder and Owner have executed this Limited Warranty Agreement this _____ day of _____, 200__.

BUILDER:

FIFTH AND YAMPA, LLC, a Colorado limited liability company

By: _____
Manager: Paul B. Franklin

Builder's Complete Notice, Mailing Address, Telephone and Fax Numbers:

P.O. Box 772707
Steamboat Springs, CO 80477
970-819-1788 phone
970-870-6360 fax

OWNER:

Owner Date

Owner Date

Owner's Complete Notice, Mailing Address, Telephone and Fax Numbers:

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