

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

WOODBRIIDGE GROUP OF COMPANIES, LLC, *et al.*,<sup>1</sup>

Debtors.

Case No. 17-12560 (KJC)

(Jointly Administered)

Chapter 11

Ref. Docket No. 939,940,1643

**ORDER (I) AUTHORIZING THE SALE OF 171 SOPRIS MESA DRIVE,  
CARBONDALE, COLORADO PROPERTY OWNED BY THE DEBTORS FREE AND  
CLEAR OF LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS;  
(II) APPROVING RELATED PURCHASE AGREEMENT; AND  
(III) GRANTING RELATED RELIEF**

Upon the motion (the "Motion")<sup>2</sup> filed by the above-captioned debtors and debtors in possession (collectively, the "Debtors") in these chapter 11 cases (the "Chapter 11 Cases") for entry of an order (i) authorizing the sale (the "Sale") of certain real property owned by the Debtor Steele Hill Investments, LLC (the "Seller") located at 171 Sopris Mesa Drive, Carbondale, Colorado (the "Land"), together with Seller's right, title, and interest in and to the buildings located thereon and any other improvements and fixtures located thereon (collectively, the "Improvements" and together with the Land, the "Real Property"), and any and all of the Seller's right, title, and interest in and to the tangible personal property and equipment remaining on the Real Property as of the date of the Closing (collectively, the "Personal Property" and, together with the Real Property, the "Property") on an "as is, where is" basis, free and clear of

<sup>1</sup> The last four digits of Woodbridge Group of Companies, LLC's federal tax identification number are 3603. The mailing address for Woodbridge Group of Companies, LLC is 14140 Ventura Blvd #302, Sherman Oaks, California 91423. Due to the large number of debtors in these cases, which are being jointly administered for procedural purposes only, a complete list of the Debtors, the last four digits of their federal tax identification numbers, and their addresses are not provided herein. A complete list of this information may be obtained on the website of the Debtors' noticing and claims agent at [www.gardencitygroup.com/cases/WGC](http://www.gardencitygroup.com/cases/WGC), or by contacting the undersigned counsel for the Debtors.

<sup>2</sup> Capitalized terms used but not defined herein have the meaning assigned to such terms in the Motion.

any and all liens, claims, encumbrances, and other interests to DSTN Ventures LLC (together with any assignee, the "Purchaser") pursuant to the terms and conditions of that certain Contract to Buy and Sell Real Estate dated as of March 3, 2018 (as may be amended, supplemented, or otherwise modified from time to time, the "Purchase Agreement") by and between the Seller and the Purchaser, a copy of which is attached as Exhibit 1 hereto; (ii) authorizing and approving the terms of the Purchase Agreement, and (iii) granting certain related relief; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and the Court having found that good and sufficient cause exists for granting the Motion; and upon the record of these Chapter 11 Cases and all of the proceedings had before the Court; and it appearing that the relief requested in the Motion is appropriate in the context of these Chapter 11 Cases and in the best interests of the Debtors and their respective estates, their creditors, and all other parties-in-interest; and it appearing that notice of the Motion was adequate and proper under the circumstances of these Chapter 11 Cases, and that no other or further notice need be given; and after due deliberation and sufficient cause appearing therefor,

**IT IS HEREBY ORDERED THAT:**

1. The Motion is GRANTED as set forth herein.
2. The Purchase Agreement is authorized and approved in its entirety.
3. Pursuant to sections 105 and 363 of the Bankruptcy Code, the Debtors are authorized, in their discretion and in the exercise of their business judgment, to sell the Property pursuant to the Purchase Agreement free and clear of all liens, claims, interests, and encumbrances, to perform all obligations under the Purchase Agreement (including paying the Broker Fees and Other Closing Costs out of the proceeds of the Sale), and to take any other reasonable actions that may be necessary in the Debtors' good faith business judgment to

effectuate closing of the Sale, and that any actions taken by the Debtors necessary or desirable to consummate such transactions prior to the entry of this Order are hereby ratified.

4. The Debtors and any intermediary financial institution, title company, and closing attorney participating in the closings of the Sale are authorized to transfer title and deed property, and take any other actions as may be necessary to transfer ownership of the Property to the Purchaser.

5. All persons and entities holding liens, claims, interests or encumbrances with respect to the Property are hereby barred from asserting such Interests against the Purchaser, its successors or assigns, or the Property.

6. All proceeds of the Sale (net of the Broker Fees and Other Closing Costs) shall be paid to the Debtors into the general account of Debtor Woodbridge Group of Companies, LLC and such net proceeds shall be disbursed and otherwise treated by the Debtors in accordance with the Final DIP Order.

7. The Debtors are authorized and empowered to pay the Broker Fees to the Brokers in an amount up to 6% of the gross sale proceeds.

8. The Purchase Agreement is undertaken by the Debtors and Purchaser in good faith and that, pursuant to section 363(m) of the Bankruptcy Code, the reversal or modification on appeal of any sale consummated pursuant to the terms of this Order shall not affect the validity of such sale unless such sale was stayed pending appeal.

9. Filing of a copy of this Order in the county in which the Property is situated may be relied upon by all title insurers in order to issue title insurance policies on the Property.

10. Any title insurer, escrow agent, or other intermediary participating in a closing of the Sale is authorized to disburse all funds at the closing of the Sale pursuant to the applicable settlement statement or escrow instructions provided by the parties to such Sale.

11. The Debtors shall be authorized and empowered to take any necessary actions to implement and effectuate the terms of this Order.

12. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry notwithstanding any applicability of Bankruptcy Rule 6004(h).

13. The terms and provisions of this Order and any actions taken pursuant hereto shall (i) survive entry of any order converting the Debtors' cases to chapter 7 or dismissing the Debtors' cases (or any of them), and (ii) continue in this or any superseding case under the Bankruptcy Code of any of the Debtors.

14. The provisions of this Order shall be binding upon the Debtors and their successors and assigns, including, without limitation, any trustee or other fiduciary hereafter appointed as legal representative of the Debtors or with respect to property of the estates of the Debtors, whether under chapter 11 of the Bankruptcy Code, any confirmed plan, or any subsequent chapter 7 case.

15. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such motion and to have satisfied Bankruptcy Rule 6004(a).

16. This Court shall retain jurisdiction and power with respect to all matters arising from or related to the interpretation and implementation of this Order.

Dated: April 27, 2018  
Wilmington, Delaware

  
\_\_\_\_\_  
KEVIN J. CAREY  
UNITED STATES BANKRUPTCY JUDGE

**Exhibit 1**

**Purchase Agreement**



**The Property Shop, Inc.**  
Kathy Westley  
Ph: 970-947-9300 Fax: 970-947-9335

1 The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission. (AE41-6-15) (Mandatory 1-16)

2 THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX OR OTHER COUNSEL BEFORE SIGNING.

3  
4 **AGREEMENT TO AMEND/EXTEND CONTRACT**

5  
6 Date: 4/2/2018

7  
8 1. This agreement amends the contract dated 3/3/2018 (Contract), between **Steele Hill Investments LLC** (Seller), and **DSTN Ventures LLC** (Buyer), relating to the sale and purchase of the following legally described real estate in the County of **Garfield**, Colorado:  
9 **RIVER VALLEY RANCH, PHASE 6 Block: Y Lot: 03 AMENDED**  
10 known as No. **171 Sopris Mesa, Carbondale, CO 81623** (Property).  
11  
12

13 NOTE: If the table is omitted, or if any item is left blank or is marked in the "No Change" column, it means no change to the corresponding provision of the Contract. If any item is marked in the "Deleted" column, it means that the corresponding provision of the Contract to which reference is made is deleted.  
14


15 2. §3. DATES AND DEADLINES. [Omitted as inapplicable]

16 3. Other dates or deadlines set forth in the Contract are changed as follows:  
17 *n/a*

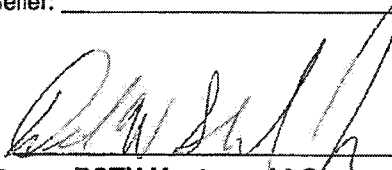
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19 4. Additional amendments:  
20 1. **Buyer has conducted its due diligence of the Property and is satisfied with the condition of the Property in all respects, and hereby expressly waives any right Buyer currently has, or in the future may have, to object under any objection deadline or other contingency under the Contract, including pursuant to Paragraphs 5.2, 5.4, 6.2, 7.4, 8.2, 8.3, 9.3, 10.3, 10.5, 10.6, 11.2, or any other Right to Terminate contained within the Contract, except for Buyer's Right to Terminate pursuant to Additional Provisions, Paragraphs 30 related to the Bankruptcy Court's approval of Sale Order. All other terms of the Contract are hereby ratified.**  
21 2. **The Original offer was submitted prior to Frederick Chin, CEO as signer for Steele Hill Investments. The original offer dated 1/29/18 was countered on 3/7/18 and executed by Frederick Chin, CEO. The counter was accepted by David W Shepard, DSTN Ventures LLC on 3/12/18.**

22 All other terms and conditions of the Contract remain the same.

23 This proposal expires unless accepted in writing by Seller and Buyer as evidenced by their signatures below and the offering party to this document receives notice of such acceptance on or before April 6, 2018 noon.  
24 Date Time

25  \_\_\_\_\_ Date: 4/4/18  
Seller: **Steele Hill Investments LLC**  
By: **Frederick Chin, CEO**

26  
27 Seller: \_\_\_\_\_ Date: \_\_\_\_\_

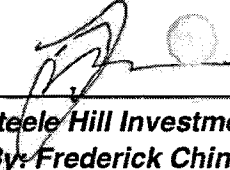
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29  \_\_\_\_\_ Date: 4/4/18  
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31 Buyer: **DSTN Ventures LLC**  
By: **David W Shepard Jr, Manager**

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33 Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

34  
35 \_\_\_\_\_

**AE41-6-15. AGREEMENT TO AMEND/EXTEND CONTRACT**

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25  \_\_\_\_\_ Date: 4/14/18  
Seller: **Steele Hill Investments LLC**  
By: **Frederick Chin, CEO**

26  
27 Seller: \_\_\_\_\_ Date: \_\_\_\_\_

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\_\_\_\_\_ Date: \_\_\_\_\_  
31 Buyer: **DSTN Ventures LLC**  
By: **David W Shepard Jr, Manager**

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33 Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

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**AE41-6-15. AGREEMENT TO AMEND/EXTEND CONTRACT**

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**The Property Shop, Inc.**  
Kathy Westley  
Ph: 970-947-9300 Fax: 970-947-9335

The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission. (CP40-6-15) (Mandatory 1-16)

**THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX OR OTHER COUNSEL BEFORE SIGNING.**

**COUNTERPROPOSAL**

Date: 3/7/2018

1. This Counterproposal supersedes and replaces any previous counterproposal. This Counterproposal amends the proposed contract dated 3/3/2018 (Contract), between **Steele Hill Investments LLC** (Seller), and **DSTN Ventures LLC** (Buyer), relating to the sale and purchase of the following legally described real estate in the County of **Garfield**, Colorado:  
**RIVER VALLEY RANCH, PHASE 6 Block: Y Lot: 03 AMENDED**  
known as No. **171 Sopris Mesa, Carbondale, CO 81623** (Property).

**NOTE: If the table is omitted, or if any item is left blank or is marked in the "No Change" column, it means no change to the corresponding provision of the Contract. If any item is marked in the "Deleted" column, it means that the corresponding provision of the Contract to which reference is made is deleted.**

2. **§ 3. DATES AND DEADLINES. [Omitted as inapplicable]**

3. **§ 4. PURCHASE PRICE AND TERMS. [Omitted as inapplicable]**

4. **ATTACHMENTS.** The following are a part of this Counterproposal:  
**no change**

**Note:** The following disclosure forms are attached but are not a part of this Counterproposal:  
**no change**

5. **OTHER CHANGES.**

- 1. **RE: Paragraph 9. Buyer shall order and pay for survey of Buyer's choice.**
- 2. **RE: Paragraph 13. Transfer of Title. Transfer of Title shall be in the form of a Special Warranty Deed.**
- 3. **RE: Paragraph 15.5: the RVR Open Space Fee is 0.25% of the purchase price, and according to Exhibit A is paid by the Buyer. The "Buyer" box should be checked.**
- 4. **Re: Paragraph 30. Additional Provisions. A. Seller will extend closing 10 days if soils test cannot be completed 10 days prior to closing.**

6. **ACCEPTANCE DEADLINE.** This Counterproposal expires unless accepted in writing by Seller and Buyer as evidenced by their signatures below and the offering party to this document receives notice of such acceptance on or before **March 20, 2018. 3 PM MDT.**

Date Time

If accepted, the Contract, as amended by this Counterproposal, will become a contract between Seller and Buyer. All other terms and conditions of the Contract remain the same.

*Frederick Chin, CEO*

32

Date: 3/12/2018

Seller: **Steele Hill Investments LLC**  
By: **Frederick Chin, CEO**

Address:

33

34 Seller: \_\_\_\_\_ Date: \_\_\_\_\_

35

Address: **DSTN Ventures LLC**  
By **David W Shepard Jr Manager**

36

*David W Shepard Jr*

Date: 03/12/2018

37

Buyer: **DSTN Ventures LLC**

Address:

38

39 Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

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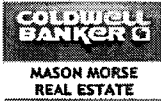
Address:

**Note:** When this Counterproposal form is used, the Contract is **not** to be signed by the party initiating this Counterproposal. Brokers must complete and sign the Broker's Acknowledgments and Compensation Disclosure portion of the Contract.

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**CP40-6-15. COUNTERPROPOSAL**

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**Coldwell Banker Mason Morse Real Estate**  
1614 Grand Avenue Glenwood Springs, CO 81601  
Starla J. Haynes  
Ph: 970.928.9000

The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission. (CBS4-6-15) (Mandatory 1-16)

**THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX OR OTHER COUNSEL BEFORE SIGNING.**

**CONTRACT TO BUY AND SELL REAL ESTATE  
(LAND)**

**Property with No Residences)**  
 **Property with Residences-Residential Addendum Attached)**

Date: 3/3/2018

**AGREEMENT**

**1. AGREEMENT.** Buyer agrees to buy and Seller agrees to sell, the Property described below on the terms and conditions set forth in this contract (Contract).

**2. PARTIES AND PROPERTY.**

**2.1. Buyer.** Buyer, *DSTN Ventures LLC*, will take title to the Property described below as

**Joint Tenants**  **Tenants In Common**  **Other *in severalty*.**

**2.2. No Assignability.** This Contract Is Not assignable by Buyer unless otherwise specified in Additional Provisions.

**2.3. Seller.** Seller, *Steele Hill Investments LLC*, is the current owner of the Property described below.

**2.4. Property.** The Property is the following legally described real estate in the County of Garfield, Colorado:

*RIVER VALLEY RANCH, PHASE 6 Block: Y Lot: 03 AMENDED*

known as No. *171 Sopris Mesa Dr, Carbondale, CO 81623,*

together with the interests, easements, rights, benefits, improvements and attached fixtures appurtenant thereto, and all interest of Seller in vacated streets and alleys adjacent thereto, except as herein excluded (Property).

**2.5. Inclusions.** The Purchase Price includes the following items (Inclusions):

**2.5.1. Inclusions.** The following items, whether fixtures or personal property, are included in the Purchase Price unless excluded under Exclusions:

n/a If any additional items are attached to the Property after the date of this Contract, such additional items are also included in the Purchase Price.

**2.5.2. Personal Property - Conveyance.** Any personal property must be conveyed at Closing by Seller free and clear of all taxes (except personal property taxes for the year of Closing), liens and encumbrances, except n/a.

Conveyance of all personal property will be by bill of sale or other applicable legal instrument.

**2.6. Exclusions.** The following items are excluded (Exclusions): n/a

**2.7. Water Rights, Well Rights, Water and Sewer Taps.**

**2.7.1. Deeded Water Rights.** The following legally described water rights:

n/a

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Any deeded water rights will be conveyed by a good and sufficient n/a deed at Closing.

**2.7.2. Other Rights Relating to Water.** The following rights relating to water not included in §§ 2.7.1, 2.7.3, 2.7.4 and 2.7.5, will be transferred to Buyer at Closing: n/a

**2.7.3. Well Rights.** Seller agrees to supply required information to Buyer about the well. Buyer understands that if the well to be transferred is a "Small Capacity Well" or a "Domestic Exempt Water Well," used for ordinary household purposes, Buyer must, prior to or at Closing, complete a Change in Ownership form for the well. If an existing well has not been registered with the Colorado Division of Water Resources in the Department of Natural Resources (Division), Buyer must complete a registration of existing well form for the well and pay the cost of registration. If no person will be providing a closing service in connection with the transaction, Buyer must file the form with the Division within sixty days after Closing. The Well Permit # is n/a.

**2.7.4. Water Stock Certificates.** The water stock certificates to be transferred at Closing are as follows: n/a

**2.7.5. Water and Sewer Taps.** The parties agree that water and sewer taps listed below for the Property are being conveyed as part of the Purchase Price as follows: n/a

If any water or sewer taps are included in the sale, Buyer is advised to obtain, from the provider, written confirmation of the amount remaining to be paid, if any, time and other restrictions for transfer and use of the taps.

**2.7.6. Conveyance.** If Buyer is to receive any rights to water pursuant to § 2.7.2 (Other Rights Relating to Water), § 2.7.3 (Well Rights), or § 2.7.4 (Water Stock Certificates), Seller agrees to convey such rights to Buyer by executing the applicable legal instrument at Closing.

**2.8. Growing Crops.** With respect to growing crops, Seller and Buyer agree as follows: n/a

**3. DATES AND DEADLINES.**

Item No.	Reference	Event	Date or Deadline
1	§ 4.3	Alternative Earnest Money Deadline	4 Days After MEC
		Title	
2	§ 8.1	Record Title Deadline	7 Days After MEC
3	§ 8.2	Record Title Objection Deadline	14 Days After MEC
4	§ 8.3	Off-Record Title Deadline	7 Days After MEC
5	§ 8.3	Off-Record Title Objection Deadline	14 Days After MEC
6	§ 8.4	Title Resolution Deadline	21 Days After MEC
7	§ 8.6	Right of First Refusal Deadline	n/a
		Owners' Association	
8	§ 7.3	Association Documents Deadline	7 Days After MEC
9	§ 7.4	Association Documents Objection Deadline	21 Days After MEC
		Seller's Property Disclosure	
10	§ 10.1	Seller's Property Disclosure Deadline	7 Days After MEC
		Loan and Credit	
11	§ 5.1	Loan Application Deadline	n/a
12	§ 5.2	Loan Objection Deadline	n/a
13	§ 5.3	Buyer's Credit Information Deadline	n/a
14	§ 5.3	Disapproval of Buyer's Credit Information Deadline	n/a
15	§ 5.4	Existing Loan Documents Deadline	n/a
16	§ 5.4	Existing Loan Documents Objection Deadline	n/a
17	§ 5.4	Loan Transfer Approval Deadline	n/a
18	§ 4.7	Seller or Private Financing Deadline	n/a

141		<b>Appraisal</b>		
142	19	§ 6.2	Appraisal Deadline	21 Days After MEC
143	20	§ 6.2	Appraisal Objection Deadline	24 Days After MEC
144	21	§ 6.2	Appraisal Resolution Deadline	28 Days After MEC
145				
146			<b>Survey</b>	
147				
148	22	§ 9.1	New ILC or New Survey Deadline	14 Days After MEC
149	23	§ 9.3	New ILC or New Survey Objection Deadline	21 Days After MEC
150	24	§ 9.4	New ILC or New Survey Resolution Deadline	24 Days After MEC
151				
152			<b>Inspection and Due Diligence</b>	
153				
154	25	§ 10.3	Inspection Objection Deadline	21 Days After MEC
155	26	§ 10.3	Inspection Resolution Deadline	27 Days After MEC
156	27	§ 10.5	Property Insurance Objection Deadline	n/a
157	28	§ 10.6	Due Diligence Documents Delivery Deadline	7 Days After MEC
158	29	§ 10.6	Due Diligence Documents Objection Deadline	21 Days After MEC
159	30	§ 10.6	Due Diligence Documents Resolution Deadline	27 Days After MEC
160	31	§ 10.6	Environmental Inspection Objection Deadline	n/a
161	32	§ 10.6	ADA Evaluation Objection Deadline	n/a
162	33	§ 10.7	Conditional Sale Deadline	n/a
163	34	§ 11.1	Tenant Estoppel Statements Deadline	n/a
164	35	§ 11.2	Tenant Estoppel Statements Objection Deadline	n/a
165				
166			<b>Closing and Possession</b>	
167				
168	36	§ 12.3	Closing Date	35 Days After MEC
169	37	§ 17	Possession Date	35 Days After MEC
170	38	§ 17	Possession Time	11am
171	39	§ 28	Acceptance Deadline Date	3/9/2018 Friday
172	40	§ 28	Acceptance Deadline Time	5:00 p.m. MST
173	41			n/a
174	42			

3.1. **Applicability of Terms.** Any box checked in this Contract means the corresponding provision applies. Any box, blank or line in this Contract left blank or completed with the abbreviation "N/A", or the word "Deleted" means such provision, including any deadline, is not applicable and the corresponding provision of this Contract to which reference is made is deleted. If no box is checked in a provision that contains a selection of "None", such provision means that "None" applies.

The abbreviation "MEC" (mutual execution of this Contract) means the date upon which both parties have signed this Contract.

**4. PURCHASE PRICE AND TERMS.**

4.1. **Price and Terms.** The Purchase Price set forth below is payable in U.S. Dollars by Buyer as follows:

Item No.	Reference	Item	Amount	Amount
1	§ 4.1	Purchase Price	\$165,000.00	
2	§ 4.3	Earnest Money		\$10,000.00
3	§ 4.5	New Loan		
4	§ 4.6	Assumption Balance		
5	§ 4.7	Private Financing		

211	6	\$ 4.7	Seller Financing		
212					
213	7				
214	8				
215					
216	9	\$ 4.4	Cash at Closing		\$155,000.00
217	10		TOTAL	\$165,000.00	\$165,000.00
218					

219  
220 **4.2. Seller Concession.** At Closing, Seller will credit to Buyer \$ 0 (Seller Concession). The  
221 Seller Concession may be used for any Buyer fee, cost, charge or expenditure to the extent the amount is  
222 allowed by the Buyer's lender and is included in the Closing Statement or Closing Disclosure, at Closing.  
223 Examples of allowable items to be paid for by the Seller Concession include, but are not limited to: Buyer's  
224 closing costs, loan discount points, loan origination fees, prepaid items and any other fee, cost, charge,  
225 expense or expenditure. Seller Concession is in addition to any sum Seller has agreed to pay or credit Buyer  
226 elsewhere in this Contract.  
227

228 **4.3. Earnest Money.** The Earnest Money set forth in this section, in the form of a check, will  
229 be payable to and held by Commonwealth Title (Earnest Money Holder), in its trust account, on behalf of  
230 both Seller and Buyer. The Earnest Money deposit must be tendered, by Buyer, with this Contract unless the  
231 parties mutually agree to an **Alternative Earnest Money Deadline** for its payment. The parties authorize  
232 delivery of the Earnest Money deposit to the company conducting the Closing (Closing Company), if any, at or  
233 before Closing. In the event Earnest Money Holder has agreed to have interest on Earnest Money deposits  
234 transferred to a fund established for the purpose of providing affordable housing to Colorado residents, Seller  
235 and Buyer acknowledge and agree that any interest accruing on the Earnest Money deposited with the Earnest  
236 Money Holder in this transaction will be transferred to such fund.  
237

238 **4.3.1. Alternative Earnest Money Deadline.** The deadline for delivering the Earnest  
239 Money, if other than at the time of tender of this Contract, is as set forth as the **Alternative Earnest Money**  
240 **Deadline.**  
241

242 **4.3.2. Return of Earnest Money.** If Buyer has a Right to Terminate and timely  
243 terminates, Buyer is entitled to the return of Earnest Money as provided in this Contract. If this Contract is  
244 terminated as set forth in § 25 and, except as provided in § 24, if the Earnest Money has not already been  
245 returned following receipt of a Notice to Terminate, Seller agrees to execute and return to Buyer or Broker  
246 working with Buyer, written mutual instructions (e.g., Earnest Money Release form), within three days of  
247 Seller's receipt of such form.  
248

249 **4.4. Form of Funds; Time of Payment; Available Funds.**

250 **4.4.1. Good Funds.** All amounts payable by the parties at Closing, including any loan  
251 proceeds, Cash at Closing and closing costs, must be in funds that comply with all applicable Colorado laws,  
252 including electronic transfer funds, certified check, savings and loan teller's check and cashier's check (Good  
253 Funds).  
254

255 **4.4.2. Time of Payment; Available Funds.** All funds, including the Purchase Price to be  
256 paid by Buyer, must be paid before or at Closing or as otherwise agreed in writing between the parties to allow  
257 disbursement by Closing Company at Closing **OR SUCH NONPAYING PARTY WILL BE IN DEFAULT.** Buyer  
258 represents that Buyer, as of the date of this Contract,  **Does**  **Does Not** have funds that are immediately  
259 verifiable and available in an amount not less than the amount stated as Cash at Closing in § 4.1.  
260

261 **4.5. New Loan.** (Omitted as inapplicable)  
262

263 **4.6. Assumption.** (Omitted as inapplicable)  
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265 **4.7. Seller or Private Financing.** (Omitted as inapplicable)  
266

267 **TRANSACTION PROVISIONS**  
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269 **5. FINANCING CONDITIONS AND OBLIGATIONS.** (Omitted as inapplicable)  
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271 **5.3. Credit Information and Buyer's New Senior Loan.** (Omitted as inapplicable)  
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5.4. Existing Loan Review. (Omitted as inapplicable)

6. APPRAISAL PROVISIONS.

6.1. Appraisal Definition. An "Appraisal" is an opinion of value prepared by a licensed or certified appraiser, engaged on behalf of Buyer or Buyer's lender, to determine the Property's market value (Appraised Value). The Appraisal may also set forth certain lender requirements, replacements, removals or repairs necessary on or to the Property as a condition for the Property to be valued at the Appraised Value.

6.2. Appraisal Condition. The applicable appraisal provision set forth below applies to the respective loan type set forth in § 4.5.3, or if a cash transaction (i.e. no financing), § 6.2.1 applies.

6.2.1. Conventional/Other. Buyer has the right to obtain an Appraisal. If the Appraised Value is less than the Purchase Price, or if the Appraisal is not received by Buyer on or before Appraisal Deadline Buyer may, on or before Appraisal Objection Deadline, notwithstanding § 8.3 or § 13:

6.2.1.1. Notice to Terminate. Notify Seller in writing that this Contract is terminated; or

6.2.1.2. Appraisal Objection. Deliver to Seller a written objection accompanied by either a copy of the Appraisal or written notice from lender that confirms the Appraisal Value is less than the Purchase Price.

6.2.1.3. Appraisal Resolution. If an Appraisal Objection is received by Seller, on or before Appraisal Objection Deadline, and if Buyer and Seller have not agreed in writing to a settlement thereof on or before Appraisal Resolution Deadline (§ 3), this Contract will terminate on the Appraisal Resolution Deadline, unless Seller receives Buyer's written withdrawal of the Appraisal Objection before such termination, i.e., on or before expiration of Appraisal Resolution Deadline.

6.3. Lender Property Requirements. If the lender imposes any requirements, replacements, removals or repairs, including any specified in the Appraisal (Lender Requirements) to be made to the Property (e.g., roof repair, repainting), beyond those matters already agreed to by Seller in this Contract, Seller has the Right to Terminate under § 25.1, (notwithstanding § 10 of this Contract), on or before three days following Seller's receipt of the Lender Requirements, in Seller's sole subjective discretion. Seller's Right to Terminate in this § 6.3 does not apply if, on or before any termination by Seller pursuant to this § 6.3: (1) the parties enter into a written agreement regarding the Lender Requirements; or (2) the Lender Requirements have been completed; or (3) the satisfaction of the Lender Requirements is waived in writing by Buyer.

6.4. Cost of Appraisal. Cost of the Appraisal to be obtained after the date of this Contract must be timely paid by  Buyer  Seller. The cost of the Appraisal may include any and all fees paid to the appraiser, appraisal management company, lender's agent or all three.

7. OWNERS' ASSOCIATION. This Section is applicable if the Property is located within a Common Interest Community and subject to such declaration.

7.1. Common Interest Community Disclosure. THE PROPERTY IS LOCATED WITHIN A COMMON INTEREST COMMUNITY AND IS SUBJECT TO THE DECLARATION FOR THE COMMUNITY. THE OWNER OF THE PROPERTY WILL BE REQUIRED TO BE A MEMBER OF THE OWNERS' ASSOCIATION FOR THE COMMUNITY AND WILL BE SUBJECT TO THE BYLAWS AND RULES AND REGULATIONS OF THE ASSOCIATION. THE DECLARATION, BYLAWS, AND RULES AND REGULATIONS WILL IMPOSE FINANCIAL OBLIGATIONS UPON THE OWNER OF THE PROPERTY, INCLUDING AN OBLIGATION TO PAY ASSESSMENTS OF THE ASSOCIATION. IF THE OWNER DOES NOT PAY THESE ASSESSMENTS, THE ASSOCIATION COULD PLACE A LIEN ON THE PROPERTY AND POSSIBLY SELL IT TO PAY THE DEBT. THE DECLARATION, BYLAWS, AND RULES AND REGULATIONS OF THE COMMUNITY MAY PROHIBIT THE OWNER FROM MAKING CHANGES TO THE PROPERTY WITHOUT AN ARCHITECTURAL REVIEW BY THE ASSOCIATION (OR A COMMITTEE OF THE ASSOCIATION) AND THE APPROVAL OF THE ASSOCIATION. PURCHASERS OF PROPERTY WITHIN THE COMMON INTEREST COMMUNITY SHOULD INVESTIGATE THE FINANCIAL OBLIGATIONS OF MEMBERS OF THE ASSOCIATION. PURCHASERS SHOULD CAREFULLY READ THE DECLARATION FOR THE COMMUNITY AND THE BYLAWS AND RULES AND REGULATIONS OF THE ASSOCIATION.

7.2. Owners' Association Documents. Owners' Association Documents (Association Documents) consist of the following:

351 **7.2.1. All Owners' Association declarations, articles of incorporation, bylaws, articles of**  
 352 **organization, operating agreements, rules and regulations, party wall agreements;**

353 **7.2.2. Minutes of most recent annual owners' meeting;**

354 **7.2.3. Minutes of any directors' or managers' meetings during the six-month period**  
 355 **immediately preceding the date of this Contract. If none of the preceding minutes exist, then the most recent**  
 356 **minutes, if any (§§ 7.2.1, 7.2.2 and 7.2.3, collectively, Governing Documents); and**

357 **7.2.4. The most recent financial documents which consist of: (1) annual and most recent**  
 358 **balance sheet, (2) annual and most recent income and expenditures statement, (3) annual budget, (4) reserve**  
 359 **study, and (5) notice of unpaid assessments, if any (collectively, Financial Documents).**

360 **7.3. Association Documents to Buyer.**

361 **7.3.1. Seller to Provide Association Documents.** Seller is obligated to provide to Buyer the  
 362 **Association Documents, at Seller's expense, on or before Association Documents Deadline.** Seller  
 363 **authorizes the Association to provide the Association Documents to Buyer, at Seller's expense. Seller's**  
 364 **obligation to provide the Association Documents is fulfilled upon Buyer's receipt of the Association Documents,**  
 365 **regardless of who provides such documents.**

366 **7.4. Conditional on Buyer's Review.** Buyer has the right to review the Association Documents.  
 367 **Buyer has the Right to Terminate under § 25.1, on or before Association Documents Objection Deadline,**  
 368 **based on any unsatisfactory provision in any of the Association Documents, in Buyer's sole subjective**  
 369 **discretion. Should Buyer receive the Association Documents after Association Documents Deadline, Buyer,**  
 370 **at Buyer's option, has the Right to Terminate under § 25.1 by Buyer's Notice to Terminate received by Seller on**  
 371 **or before ten days after Buyer's receipt of the Association Documents. If Buyer does not receive the**  
 372 **Association Documents, or if Buyer's Notice to Terminate would otherwise be required to be received by Seller**  
 373 **after Closing Date, Buyer's Notice to Terminate must be received by Seller on or before Closing. If Seller does**  
 374 **not receive Buyer's Notice to Terminate within such time, Buyer accepts the provisions of the Association**  
 375 **Documents as satisfactory, and Buyer waives any Right to Terminate under this provision, notwithstanding the**  
 376 **provisions of § 8.6 (Right of First Refusal or Contract Approval).**

377 **8. TITLE INSURANCE, RECORD TITLE AND OFF-RECORD TITLE.**

378 **8.1. Evidence of Record Title.**

379  **8.1.1. Seller Selects Title Insurance Company.** If this box is checked, Seller will select the  
 380 **title insurance company to furnish the owner's title insurance policy at Seller's expense. On or before Record**  
 381 **Title Deadline, Seller must furnish to Buyer, a current commitment for an owner's title insurance policy (Title**  
 382 **Commitment), in an amount equal to the Purchase Price, or if this box is checked,  an Abstract of Title**  
 383 **certified to a current date. Seller will cause the title insurance policy to be issued and delivered to Buyer as**  
 384 **soon as practicable at or after Closing.**

385  **8.1.2. Buyer Selects Title Insurance Company.** If this box is checked, Buyer will select the  
 386 **title insurance company to furnish the owner's title insurance policy at Buyer's expense. On or before Record**  
 387 **Title Deadline, Buyer must furnish to Seller, a current commitment for owner's title insurance policy (Title**  
 388 **Commitment), in an amount equal to the Purchase Price.**

389 **If neither box in § 8.1.1 or § 8.1.2 is checked, § 8.1.1 applies.**

390 **8.1.3. Owner's Extended Coverage (OEC).** The Title Commitment  **Will**  **Will Not**  
 391 **contain Owner's Extended Coverage (OEC). If the Title Commitment is to contain OEC, it will commit to delete**  
 392 **or insure over the standard exceptions which relate to: (1) parties in possession, (2) unrecorded easements,**  
 393 **(3) survey matters, (4) unrecorded mechanics' liens, (5) gap period (period between the effective date and time**  
 394 **of commitment to the date and time the deed is recorded), and (6) unpaid taxes, assessments and**  
 395 **unredeemed tax sales prior to the year of Closing. Any additional premium expense to obtain OEC will be paid**  
 396 **by  Buyer  Seller  One-Half by Buyer and One-Half by Seller  Other .**

397 **Regardless of whether the Contract requires OEC, the Title Insurance Commitment may not provide OEC or**  
 398 **delete or insure over any or all of the standard exceptions for OEC. The Title Insurance Company may require**  
 399 **a New Survey or New ILC, defined below, among other requirements for OEC. If the Title Insurance**  
 400 **Commitment is not satisfactory to Buyer, Buyer has a right to object under § 8.4 (Right to Object to Title,**  
 401 **Resolution).**

402 **8.1.4. Title Documents.** Title Documents consist of the following: (1) copies of any plats,  
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421 declarations, covenants, conditions and restrictions burdening the Property, and (2) copies of any other  
 422 documents (or, if illegible, summaries of such documents) listed in the schedule of exceptions (Exceptions) in  
 423 the Title Commitment furnished to Buyer (collectively, Title Documents).  
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425 **8.1.5. Copies of Title Documents.** Buyer must receive, on or before **Record Title Deadline**,  
 426 copies of all Title Documents. This requirement pertains only to documents as shown of record in the office of  
 427 the clerk and recorder in the county where the Property is located. The cost of furnishing copies of the  
 428 documents required in this Section will be at the expense of the party or parties obligated to pay for the  
 429 owner's title insurance policy.  
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431 **8.1.6. Existing Abstracts of Title.** Seller must deliver to Buyer copies of any abstracts of title  
 432 covering all or any portion of the Property (Abstract of Title) in Seller's possession on or before **Record Title**  
 433 **Deadline**.  
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435 **8.2. Record Title.** Buyer has the right to review and object to the Abstract of Title or Title  
 436 Commitment and any of the Title Documents as set forth in § 8.4 (Right to Object to Title, Resolution) on or  
 437 before **Record Title Objection Deadline**. Buyer's objection may be based on any unsatisfactory form or  
 438 content of Title Commitment or Abstract of Title, notwithstanding § 13, or any other unsatisfactory title  
 439 condition, in Buyer's sole subjective discretion. If the Abstract of Title, Title Commitment or Title Documents are  
 440 not received by Buyer on or before the **Record Title Deadline**, or if there is an endorsement to the Title  
 441 Commitment that adds a new Exception to title, a copy of the new Exception to title and the modified Title  
 442 Commitment will be delivered to Buyer. Buyer has until the earlier of Closing or ten days after receipt of such  
 443 documents by Buyer to review and object to: (1) any required Title Document not timely received by Buyer, (2)  
 444 any change to the Abstract of Title, Title Commitment or Title Documents, or (3) any endorsement to the Title  
 445 Commitment. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection, pursuant to this § 8.2  
 446 (Record Title), any title objection by Buyer is governed by the provisions set forth in § 8.4 (Right to Object to  
 447 Title, Resolution). If Seller has fulfilled all Seller's obligations, if any, to deliver to Buyer all documents required  
 448 by § 8.1 (Evidence of Record Title) and Seller does not receive Buyer's Notice to Terminate or Notice of Title  
 449 Objection by the applicable deadline specified above, Buyer accepts the condition of title as disclosed by the  
 450 Abstract of Title, Title Commitment and Title Documents as satisfactory.  
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452 **8.3. Off-Record Title.** Seller must deliver to Buyer, on or before **Off-Record Title Deadline**, true  
 453 copies of all existing surveys in Seller's possession pertaining to the Property and must disclose to Buyer all  
 454 easements, liens (including, without limitation, governmental improvements approved, but not yet installed) or  
 455 other title matters (including, without limitation, rights of first refusal and options) not shown by public records,  
 456 of which Seller has actual knowledge (Off-Record Matters). Buyer has the right to inspect the Property to  
 457 investigate if any third party has any right in the Property not shown by public records (e.g., unrecorded  
 458 easement, boundary line discrepancy or water rights). Buyer's Notice to Terminate or Notice of Title Objection  
 459 of any unsatisfactory condition (whether disclosed by Seller or revealed by such inspection, notwithstanding §  
 460 8.2 and § 13), in Buyer's sole subjective discretion, must be received by Seller on or before **Off-Record Title**  
 461 **Objection Deadline**. If an Off-Record Matter is received by Buyer after the **Off-Record Title Deadline**, Buyer  
 462 has until the earlier of Closing or ten days after receipt by Buyer to review and object to such Off-Record  
 463 Matter. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection pursuant to this § 8.3  
 464 (Off-Record Title), any title objection by Buyer and this Contract are governed by the provisions set forth in §  
 465 8.4 (Right to Object to Title, Resolution). If Seller does not receive Buyer's Notice to Terminate or Notice of Title  
 466 Objection by the applicable deadline specified above, Buyer accepts title subject to such rights, if any, of third  
 467 parties of which Buyer has actual knowledge.  
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469 **8.4. Right to Object to Title, Resolution.** Buyer's right to object to any title matters includes, but is  
 470 not limited to those matters set forth in §§ 8.2 (Record Title), 8.3 (Off-Record Title) and 13 (Transfer of Title), in  
 471 Buyer's sole subjective discretion. If Buyer objects to any title matter, on or before the applicable deadline,  
 472 Buyer has the following options:  
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474 **8.4.1. Title Objection, Resolution.** If Seller receives Buyer's written notice objecting to any  
 475 title matter (Notice of Title Objection) on or before the applicable deadline, and if Buyer and Seller have not  
 476 agreed to a written settlement thereof on or before **Title Resolution Deadline**, this Contract will terminate on  
 477 the expiration of **Title Resolution Deadline**, unless Seller receives Buyer's written withdrawal of Buyer's  
 478 Notice of Title Objection (i.e., Buyer's written notice to waive objection to such items and waives the Right to  
 479 Terminate for that reason), on or before expiration of **Title Resolution Deadline**. If either the Record Title  
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491 Deadline or the Off-Record Title Deadline, or both, are extended to the earlier of Closing or ten days after  
 492 receipt of the applicable documents by Buyer, pursuant to § 8.2 (Record Title) or § 8.3 (Off-Record Title), the  
 493 Title Resolution Deadline also will be automatically extended to the earlier of Closing or fifteen days after  
 494 Buyer's receipt of the applicable documents; or

495 **8.4.2. Title Objection, Right to Terminate.** Buyer may exercise the Right to Terminate under  
 496 § 25.1, on or before the applicable deadline, based on any unsatisfactory title matter, in Buyer's sole subjective  
 497 discretion.  
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500 **8.5. Special Taxing Districts.** SPECIAL TAXING DISTRICTS MAY BE SUBJECT TO GENERAL  
 501 OBLIGATION INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM ANNUAL TAX LEVIES  
 502 ON THE TAXABLE PROPERTY WITHIN SUCH DISTRICTS. PROPERTY OWNERS IN SUCH DISTRICTS  
 503 MAY BE PLACED AT RISK FOR INCREASED MILL LEVIES AND TAX TO SUPPORT THE SERVICING OF  
 504 SUCH DEBT WHERE CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF SUCH A DISTRICT TO  
 505 DISCHARGE SUCH INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL LEVIES. BUYERS  
 506 SHOULD INVESTIGATE THE SPECIAL TAXING DISTRICTS IN WHICH THE PROPERTY IS LOCATED BY  
 507 CONTACTING THE COUNTY TREASURER, BY REVIEWING THE CERTIFICATE OF TAXES DUE FOR THE  
 508 PROPERTY, AND BY OBTAINING FURTHER INFORMATION FROM THE BOARD OF COUNTY  
 509 COMMISSIONERS, THE COUNTY CLERK AND RECORDER, OR THE COUNTY ASSESSOR.  
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512 Buyer has the Right to Terminate under § 25.1, on or before **Off-Record Title Objection Deadline**, based  
 513 on any unsatisfactory effect of the Property being located within a special taxing district, in Buyer's sole  
 514 subjective discretion.  
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517 **8.6. Right of First Refusal or Contract Approval.** If there is a right of first refusal on the Property  
 518 or a right to approve this Contract, Seller must promptly submit this Contract according to the terms and  
 519 conditions of such right. If the holder of the right of first refusal exercises such right or the holder of a right to  
 520 approve disapproves this Contract, this Contract will terminate. If the right of first refusal is waived explicitly or  
 521 expires, or the Contract is approved, this Contract will remain in full force and effect. Seller must promptly  
 522 notify Buyer in writing of the foregoing. If expiration or waiver of the right of first refusal or approval of this  
 523 Contract has not occurred on or before **Right of First Refusal Deadline**, this Contract will then terminate.  
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526 **8.7. Title Advisory.** The Title Documents affect the title, ownership and use of the Property and  
 527 should be reviewed carefully. Additionally, other matters not reflected in the Title Documents may affect the  
 528 title, ownership and use of the Property, including, without limitation, boundary lines and encroachments,  
 529 set-back requirements, area, zoning, building code violations, unrecorded easements and claims of  
 530 easements, leases and other unrecorded agreements, water on or under the Property, and various laws and  
 531 governmental regulations concerning land use, development and environmental matters.  
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534 **8.7.1. OIL, GAS, WATER AND MINERAL DISCLOSURE.** THE SURFACE ESTATE OF THE  
 535 PROPERTY MAY BE OWNED SEPARATELY FROM THE UNDERLYING MINERAL ESTATE, AND  
 536 TRANSFER OF THE SURFACE ESTATE MAY NOT NECESSARILY INCLUDE TRANSFER OF THE  
 537 MINERAL ESTATE OR WATER RIGHTS. THIRD PARTIES MAY OWN OR LEASE INTERESTS IN OIL, GAS,  
 538 OTHER MINERALS, GEOTHERMAL ENERGY OR WATER ON OR UNDER THE SURFACE OF THE  
 539 PROPERTY, WHICH INTERESTS MAY GIVE THEM RIGHTS TO ENTER AND USE THE SURFACE OF THE  
 540 PROPERTY TO ACCESS THE MINERAL ESTATE, OIL, GAS OR WATER.  
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543 **8.7.2. SURFACE USE AGREEMENT.** THE USE OF THE SURFACE ESTATE OF THE  
 544 PROPERTY TO ACCESS THE OIL, GAS OR MINERALS MAY BE GOVERNED BY A SURFACE USE  
 545 AGREEMENT, A MEMORANDUM OR OTHER NOTICE OF WHICH MAY BE RECORDED WITH THE  
 546 COUNTY CLERK AND RECORDER.  
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548 **8.7.3. OIL AND GAS ACTIVITY.** OIL AND GAS ACTIVITY THAT MAY OCCUR ON OR  
 549 ADJACENT TO THE PROPERTY MAY INCLUDE, BUT IS NOT LIMITED TO, SURVEYING, DRILLING,  
 550 WELL COMPLETION OPERATIONS, STORAGE, OIL AND GAS, OR PRODUCTION FACILITIES,  
 551 PRODUCING WELLS, REWORKING OF CURRENT WELLS, AND GAS GATHERING AND PROCESSING  
 552 FACILITIES.  
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554 **8.7.4. ADDITIONAL INFORMATION.** BUYER IS ENCOURAGED TO SEEK ADDITIONAL  
 555 INFORMATION REGARDING OIL AND GAS ACTIVITY ON OR ADJACENT TO THE PROPERTY,  
 556 INCLUDING DRILLING PERMIT APPLICATIONS. THIS INFORMATION MAY BE AVAILABLE FROM THE  
 557 COLORADO OIL AND GAS CONSERVATION COMMISSION.  
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**8.7.5. Title Insurance Exclusions.** Matters set forth in this Section, and others, may be excepted, excluded from, or not covered by the owner's title insurance policy.

**8.8. Consult an Attorney.** Buyer is advised to timely consult legal counsel with respect to all such matters as there are strict time limits provided in this Contract (e.g., **Record Title Objection Deadline** and **Off-Record Title Objection Deadline**).

**9. NEW ILC, NEW SURVEY.**

**9.1. New ILC or New Survey.** If the box is checked, a  **New Improvement Location Certificate (New ILC)**  **New Survey** in the form of is required and the following will apply:

**9.1.1. Ordering of New ILC or New Survey.**  **Seller**  **Buyer** will order the New ILC or New Survey. The New ILC or New Survey may also be a previous ILC or survey that is in the above-required form, certified and updated as of a date after the date of this Contract.

**9.1.2. Payment for New ILC or New Survey.** The cost of the New ILC or New Survey will be paid, on or before Closing, by:  **Seller**  **Buyer** or:

**9.1.3. Delivery of New ILC or New Survey.** Buyer, Seller, the issuer of the Title Commitment (or the provider of the opinion of title if an Abstract of Title), and Buyer's Broker & Attorney will receive a New ILC or New Survey on or before **New ILC or New Survey Deadline**.

**9.1.4. Certification of New ILC or New Survey.** The New ILC or New Survey will be certified by the surveyor to all those who are to receive the New ILC or New Survey.

**9.2. Buyer's Right to Waive or Change New ILC or New Survey Selection.** Buyer may select a New ILC or New Survey different than initially specified in this Contract if there is no additional cost to Seller or change to the **New ILC or New Survey Objection Deadline**. Buyer may, in Buyer's sole subjective discretion, waive a New ILC or New Survey if done prior to Seller incurring any cost for the same.

**9.3. New ILC or New Survey Objection.** Buyer has the right to review and object to the New ILC or New Survey. If the New ILC or New Survey is not timely received by Buyer or is unsatisfactory to Buyer, in Buyer's sole subjective discretion, Buyer may, on or before **New ILC or New Survey Objection Deadline**, notwithstanding § 8.3 or § 13:

**9.3.1. Notice to Terminate.** Notify Seller in writing that this Contract is terminated; or

**9.3.2. New ILC or New Survey Objection.** Deliver to Seller a written description of any matter that was to be shown or is shown in the New ILC or New Survey that is unsatisfactory and that Buyer requires Seller to correct.

**9.3.3. New ILC or New Survey Resolution.** If a **New ILC or New Survey Objection** is received by Seller, on or before **New ILC or New Survey Objection Deadline**, and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **New ILC or New Survey Resolution Deadline**, this Contract will terminate on expiration of the **New ILC or New Survey Resolution Deadline**, unless Seller receives Buyer's written withdrawal of the New ILC or New Survey Objection before such termination, i.e., on or before expiration of **New ILC or New Survey Resolution Deadline**.

**DISCLOSURE, INSPECTION AND DUE DILIGENCE**

**10. PROPERTY DISCLOSURE, INSPECTION, INDEMNITY, INSURABILITY, DUE DILIGENCE AND SOURCE OF WATER.**

**10.1. Seller's Property Disclosure.** On or before **Seller's Property Disclosure Deadline**, Seller agrees to deliver to Buyer the most current version of the applicable Colorado Real Estate Commission's Seller's Property Disclosure form completed by Seller to Seller's actual knowledge, current as of the date of this Contract.

**10.2. Disclosure of Latent Defects; Present Condition.** Seller must disclose to Buyer any latent defects actually known by Seller. Seller agrees that disclosure of latent defects will be in writing. Except as otherwise provided in this Contract, Buyer acknowledges that Seller is conveying the Property to Buyer in an "As Is" condition, "Where Is" and "With All Faults."

**10.3. Inspection.** Unless otherwise provided in this Contract, Buyer, acting in good faith, has the right to have inspections (by one or more third parties, personally or both) of the Property and Inclusions (Inspection), at Buyer's expense. If (1) the physical condition of the Property, including, but not limited to, the

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roof, walls, structural integrity of the Property, the electrical, plumbing, HVAC and other mechanical systems of the Property, (2) the physical condition of the Inclusions, (3) service to the Property (including utilities and communication services), systems and components of the Property (e.g., heating and plumbing), (4) any proposed or existing transportation project, road, street or highway, or (5) any other activity, odor or noise (whether on or off the Property) and its effect or expected effect on the Property or its occupants is unsatisfactory, in Buyer's sole subjective discretion, Buyer may, on or before **Inspection Objection Deadline:**

**10.3.1. Notice to Terminate.** Notify Seller in writing that this Contract is terminated; or

**10.3.2. Inspection Objection.** Deliver to Seller a written description of any unsatisfactory physical condition that Buyer requires Seller to correct.

**10.3.3. Inspection Resolution.** If an Inspection Objection is received by Seller, on or before **Inspection Objection Deadline**, and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **Inspection Resolution Deadline**, this Contract will terminate on **Inspection Resolution Deadline** unless Seller receives Buyer's written withdrawal of the Inspection Objection before such termination, i.e., on or before expiration of **Inspection Resolution Deadline**.

**10.4. Damage, Liens and Indemnity.** Buyer, except as otherwise provided in this Contract or other written agreement between the parties, is responsible for payment for all inspections, tests, surveys, engineering reports, or other reports performed at Buyer's request (Work) and must pay for any damage that occurs to the Property and Inclusions as a result of such Work. Buyer must not permit claims or liens of any kind against the Property for Work performed on the Property. Buyer agrees to indemnify, protect and hold Seller harmless from and against any liability, damage, cost or expense incurred by Seller and caused by any such Work, claim, or lien. This indemnity includes Seller's right to recover all costs and expenses incurred by Seller to defend against any such liability, damage, cost or expense, or to enforce this section, including Seller's reasonable attorney fees, legal fees and expenses. The provisions of this section survive the termination of this Contract. This § 10.4 does not apply to items performed pursuant to an Inspection Resolution.

**10.5. Insurability.** Buyer has the right to review and object to the availability, terms and conditions of and premium for property insurance (Property Insurance). Buyer has the Right to Terminate under § 25.1, on or before **Property Insurance Objection Deadline**, based on any unsatisfactory provision of the Property Insurance, in Buyer's sole subjective discretion.

**10.6. Due Diligence.**

**10.6.1. Due Diligence Documents.** If the respective box is checked, Seller agrees to deliver copies of the following documents and information pertaining to the Property (Due Diligence Documents) to Buyer on or before **Due Diligence Documents Delivery Deadline:**

**10.6.1.1.** All contracts relating to the operation, maintenance and management of the Property;

**10.6.1.2.** Property tax bills for the last years;

**10.6.1.3.** As-built construction plans to the Property and the tenant improvements, including architectural, electrical, mechanical, and structural systems, engineering reports, and permanent Certificates of Occupancy, to the extent now available;

**10.6.1.4.** A list of all Inclusions to be conveyed to Buyer;

**10.6.1.5.** Operating statements for the past years;

**10.6.1.6.** A rent roll accurate and correct to the date of this Contract;

**10.6.1.7.** All current leases, including any amendments or other occupancy agreements, pertaining to the Property. Those leases or other occupancy agreements pertaining to the Property that survive Closing are as follows (Leases):

**10.6.1.8.** A schedule of any tenant improvement work Seller is obligated to complete but has not yet been completed and capital improvement work either scheduled or in process on the date of this Contract;

**10.6.1.9.** All insurance policies pertaining to the Property and copies of any claims which have been made for the past years;

**10.6.1.10.** Soils reports, surveys and engineering reports or data pertaining to the Property (if not delivered earlier under § 8.3);

**10.6.1.11.** Any and all existing documentation and reports regarding Phase I and II

701 environmental reports, letters, test results, advisories, and similar documents respective to the existence or  
 702 nonexistence of asbestos, PCB transformers, or other toxic, hazardous or contaminated substances, and/or  
 703 underground storage tanks and/or radon gas. If no reports are in Seller's possession or known to Seller, Seller  
 704 warrants that no such reports are in Seller's possession or known to Seller;  
 705  
 706  **10.6.1.12.** Any *Americans with Disabilities Act* reports, studies or surveys concerning  
 707 the compliance of the Property with said Act;  
 708  
 709  **10.6.1.13.** All permits, licenses and other building or use authorizations issued by any  
 710 governmental authority with jurisdiction over the Property and written notice of any violation of any such  
 711 permits, licenses or use authorizations, if any; and  
 712  
 713  **10.6.1.14.** Other documents and information:

714  
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 716  
 717 **10.6.2. Due Diligence Documents Review and Objection.** Buyer has the right to review and  
 718 object to Due Diligence Documents. If the Due Diligence Documents are not supplied to Buyer or are  
 719 unsatisfactory in Buyer's sole subjective discretion, Buyer may, on or before **Due Diligence Documents**  
 720 **Objection Deadline:**

721  
 722 **10.6.2.1. Notice to Terminate.** Notify Seller in writing that this Contract is terminated;  
 723  
 724 or

725 **10.6.2.2. Due Diligence Documents Objection.** Deliver to Seller a written description  
 726 of any unsatisfactory Due Diligence Documents that Buyer requires Seller to correct.

727 **10.6.2.3. Due Diligence Documents Resolution.** If a Due Diligence Documents  
 728 Objection is received by Seller, on or before **Due Diligence Documents Objection Deadline**, and if Buyer and  
 729 Seller have not agreed in writing to a settlement thereof on or before **Due Diligence Documents Resolution**  
 730 **Deadline**, this Contract will terminate on **Due Diligence Documents Resolution Deadline** unless Seller  
 731 receives Buyer's written withdrawal of the Due Diligence Documents Objection before such termination, i.e., on  
 732 or before expiration of **Due Diligence Documents Resolution Deadline**.

733  
 734 **10.6.3. Zoning.** Buyer has the Right to Terminate under § 25.1, on or before **Due Diligence**  
 735 **Documents Objection Deadline**, based on any unsatisfactory zoning and any use restrictions imposed by any  
 736 governmental agency with jurisdiction over the Property, in Buyer's sole subjective discretion.

737 **10.6.4. Due Diligence – Environmental, ADA.** Buyer has the right to obtain environmental  
 738 inspections of the Property including Phase I and Phase II Environmental Site Assessments, as applicable.   
 739 **Seller**  **Buyer** will order or provide **Phase I Environmental Site Assessment, Phase II Environmental Site**  
 740 **Assessment** (compliant with most current version of the applicable ASTM E1527 standard practices for  
 741 Environmental Site Assessments) and/or  *n/a*, at the expense of  **Seller**  **Buyer** (Environmental  
 742 Inspection). In addition, Buyer, at Buyer's expense, may also conduct an evaluation whether the Property  
 743 complies with the *Americans with Disabilities Act* (ADA Evaluation). All such inspections and evaluations must  
 744 be conducted at such times as are mutually agreeable to minimize the interruption of Seller's and any Seller's  
 745 tenants' business uses of the Property, if any.

746  
 747 If Buyer's Phase I Environmental Site Assessment recommends a Phase II Environmental Site  
 748 Assessment, the **Environmental Inspection Objection Deadline** will be extended by days (Extended  
 749 Environmental Inspection Objection Deadline) and if such Extended Environmental Inspection Objection  
 750 Deadline extends beyond the **Closing Date**, the **Closing Date** will be extended a like period of time. In such  
 751 event,  **Seller**  **Buyer** must pay the cost for such Phase II Environmental Site Assessment.

752  
 753 Notwithstanding Buyer's right to obtain additional environmental inspections of the Property in this §  
 754 10.6.5, Buyer has the Right to Terminate under § 25.1, on or before **Environmental Inspection Objection**  
 755 **Deadline**, or if applicable, the Extended Environmental Inspection Objection Deadline, based on any  
 756 unsatisfactory results of Environmental Inspection, in Buyer's sole subjective discretion.

757  
 758 Buyer has the Right to Terminate under § 25.1, on or before **ADA Evaluation Objection Deadline**,  
 759 based on any unsatisfactory ADA Evaluation, in Buyer's sole subjective discretion.

760  
 761 **10.7. Conditional Upon Sale of Property.** This Contract is conditional upon the sale and closing of  
 762 that certain property owned by Buyer and commonly known as *n/a*. Buyer has the Right to Terminate under §  
 763 25.1 effective upon Seller's receipt of Buyer's Notice to Terminate on or before **Conditional Sale Deadline** if  
 764 such property is not sold and closed by such deadline. This § 10.7 is for the sole benefit of Buyer. If Seller  
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771 does not receive Buyer's Notice to Terminate on or before **Conditional Sale Deadline**, Buyer waives any Right  
772 to Terminate under this provision.

773 **10.8. Source of Potable Water (Residential Land and Residential Improvements Only).**

774 Buyer  Does  Does Not acknowledge receipt of a copy of Seller's Property Disclosure or Source of  
775 Water Addendum disclosing the source of potable water for the Property.  There is **No Well**. Buyer  Does  
776  Does Not acknowledge receipt of a copy of the current well permit.

777 **Note to Buyer: SOME WATER PROVIDERS RELY, TO VARYING DEGREES, ON NONRENEWABLE**  
778 **GROUND WATER. YOU MAY WISH TO CONTACT YOUR PROVIDER (OR INVESTIGATE THE DESCRIBED**  
779 **SOURCE) TO DETERMINE THE LONG-TERM SUFFICIENCY OF THE PROVIDER'S WATER SUPPLIES.**

780 **10.9. Existing Leases; Modification of Existing Leases; New Leases.** Seller states that none  
781 of the Leases to be assigned to the Buyer at the time of Closing contain any rent concessions, rent reductions  
782 or rent abatements except as disclosed in the Lease or other writing received by Buyer. Seller will not amend,  
783 alter, modify, extend or cancel any of the Leases nor will Seller enter into any new leases affecting the Property  
784 without the prior written consent of Buyer, which consent will not be unreasonably withheld or delayed.

790 **11. TENANT ESTOPPEL STATEMENTS.**

791 **11.1. Tenant Estoppel Statements Conditions.** Buyer has the right to review and object to any  
792 Estoppel Statements. Seller must obtain and deliver to Buyer on or before **Tenant Estoppel Statements**  
793 **Deadline**, statements in a form and substance reasonably acceptable to Buyer, from each occupant or tenant  
794 at the Property (Estoppel Statement) attached to a copy of the Lease stating:  
795

796 **11.1.1.** The commencement date of the Lease and scheduled termination date of the Lease;

797 **11.1.2.** That said Lease is in full force and effect and that there have been no subsequent  
798 modifications or amendments;

799 **11.1.3.** The amount of any advance rentals paid, rent concessions given, and deposits paid to  
800 Seller;

801 **11.1.4.** The amount of monthly (or other applicable period) rental paid to Seller;

802 **11.1.5.** That there is no default under the terms of said Lease by landlord or occupant; and

803 **11.1.6.** That the Lease to which the Estoppel is attached is a true, correct and complete copy  
804 of the Lease demising the premises it describes.

805 **11.2. Tenant Estoppel Statements Objection.** Buyer has the Right to Terminate under § 25.1, on  
806 or before **Tenant Estoppel Statements Objection Deadline**, based on any unsatisfactory Estoppel  
807 Statement, in Buyer's sole subjective discretion, or if Seller fails to deliver the Estoppel Statements on or  
808 before **Tenant Estoppel Statements Deadline**. Buyer also has the unilateral right to waive any unsatisfactory  
809 Estoppel Statement.

810 **CLOSING PROVISIONS**

811 **12. CLOSING DOCUMENTS, INSTRUCTIONS AND CLOSING.**

812 **12.1. Closing Documents and Closing Information.** Seller and Buyer will cooperate with the Closing  
813 Company to enable the Closing Company to prepare and deliver documents required for Closing to Buyer and  
814 Seller and their designees. If Buyer is obtaining a new loan to purchase the Property, Buyer acknowledges  
815 Buyer's lender is required to provide the Closing Company, in a timely manner, all required loan documents  
816 and financial information concerning Buyer's new loan. Buyer and Seller will furnish any additional information  
817 and documents required by Closing Company that will be necessary to complete this transaction. Buyer and  
818 Seller will sign and complete all customary or reasonably required documents at or before Closing.

819 **12.2. Closing Instructions.** Colorado Real Estate Commission's Closing Instructions  Are  Are  
820 Not executed with this Contract.

821 **12.3. Closing.** Delivery of deed from Seller to Buyer will be at closing (Closing). Closing will be on the  
822 date specified as the **Closing Date** or by mutual agreement at an earlier date. The hour and place of Closing  
823 will be as designated by Buyer.

824 **12.4. Disclosure of Settlement Costs.** Buyer and Seller acknowledge that costs, quality, and extent  
825 of service vary between different settlement service providers (e.g., attorneys, lenders, inspectors and title  
826 companies).

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**13. TRANSFER OF TITLE.** Subject to tender of payment at Closing as required herein and compliance by Buyer with the other terms and provisions hereof, Seller must execute and deliver a good and sufficient general warranty deed to Buyer, at Closing, conveying the Property free and clear of all taxes except the general taxes for the year of Closing. Except as provided herein, title will be conveyed free and clear of all liens, including any governmental liens for special improvements installed as of the date of Buyer's signature hereon, whether assessed or not. Title will be conveyed subject to:

**13.1.** Those specific Exceptions described by reference to recorded documents as reflected in the Title Documents accepted by Buyer in accordance with **Record Title**,

**13.2.** Distribution utility easements (including cable TV),

**13.3.** Those specifically described rights of third parties not shown by the public records of which Buyer has actual knowledge and which were accepted by Buyer in accordance with **Off-Record Title and New ILC or New Survey**,

**13.4.** Inclusion of the Property within any special taxing district, and

**13.5.** Any special assessment if the improvements were not installed as of the date of Buyer's signature hereon, whether assessed prior to or after Closing, and

**13.6.** Other .

**14. PAYMENT OF ENCUMBRANCES.** Any encumbrance required to be paid will be paid at or before Closing from the proceeds of this transaction or from any other source.

**15. CLOSING COSTS, CLOSING FEE, ASSOCIATION FEES AND TAXES.**

**15.1. Closing Costs.** Buyer and Seller must pay, in Good Funds, their respective closing costs and all other items required to be paid at Closing, except as otherwise provided herein.

**15.2. Closing Services Fee.** The fee for real estate closing services must be paid at Closing by  Buyer  Seller  One-Half by Buyer and One-Half by Seller  Other .

**15.3. Status Letter and Record Change Fees.** Any fees incident to the issuance of Association's statement of assessments (Status Letter) must be paid by  None  Buyer  Seller  One-Half by Buyer and One-Half by Seller. Any record change fee assessed by the Association including, but not limited to, ownership record transfer fees regardless of name or title of such fee (Association's Record Change Fee) must be paid by  None  Buyer  Seller  One-Half by Buyer and One-Half by Seller.

**15.4. Local Transfer Tax.**  The Local Transfer Tax of 0 % of the Purchase Price must be paid at Closing by  None  Buyer  Seller  One-Half by Buyer and One-Half by Seller.

**15.5. Private Transfer Fee.** Private transfer fees and other fees due to a transfer of the Property, payable at Closing, such as community association fees, developer fees and foundation fees, must be paid at Closing by  None  Buyer  Seller  One-Half by Buyer and One-Half by Seller. The Private Transfer fee, whether one or more, is for the following association(s): RVR Open Space Fee in the total amount of TBDD % of the Purchase Price or \$ .

**15.6. Water Transfer Fees.** The Water Transfer Fees can change. The fees, as of the date of this Contract, do not exceed \$ for:

Water Stock/Certificates  Water District

Augmentation Membership  Small Domestic Water Company  and must be paid at Closing by  None  Buyer  Seller  One-Half by Buyer and One-Half by Seller

**15.7. Sales and Use Tax.** Any sales and use tax that may accrue because of this transaction must be paid when due by  None  Buyer  Seller  One-Half by Buyer and One-Half by Seller.

**16. PRORATIONS.** The following will be prorated to the **Closing Date**, except as otherwise provided:

**16.1. Taxes.** Personal property taxes, if any, special taxing district assessments, if any, and general real estate taxes for the year of Closing, based on  Taxes for the Calendar Year Immediately Preceding Closing  Most Recent Mill Levy and Most Recent Assessed Valuation,  Other .



911 **16.2. Rents.** Rents based on  Rents Actually Received  Accrued. At Closing, Seller will  
 912 transfer or credit to Buyer the security deposits for all Leases assigned, or any remainder after lawful  
 913 deductions, and notify all tenants in writing of such transfer and of the transferee's name and address. Seller  
 914 must assign to Buyer all Leases in effect at Closing and Buyer must assume Seller's obligations under such  
 915 Leases.  
 916

917 **16.3. Association Assessments.** Current regular Association assessments and dues  
 918 (Association Assessments) paid in advance will be credited to Seller at Closing. Cash reserves held out of the  
 919 regular Association Assessments for deferred maintenance by the Association will not be credited to Seller  
 920 except as may be otherwise provided by the Governing Documents. Buyer acknowledges that Buyer may be  
 921 obligated to pay the Association, at Closing, an amount for reserves or working capital. Any special  
 922 assessment assessed prior to **Closing Date** by the Association will be the obligation of  Buyer  Seller.  
 923 Except however, any special assessment by the Association for improvements that have been installed as of  
 924 the date of Buyer's signature hereon, whether assessed prior to or after Closing, will be the obligation of Seller.  
 925 Seller represents that the Association Assessments are currently payable at approximately \$ 269 per  
 926 month and that there are no unpaid regular or special assessments against the Property except the current  
 927 regular assessments and *Buyer acknowledges that there is a private transfer fee. See Exhibit A.*  
 928 Such assessments are subject to change as provided in the Governing Documents. Seller agrees to promptly  
 929 request the Association to deliver to Buyer before **Closing Date** a current Status Letter.  
 930

931 **16.4. Other Prorations.** Water and sewer charges, propane, interest on continuing loan, and *n/a.*  
 932

933 **16.5. Final Settlement.** Unless otherwise agreed in writing, these prorations are final.  
 934

935 **17. POSSESSION.** Possession of the Property will be delivered to Buyer on **Possession Date** at  
 936 **Possession Time**, subject to the Leases as set forth in § 10.6.1.7.  
 937

938 If Seller, after Closing, fails to deliver possession as specified, Seller will be subject to eviction and  
 939 will be additionally liable to Buyer for payment of \$ 100 per day (or any part of a day notwithstanding § 18.1)  
 940 from **Possession Date** and **Possession Time** until possession is delivered.  
 941

#### GENERAL PROVISIONS

942 **18. DAY; COMPUTATION OF PERIOD OF DAYS, DEADLINE.**

943 **18.1. Day.** As used in this Contract, the term "day" means the entire day ending at 11:59 p.m., United  
 944 States Mountain Time (Standard or Daylight Savings as applicable).  
 945

946 **18.2. Computation of Period of Days, Deadline.** In computing a period of days, when the ending  
 947 date is not specified, the first day is excluded and the last day is included (e.g., three days after MEC). If any  
 948 deadline falls on a Saturday, Sunday or federal or Colorado state holiday (Holiday), such deadline  **Will**   
 949 **Will Not** be extended to the next day that is not a Saturday, Sunday or Holiday. Should neither box be  
 950 checked, the deadline will not be extended.  
 951

952 **19. CAUSES OF LOSS, INSURANCE; DAMAGE TO INCLUSIONS AND SERVICES; CONDEMNATION;  
 953 AND WALK-THROUGH.** Except as otherwise provided in this Contract, the Property, Inclusions or both will be  
 954 delivered in the condition existing as of the date of this Contract, ordinary wear and tear excepted.  
 955

956 **19.1. Causes of Loss, Insurance.** In the event the Property or Inclusions are damaged by fire, other  
 957 perils or causes of loss prior to Closing in an amount of not more than ten percent of the total Purchase Price  
 958 (Property Damage), and if the repair of the damage will be paid by insurance (other than the deductible to be  
 959 paid by Seller), then Seller, upon receipt of the insurance proceeds, will use Seller's reasonable efforts to  
 960 repair the Property before **Closing Date**. Buyer has the Right to Terminate under § 25.1, on or before **Closing**  
 961 **Date** if the Property is not repaired before **Closing Date** or if the damage exceeds such sum. Should Buyer  
 962 elect to carry out this Contract despite such Property Damage, Buyer is entitled to a credit at Closing for all  
 963 insurance proceeds that were received by Seller (but not the Association, if any) resulting from damage to the  
 964 Property and Inclusions, plus the amount of any deductible provided for in the insurance policy. This credit may  
 965 not exceed the Purchase Price. In the event Seller has not received the insurance proceeds prior to Closing,  
 966 the parties may agree to extend the **Closing Date** to have the Property repaired prior to Closing or, at the  
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981 option of Buyer, (1) Seller must assign to Buyer the right to the proceeds at Closing, if acceptable to Seller's  
 982 insurance company and Buyer's lender; or (2) the parties may enter into a written agreement prepared by the  
 983 parties or their attorney requiring the Seller to escrow at Closing from Seller's sale proceeds the amount Seller  
 984 has received and will receive due to such damage, not exceeding the total Purchase Price, plus the amount of  
 985 any deductible that applies to the insurance claim.  
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988 **19.2. Damage, Inclusions and Services.** Should any Inclusion or service (including utilities and  
 989 communication services), system, component or fixture of the Property (collectively Service) (e.g., heating or  
 990 plumbing), fail or be damaged between the date of this Contract and Closing or possession, whichever is  
 991 earlier, then Seller is liable for the repair or replacement of such Inclusion or Service with a unit of similar size,  
 992 age and quality, or an equivalent credit, but only to the extent that the maintenance or replacement of such  
 993 Inclusion or Service is not the responsibility of the Association, if any, less any insurance proceeds received by  
 994 Buyer covering such repair or replacement. If the failed or damaged Inclusion or Service is not repaired or  
 995 replaced on or before Closing or possession, whichever is earlier, Buyer has the Right to Terminate under §  
 996 25.1, on or before Closing Date, or, at the option of Buyer, Buyer is entitled to a credit at Closing for the repair  
 997 or replacement of such Inclusion or Service. Such credit must not exceed the Purchase Price. If Buyer receives  
 998 such a credit, Seller's right for any claim against the Association, if any, will survive Closing. Seller and Buyer  
 999 are aware of the existence of pre-owned home warranty programs that may be purchased and may cover the  
 1000 repair or replacement of such Inclusions.  
 1001

1002 **19.3. Condemnation.** In the event Seller receives actual notice prior to Closing that a pending  
 1003 condemnation action may result in a taking of all or part of the Property or Inclusions, Seller must promptly  
 1004 notify Buyer, in writing, of such condemnation action. Buyer has the Right to Terminate under § 25.1, on or  
 1005 before Closing Date, based on such condemnation action, in Buyer's sole subjective discretion. Should Buyer  
 1006 elect to consummate this Contract despite such diminution of value to the Property and Inclusions, Buyer is  
 1007 entitled to a credit at Closing for all condemnation proceeds awarded to Seller for the diminution in the value of  
 1008 the Property or Inclusions but such credit will not include relocation benefits or expenses, or exceed the  
 1009 Purchase Price.  
 1010

1011 **19.4. Walk-Through and Verification of Condition.** Buyer, upon reasonable notice, has the right to  
 1012 walk through the Property prior to Closing to verify that the physical condition of the Property and Inclusions  
 1013 complies with this Contract.  
 1014

1015 **19.5. Risk of Loss - Growing Crops.** The risk of loss for damage to growing crops by fire or other  
 1016 casualty will be borne by the party entitled to the growing crops as provided in § 2.8 and such party is entitled  
 1017 to such insurance proceeds or benefits for the growing crops.  
 1018

1019 **20. RECOMMENDATION OF LEGAL AND TAX COUNSEL.** By signing this Contract, Buyer and Seller  
 1020 acknowledge that the respective broker has advised that this Contract has important legal consequences and  
 1021 has recommended the examination of title and consultation with legal and tax or other counsel before signing  
 1022 this Contract.  
 1023

1024 **21. TIME OF ESSENCE, DEFAULT AND REMEDIES.** Time is of the essence for all dates and deadlines  
 1025 in this Contract. This means that all dates and deadlines are strict and absolute. If any payment due, including  
 1026 Earnest Money, is not paid, honored or tendered when due, or if any obligation is not performed timely as  
 1027 provided in this Contract or waived, the non-defaulting party has the following remedies:  
 1028

1029 **21.1. If Buyer is in Default:**

1030  **21.1.1. Specific Performance.** Seller may elect to cancel this Contract and all Earnest  
 1031 Money (whether or not paid by Buyer) will be paid to Seller and retained by Seller. It is agreed that the Earnest  
 1032 Money is not a penalty, and the Parties agree the amount is fair and reasonable. Seller may recover such  
 1033 additional damages as may be proper. Alternatively, Seller may elect to treat this Contract as being in full force  
 1034 and effect and Seller has the right to specific performance or damages, or both.  
 1035

1036 **21.1.2. Liquidated Damages, Applicable.** This § 21.1.2 applies unless the box in § 21.1.1.  
 1037 **is checked.** Seller may cancel this Contract. All Earnest Money (whether or not paid by Buyer) will be paid to  
 1038 Seller, and retained by Seller. It is agreed that the Earnest Money specified in § 4.1 is LIQUIDATED  
 1039 DAMAGES, and not a penalty, which amount the parties agree is fair and reasonable and (except as provided  
 1040 in §§ 10.4, 22, 23 and 24), said payment of Earnest Money is SELLER'S ONLY REMEDY for Buyer's failure to  
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1051 perform the obligations of this Contract. Seller expressly waives the remedies of specific performance and  
 1052 additional damages.

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 1054 **21.2. If Seller is in Default:** Buyer may elect to treat this Contract as canceled, in which case all  
 1055 Earnest Money received hereunder will be returned and Buyer may recover such damages as may be proper.  
 1056 Alternatively, Buyer may elect to treat this Contract as being in full force and effect and Buyer has the right to  
 1057 specific performance or damages, or both.  
 1058

1059  
 1060 **22. LEGAL FEES, COST AND EXPENSES.** Anything to the contrary herein notwithstanding, in the event  
 1061 of any arbitration or litigation relating to this Contract, prior to or after **Closing Date**, the arbitrator or court must  
 1062 award to the prevailing party all reasonable costs and expenses, including attorney fees, legal fees and  
 1063 expenses.  
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 1066 **23. MEDIATION.** If a dispute arises relating to this Contract, (whether prior to or after Closing) and is not  
 1067 resolved, the parties must first proceed, in good faith, to mediation. Mediation is a process in which the parties  
 1068 meet with an impartial person who helps to resolve the dispute informally and confidentially. Mediators cannot  
 1069 impose binding decisions. Before any mediated settlement is binding, the parties to the dispute must agree to  
 1070 the settlement, in writing. The parties will jointly appoint an acceptable mediator and will share equally in the  
 1071 cost of such mediation. The obligation to mediate, unless otherwise agreed, will terminate if the entire dispute  
 1072 is not resolved within thirty days of the date written notice requesting mediation is delivered by one party to the  
 1073 other at that party's last known address (physical or electronic as provided in § 27). Nothing in this Section  
 1074 prohibits either party from filing a lawsuit and recording a *lis pendens* affecting the Property, before or after the  
 1075 date of written notice requesting mediation. This section will not alter any date in this Contract, unless  
 1076 otherwise agreed.  
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1081  
 1082 **24. EARNEST MONEY DISPUTE.** Except as otherwise provided herein, Earnest Money Holder must  
 1083 release the Earnest Money following receipt of written mutual instructions, signed by both Buyer and Seller. In  
 1084 the event of any controversy regarding the Earnest Money, Earnest Money Holder is not required to release the  
 1085 Earnest Money. Earnest Money Holder, in its sole subjective discretion, has several options: (1) wait for any  
 1086 proceeding between Buyer and Seller; (2) interplead all parties and deposit Earnest Money into a court of  
 1087 competent jurisdiction, (Earnest Money Holder is entitled to recover court costs and reasonable attorney and  
 1088 legal fees incurred with such action); or (3) provide notice to Buyer and Seller that unless Earnest Money  
 1089 Holder receives a copy of the Summons and Complaint or Claim (between Buyer and Seller) containing the  
 1090 case number of the lawsuit (Lawsuit) within one hundred twenty days of Earnest Money Holder's notice to the  
 1091 parties, Earnest Money Holder is authorized to return the Earnest Money to Buyer. In the event Earnest Money  
 1092 Holder does receive a copy of the Lawsuit, and has not interpleaded the monies at the time of any Order, Earnest  
 1093 Money Holder must disburse the Earnest Money pursuant to the Order of the Court. The parties reaffirm the  
 1094 obligation of **Mediation**. This Section will survive cancellation or termination of this Contract.  
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1100 **25. TERMINATION.**

1101 **25.1. Right to Terminate.** If a party has a right to terminate, as provided in this Contract (Right to  
 1102 Terminate), the termination is effective upon the other party's receipt of a written notice to terminate (Notice to  
 1103 Terminate), provided such written notice was received on or before the applicable deadline specified in this  
 1104 Contract. If the Notice to Terminate is not received on or before the specified deadline, the party with the Right  
 1105 to Terminate accepts the specified matter, document or condition as satisfactory and waives the Right to  
 1106 Terminate under such provision.  
 1107

1108 **25.2. Effect of Termination.** In the event this Contract is terminated, all Earnest Money received  
 1109 hereunder will be returned and the parties are relieved of all obligations hereunder, subject to §§ 10.4, 22, 23  
 1110 and 24.  
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 1113

1114  
 1115 **26. ENTIRE AGREEMENT, MODIFICATION, SURVIVAL; SUCCESSORS.** This Contract, its exhibits and  
 1116 specified addenda, constitute the entire agreement between the parties relating to the subject hereof, and any  
 1117 prior agreements pertaining thereto, whether oral or written, have been merged and integrated into this  
 1118 Contract. No subsequent modification of any of the terms of this Contract is valid, binding upon the parties, or  
 1119  
 1120

1121 enforceable unless made in writing and signed by the parties. Any right or obligation in this Contract that, by its  
 1122 terms, exists or is intended to be performed after termination or Closing survives the same. Any successor to a  
 1123 Party receives the predecessor's benefits and obligations of this Contract.  
 1124

1125  
 1126 **27. NOTICE, DELIVERY, AND CHOICE OF LAW.**

1127 **27.1. Physical Delivery and Notice.** Any document, or notice to Buyer or Seller must be in writing,  
 1128 except as provided in § 27.2, and is effective when physically received by such party, any individual named in  
 1129 this Contract to receive documents or notices for such party, the Broker, or Brokerage Firm of Broker working  
 1130 with such party (except any notice or delivery after Closing must be received by the party, not Broker or  
 1131 Brokerage Firm).  
 1132

1133 **27.2. Electronic Notice.** As an alternative to physical delivery, any notice, may be delivered in  
 1134 electronic form to Buyer or Seller, any individual named in this Contract to receive documents or notices for  
 1135 such party, the Broker or Brokerage Firm of Broker working with such party (except any notice or delivery after  
 1136 Closing must be received by the party; not Broker or Brokerage Firm) at the electronic address of the recipient  
 1137 by facsimile, email or *n/a*.  
 1138

1139 **27.3. Electronic Delivery.** Electronic Delivery of documents and notice may be delivered by: (1) email  
 1140 at the email address of the recipient, (2) a link or access to a website or server provided the recipient receives  
 1141 the information necessary to access the documents, or (3) facsimile at the Fax No. of the recipient.  
 1142

1143 **27.4. Choice of Law.** This Contract and all disputes arising hereunder are governed by and construed  
 1144 in accordance with the laws of the State of Colorado that would be applicable to Colorado residents who sign a  
 1145 contract in Colorado for real property located in Colorado.  
 1146

1147  
 1148 **28. NOTICE OF ACCEPTANCE, COUNTERPARTS.** This proposal will expire unless accepted in writing,  
 1149 by Buyer and Seller, as evidenced by their signatures below, and the offering party receives notice of such  
 1150 acceptance pursuant to § 27 on or before **Acceptance Deadline Date** and **Acceptance Deadline Time**. If  
 1151 accepted, this document will become a contract between Seller and Buyer. A copy of this Contract may be  
 1152 executed by each party, separately, and when each party has executed a copy thereof, such copies taken  
 1153 together are deemed to be a full and complete contract between the parties.  
 1154

1155 **29. GOOD FAITH.** Buyer and Seller acknowledge that each party has an obligation to act in good faith  
 1156 including, but not limited to, exercising the rights and obligations set forth in the provisions of **Financing**  
 1157 **Conditions and Obligations, Title Insurance, Record Title and Off-Record Title, New ILC, New Survey**  
 1158 **and Property Disclosure, Inspection, Indemnity, Insurability, Due Diligence, Buyer Disclosure and**  
 1159 **Source of Water.**

**ADDITIONAL PROVISIONS AND ATTACHMENTS**

**30. ADDITIONAL PROVISIONS.** (The following additional provisions have not been approved by the Colorado Real Estate Commission.)

*A. This contract is subject to Buyer's receipt of a satisfactory soils test report on subject lot. In the event a soils test cannot be completed at least 10 days before closing, Seller agrees to extend the closing date to allow Buyer enough time to receive and review soils report. Buyer shall provide Seller with name of company performing test and also their indicated completed date within 2 business days of acceptance of this contract.*

*B. See Additional Closing Costs at RVR disclosure statement attached as Exhibit A.*

*C. Pending Litigation. Seller is a limited liability company wholly owned by Woodbridge Group of Companies, LLC ("Woodbridge"). Seller and Woodbridge have each filed petitions under chapter 11 of the Bankruptcy Code and there is pending litigation against and/or involving Seller and Woodbridge, which could affect the Property or Seller's ability to convey title to the Property or obtain a release of any deeds of trust encumbering the Property prior to Closing,*

including Case No. 17-12560-KJC in the United States Bankruptcy Court for the District of Delaware, as well as Case No. 17-24624-CIV, in the United States District Court, Southern District of Florida.

D. Approval of Bankruptcy Court. Seller is a Debtor in jointly-administered bankruptcy Case No. 17-12560-KJC in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). This Agreement, including Seller's obligation to transfer title free and clear of all liens in Paragraph 13, is expressly contingent upon the Bankruptcy Court's entry of a final, non-appealable order ("Sale Order") approving this Agreement on or prior to Closing, and any transaction(s) contained herein, including payment or escrow of the brokerage commission as well as the conveyance of the Property free and clear of all monetary liens and encumbrances. Seller will use reasonable efforts to file a motion for approval of this Agreement with the Bankruptcy Court promptly after all Buyer objection and resolution deadlines or any other contingency periods have lapsed, or after Buyer has waived all such deadlines or contingencies in writing. Both Buyer and Seller shall have a Right to Terminate, as defined in Section 25 of the Contract, if the Sale Order entered by the Bankruptcy Court is not reasonably acceptable to them; provided that Seller or Buyer, as the case may be, must exercise, in writing, such Right to Terminate on such grounds within two days following entry of the Sale Order. Additionally, Buyer has a Right to Terminate at any time after MEC+75 if the Sale Order has not yet been entered. Closing shall occur five (5) days after the Sale Order becomes final and non-appealable.

E. Paragraph 21.2 above shall be deleted and replaced with the following: 21.2. If Seller is in Default: Buyer may elect to treat this Contract as canceled, in which case all Earnest Money received hereunder will be returned to Buyer. Said payment of Earnest Money is Buyer's Only Remedy for Seller's failure to perform the obligations of this Contract. Buyer expressly waives all additional remedies, including the remedies of specific performance and additional damages.

31. ATTACHMENTS.

31.1. The following attachments are a part of this Contract:  
**Exhibit A Additional Closing Costs at RVR**

31.2. The following disclosure forms are attached but are not a part of this Contract:  
*none*

**SIGNATURES**

*David W Shepard Jr, Manager*

Date: 3/3/2018

Buyer: **DSTN Ventures LLC**

By: **David W Shepard Jr, Manager**

[NOTE: If this offer is being countered or rejected, do not sign this document. Refer to §32]

\_\_\_\_\_ Date: \_\_\_\_\_

Seller: *Steele Hill Investments LLC*  
By: *Bradley D Sharp, CRO*

*See Amund /  
Extend  
dated 4/2/18  
Additional  
Provisions  
#2*

32. COUNTER; REJECTION. This offer is  Countered  Rejected.  
Initials only of party (Buyer or Seller) who countered or rejected offer

\_\_\_\_\_  
*Steele Hill Investments LLC*  
By: *Bradley D Sharp, CRO*

**END OF CONTRACT TO BUY AND SELL REAL ESTATE**

33. **BROKER'S ACKNOWLEDGMENTS AND COMPENSATION DISCLOSURE.**

(To be completed by Broker working with Buyer)

Broker  Does  Does Not acknowledge receipt of Earnest Money deposit and, while not a party to the Contract, agrees to cooperate upon request with any mediation concluded under § 23. Broker agrees that if Brokerage Firm is the Earnest Money Holder and, except as provided in § 24, if the Earnest Money has not already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written mutual instructions, provided the Earnest Money check has cleared.

Broker is working with Buyer as a  Buyer's Agent  Seller's Agent  Transaction-Broker in this transaction.  This is a Change of Status.

Brokerage Firm's compensation or commission is to be paid by  Listing Brokerage Firm  
 Buyer  Other .

Brokerage Firm's Name: *Coldwell Banker Mason Morse Real Estate*

*Starla Haynes*

Date: 3/3/2018

Broker's Name: *Starla J. Haynes*

Address: *1614 Grand Avenue Glenwood Springs, CO 81601*

Ph: *970.928.9000* Fax: Email: *starla@masonmorse.com*

34. **BROKER'S ACKNOWLEDGMENTS AND COMPENSATION DISCLOSURE.**

(To be completed by Broker working with Seller)

Broker  Does  Does Not acknowledge receipt of Earnest Money deposit and, while not a party to the Contract, agrees to cooperate upon request with any mediation concluded under § 23. Broker agrees that if Brokerage Firm is the Earnest Money Holder and, except as provided in § 24, if the Earnest Money has not already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written mutual instructions, provided the Earnest Money check has cleared.

Broker is working with Seller as a  Seller's Agent  Buyer's Agent  Transaction-Broker in this

transaction.  This is a Change of Status.

Brokerage Firm's compensation or commission is to be paid by  Seller  Buyer  Other.

Brokerage Firm's Name: *The Property Shop Inc.*

*Jennifer VanDyke*

Date: *4/4/18*

Broker's Name: *Jennifer VanDyke*

Address: *117 Grand Ave Glenwood Springs, CO 81601*

Ph: 9704041338 Fax: Email: *jennifer@propertyshopinc.com*

**CBS4-6-15. CONTRACT TO BUY AND SELL REAL ESTATE (LAND)**

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