

by Seller, Seller shall retain the Earnest Money and Seller may then convey the Property to others without regard to this Agreement, and Buyer/Builder shall have no claim to the Property. In the alternative, Seller may permit Buyer/Builder to extend the Closing Date under terms and conditions mutually agreed upon by the parties. The parties agree that the Earnest Money provided for herein is a reasonable estimate of the damages Seller will incur as a result of Buyer/Builder's failure to close, it being recognized that the Property is uniquely valuable, and that by entering into this Agreement Seller has lost the ability to pursue other marketing opportunities with respect to the Property. The parties hereto expressly agree and acknowledge that Seller's actual damages in the event of a default by Buyer/Builder would be extremely difficult or impracticable to ascertain and that the Earnest Money represents the parties' reasonable estimate of such damages. The parties hereto expressly agree and acknowledge that the payment of such amount as liquidated damages is not intended as a forfeiture or penalty, but is intended to constitute liquidated damages to Seller.

4. CLOSING EXTENSIONS: Buyer/Builder shall be entitled to receive two (2) extensions of the Closing Date of not more than thirty (30) days apiece, upon payment to the Escrow Agent, on or before five (5) days prior to the original Closing Date or the first extended Closing Date, as the case may be, of a nonrefundable extension fee in the amount of **Two Thousand Five Hundred and no/100s Dollars (\$2,500.00)** for each 30-day extension (the "**Extension Fee**"). Each Extension Fee shall be immediately disbursed to Seller, shall NOT be applicable to the Purchase Price, and shall not be subject to any proration or adjustment at Closing if the Closing occurs sooner than expiration of the 30-day extension (the "**Closing Extension**"). If Buyer/Builder does not close its purchase of the Property by expiration of the Closing Extension, this Agreement shall cease and terminate without further action or notice by Seller, and Seller shall retain the Earnest Money and the Extension Fee(s). Seller may then convey the Property to others without regard to this Agreement, and Buyer/Builder shall have no claim to the Property.

5. MULTIPLE PROPERTY CLOSINGS: In the event the Buyer/Builder enters into one or more Agreements to purchase two or more Properties, notwithstanding the language contained in this Agreement, the Closing Date for the purchase of two or more Properties shall be as follows:

a. If two Properties are purchased, then the Closing Date for the first Property (the "**Initial Closing Date**") shall be within thirty (30) days after the Effective Date, and the Closing Date for the second Property shall be within sixty (60) days after the Initial Closing Date.

b. If three Properties are purchased, then the Closing Date for the first Property (the "**Initial Closing Date**") shall be within thirty (30) days after the Effective Date, the Closing Date for the second Property shall be within sixty (60) days after the Initial Closing Date, and the Closing Date for the third Property shall be within one hundred twenty (120) days after the Initial Closing Date.

6. ADDITIONAL CONSIDERATION PER PROPERTY: In addition to the Purchase Price, Buyer/Builder shall pay the following sums for the Property at the Closing:

Total purchase price of Property:	\$ _____	
Street Tree & Watering Fee		\$325.00
Portable Outhouse:		\$100.00
Street Sweeping Fee:		\$200.00
Mailbox and stand provided by ARC:		\$175.00
Architectural Review Fee:		\$500.00
Homeowners' Association Setup Fee:		\$195.00
Construction Deposit		\$1,500.00
Less Earnest Money		<u>(3,500.00)</u>
Balance due at Closing:	\$ _____	

7. CLOSING: The Buyer/Builder shall close its purchase of the Property by delivering the balance due on the Purchase Price plus the Additional Fees to the Escrow Agent in cash, certified check or federal wire transfer of immediately collectible funds on or before the close of business on the Closing Date (the "**Closing**"). At the Closing, Seller shall convey to Buyer/Builder, by executed and acknowledged Warranty Deed (the "**Deed**"), good and marketable title to fee simple interest in the Property, free of liens and encumbrances created or permitted by Seller or any parties claiming by, through or under Seller, except: (i) liens for taxes and assessments not yet due and payable, (ii) the Master Declaration of Covenants, Conditions and Restrictions for Kingsbridge ("**CC&Rs**"), recorded October 2, 2006, as Instrument No. 106157427, Official Records of Ada County, and (iii) those matters of record as of the Effective Date of this Agreement to which Buyer/Builder has not objected prior to Closing. At Closing, the Escrow Agent shall record the Deed, and possession of the Property shall transfer to Buyer/Builder.

8. TITLE & CLOSING COSTS: Seller shall not be obligated to provide a title insurance policy for the Property. Taxes, assessments, utility payments and water assessments, if any, shall be prorated as of the Closing. Seller and Buyer/Builder shall each pay fifty percent (50%) of the escrow fees charged at the Closing, and Buyer/Builder shall pay the recording fee for the Deed.

9. ADDITIONAL TERMS POST-CLOSING: In the event Buyer/Builder purchases the Property, the following additional terms and conditions shall apply and shall not merge into the Deed and shall survive the Closing:

- a. Buyer/Builder acknowledges receipt of a copy of the recorded CC&Rs and the Architectural Control Summary for Kingsbridge Subdivision, and agrees to abide by the terms therein.
- b. Buyer/Builder shall close its purchase of the Property prior to start of construction.

- c. Buyer/Builder is responsible to see that all architectural reviews as required per the CC&Rs are obtained prior to start of construction. Buyer/Builder shall submit home construction plans to the Architectural Review Committee (the “**ARC**”), as defined in the CC&Rs, c/o Vision First, L.L.C., at 661 S. Rivershore Lane, Suite 120, Eagle, ID, no less than ten (10) business days prior to commencement of construction for the ARC’s approval of all plans, specifications, and colors.
- d. Buyer/Builder shall start construction of the home on the Property not more than ninety (90) days after the Closing, shall pursue construction in a diligent and workmanlike manner, and shall complete construction and obtain an occupancy permit not more than nine (9) months after the start of construction.
- e. Buyer/Builder shall stake its foundation corners and finished floor elevation and telephone Seller at 208/938-4655 with a request for an inspection. Seller or Seller’s agent shall inspect the staked corners and finished floor elevation for compliance with Buyer/Builder’s approved floor and site plan on or before 5 p.m. on the next business day after it receives Buyer/Builder’s call for inspection. Buyer/Builder shall not set footings or pour its foundations until Seller inspects and approves the corner locations and finished floor elevation. It is the Buyer/Builder’s responsibility to determine the depth and location of the sewer and water connections serving the Property from the appropriate governmental agencies.
- f. Buyer/Builder shall inspect the Property for damages to streets, curbs, sidewalks, fences (if any), and utility facilities prior to the Closing. Any damage reported prior to the Closing shall be the responsibility of the Seller. Any damage not reported to the Seller prior to the Closing shall be the responsibility of the Buyer/Builder. Except as otherwise disclosed to Seller prior to the Closing, Buyer/Builder has inspected the Property and accepts the Property in “**AS IS**” condition. Buyer/Builder is aware that the Property may require additional fill and/or top soil, and any such fill, topsoil; compaction and grading shall be the Buyer/Builder’s expense.
- g. Buyer/Builder shall pay Seller \$200.00 on the Closing date for the cost of street sweeping.
- h. Buyer/Builder shall pay Seller \$325.00 on the Closing date for the cost of installing one street tree in the parking landscape strip in front of the Property and watering said tree until Buyer/Builder has completed construction of the dwelling on the Property.
- i. Buyer/Builder shall deposit with the Seller a \$1,500.00 Construction Deposit which is to secure the Buyer/Builder’s construction and

Seller's Initials _____
 Buyer's Initials _____

completion obligations, as well as to secure the Buyer/Builder's compliance with the Builder's Rules ("**Builder Rules**"), which are attached hereto as **Exhibit A** and made a part hereof. If the Buyer/Builder fails to timely complete its construction of the residence on the Property or if the Buyer/Builder violates any of its construction obligations or any of the Builder Rules, the Buyer/Builder will be subject to a forfeiture of all or a part of the Construction Deposit. Additionally, the Seller may impose such fines, fees and/or costs as the Seller deems necessary out of the Construction Deposit, in its sole and absolute discretion, for the purpose of performing Buyer/Builder's obligations under the Builder Rules, correcting damage caused by or deterring violations by the Buyer/Builder's failure to comply with the Builder Rules. These obligations are in addition to those rules, regulations and requirements set forth by the ARC, any governmental authority, and the CC&Rs.

- j. Buyer/Builder shall, at its cost, obtain a trash box (no less than 8' square by 3' high) and set it up on the Property, prior to commencement of construction. Buyer/Builder or its hired contractor shall empty the trash box and remove all other refuse and debris from the Property at least once per week, or more frequently if reasonably needed to keep the Property free of refuse and debris.

- k. Buyer/Builder shall pay Seller \$100.00 on the Closing date for the use of a portable outhouse, which Seller will provide in close proximity to the Property purchased or leased, in compliance with local health codes.

- l. Buyer/Builder shall pay Seller \$175.00 on the Closing date for the mailbox and stand. Buyer/Builder will be responsible for installing the mailbox and stand provided by Seller, either at a shared location identified by Seller on the sidewalk, if attached to the curb, or on a shared cement pad (poured at Seller's expense) in the landscape strip if the sidewalk is detached from the curb.

- m. Buyer/Builder shall pay Seller on the Closing date, the Kingsbridge Homeowners' Association one-time set-up fee assessment of \$195.00, and a portion of the HOA annual assessment of \$500.00, prorated for the remainder of the calendar year after the Closing date. A \$100 lot transfer fee shall be charged Buyer/Builder at the closing of the finished home sale.

10. AGENCY REPRESENTATION AND DISCLOSURE: All finished homes listed for sale in the Property shall be listed with a real estate broker licensed in the State of Idaho. At the time of signing this Agreement, the agent working with the Buyer/Builder represents the Buyer/Builder, and the agent working with the Seller represents the Seller. If both agents are representatives of Coldwell Banker Aspen Realty, Seller's

Seller's Initials _____
Buyer's Initials _____

Agent, those agents are Limited Dual Agents. Each party signing this document confirms that prior written disclosure of agency was provided to him/her in this transaction. Each party to this transaction has received from its agent, has read and understands the contents of the agency disclosure brochure.

11. SALE OF HOME TO NON-RESIDENT INVESTORS PROHIBITED:

Buyer/Builder shall be obligated, in consideration for Seller's agreement to sell the Property to Buyer/Builder, to sell Buyer/Builder's finished home on the Property to a buyer who agrees in writing, as part of the purchase & sale agreement, to move into the Property within thirty (30) days after closing its purchase and who thereafter occupies the Property as said buyer's primary residence for a minimum of one (1) year, unless ill health, job transfer or other circumstance beyond the buyer's control require earlier resale of the home.

12. GENERAL: This Agreement shall be binding on the executors, heirs, administrators, personal representatives, successors, and assigns of the respective parties. TIME IS OF THE ESSENCE OF THIS AGREEMENT. There are no prior written or verbal agreements modifying this Agreement, and this Agreement shall only be modified by a written amendment executed by both parties. If legal action is instituted to enforce this Agreement, the prevailing party shall be entitled to its reasonable attorney fees and court costs, both at trial and on appeal.

This Agreement was executed and made effective as of the Effective Date.

Seller:
Kingsbridge Properties, L.L.C.

Buyer/Builder:

(Print name)

By: Vision First, LLC, Managing Member

Signature: _____
Print name: _____
Title: _____

By: _____
Randal S. Clarno, Managing Member

Address: _____

Phone: _____
Cellular Phone: _____

Seller's Agent:
Coldwell Banker Aspen Realty
By: _____

Buyer/Builder's Agent:

By: _____

Exhibit A

Kingsbridge Builder Team Rules and Regulations

1. Each Builder is responsible to see that all architectural review approvals as required by the CC&Rs are obtained *prior to start of construction*. Each Builder shall submit a completed application to the Architectural Review Committee (the “**ARC**”), as defined in the CC&Rs, c/o Vision First, L.L.C., at 661 S. Rivershore Lane, Suite 120, Eagle, ID, for the ARC’s approval of all plans, specifications, and colors.
2. All construction debris/trash shall be picked up on a daily basis and put into the trash box placed on its Property by each Buyer/Builder, before leaving the job site each night. This includes your lot, plus the front of street and any trash from your job site that might blow into the street or onto adjacent lots.
3. Builders shall keep stored materials in an organized fashion.
4. Fires of any nature are strictly prohibited.
5. No animals are permitted on the building site.
6. Noise is prohibited between the hours of 7:00 pm and 7:00 am.
7. Builders will not have access to water or electricity from homes without obtaining permission from home-owner/builder.
8. Builders shall dump concrete and cleanout concrete trucks in designated areas **ONLY!**
9. Builders shall dump clean excess soil free of organic material in designated areas **ONLY!**
10. Builders may use excess soil from the designated soil dumping areas. Excavation below grade in the designated soil dumping areas and/or in future phase areas is prohibited.
11. Builders must regularly mow and remove from the Property all weeds and grass and maintain such growth at a height of not more than ten inches (10”) at all times before, during and after construction until Buyer/Builder sells the Property.
12. Builders will not store materials on adjacent lots or on the street.
13. Loud music, drugs, alcohol or dogs are strictly prohibited on site.

12. Builders shall not track or allow debris and soil on the street.
13. Builders shall not park in front of occupied homes/driveways or mailboxes. Builders and their employees, subcontractors and suppliers shall not enter Kingsbridge by way of Dartmoor Drive. All vehicle trips and deliveries shall be made by way of E. Kingsbridge Drive, and Builders shall so instruct their employees, subcontractors and suppliers.
14. Storm water pollution prevention plan (SWPPP) must be posted on each lot under construction. Violations may result in fines imposed by the City and/or EPA.

Seller's Initials _____
Buyer's Initials _____