

**Reservation Agreement for
Unit _____ of The Bavarian Inn & Chalets Condominium**

This Reservation Agreement (Agreement) is made between **The Bavarian Inn & Chalets, LLC**, a New Mexico limited liability company (Seller) and _____ (individually or collectively: Buyer) and is effective as of the date of the last signature hereto (Effective Date). Seller is acquiring the real property located in Taos Ski Valley and intends to make improvements to the real property and to create a condominium to be known as The Bavarian Inn & Chalets Condominium (Condominium). Construction of the specific unit which Buyer desires to purchase and that Seller desires to sell has not yet commenced and the condominium declaration creating such unit has not yet been filed for record in the Taos County land records. Buyer desires to reserve the right to purchase a proposed unit. Now, therefore, the parties agree:

1. Reservation Deposits.

1.1 Buyer hereby reserves the right to purchase unit _____ (Unit) at an anticipated purchase price of _____ (\$ _____) (Purchase Price). Within two (2) business days following the Effective Date, Buyer shall deposit the sum of Twenty-five Thousand Dollars (\$25,000.00) (Reservation Deposit), in escrow, with First New Mexico Title Co. of Taos, New Mexico (Title Company). The Reservation Deposit shall be held by the Title Company in an account with other deposits on units to be created in The Bavarian Inn & Chalets Condominium.

1.2 Upon issuance of a building permit for the Unit, Buyer shall deliver an additional Reservation Deposit in the amount of Twenty-five Thousand Dollars (\$25,000.00) to the Title Company within two (2) business days following Seller's notice to Buyer of issuance of the building permit.

2. Adjustments to Purchase Price; Approval of Final Purchase Price. The Purchase Price shall be adjusted based upon any upgrades to the Unit requested by Buyer and final construction estimates obtained by Seller (Final Purchase Price). In the event Buyer does not approve the Final Purchase Price, then this Agreement shall be deemed to be terminated and neither party shall have any further obligation under this Agreement. Upon termination, Buyer shall receive a full refund of the Reservation Deposit.

3. Purchase Agreement; Automatic Termination. Buyer agrees to enter into a purchase agreement for the Unit within fifteen (15) days following delivery of a purchase agreement from Seller. The purchase agreement shall provide that the Reservations Deposits shall be held in escrow and applied to the Final Purchase Price. Should Buyer fail to timely make the Reservation Deposits or decline to enter into a purchase agreement for the Unit within said fifteen (15) days, Buyer's Reservation Deposit or Deposits shall be automatically refunded to Buyer, without penalty, and Buyer shall no longer have a right to purchase the Unit.

4. Financing Contingency. Buyer intends does not intend [select one] to finance a portion of the Purchase Price. In the event Buyer intends to finance a portion of the Final Purchase Price, Buyer, by Buyer's signature below, hereby authorizes Seller to obtain through its construction lender or other source a credit report or report indicating the creditworthiness of Buyer sufficient to finance up to ninety percent (90%) of the Final Purchase Price and agrees to provide Buyer's tax identification numbers to Seller's construction lender. If in the judgment of Seller's construction lender Buyer will be unable to secure Buyer's anticipated financing, Seller reserves the right to terminate this Agreement, at Seller's sole option, and in this event, neither party shall have any further obligation under this Agreement.

5. Unilateral Termination. Buyer shall be entitled to unilaterally terminate this Agreement at any time before the parties enter into a purchase agreement for the Unit. This Agreement may be unilaterally terminated by Seller at any time before the parties enter into a purchase agreement for the Unit. In the event this Agreement is terminated by either party, the Reservation Deposit shall be refunded to the Buyer.

6. **Reservation Only.** This Agreement is not an agreement to purchase a unit nor does this Agreement grant to the Buyer any interest in the Condominium. This Agreement constitutes the entire agreement between the parties and any other prior agreements between the parties, written or oral, are merged herein. This Agreement may be amended only by a written instrument signed by the parties and shall be binding upon and inure to the benefit of the parties and their respective heirs, successors, and assigns.

Seller:

Dated: _____

Bavarian Inn & Chalets, LLC

By: Blue Ridge Development, LLC,
Managing Member

By: _____
Michael P. Keilty, its Manager

Buyer:

Dated: _____

Signature
Name Printed: _____

Dated: _____

Signature
Name Printed: _____