

**PURCHASE AND SALE AGREEMENT**  
(4280 North Columbine Street, Denver, Colorado 80216)

**THIS PURCHASE AND SALE AGREEMENT (“Agreement”)** made and entered into as of the Effective Date, between the **CITY AND COUNTY OF DENVER**, a home rule city and municipal corporation of the State of Colorado, whose address is 1437 Bannock Street, Denver, Colorado 80202 (the “City” or “Buyer”), and **CORRECTIONAL MANAGEMENT, LLC**, a Colorado limited liability company, successor by conversion to **CORRECTIONAL MANAGEMENT, INC.**, a Colorado corporation, successor by merger to **CO PROPERTY HOLDINGS, LLC**, a Delaware limited liability company (“Seller”). City and Seller are collectively referred to herein as the “Parties” and individually as a “Party”.

**RECITALS**

**A.** Seller owns certain Property (as defined in Section 1 below) in the City and County of Denver, State of Colorado; and

**B.** Subject to the terms of this Agreement, Seller agrees to sell and the City agrees to purchase the Property; and

**NOW, THEREFORE**, in consideration of the promises and the mutual covenants and obligations set forth herein, and for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

**1. SUBJECT PROPERTY.** Subject to the terms of this Agreement, the City shall purchase and the Seller shall sell the real property interests generally located at **4280 North Columbine Street, Denver, Colorado, 80216** and more particularly described in **Exhibit A**, attached hereto and incorporated herein by reference, together with Seller’s right, title, and interest, if any, in: (i) all easements, rights of way and vacated roads, streets and alleys appurtenant to the property described in **Exhibit A**; (ii) all buildings, fixtures and improvements on the property described in **Exhibit A**; (iii) all of Seller’s right, title and interest in and to all utility taps, licenses, permits, contract rights, and warranties and guarantees associated with the property described in **Exhibit A**; (iv) any and all mineral rights, including but not limited to, sand, gravel, coal, and oil, gas and other hydrocarbons in, under, and that may be produced from the property described in **Exhibit A**; and (v) all water rights and conditional water rights that are appurtenant to or that have been used or are intended for use in connection with the property described in **Exhibit A** (collectively, the “Property”).

**2. PURCHASE PRICE.**

a. Purchase Price. The total purchase price for the Property to be paid by the City at Closing (as defined in this Agreement) as just compensation is **THREE MILLION SEVEN HUNDRED FORTY-ONE THOUSAND EIGHT HUNDRED SEVENTY-FIVE DOLLARS AND ZERO CENTS (\$3,741,875.00)** (“Purchase Price”), which shall be payable as follows:

b. Earnest Money Deposit. On or before the 10<sup>th</sup> business day after the Effective Date, the City shall deposit with Land Title Guarantee Company (“Title Company”) an earnest money deposit in the amount of **ONE HUNDRED FIFTY THOUSAND DOLLARS**

**AND ZERO CENTS (\$150,000.00)** (which earnest money deposit, together with all interest and dividends earned thereon, is herein referred to as the “**Deposit**”). The Deposit shall be retained by Seller or returned to the City in accordance with the terms and conditions of this Agreement.

c. Balance. The balance of the Purchase Price (after crediting the Deposit), subject to prorations and adjustments in accordance with Section 14 of this Agreement, shall be paid on the Closing Date.

### **3. ENVIRONMENTAL CONDITION.**

a. Environmental Information. By the timeframe set forth in Section 7(a), Seller shall disclose, in writing, to the City all information Seller has actual knowledge of regarding any environmental contamination (including asbestos-contaminated soils) or the presence of any hazardous substances or toxic substances on, under, or about the Property. If Seller acquires any actual knowledge of any additional information regarding environmental contamination concerning the Property, Seller has the ongoing duty to provide such information to the City up to the time of Closing, and will do so within five (5) days of the receipt of such additional information. For purposes of this Agreement: “hazardous substances” means all substances listed pursuant to regulation and promulgated under the Comprehensive Environmental Response, Compensation, and Liability Act (“**CERCLA**”), 42 U.S.C., § 9601 *et seq.*, or applicable state law, and any other applicable federal or state laws now in force or hereafter enacted relating to hazardous waste disposal; provided, however, that the term hazardous substance also includes “hazardous waste” and “petroleum” as defined in the Resource Conservation and Recovery Act (“**RCRA**”), 42 U.S.C. § 6901 *et seq.* §6991(1). The term “toxic substances” means and includes any materials present on the Property that are subject to regulation under the Toxic Substance Control Act (“**TSCA**”), 15 U. S. C. § 2601 *et seq.*, applicable state law, or any other applicable federal or state law now in force or later enacted relating to toxic substances. The term “toxic substances” includes, but is not limited to, asbestos, polychlorinated biphenyls (PCB’s), and lead-based paints.

b. Environmental Review. City, at its sole option and expense, may conduct or cause to be conducted environmental audits and perform other environmental tests on the Property to identify any existing or potential environmental problems located in, on, or under the Property, including but not limited to, the presence of any hazardous waste, hazardous substances or toxic substances. Seller hereby grants the City and any of its employees and consultants access to the Property to perform such audits and tests.

c. Notice of Unacceptable Environmental Conditions, Cure, City Election. By the deadline set forth in Section 7(b) of this Agreement, the City shall give notice to Seller of any unacceptable environmental condition relating to the Property. Seller may elect (in Seller’s sole discretion), at Seller’s sole cost and expense, to cure such unacceptable environmental conditions by the deadline set forth in Section 7(c) to the City’s satisfaction. In the event Seller declines to cure the unacceptable environmental conditions or fails to respond to City’s notice thereof by the date set forth in Section 7(c) of this Agreement, the City, in its sole discretion, may elect to waive such unacceptable conditions and proceed to Closing by the deadline set forth in Section 7(d) of this Agreement or terminate this Agreement with no further obligation on the part of either Party, other than such obligations that expressly survive the termination of the Agreement, by providing written notice of such termination to Seller by the deadline set forth in Section 7(d) of this Agreement.

**4. INSPECTION/SURVEY.** The City has the right to inspect the physical condition of the Property, subject to the terms and conditions of this Agreement. Seller, at its sole cost and expense, shall provide to the City copies of any surveys of the Property in its possession or under its control in accordance with the delivery schedule set forth in the Section 7(a) below. In addition, the City, at its sole cost and expense, shall have the right to either update any survey delivered to the City by Seller, or have its own survey completed. This right to inspect is in addition to the right of the City to obtain an environmental audit. The City shall give notice of any unacceptable physical or survey condition of the Property to Seller by the deadlines set forth in Section 7(b). Seller may elect (in Seller's sole discretion) at Seller's sole cost and expense, to cure such unacceptable physical or survey condition by the deadlines in Section 7(c) of this Agreement to the City's satisfaction. In the event Seller declines to cure the unacceptable physical or survey conditions or fails to respond to the City's notice thereof by the date set forth in Section 7(c) of this Agreement, the City, at its sole discretion, may elect to waive such unacceptable physical or survey condition by the date set forth in Section 7(d) of this Agreement and proceed to Closing or terminate this Agreement by providing written notice thereof to Seller by the deadline set forth in Section 7(d) of this Agreement in which event the Title Company shall return the Deposit to the City and this Agreement shall terminate automatically and be of no further force or effect and neither Party shall have any further rights or obligations hereunder (other than pursuant to any provision hereof which expressly survives the termination of this Agreement).

Seller shall, within ten (10) days of the Effective Date, deliver to City copies of any and all existing leases, agreements, contracts or arrangements for management, service, maintenance or operation with respect to the Property, that are currently in Seller's possession ("**Service Contracts**"). Prior to the expiration of the Due Diligence Part I (defined in Section 7(b)(i) below), City shall notify Seller which of the Service Contracts it elects to assume at Closing, if any. In the event City fails to notify Seller of such election the Service Contracts shall be terminated on or before the Closing Date at the sole and exclusive cost of Seller.

Notwithstanding anything herein to the contrary, the City shall exercise its inspection rights only after giving not less than twenty-four (24) hours' advance notice to Seller, during normal business hours, and in such a manner as to not provide any interruptions or interference with existing business operations currently ongoing at the Property. In the event that the City terminates this Agreement, the Agreement is terminated due to the City default, or the City fails to purchase the Property for any reason, the City shall promptly repair any damage to the Property resulting from the City's inspection of the Property and restore the Property to the condition it was in prior to the Property inspection. The City shall have no liability obligations with respect to any claims or expenses arising (i) from the gross negligence or willful misconduct of Seller or anyone acting by, through, under or on behalf of Seller (including, without limitation, any agent, employee, or contractor of Seller), or (ii) as a result of the City or its agents, employees or contractors merely discovering any pre-existing condition on or about the Property in connection with the City's investigation of the Property. Any third-party representative which the City brings onto the Property for purposes of performing an inspection shall hold liability insurance coverage in a minimum amount of \$1,000,000.00.

Notwithstanding anything to the contrary in this Agreement, in no event shall the City conduct any Phase II Environmental Site Assessment or any invasive physical testing (environmental, structural or otherwise) at the Property (such as soil borings, water samplings or the like) or take physical samples from the Property without Seller's express written consent, which shall not be

unreasonably withheld, and the City shall in all events promptly return the Property to its prior condition and repair thereafter, which obligation shall survive the early termination of this Agreement; provided, however, subject to the City's obligation to promptly return the Property to its prior condition and repair, the City shall be permitted to perform or cause to be performed a reasonable and typical hazardous materials survey for asbestos and lead-based paint. For the avoidance of doubt, neither Seller nor the City shall be required to remediate any hazardous materials discovered as a result of the City's hazardous materials survey or other investigations of the Property.

## 5. TITLE.

a. Title Review. The City has obtained a commitment for an owner's title insurance policy for the Property, including updates thereto, and all copies or abstracts of instruments or documents identified in the commitment ("**Title Documents**"). The City has the right to review the Title Documents. The City shall provide a copy of the Title Documents to Seller within seven (7) days of the Effective Date of this Agreement.

b. Matters Not Shown by the Public Records. By the deadline set forth in Section 7(a) of this Agreement, Seller shall deliver to the City complete and accurate copies of all lease(s) and survey(s) in Seller's possession pertaining to the Property that are not included in the Title Documents and shall disclose, in writing, to the City all easements, licenses, right to use agreements, liens or other title matters not shown by the public records of which Seller has actual knowledge that are not included in the Title Documents. In addition, Seller shall provide copies of all documents that pertain to the Property and to the extent in Seller's possession, including but not limited to, soil reports, geo tech reports, traffic studies, surveys, leases, and operating expenses for the subject Property.

c. Notice of Unacceptable Condition, Cure, and City Elections. The City shall give notice of any unacceptable condition of title to Seller by the deadlines set forth in Section 7(b) of this Agreement. At Seller's sole cost and expense, Seller may, at Seller's option, cure such unacceptable conditions by the dates in Section 7(c) of this Agreement to the City's satisfaction. In the event Seller declines to cure such unacceptable conditions or fails to respond to the City's notice thereof by the dates in Section 7(c) of this Agreement, the City in its sole discretion and by the dates set forth in Section 7(d) of this Agreement, may elect to waive such unacceptable conditions and proceed to Closing or terminate this Agreement by providing written notice thereof to Seller in which event the Title Company shall return the Deposit to the City, as further described in Section 7, and this Agreement shall terminate automatically and be of no further force or effect and neither Party shall have any further rights or obligations hereunder (other than pursuant to any provision hereof which expressly survives the termination of this Agreement).

d. Subsequently Discovered Defects. At any time prior to Closing if any matter affecting title to the Property ("**Defect**") shall arise or be discovered by the City which is not set out in the Title Documents or disclosed to the City by Seller prior to the expiration of either Due Diligence Period, the City shall have the right to object to such Defect by the delivery to Seller of notice of such Defect within ten (10) business days after the City discovers such Defect provided that, if such Defect is discovered within ten (10) business days prior to the Closing Date, the Closing shall be extended for such period as may be necessary to give effect to the provisions of this Section 5(d). Upon receipt of notice of the City's objection to any such Defect, Seller shall

have the right, but not the obligation, to cure such Defect to the satisfaction of the City and the Title Company for a period of ten (10) business days from the date of such notice. If such cure period extends beyond the Closing Date, the Closing Date shall be extended to ten (10) business days after the expiration of such cure period. If Seller cures the City's objection to the satisfaction of the City within such cure period, then the Closing shall occur on the original or postponed date of the Closing but otherwise upon the terms and provisions contained herein. If Seller has not cured such Defect to the satisfaction of the City and the Title Company, the City shall either (a) close on such original or postponed date (and the City shall thereby be deemed to have waived such objection); or (b) extend the Closing Date by written notice to Seller to allow such additional time as the Parties may agree for Seller to cure the Defect; or (c) terminate this Agreement by giving notice to Seller before such original or postponed date, in which case the Title Company shall return the Deposit to the City, in accordance with the terms described in Section 7, and this Agreement shall terminate automatically and be of no further force or effect and neither Party shall have any further rights or obligations hereunder (other than pursuant to any provision hereof which expressly survives the termination of this Agreement).

**6. CLOSING PRE-CONDITIONS.**

a. Delivery of title shall be evidenced by the willingness of the Title Company to issue to City, at Closing, an ALTA form of extended coverage owner's policy of title insurance insuring marketable fee simple title to the Property in City in the amount of the Purchase Price, subject only to the permitted exceptions accepted by the City in accordance with Section 5 above (the "**Title Policy**"). Seller shall cooperate with the Title Company by executing, as necessary, reasonable and customary affidavits and provide reasonable assurances necessary for removal of the standard exceptions for defects, liens, mechanic's liens, tax or assessment liens, title insurance, encumbrances, encroachments, prescriptive easements, adverse claims, or similar matters, regarding such matters. The issuance of the Title Policy shall be a condition to City's obligation to close hereunder; provided, however, that Seller shall not be required to provide any survey required to delete any standard exceptions.

b. From the Effective Date until the Closing Date or earlier termination of this Agreement, Seller: (a) shall operate and maintain the Property in the manner that it is currently being operated and maintained by Seller and (b) shall not enter into any new lease, lease modification, lease extension or other occupancy or use agreement without obtaining City's prior written consent, which consent may be withheld or delayed in City's sole and absolute discretion.

c. Prior to Closing, Seller shall have terminated the Service Contracts unless such Service Contract has been assumed in writing by City. Seller's aforementioned obligation to execute necessary affidavits and provide adequate assurances for the removal of the standard exceptions from title insurance to be issued is a condition precedent to the City's obligation to purchase the Property. If Seller does not provide the adequate assurances by the date in Section 7(d) of this Agreement, then the City may elect to waive the failure to provide the adequate assurances and proceed to Closing or treat this Agreement as terminated with no further obligation on the part of either Party.

**d. Seller Improvements.**

i. Prior to Closing, at Seller's sole cost and expense, Seller shall make, or cause to be made, the repairs, replacements, and other improvements as described and depicted on

**Exhibit C** attached hereto (collectively, the “**Improvements**”). All of Seller’s costs incurred related to the Improvements shall be known as the “**Improvement Costs**”. Notwithstanding anything herein to the contrary, Seller shall have no obligation to commence the Improvements prior to the expiration of the Due Diligence Part I, described in Section 7, unless Buyer agrees in writing to reimburse Seller for the Improvement Costs in the event Closing does not occur for any reason other than an uncured Seller default hereunder (including a termination of this Agreement by Buyer in accordance with this Agreement). If reimbursement is necessary, for reimbursement to occur, Seller must provide Buyer receipts for any work or materials for which it is seeking reimbursement. In the event Seller is entitled to reimbursement, (A) Buyer will only reimburse Seller for the Improvements up to \$241,875.00 in cost (“**Improvement Costs Cap**”), and (B) if any portion of the Deposit is owed and released to Seller under this Agreement, such portion of the Deposit shall be credited to Buyer’s reimbursement obligation under this section. All work shall be performed in a thorough and workmanlike manner, shall incorporate only new materials, shall be free from defects and in good and useable condition at the date of completion, and shall be constructed in accordance with the City’s building and fire code.

- ii. Seller shall notify the City of any manufacturer or other warranties applicable to the Improvements. In the event that any of the Improvements are under any warranty, the City shall be entitled to the benefit of the warranty to the extent that the warranty is assignable at no out-of-pocket cost to Seller. Seller shall provide the City with copies of any documents pertaining to warranties of the Improvements and shall execute such instruments as may be required to transfer the warranty to the City at no out-of-pocket cost to Seller.
- iii. Seller shall send the City written notice upon substantial completion of the Improvements. The City and Seller shall then schedule a walkthrough to inspect the Improvements within ten (10) business days after receipt of such notice. If the City believes any of the Improvements are incomplete or non-operational, it shall send written notice of the same to Seller within five (5) business days after such walkthrough, which notice shall include a reasonably detailed “punchlist” of the incomplete or nonoperational items (the “**Punchlist**”). If the City does not attend a walkthrough or does not send such written notice and Punchlist, it shall be deemed to have accepted the Improvements as having been completed in accordance with this Agreement. If the City attends the walkthrough and timely sends such written notice and Punchlist, then Seller shall diligently pursue completion of the work described in the Punchlist to the extent such work was required to be performed by Seller hereunder. Notwithstanding the foregoing, the City shall have no right to include any item of the Improvements in a Punchlist if such item has been approved as complete by the building department or other agency of the City that is responsible for inspection of such work. Seller shall send written notice to the City of the completion of all Punchlist work (the “**Punchlist Completion Notice**”). The City’s acceptance of possession of the Property shall be deemed acceptance of the Improvements as having been completed in accordance with this Agreement.

## 7. TIMEFRAMES.

- a. Seller's Disclosure. Except as otherwise provided in this Agreement, Seller shall deliver any documents and make the disclosures required by this Agreement, including as required under Sections 3(a) and 5(b) of this Agreement, no later than 5 p.m. local time five (5) business days after the Effective Date.
- b. City's Objection Notice and Right to Terminate.
  - i. The Parties agree to split the Due Diligence Period into two parts, as described herein.
    1. Due Diligence Part I. The City shall notify Seller in writing of any unacceptable environmental, physical, survey, title conditions and all other unacceptable matters under Sections 3(c), 4 and 5(c) of this Agreement, above, no later than 5 p.m. local time, ninety (90) days after the Effective Date ("**Due Diligence Part I**"). Due Diligence Part I amounts to \$100,000 of the Deposit.
    2. Due Diligence Part II. A second Due Diligence Period will occur fourteen (14) days prior to the Closing Date ("**Due Diligence Part II**"), but after completion and acceptance of the Improvements. Due Diligence Part II will allow Buyer to inspect the Property for unacceptable environmental, physical, survey, title conditions after completion of Improvements and prior to Closing. Due Diligence Part II amounts to \$50,000.00 of the Deposit. For the avoidance of doubt, notwithstanding anything in this Agreement to the contrary, Due Diligence Part II is intended solely for purposes of identifying new environmental, physical, survey and/or title conditions once Improvements are complete and that were not identified as part of the Title Documents or other diligence materials or inspections or tests received or conducted by Buyer or at Buyer's request in connection with Due Diligence Part I, and Buyer shall have no right to provide any supplemental objections regarding any such matters of which Buyer had knowledge as of the expiration of Due Diligence Part I.
  - ii. The City may terminate this Agreement for any reason or no reason at all in the City's sole and absolute discretion by delivering written notice to Seller on or before the expiration of either Due Diligence Period.
    - (i) If the City delivers a timely and valid written termination notice on or before the expiration of Due Diligence Part I, then the Title Company shall return the entire Deposit to the City and this Agreement shall terminate automatically and be of no further force or effect and neither Party shall have any further rights or obligations hereunder (other than pursuant to any provision hereof which expressly survives the termination of this Agreement).
    - (ii) If the City delivers a written termination notice on or before the expiration of Due Diligence Part II, but after the expiration of Due Diligence Part I, then the Title Company shall return \$50,000.00 of the Deposit amount allocated to Due Diligence Part II to the City and this Agreement shall

terminate automatically and be of no further force or effect and neither Party shall have any further rights or obligations hereunder (other than pursuant to any provision hereof which expressly survives the termination of this Agreement).

- (iii) Notwithstanding anything in this Agreement to the contrary, for the avoidance of doubt, in the event that the City exercises its right to terminate this Agreement in accordance with Section 7(b)(ii) or under any termination right provided to the City under this Agreement after the expiration of Due Diligence Part I (other than termination in connection with an uncured Seller default pursuant to Section 15(b)), the City shall remain responsible for all Improvement Costs incurred by Seller and/or for which Seller is contractually obligated as of the date of termination that the City is required to pay or reimburse Seller pursuant to Section 6(d), subject to the \$241,875.00 Improvement Costs Cap and credit for any portion of the Deposit released to Seller, as more particularly described in Section 6(d)(i).
- c. Seller's Cure. During each Due Diligence period, Seller shall have until no later than 5 p.m. local time five (5) days from the date of City's objection notice to elect to cure all the unacceptable conditions set forth in any objection notice under Sections 3(c), 4, 5(c) and 7(b) of this Agreement.
- d. City's Election. The City, by written notice to Seller, may elect to waive any uncured objections and proceed to Closing or to terminate this Agreement within five (5) business days of the deadline to cure established in Section 7(c) of this Agreement, above. In the event the City terminates this Agreement, the Title Company shall return some or all of the Deposit, in accordance with the deadlines in Section 7(b) above, to the City and this Agreement shall terminate automatically and be of no further force or effect and neither Party shall have any further rights or obligations hereunder (other than pursuant to any provision hereof which expressly survives the termination of this Agreement). For the avoidance of doubt, the City's failure to terminate this Agreement by the deadline set forth in this Section 7(d) shall be deemed to be the City's election to waive such uncured objections (which shall thereafter be deemed Permitted Exceptions hereunder).
- e. Deadlines. In the event any date for a Party's performance occurs on a Saturday, Sunday or national holiday, the date for such performance shall occur on the next regular business day following such weekend or national holiday.

**8. DATE OF CLOSING.** The date of closing will occur after expiration of each Due Diligence Period, and after the completion of the Improvements by Seller, on a date agreed on by the Parties in writing signed by the Director of the Division of Real Estate, or her designee, and the Seller ("**Closing Date**"), but in no event later than **May 30, 2025**. Notwithstanding the foregoing, Seller shall have the right to extend the Closing Date by providing written notice to the City on or before the scheduled Closing Date, to allow for the permitting and/or completion of the Improvements in the event that such permitting and/or completion was delayed due to matters outside of the reasonable control of Seller, as reasonably determined by Seller.



9. **CLOSING.** The Closing shall take place at the offices of the Title Company and shall be completed on or before 4:00 p.m. Mountain Standard Time on the Closing Date (“**Closing**”). Seller or Buyer may elect to close in escrow without attending the Closing.

a. Obligations of Seller at Closing. The following events shall occur at the Closing:

- i. Seller shall execute and deliver a Special Warranty Deed in substantially the form set forth as **Exhibit B** herein (“**Deed**”) to the City at Closing conveying the Property to the City but subject to the following (collectively, the “**Permitted Exceptions**”): (a) those matters included on the Title Commitment, or on any updated or new survey obtained by the City under Section 4, to which the City fails to object within the applicable Due Diligence Period or which the City has waived or is deemed to have waived under this Agreement; and (b) non-delinquent general real estate taxes and assessments for the tax year in which the Closing occurs and subsequent years (with proration of such non-delinquent taxes as provided herein);
- ii. Seller shall execute, have acknowledged and deliver to the City a bill of sale conveying to City all of Seller’s right, title and interest in and to any personal property located on the Property, in substantially the form set forth in **Exhibit D** (“**Bill of Sale**”);
- iii. Seller shall deliver such other instruments and documents as may be reasonably necessary or required to transfer title to the Property to City, in the condition herein contemplated, including without limitation any affidavit or agreement required by the Title Company.
- iv. Seller shall additionally deliver such other instruments and documents as may be reasonably necessary to consummate the transactions contemplated by this Agreement.

b. Obligations of City at Closing. The following events shall occur at Closing:

- i. City shall deliver or cause to be delivered to the Title Company good funds by wire transfer in the amount of the Purchase Price after crediting the Deposit and subject to prorations and adjustments in accordance with Sections 13 and 14 of this Agreement.
- ii. City shall additionally deliver such other instruments and documents as may be reasonably necessary to consummate the transactions contemplated by this Agreement.
- iii. Such delivery may be made pursuant to a closing instruction letter.

c. Closing Costs. Closing costs shall be as provided for in Section 13 below.

d. No Material Adverse Change. During the period from the date of Seller’s execution of this Agreement to the Closing Date, there shall have been no material adverse change in the environmental condition or results of operations of the Property, and the Property shall not have sustained any loss or damage which materially adversely affects its use. Should the City, in its reasonable discretion, identify a material adverse change in the time period described herein, City can elect to terminate this Agreement by giving notice to Seller before the Closing Date, in which case the Title Company shall return some or all of the

Deposit, in accordance with Section 7(b), to the City and this Agreement shall terminate automatically and be of no further force or effect and neither Party shall have any further rights or obligations hereunder, other than pursuant to any provision hereof which expressly survive the termination of this Agreement.

**10. POSSESSION.** Possession of the Property shall be delivered to the City at Closing.

**11. REPRESENTATIONS AND WARRANTIES.**

- a. Seller warrants and represents that as of the Effective Date and at the time of conveyance:
- i. There are no other parties in possession and the City shall have possession as of Closing or as otherwise agreed to herein; and
  - ii. There are no leasehold interests in the Property; and
  - iii. To Seller's Knowledge, there is no known condition existing with respect to the Property or its operation that violates any law, rule, regulation, code or ruling of the local jurisdiction, the State of Colorado, the United States, or any agency or court thereof; and
  - iv. To Seller's Knowledge, there are no patent or latent defects, soil deficiencies, or subsurface anomalies existing on the Property; and
  - v. To Seller's Knowledge, there is no pending or threatened litigation, proceeding, or investigation by any governmental authority or any other person affecting the Property, nor do grounds exist for any such litigation, proceeding or investigations; and
  - vi. Each and every document, schedule, item, and other information that was generated by Seller and delivered or to be delivered by the Seller to the City or made available to the City for inspection under this Agreement is complete and accurate, or will be complete and accurate on the timeframes set forth herein (the City acknowledges that the Seller shall not be liable for the accuracy of any document, schedule, item, and other information generated by third parties, such as title reports and surveys); and
  - vii. Seller has provided or will provide, on the timeframes set forth herein, the City with a copy of all agreements and documents not shown in the real property records relating to the Property, or to any part thereof under Section 5 of this Agreement (Title); and
  - viii. To Seller's Knowledge, there are no improvements on the Property not owned by the Seller and Seller warrants to the City that it is the lawful seller of all other improvements located in or on the Property and is entitled to the Purchase Price allocable to such items as compensation for the same; and
  - ix. To Seller's Knowledge, there are no claims of possession not shown in the real property records as to any part of the Property; and

- x. With respect to environmental matters, except as previously disclosed herein or as part of the environmental reports to be delivered by Seller to the City hereunder, to Seller's Knowledge:
1. No part of the Property has ever been used as a landfill by Seller; and
  2. Seller has no Knowledge of the presence of asbestos-contaminated soils existing within the Property; and
  3. Seller has no Knowledge that the Property is or may be contaminated with any hazardous substances or toxic substances; and
  4. Seller has not caused and will not cause, and to the best of the Seller's Knowledge, there never has occurred, the release of any hazardous substances or toxic substances on the Property; and
  5. Seller has received no written or official notification that the Property is subject to any federal, state or local lien, proceedings, claim, liability or action or the threat or likelihood thereof, for the cleanup, removal, or remediation of any hazardous substances or toxic substances from the Property; and
  6. Seller has no Knowledge or information as to any storage tanks on or beneath the Property.

By selling the Property, Seller does not transfer, nor is it released from, any liability for the cleanup, removal, or remediation of any hazardous or toxic substances from the Property or any liability, cost, or expense for the oversight, management, and removal of any asbestos (including asbestos-contaminated soils) or underground storage tank from the Property, to the extent such liability may exist under federal, state, or local law.

For the purposes of this Agreement, whenever the phrase "to Seller's Knowledge" is (or words of similar import are) used, then it shall be deemed to refer to the actual knowledge of Andrew Dye, a Senior Director, and any individual(s) who succeed this individual in this role should this individual leave this role prior to Closing, and Scott Whitson, a Managing Director of Seller's affiliate, CoreCivic, Inc., and any individual(s) who succeed this individual in this role should this individual leave the role prior to Closing. The foregoing individual shall have no personal liability under this Agreement.

Notwithstanding anything else to the contrary in this Agreement, as of the Effective Date and at any time prior to the Closing Date, Seller may update its representations and warranties set forth herein by written notice to the City after learning of any new, different, or changed information, and, in such event, Seller's representations and warranties shall be deemed updated for purposes of this Agreement. In the event Seller does

so update its representations and warranties, and (i) the same is not caused or contributed to by any act or omission of the City (or its agents, representatives, employees or consultants), and (ii) the same results in a disclosure that has a material adverse impact on the value, financing, operation or use of the Property, then, within ten (10) business days of the City's receipt of such update (but, in any event, prior to the Closing Date, which shall be extended if necessary to give the City ten (10) business days to respond), the City may, upon written notice to Seller, elect to terminate this Agreement, in which case the Deposit shall be returned to the City and the Parties shall thereafter have no further rights or liabilities under this Agreement (except those that expressly survive termination of this Agreement), provided, however, that if such disclosure is the result of Seller's acts in violation of this Agreement or Seller's intentional or fraudulent failure to disclose, such act or failure shall constitute a default by Seller under this Agreement and such termination shall be subject to the provisions of Section 15(a) below. If the City does not provide Seller with the City's written election within the foregoing ten (10) business day period, the City shall be conclusively deemed to have elected to waive such right to terminate and proceed to Closing. In the event the City waives or is deemed to have waived such right to terminate, such waiver shall be deemed to include any and all claims associated with such updated representations and warranties, including any right to be indemnified against such claim.

- b. Each Party hereto represents to the other Party that:
  - i. It has the requisite power and authority to execute and deliver this Agreement and the related documents to which such Party is a signatory;
  - ii. The execution and delivery of this Agreement by such Party has been duly authorized by all requisite action(s) and creates valid and binding obligations of such Party enforceable in accordance with its terms, subject to the effect of general principles of equity, including without limitation concepts of materiality, reasonableness, good faith and fair dealing, the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law, and subject to or limited by bankruptcy, insolvency, reorganization, arrangement, moratorium or other similar laws relating to or affecting the rights of creditors;
  - iii. To the actual knowledge of (a) the Director of the Division of Real Estate for the City; and (b) Seller: neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will violate any constitution, statute, regulation, rule, injunction, judgment, order, decree or other restriction of any governmental authority or conflict with, result in a breach of, or constitute a default under any contract, lease, license instrument or other arrangement to which such Party is bound;

- iv. It is authorized to execute this Agreement on behalf of its officers, directors, representatives, employees, subsidiaries, affiliates, members/shareholders, agents, trustees, beneficiaries, attorneys, insurers, successors, predecessors and assigns. Each person who signs this Agreement in a representative capacity represents that he or she is duly authorized to do so;
- v. It has not sold, assigned, granted or transferred to any other person, natural or corporate, any chose in action, demand or cause of action encompassed by this Agreement; and
- vi. IT IS FREELY AND VOLUNTARILY ENTERING INTO THIS AGREEMENT UNCOERCED BY ANY OTHER PERSON AND THAT IT HAS READ THIS AGREEMENT AND HAS BEEN AFFORDED THE OPPORTUNITY TO OBTAIN THE ADVICE OF LEGAL COUNSEL OF ITS CHOICE WITH REGARD TO THIS AGREEMENT IN ITS ENTIRETY AND UNDERSTANDS THE SAME.

c. Notwithstanding anything to the contrary contained herein, if the Closing of the transactions hereunder shall have occurred, Seller shall have no liability to the City (and the City shall make no claim against Seller) for a breach of any representation or warranty or any other covenant, agreement or obligation of Seller, or for indemnification, under this Agreement or any document executed by Seller in connection with this Agreement, unless (i) the valid claims for all such breaches and indemnifications collectively aggregate to more than \$10,000.00, and (ii) the liability of Seller under this Agreement and such documents shall not exceed, in the aggregate (including attorney's fees), an amount equal to \$200,000.00; provided, however, such limitations on Seller's liability shall not apply with respect to fraud or intentional misconduct of Seller. In connection with any action alleging a breach of any warranty of title in the Deed, the City agrees that it shall in good faith pursue the Title Company under the Title Policy with respect to any claim relating to the warranty of title under the Deed, and the City shall not bring any such claim or action against Seller until it has exhausted all available remedies against the Title Company.

**12. PAYMENT OF ENCUMBRANCES.** Seller shall discharge and remove any mortgages and all Liens affecting the Property which result from work ordered by Seller before Closing. "**Liens**" means liens, encumbrances, claims, covenants, conditions, restrictions, easements, rights of way, options, pledges, judgments or other similar matters. The foregoing Seller covenant does not limit any obligation of the City with respect to reimbursement of costs related to the Improvements pursuant to the terms of this Agreement.

**13. CLOSING COSTS, DOCUMENTS AND SERVICES.** The City shall pay for any title insurance policy to be issued on the Property for the benefit of the City and all fees for real estate closing services. The City and Seller shall sign and complete all customary or required documents at or before Closing, including the Deed. Any documents executed before Closing shall be held in escrow until all conditions of Closing are satisfied. The City's Director of Real Estate or her designee, shall sign all such closing documents, including, if necessary, an escrow agreement, on behalf of the City.

**14. PRORATIONS.** Seller shall pay any and all taxes and special assessments accrued and owed on the Property prorated through the date of Closing. Based on the most recent levy and the most recent assessment, at or before Closing, Seller shall pay all utility, water and sewer charges, and other items related to the Property prorated through the date of Closing.

**15. TIME IS OF THE ESSENCE/REMEDIES.** Time is of the essence in this Agreement. All the agreements and representations set forth in this Agreement shall be binding upon and for the benefit of each Party's successors and assigns. If any payment due in accordance with this Agreement is not paid, honored or tendered when due, or if any other obligation under this Agreement is not performed or waived as provided in this Agreement, then there shall be the following remedies:

- a. **If City Is In Default.** If the City fails to buy the Property when required in accordance with the terms of this Agreement or otherwise breaches any of the material terms of this Agreement (for any reason other than the Seller's breach of this Agreement or the City's exercise of any termination right granted to it under this Agreement) and fails to cure such breach within ten (10) business days after receipt of written notice of same from the Seller, Seller may treat this Agreement as canceled and the Parties shall thereafter be released from all obligations under this Agreement. Seller expressly waives the remedies of specific performance and damages, including delay damages and attorney fees, or both, or any other legal or equitable remedy; provided, however, that in the event the Agreement has not been terminated prior to the expiration of the timeframes set forth in Sections 7(b) and 7(d), and the City is in default (after notice and right to cure as provided above), Seller may, as its exclusive remedy, terminate this Agreement by written notice to the City and receive the Deposit as liquidated damages, thereby releasing the Parties from this Agreement, except for any provision hereof which expressly survives termination. CITY AND SELLER AGREE THAT SELLER'S ACTUAL DAMAGES WOULD BE IMPRACTICABLE OR EXTREMELY DIFFICULT TO FIX. THE PARTIES THEREFORE AGREE THAT, IN SUCH EVENT, SELLER, AS SELLER'S SOLE AND EXCLUSIVE REMEDY, IS ENTITLED TO LIQUIDATED DAMAGES IN THE AMOUNT OF THE DEPOSIT (INCLUSIVE OF INTEREST AND DIVIDENDS EARNED THEREON), IN WHICH CASE, (A) THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF CITY AND SELLER HEREUNDER SHALL BE OF NO FURTHER FORCE OR EFFECT AND NEITHER PARTY SHALL HAVE ANY FURTHER RIGHTS OR OBLIGATIONS HEREUNDER OTHER THAN PURSUANT TO ANY PROVISION HEREOF WHICH EXPRESSLY SURVIVES THE TERMINATION OF THIS AGREEMENT AND (B) TITLE COMPANY SHALL DELIVER THE DEPOSIT (INCLUSIVE OF INTEREST AND DIVIDENDS EARNED THEREON) TO SELLER PURSUANT TO SELLER'S INSTRUCTIONS, AND THE SAME SHALL BE THE FULL, AGREED AND LIQUIDATED DAMAGES. THE PARTIES HEREBY AGREE THAT THE AMOUNT OF THE DEPOSIT IS A FAIR AND REASONABLE ESTIMATE OF THE TOTAL DETRIMENT THAT SELLER WOULD SUFFER IN THE EVENT OF CITY'S FAILURE TO CONSUMMATE THE CLOSING IN BREACH HEREOF. SELLER IRREVOCABLY WAIVES THE RIGHT TO SEEK OR OBTAIN ANY OTHER LEGAL OR EQUITABLE REMEDIES, INCLUDING THE REMEDIES OF DAMAGES AND SPECIFIC PERFORMANCE FOR CITY'S FAILURE TO CONSUMMATE THE CLOSING IN BREACH HEREOF. Notwithstanding the foregoing, the limitations on Seller's remedies provided in this Section 15(a) shall not apply to the City's reimbursement

obligations with respect to the Improvement Costs pursuant to Section 6 hereof, subject to the \$241,875.00 Improvement Cost Cap and credit for any portion of the Deposit released to Seller, as more particularly described in Section 6(d)(i).

- b. **If Seller Is In Default.** If Seller fails to sell the Property to the City when required in accordance with the terms of this Agreement or otherwise breaches any of the material terms of this Agreement (for any reason other than the City's breach of this Agreement) and fails to cure such breach within ten (10) business days after receipt of written notice of same from the City, the City as its sole and exclusive remedy, at law or in equity, may at its option either (A) compel Seller to convey the Property to the City by a suit for specific performance filed within sixty (60) days of such written notice, and, if the City prevails in such suit, recover all reasonable out-of-pocket third party costs incidental to such suit, including reasonable attorneys' fees, or (B) terminate this Agreement by written notice to Seller and receive a refund of the Deposit; provided, however, if the remedy of specific performance is not available to the City due to a breach of this Agreement by Seller, the City may declare this Agreement terminated by written notice to Seller, in which event the Deposit shall be returned to the City and Seller shall reimburse the City for its out-of-pocket third party costs and expenses actually incurred (including reasonable attorneys' fees), as documented by invoice, in connection with this Agreement and the transactions contemplated thereby, such reimbursement not to exceed FIFTY THOUSAND DOLLARS AND ZERO CENTS (\$50,000.00), or if the remedy of specific performance is unavailable to the City because Seller conveys the Property to a third party in violation of this Agreement, the City shall be entitled to seek all remedies available at law or in equity, including an award of reasonable attorneys' fees. Nothing herein waives, impairs, limits or modifies the City's power and authority of condemnation.

**16. TERMINATION.** If this Agreement is terminated, then all things of value received by a Party under this Agreement shall be returned to the providing party, and the Parties shall be relieved of all obligations under this Agreement.

**17. COOPERATION OF THE PARTIES.** In the event that any third party brings an action against a Party to this Agreement regarding the validity or operation of this Agreement, the other Party will reasonably cooperate in any such litigation. Any Party named in an action shall bear its own legal costs.

**18. NO BROKER'S FEES.** The City and Seller represent to each other that they have had no negotiations through or brokerage services performed by any broker or intermediary that would require the City to pay any commission or fees. Any arrangements that Seller has with a broker or other intermediary regarding the sale of the Property shall be solely at the cost of Seller.

**19. SEVERABILITY.** In the event that any provision of this Agreement would be held to be invalid, prohibited, or unenforceable in any applicable jurisdiction for any reason unless narrowed by construction, this Agreement shall, as to such jurisdiction, be construed as if such invalid, prohibited, or unenforceable provision had been more narrowly drawn so as not to be invalid, prohibited, or unenforceable in any jurisdiction for any reason. Such provision, as to such jurisdiction, shall be ineffective to the extent of such invalidity, prohibition, or unenforceability, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

**20. NO DISCRIMINATION IN EMPLOYMENT.** In connection with the performance duties under the Agreement, the Seller agrees not to refuse to hire, discharge, promote or demote, or to discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, ethnicity, citizenship, immigration status, gender, age, military status, sexual orientation, gender identity or gender expression, source of income, protective hairstyle, marital status, or physical or mental disability; and further agrees to insert the foregoing provision in all subcontracts relating to this Agreement.

**21. WHEN RIGHTS AND REMEDIES NOT WAIVED.** In no event shall any performance under this Agreement constitute or be construed to be a waiver by either Party of any breach of covenant or condition or of any default that may then exist. The rendering of any such performance when any breach of default exists in no way impairs or prejudices any right or remedy available with respect to the breach or default. Further, no assent, expressed or implied, to any breach of any one or more covenants, provisions, or conditions of this Agreement may be deemed or taken to be a waiver of any other default or breach.

**22. SUBJECT TO LOCAL LAWS; VENUE.** This Agreement is subject to and is to be construed in accordance with the laws of the City and County of Denver and the State of Colorado, without regard to the principles of conflicts of law, including, but not limited to, all matters of formation, interpretation, construction, validity, performance, and enforcement. Venue for any action arising out of this Agreement will be exclusively in the District Court of the City and County of Denver, Colorado.

**23. NOTICES.** All notices provided for in this Agreement must be in writing and be personally delivered, sent via facsimile, electronic mail, or mailed by registered or certified United States mail, postage prepaid, return-receipt requested, if to the Seller at the addresses or facsimile numbers listed below and if to the City at the addresses or facsimile numbers given below. Notices delivered personally or sent electronically or by facsimile are effective when sent. Notices sent by certified or registered mail are effective upon receipt. The Parties may designate substitute addresses where or persons to whom notices are to be mailed or delivered; however, these substitutions will not become effective until actual receipt of written notification.

If to City:

Lisa Lumley  
Division of Real Estate  
Department of Finance  
201 West Colfax Avenue, Department 1010  
Denver, Colorado 80202  
e-mail: lisa.lumley@denvergov.org

and

Luke McKay  
Division of Real Estate  
Department of Finance  
201 West Colfax Avenue, Department 1010  
Denver, Colorado 80202  
e-mail: luke.mckay@denvergov.org



With copies of termination and similar notices to:

Mayor  
City and County of Denver  
1437 Bannock Street, Room 350  
Denver, Colorado 80202

and

Denver City Attorney's Office  
201 West Colfax Avenue, Department 1207  
Denver, Colorado 80202

If to Seller:

Correctional Management, LLC  
c/o CoreCivic, Inc.  
5501 Virginia Way  
Brentwood, Tennessee 37027  
Attention: Andrew Dye and Stephen Hargraves  
e-mail: andrew.dye@corecivic.com and  
stephen.hargraves@corecivic.com

With copies to:

Bass, Berry and Sims, PLC  
150 Third Avenue South, Suite 2800  
Nashville, Tennessee 37201  
Attention: Michael Stewart  
e-mail: mstewart@bassberry.com

**24. RIGHT TO ALTER TIME FOR PERFORMANCE.** The Parties may alter any time for performance set forth in this Agreement by a letter signed by the Director of the Division of Real Estate, or her designee, and an authorized representative of Seller.

**25. AGREEMENT AS COMPLETE INTEGRATION; AMENDMENTS.** This Agreement is intended as the complete integration of all understandings between the Parties. No prior or contemporaneous addition, deletion or other amendment to this Agreement will have any force or effect whatsoever, unless embodied in writing in this Agreement. Except as expressly provided for in this Agreement, no subsequent novation, modification, renewal, addition, deletion, or other amendment to this Agreement shall have any force or effect unless embodied in a written amendatory or other agreement executed by both Parties.

**26. THIRD-PARTY BENEFICIARY.** It is the intent of the Parties that no third party beneficiary interest is created in this Agreement except for any assignment pursuant to this Agreement. The Parties are not presently aware of any actions by them or any of their authorized representatives that would form the basis for interpretation construing a different intent, and in any event expressly disclaim any such acts or actions, particularly in view of the integration of this Agreement.

27. **APPROPRIATION BY CITY COUNCIL.** All obligations of the City under and pursuant to this Agreement are subject to prior appropriations of monies expressly made by the City Council for the purposes of this Agreement and paid into the Treasury of the City.

28. **REASONABLENESS OF CONSENT OR APPROVAL.** Whenever under this Agreement “reasonableness” is the standard for the granting or denial of the consent or approval of either Party, such Party shall be entitled to consider public and governmental policy, moral and ethical standards, as well as business and economic considerations.

29. **NO PERSONAL LIABILITY.** No elected official, director, officer, agent or employee of the City nor any director, officer, employee or personal representative of Seller shall be charged personally or held contractually liable by or to the other Party under any term or provision of this Agreement or because of any breach thereof or because of its or their execution, approval or attempted execution of this Agreement.

30. **CONFLICT OF INTEREST BY CITY OFFICER.** Seller represents that to the best of Seller’s information and belief no officer or employee of the City is either directly or indirectly a party to or in any manner interested in this Agreement except as such interest may arise as a result of the lawful discharge of the responsibilities of such elected official or employee.

31. **MERGER.** The terms of this Agreement survive Closing and do not merge into the Deed conveying the Property.

32. **CONSTRUCTION.** This Agreement may not be interpreted in favor of or against either Seller or the City merely because of their respective efforts in preparing it. The rule of strict construction against the drafter does not apply to this Agreement. This instrument is subject to the following rules of construction:

a. Specific gender references are to be read as the applicable masculine, feminine, or gender neutral pronoun.

b. The words “include,” “includes,” and “including” are to be read as if they were followed by the phrase “without limitation.”

c. The words “Party” and “Parties” refer only to a named party to this Agreement.

d. Unless otherwise specified, any reference to a law, statute, regulation, charter or code provision, or ordinance means that statute, regulation, charter or code provision, or ordinance as amended or supplemented from time to time and any corresponding provisions of successor statutes, regulations, charter or code provisions, or ordinances.

e. The recitals set forth in this Agreement are intended solely to describe the background of this Agreement and form no part of this Agreement. Headings and captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Agreement or any provisions hereof.

33. **ASSIGNMENT.** The City is not obligated or liable under this Agreement to any party other than Seller named in this Agreement. Seller understands and agrees that it may not assign any of its rights, benefits, obligations, or duties under this Agreement without the City’s

prior written approval. The City shall not assign this Agreement without the prior written consent of Seller, which consent shall not be unreasonably withheld, conditioned, or delayed. Notwithstanding the foregoing, the City may assign this Agreement to an entity controlling, controlled by or under common control with the City, without the consent of Seller, provided, however, that the City shall provide Seller with prompt written notice of any such assignment and the original the City shall remain liable, together with the City's assignee, for all obligations under this Agreement. As used herein, the term "controls" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management of an entity by contract or otherwise.

**34. CITY EXECUTION OF AGREEMENT.** This Agreement is subject to, and will not become effective or binding on the City until, full execution by all signatories of the City.

**35. COUNTERPARTS.** This Agreement may be executed in counterparts, each of which is an original and together constitute the same document. This Agreement may be executed by facsimile or electronically scanned signatures which shall be deemed an original

**36. EFFECTIVE DATE.** The effective date of this Agreement ("**Effective Date**") shall be the date the City delivers a fully executed copy of this Agreement to the Seller.

**37. ELECTRONIC SIGNATURES AND ELECTRONIC RECORDS.** Each Party consents to the use of electronic signatures by the other Party. This Agreement, and any other documents requiring a signature hereunder, may be signed electronically by the Parties in the manner specified by the City. The Parties agree not to deny the legal effect or enforceability of this Agreement solely because it is in electronic form or because an electronic record was used in its formation. The Parties agree not to object to the admissibility of this Agreement in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

**38. NO RELIANCE.** Except for the respective representations, warranties, covenants, and obligations of the Parties in this Agreement, the Parties (a) expressly assume any and all risks that the facts and law may be or become different from the facts and law as known, or believed to be known, by the Parties as of the date of this Agreement; and (b) agree that in executing this Agreement, no Party has relied upon any information supplied by the other or by their attorneys, or upon any obligation or alleged obligation of the other Party to disclose information relevant to this Agreement.

**39. NO ADDITIONAL REPRESENTATIONS OR WARRANTIES.** The City acknowledges that, except as specifically set forth in this Agreement or in the documents to be delivered by Seller at Closing, Seller makes no representation or warranty with respect to the Property, the operation thereof, or in any way in connection therewith, and that the City is purchasing the Property in its "AS-IS" condition.

**40. RISK OF LOSS AND INSURANCE.** Between the Effective Date and Closing, the risks and obligations of ownership and loss of the Property and the correlative rights against insurance carriers and third parties shall belong to Seller. In the event of the damage or destruction of any material portion of the Property prior to Closing, the City shall have the right, at the City's option, to terminate this Agreement by giving written notice thereof to Seller within ten (10) days

of the date that Seller notifies the City in writing of such damage or destruction, in which event the Deposit shall be refunded to the City immediately upon request and all rights and obligations of the Parties under this Agreement shall expire. For the purposes of this Section, the phrase “damage or destruction of any material portion of the Property” shall mean any damage or destruction to the Property that is estimated by Seller’s insurance adjuster to cost in excess of five percent (5.0%) of the Purchase Price to repair. If the City does not so terminate this Agreement or if the estimated cost of repair is five percent (5.0%) of the Purchase Price or less, (a) the Purchase Price shall be reduced by the total of any insurance proceeds received by Seller prior to Closing by reason of such damage or destruction, and (b) at Closing, Seller shall assign to the City all insurance proceeds payable thereafter by reason of such damage or destruction, or in the event that such insurance proceeds are not assignable, Seller shall deliver such proceeds to the City following the Closing and shall not settle any claim on account thereof without the prior written consent of the City.

**41. CONDEMNATION.** In the event of the taking of all or any material part of the Property that could reasonably be expected to have a material adverse effect on the Property by condemnation or eminent domain proceedings, or agreement in lieu thereof, or the commencement of any such proceedings prior to Closing (each a “**Taking**”), the City shall have the right, at the City’s option, to terminate this Agreement by giving written notice thereof to Seller within ten (10) business days of the date that Seller notifies the City in writing of such Taking, in which event the Deposit shall be refunded to the City immediately upon request, all rights and obligations of the Parties under this Agreement shall expire, and this Agreement shall become null and void. If the City does not so terminate this Agreement or if the Taking does not affect a material part of the Property, the Purchase Price shall be reduced by the total of any awards or other proceeds received by Seller prior to Closing with respect to such Taking, and, at Closing, Seller shall assign without warranty to the City all rights of Seller in and to any awards or other proceeds payable thereafter to Seller by reason of such Taking. For purposes of this Section 41, a Taking shall be deemed to affect a material part of the Property if the awards or proceeds to be paid to Seller for such Taking exceed five percent (5.0%) of the Purchase Price or causes the Property to no longer have access to a public roadway.

**42. 1031.** Seller and/or the City may transfer the Property as part of a forward or reverse like-kind exchange pursuant to Section 1031 of the Internal Revenue Code of 1986 and the regulations promulgated thereunder, as amended, or as a reverse like-kind exchange under Revenue Procedure 2000-37 (“**Exchange**”). Accordingly, Seller and/or the City may assign its rights to this Agreement to a third party (“**Qualified Intermediary**”) and Seller and the City hereby consent to such assignment(s); provided, however, that such assignment(s) shall not (a) constitute an assumption by Qualified Intermediary of Seller’s and/or the City’s obligations hereunder, (b) release Seller or the City of any of its obligations hereunder, (c) diminish or affect the rights of Seller or the City hereunder or impose any additional expense upon Seller or the City, or (d) delay the Closing. Seller and the City shall execute such documents and take such other action as may reasonably be requested for the purpose of so qualifying the transaction contemplated by this Agreement as an Exchange.

[Exhibit list appears on following page]

**Exhibit List:**

Exhibit A – Legal Description of Property

Exhibit B – Special Warranty Deed

Exhibit C – Improvements

Exhibit D – Bill of Sale

**[Remainder of Page Intentionally Left Blank]**

**Contract Control Number:**

FINAN-202477549-00

**Contractor Name:**

CORRECTIONAL MANAGEMENT, LLC

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at  
Denver, Colorado as of:

**SEAL**

**CITY AND COUNTY OF DENVER:**

**ATTEST:**

By:

---

---

**APPROVED AS TO FORM:**

**REGISTERED AND COUNTERSIGNED:**

Attorney for the City and County of Denver

By:

By:

---

---

By:

---

**Contract Control Number:**  
**Contractor Name:**

FINAN-202477549-00  
CORRECTIONAL MANAGEMENT, LLC

By: **SEE VENDOR SIGNATURE PAGE ATTACHED**

Name: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_  
(please print)

ATTEST: [if required]

By: \_\_\_\_\_

Name: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_  
(please print)

IN WITNESS WHEREOF, the Parties have executed and affixed their seals, if any, at Brentwood, Tennessee as of: December 5, 2024.

"SELLER"

CORRECTIONAL MANAGEMENT, LLC,  
a Colorado limited liability company

By: Lucibeth Mayberry  
Name: Lucibeth Mayberry  
Title: Executive Vice President and Chief  
Innovation Officer

STATE OF TENNESSEE                    )  
  ) ss  
COUNTY OF Williamson            )

The foregoing instrument was acknowledged before me on 12-5, 2024 by Lucibeth Mayberry, as Executive Vice President and Chief Innovation Officer of Correctional Management, LLC, a Colorado limited liability company.

Witness my hand and official seal.

My commission expires: 6-16-26

Mattie Lee Bhela  
Notary Public





**EXHIBIT A**  
(Legal Description of Property)

LOTS 1 TO 5, BLOCK F, MOUAT'S RESUBDIVISION OF PART OF SWANSEA AND  
BLOCK 67, FIRST ADDITION TO SWANSEA, CITY AND COUNTY OF DENVER, STATE  
OF COLORADO.

**EXHIBIT B**  
(Form of Special Warranty Deed)

After recording, return to:  
Division of Real Estate  
City and County of Denver  
201 West Colfax Avenue, Dept. 1010  
Denver, Colorado 80202

**SPECIAL WARRANTY DEED**

**THIS SPECIAL WARRANTY DEED** (“Deed”), made as of this \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_, by CORRECTIONAL MANAGEMENT, LLC, a Colorado limited liability company, successor by conversion to CORRECTIONAL MANAGEMENT, INC., a Colorado corporation, successor by merger to CO PROPERTY HOLDINGS, LLC, a Delaware limited liability company (“Grantor”) to the CITY AND COUNTY OF DENVER, a Colorado municipal corporation of the State of Colorado and home rule city, whose address is 1437 Bannock Street, Denver, Colorado 80202 (“Grantee”).

WITNESSETH, that the Grantor, for and in consideration of the sum of \_\_\_\_\_ Dollars (\$ ) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and by these presents does hereby grant, bargain, sell, convey and confirm, unto the Grantee, and its successors and assigns forever, the real property described below, together with all improvements thereon, owned by the Grantor situate, lying and being in the City and County of Denver, State of Colorado, and being more particularly described on Exhibit A attached hereto and incorporated herein (“Property”);

TOGETHER WITH all and singular the hereditaments and appurtenances thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof; and all of the estate, right, title, interest, claim and demand whatsoever of the Grantor, either in law or equity, of, in, and to the above-bargained Property, together with the hereditaments and appurtenances;

TO HAVE AND TO HOLD the Property above bargained and described with the appurtenances, unto the Grantee, and its successors and assigns forever. The Grantor, for itself and its successors and assigns does covenant and agree that it shall and will WARRANT AND FOREVER DEFEND the above-bargained Property in the quiet and peaceable possession of the Grantee, and its successors and assigns, against all and every person or persons claiming the whole or any part thereof, by, through, or under the Grantor, except against claims arising out of those matters set forth on **Exhibit B** attached hereto and made a part hereof (the “Permitted Exceptions”).

[Signature page follows]

IN WITNESS WHEREOF, the Grantor has executed this Deed on the date set forth above.

ATTEST:

By: \_\_\_\_\_ a Colorado \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_, by \_\_\_\_\_ as the \_\_\_\_\_, of CORRECTIONAL MANAGEMENT, LLC, a Colorado limited liability company.

Witness my hand and official seal.

\_\_\_\_\_  
Notary Public  
My commission expires: \_\_\_\_\_

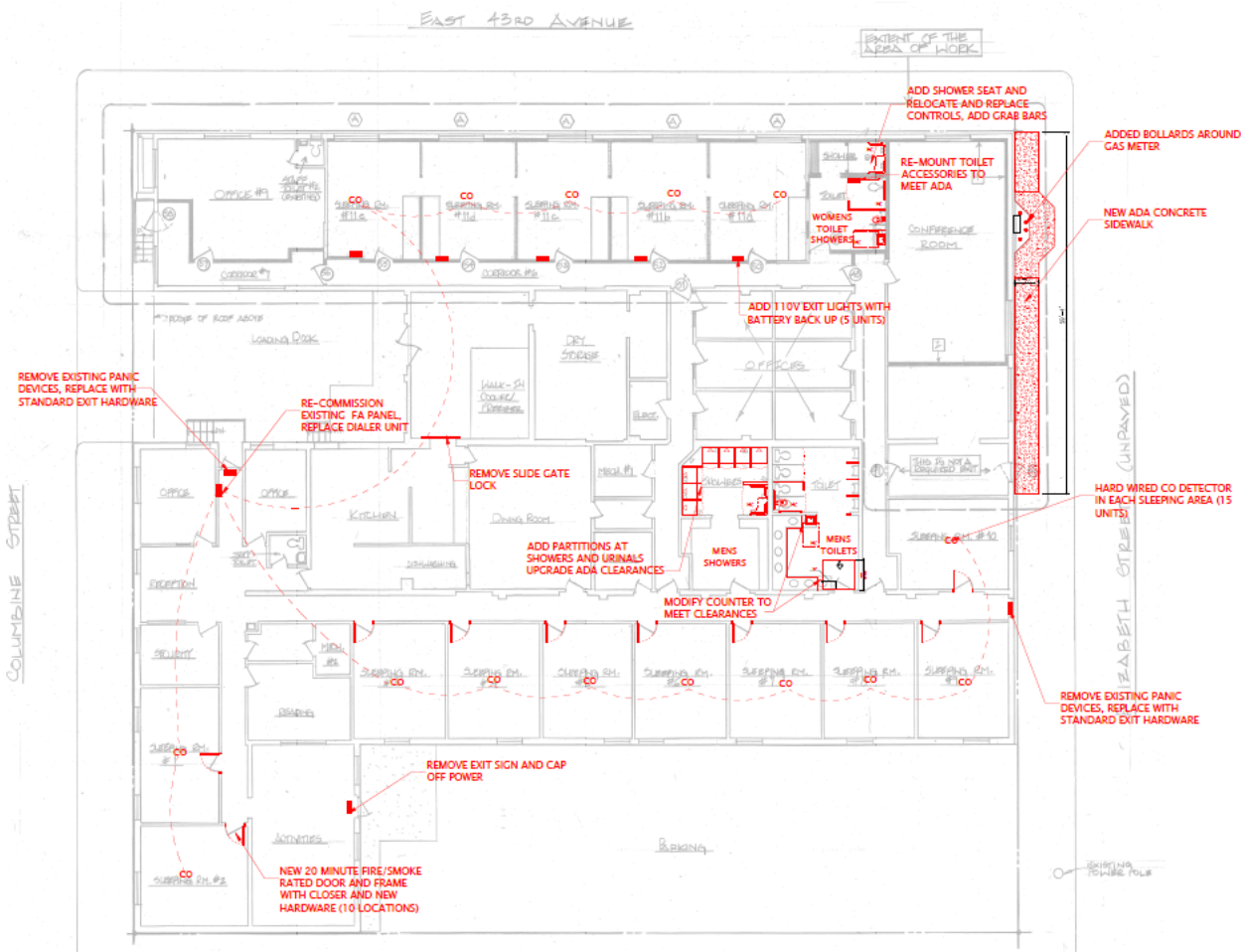
**Exhibit A (To Special Warranty Deed)**  
(Legal Description of Property)

LOTS 1 TO 5, BLOCK F, MOUAT'S RESUBDIVISION OF PART OF SWANSEA AND BLOCK 67, FIRST ADDITION TO SWANSEA, CITY AND COUNTY OF DENVER, STATE OF COLORADO.

**Exhibit B (To Special Warranty Deed)**  
(Permitted Exceptions)

**[To be inserted prior to Closing.]**

**EXHIBIT C**  
(Description and Depiction of Improvements)



Scope of Work
1. Replace all damaged or missing floor tile/ceiling tiles
2. Fix auto dialer on FA, make sure FA is fully functioning, add hardwired CO detectors in the sleeping rooms
3. Change all sleeping room doors to appropriate fire/smoke rated doors with self closers and latched locks
4. Remove panic hardware and deadbolt locks from exit doors that have manual pull stations next to them
5. Address the smell of gas coming from the main mechanical room
6. Remove the sliding gate lock that is in the kitchen
7. Remove paints and flammables in storage area
8. Add emergency lights to the sleeping/dorm rooms with the half walls
9. Add bathroom partitions for showers and urinals in GANG restroom.
10. Repair/replace the vehicle protection surrounding the outside gas meter per code
11. Add paved area on East side of building to connect rear door to public ROW
12. No less than 5% of the beds/bunks need to be Accessible with 36" clear on 2 sides and sleeping surface between 17" and 19" aff
13. Toilet paper dispensers/ HC accessories need to be located at correct height and clearances
14. Add grab bars in current HC shower, add shower seat, relocate shower controls

**EXHIBIT D**  
(Form of Bill of Sale and General Assignment)

**BILL OF SALE AND GENERAL ASSIGNMENT**

For good and valuable consideration, the receipt of which is hereby acknowledged, **CORRECTIONAL MANAGEMENT, LLC**, a Colorado limited liability company, successor by conversion to **CORRECTIONAL MANAGEMENT, INC.**, a Colorado corporation, successor by merger to **CO PROPERTY HOLDINGS, LLC**, a Delaware limited liability company (“**Seller**”), does hereby quitclaim, sell, transfer, assign and convey to **CITY AND COUNTY OF DENVER**, a Colorado municipal corporation of the State of Colorado and home rule city (“**Buyer**”), all of Seller’s right, title and interest (if any) in and to (i) all Personal Property, as defined below, located at the Real Property legally described on Exhibit A attached hereto and (ii) to the extent assignable at no cost to Seller, all Intangible Personal Property, as defined below, related to such Real Property.

Capitalized terms used but not defined herein shall have the respective meanings set forth in that certain Purchase and Sale Agreement dated as of \_\_\_\_\_, 2024, by and between Seller and Buyer (as amended or assigned from time to time, the “**Purchase Agreement**”).

TO HAVE AND TO HOLD the Personal Property unto Buyer and Buyer's successors and assigns forever.

The Personal Property and Intangible Personal Property quitclaimed, sold, transferred, assigned and/or conveyed hereunder is transferred “AS-IS”, “WHERE-IS” and without warranty of any kind.

The term “Personal Property” shall mean all tangible personal property located upon the Real Property or within the improvements located thereon, if any, located on and used exclusively in connection with the operation of the Real Property and the improvements, to the extent owned by Seller. The term “Intangible Personal Property” shall mean (i) all warranties and guaranties related to the Real Property and improvements located thereon, (ii) all governmental permits, licenses, variances, waivers, certificates and authorizations relating to the construction, development, use or operation of the Real Property and/or improvements located thereon, and (iii) all site plans, surveys, plats, plans, soil and substratus studies, architectural, construction, road, drainage and utility drawings, plans and specifications, engineering plans and studies, landscape plans, appraisals, marketing, feasibility and environmental studies, and other plans and studies of any kind if existing and in Seller's possession or control related to the Real Property and/or improvements located thereon.

This instrument is subject, in all respects, to the terms and conditions of the Purchase Agreement. This instrument shall be binding upon Seller and its successors and assigns, and shall inure to the benefit of Buyer and its successors and assigns. This instrument shall be governed by, and shall be construed in accordance with, the laws of the State of Colorado.

Dated as of \_\_\_\_\_, 2025.

IN WITNESS WHEREOF, Seller has executed this Bill of Sale as of the date first above written.

SELLER:

CORRECTIONAL MANAGEMENT, LLC,  
a Colorado limited liability company,  
successor by conversion to  
CORRECTIONAL MANAGEMENT, INC.,  
a Colorado corporation, successor by merger  
to CO PROPERTY HOLDINGS, LLC, a  
Delaware limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**Exhibit A (To Bill of Sale)**  
(Legal Description of Property)

LOTS 1 TO 5, BLOCK F, MOUAT'S RESUBDIVISION OF PART OF SWANSEA AND BLOCK 67, FIRST ADDITION TO SWANSEA, CITY AND COUNTY OF DENVER, STATE OF COLORADO.