

## PURCHASE AND SALE AGREEMENT

**THIS PURCHASE AND SALE AGREEMENT** (“Agreement”), made and entered into by and between the **CITY AND COUNTY OF DENVER**, a municipal corporation of the State of Colorado whose address is 1437 Bannock Street, Denver, Colorado 80202 (the "City" or “Seller”), and **HOUSING AUTHORITY OF THE CITY AND COUNTY OF DENVER**, a quasi-municipal corporation whose address is 777 Grant Street, Denver, Colorado 80203 (“Purchaser”).

### WITNESSETH:

**WHEREAS**, City owns property located at 2506 West Colfax Avenue , also known as 2506 West 14<sup>th</sup> Avenue, in the City and County of Denver, which property is no longer in use and has been determined to be surplus property; and

**WHEREAS**, City has agreed to sell and the Purchaser has agreed to purchase such property subject to the terms and conditions hereinafter set forth; and

**NOW, THEREFORE**, in consideration of the premises and the mutual covenants and obligations set forth herein, the parties agree as follows:

1. **PROPERTY TO BE PURCHASED**: The Purchaser agrees to purchase and the City agrees to sell, the real property which is more particularly described in **Exhibit A**, attached hereto and incorporated herein ("Property").

2. **PURCHASE PRICE**: The Purchase Price to be paid by the Purchaser for the Property shall be Four Hundred Seventy Thousand Dollars (\$470,000.00.00) ("Purchase Price") payable to the City in good funds due at the time of Closing.

3. **ENVIRONMENTAL CONDITION**:

(a) **Environmental Information**: City has disclosed to the Purchaser all actual information the Director of Real Estate (the “Director”) has without duty of inquiry or investigation regarding environmental contamination or the presence of any Hazardous Waste or Toxic Substances on, under or about the Property. For purposes hereof, “Hazardous Wastes” mean all waste materials subject to regulations under the Comprehensive Environmental Response, Compensation, and Liability Act (Superfund or CERCLA), 42 U. S. C., Sec. 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. “Toxic Substance” means and includes any materials present on the Property which are subject to regulation under the Toxic Substance Control Act (TSCA), 15 U. S. C., Sec. 2601 at seq., applicable state law, or any other applicable federal or state law now in

force or hereafter enacted relating to toxic substances. "Toxic Substances" includes, but is not limited to asbestos, polychlorinated biphenyls (PCB's), and lead-based paints.

(b) Environmental Audit: The Purchaser may, at its sole expense, retain a consultant to conduct an environmental audit of the Property. The purpose of the environmental audit shall be to identify any existing or potential environmental problems located in, on, or under the Property, including but not limited to, the presence of Hazardous Wastes and Toxic Substances. The initial environmental audit shall consist of a nonintrusive review of records, documents and photographs relating to the Property and an inspection of the Property. Upon completion of the initial environmental audit, the Purchaser may perform reasonable supplemental studies, including soil and ground water sampling and analysis, required to fulfill the objectives of the audit and perform a phase 2 environmental audit at the Purchaser's sole expense. The City hereby grants the Purchaser and its consultants a license for the right to enter upon the Property to perform environmental testing and inspections. The Purchaser shall give the Director or her/his designee forty-eight (48) hours notice prior to performing such work. Upon completion of the inspection, the Purchaser's consultant shall return the Property to the condition it was in prior to such testing. All environmental audits and testing shall be completed by the end of the Due Diligence Period, as defined below.

(c) As Is Where Is Condition: Purchaser acknowledges that it is purchasing the Property in an "As Is Where Is" condition.

4. PHYSICAL INSPECTION: The Purchaser shall have the right to inspect the physical condition of the Property at the Purchaser's expense. The City hereby grants Purchaser and its consultants a license for the right to enter onto the Property to perform such inspections. Purchaser acknowledges that it is purchasing the Property in an "As Is Where Is" condition, including all zoning matters.

5. EVIDENCE OF TITLE: The City shall provide, at Purchaser's expense, a current commitment for owners' title insurance policy for the Property in an amount equal to the Purchase Price from Heritage Title Company ("Title Company") and the Title Documents within seven (7) days after execution of this Agreement. The title insurance commitment, together with any copies or abstracts of instruments furnished pursuant to this Section 5, constitute the title documents ("Title Documents"). Purchaser shall be responsible for obtaining any title insurance policy and shall pay the premium and any costs or fees at Closing if a title policy is obtained.

6. TITLE:

(a) Title Review and Deed. The Purchaser shall have the right to inspect the Title Documents. Written notice by the Purchaser of unmerchantability of title or any other unsatisfactory title condition shown by the Title Documents shall be signed by the Purchaser and given to the City before the end of the Due Diligence Period. If the City does not receive the Purchaser's notice by the date specified above, the Purchaser shall be deemed to have accepted the condition of title as disclosed by the Title Documents as satisfactory. If a subsequent title commitment update shows any new matter not set forth in earlier title commitments, Purchaser shall have up to fifteen (15) days before Closing to give the City notice of any unsatisfactory title condition relating to the newly disclosed title matter in the manner set forth above. The City shall convey the Property by a Quitclaim Deed, with no covenants of title or warranties, in the substantially the same form as is attached as **Exhibit B**, "Quitclaim Deed."

(b) Survey and Matters Not Shown by the Public Records. The City represents that there are no current leases or tenancies affecting the Property. The City shall disclose to the Purchaser all easements, liens or other title matters not shown by the public records pertaining to the Property, of which Director has actual knowledge, without duty of inquiry or investigation. The Purchaser shall have the right to inspect the Property to determine if any third party has any right in the Property not shown by the public records (such as an unrecorded easement, unrecorded lease, or boundary line discrepancy). The Purchaser, at Purchaser's expense, may obtain a current boundary and improvements survey of the Property, reasonably acceptable to the City, showing thereon the correct legal description, property dimensions, easements, rights of way and encroachments, if any, recorded or in place, and all improvements, with the dimensions thereof, certified to the City, Purchaser and to the Title Company. Written notice of any unsatisfactory condition(s) discovered by the survey or disclosed by the City or revealed by the inspection shall be signed by the Purchaser and given to the City on or before the end of the Due Diligence Period. If the City does not receive the Purchaser's notice by said date, the Purchaser shall be deemed to have accepted title subject to such rights, if any, of third parties of which the Purchaser has actual knowledge.

(c) Right to Cure. If the City receives notice of any unsatisfactory title matter, or other condition(s) revealed by a physical inspection, survey or title inspection as provided in Section 4 or subsection 6(a) or 6(b) above or as otherwise given by the Purchaser, the City may cure such unsatisfactory condition(s) prior to Closing. If the City determines not to correct said

unsatisfactory condition(s) on or before Closing, the Purchaser, in its sole discretion, may elect to (i) waive such defect and proceed to Closing; (ii) cure such defect itself; or (iii) terminate this Agreement.

7. DUE DILIGENCE PERIOD: The due diligence period shall be the period of time during which Purchaser may perform any and all examinations and inspections authorized by Paragraphs 3,4 5 and 6 above, and such period shall run from the time of the mutual execution of this Agreement for thirty(30) days (the "Due Diligence Period"). The Due Diligence Period may be waived or shortened by the Purchaser. Purchaser may terminate this Agreement for any or no reason during the Due Diligence Period, notwithstanding the City's right to cure.

8. DATE OF CLOSING: The date of Closing shall be no later than May15, 2014 ("Closing"). The time and place of the Closing shall be agreed upon by the parties.

9. TRANSFER OF TITLE: Subject to the tender of the Purchase Price, the City shall execute and deliver a Quitclaim Deed to the Purchaser at Closing. The City and Purchaser shall execute all customary or required documents at or before Closing, as may be reasonably determined by the parties. The City's Director, or her/his designee, shall be authorized to execute on behalf of the City any and all documents necessary or helpful to close the transaction contemplated herein, provided no such document transfers title to real property.

10. POSSESSION: Possession of the Property shall be delivered to the Purchaser at Closing.

11. CLOSING COSTS, DOCUMENTS AND SERVICES: Purchaser shall pay all Purchaser closing costs at Closing. The City and Purchaser shall sign and complete all customary or required documents at or before Closing. The Director of the Division of Real Estate or his designee shall execute on behalf of the City any necessary documents for the Closing, so long as none transfers property rights.

12. TIME IS OF THE ESSENCE/REMEDIES: It is understood and agreed between the parties that time is of the essence hereof, and all the agreements herein contained shall be binding upon and inure to 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 hereunder is not performed or waived as herein provided, there shall be the following remedies:

(a) If the City is in default: Purchaser may elect to treat this Agreement as canceled, in which case all payments and things of value received hereunder shall be returned to Purchaser and both parties shall thereafter be released from all obligations hereunder, or Purchaser may elect to treat this Agreement as being in full force and effect and Purchaser shall have the right to specific performance..

(b) If Purchaser is in default: The City may elect to treat this Agreement as canceled, in which case all payments and things of value received hereunder shall be returned to Purchaser and both parties shall thereafter be released from all obligations hereunder, or the City may elect to treat this Agreement as being in full force and effect and the City shall have the right to specific performance.

13. TERMINATION: In the event this Agreement is terminated, all payment and things of value received hereunder shall be returned to the parties providing the same and the parties shall be relieved of all obligations hereunder.

14. AUTHORITY TO EXECUTE: Purchaser represents that the persons who have affixed their signatures hereto have all necessary and sufficient authority to bind the Purchaser.

15. COOPERATION OF THE PARTIES: In the event that any third party brings an action against the City or Purchaser regarding the validity or operation of this Agreement, the City or Purchaser shall reasonably cooperate with the other in any such litigation.

16. NO BROKER'S FEES: The City is not represented by a broker. No commission shall be due from the City to any other broker.

17. SEVERABILITY: The promises and covenants contained herein are several in nature. Should any one or more of the provisions of this Agreement be judicially adjudged invalid or unenforceable, such judgment shall not affect, impair, or invalidate the remaining provisions of this Agreement.

18. WHEN RIGHTS AND REMEDIES NOT WAIVED: In no event shall any performance hereunder constitute or be construed to be a waiver by any party of any breach of covenant or condition or of any default which may then exist. The rendering of any such performance when any such breach of default exists shall in no way impair or prejudice any right of remedy available with respect to such breach of default. Further, no assent, expressed or implied, to any breach of any one or more covenants, provisions, or conditions of the Agreement shall be deemed or taken to be a waiver or any other default or breach.

19. SUBJECT TO LOCAL LAWS; VENUE: Each and every term, provision, and condition herein is subject to the provisions of the laws of the United States, the State of Colorado, the Charter and Ordinances of the City and County of Denver, and regulations enacted pursuant thereto. The Charter and Revised Municipal Code of the City and County of Denver, as the same may be amended from time to time, are hereby expressly incorporated into this Agreement as if fully set out herein by this reference. This Agreement is made, shall be deemed to be made, and shall be construed in accordance with the laws of the State of Colorado. Venue for any legal action arising under or relating to this Agreement shall lie in the District Court in and for the City and County of Denver, Colorado.

20. NOTICES: All notices provided for herein shall be in writing and shall be personally delivered or mailed by registered or certified United States mail, postage prepaid, return receipt requested, to the parties at the addresses given below or at such other address that may be specified by written notice in accordance with this paragraph:

If to the City: Mayor  
Mayor's Office  
City and County Building  
1437 Bannock Street, Room 350  
Denver, Colorado 80202

With copies to: Director of Real Estate  
201 W. Colfax, Dept. 1010  
Denver, CO 80202

Denver City Attorney  
Denver City Attorney's Office  
1437 Bannock Street, Room 353  
Denver, Colorado 80202

If to Purchaser: Housing Authority of the City and County of Denver  
Attn: Ismael Guerrero, Executive Director  
777 Grant Street, 6<sup>th</sup> Floor  
Denver, Colorado 80203

With Copies to: Housing Authority of the City and County of Denver  
Attn: Joshua Crawley, Agency Counsel  
777 Grant Street, 6th Floor  
Denver, Colorado 80203

21. PARTIES' LIABILITIES: Each party shall be responsible for any and all suits, demands, costs, or actions proximately resulting from its own individual acts or omissions.

22. 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 hereto shall have any force or effect whatsoever, unless embodied herein in writing. No subsequent notation, renewal, addition, deletion, or other amendment hereto shall have any force or effect unless embodied in a written amendatory or other agreement executed by the parties.

23. PARAGRAPH HEADINGS: The paragraph headings are inserted herein only as a matter of convenience and for reference and in no way are intended to be a part of this Agreement or to define, limit or describe the scope or intent of this Agreement or the particular paragraphs hereof to which they refer.

24. THIRD-PARTY BENEFICIARY: It is the intent of the parties that no third party beneficiary interest is created in this Agreement. The parties are not presently aware of any actions by them or any of their authorized representatives, which 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.

25. COUNTERPARTS: This Agreement shall be executed in at least two (2) counterparts, each of which shall be deemed to be an original, but all of which shall together constitute one and the same document.

26. 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 hereto, such party shall be entitled to consider public and governmental policy, moral and ethical standards, as well as business and economic considerations.

27. NO PERSONAL LIABILITY: No elected official, director, officer, agent or employee of the City nor any director, officer, employee or personal representative of Purchaser 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.

28. CONFLICT OF INTEREST BY CITY OFFICER: Purchaser represents that to the best of its 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.

29. RIGHT TO EXTEND TIME FOR PERFORMANCE: The parties agree that any time for performance of any term or condition hereunder may be extended for up to two (2) additional thirty (30) day periods by a letter signed by the Director and an authorized representative of Purchaser, except as otherwise provided for herein. All other amendments to this Agreement except for certain approvals granted to the Director herein, must be fully executed by the City and the Purchaser, and may require further City Council approval, if so required by the City's Charter.

30. NO MERGER: The parties intend that the terms of this Agreement shall survive Closing and shall not be merged into the deed conveying the Property.

31. ASSIGNMENT: Neither party may assign its rights and obligations under this Agreement to any entity without the prior written consent of the other party. For the City, such consent shall be given by the Director of Real Estate, at the Director's sole discretion.

32. SUBJECT TO COUNCIL APPROVAL: This Agreement is subject to the approval of the City Council in accordance with the provisions of the City Charter, and this Agreement shall not take effect until its final approval by City Council, and until signed by all appropriate City officials, including the Mayor, the Clerk and Recorder and the Auditor.

33. ELECTRONIC SIGNATURES AND ELECTRONIC RECORDS:

Purchaser consents to the use of electronic signatures by the City. The Agreement, and any other documents requiring a signature hereunder, may be signed electronically by the City in the manner specified by the City. The Parties agree not to deny the legal effect or enforceability of the 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 the 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.

34. EXPENSES: Except as expressly otherwise provided, the Parties shall each pay their own costs and expenses in connection with the negotiation, execution and delivery of this Agreement.

35. CASUALTY AND CONDEMNATION:

a. Casualty. If prior to the Closing, all or any part of the Property shall be



destroyed or damaged by fire or other casualty, the Seller shall promptly notify the Purchaser of such fact. If the damage caused by such a casualty is material, then the Purchaser shall have the right to terminate this Agreement by giving notice thereof to the Seller not later than ten (10) days after the date on which the Purchaser received the Seller's notice of such casualty. If the Purchaser shall elect to terminate this Agreement as aforesaid, the Earnest Money shall be paid to the Purchaser, whereupon this Agreement shall terminate and be of no further force and effect and neither party shall have any liability or obligation to the other hereunder. If less than a material part of the Property shall be affected or if the Purchaser shall not elect to terminate this Agreement, there shall be no abatement of the Purchase Price, except as set forth in Section 2, and the Seller shall assign to the Purchaser at the Closing the rights of the Seller to the proceeds, if any, under the Seller's insurance policies covering the property and there shall be credited against the Purchase Price the amount of any applicable insurance deductible. For purposes of the foregoing, any damage caused by a casualty shall be deemed to be material if the costs to repair the same are reasonably expected to be at least \$500,000.

b. Condemnation. If, prior to the Closing, all or any part of the Property is taken by eminent domain (or is the subject of a pending taking which has not yet been consummated), the Seller shall notify the Purchaser of such fact and the Purchaser shall have the right to terminate this Agreement by giving notice to the Seller not later than ten (10) days after the date on which the Purchaser received the Seller's notice of such condemnation. If the Purchaser shall elect to terminate this Agreement, the Earnest Money shall be paid to the Purchaser, whereupon this Agreement shall terminate and be of no further force and effect and neither party shall have any liability or obligation to the other hereunder. If the Purchaser shall not elect to terminate this Agreement, then the sale of the Property shall be consummated as herein provided without any adjustment to the Purchase Price (except that Purchaser shall be entitled to a credit for any condemnation award received by the Seller prior to the Closing) and the Seller shall assign to the Purchaser at the Closing all of the Seller's right, title and interest in and to all awards, if any, for the taking, and the Purchaser shall be entitled to receive and keep all awards for the taking of the Property or any portion thereof.

36. PRORATIONS: General taxes and assessments for the year of closing, based on the most recent levy and the most recent assessment, rents and water, sewer, and other utility charges, and any other customary items shall be prorated to the date of Closing. Seller shall pay any and all

taxes and special assessments prorated to the date of the Closing. Seller shall pay all utility charges to the date of Closing.

37. NO RECORDING OF PSA: Neither party shall record this Purchase and Sale Agreement in the real property records of the City and County of Denver.

38. REPURCHASE AGREEMENT: Purchaser shall provide to the City a detailed development plan with a development timetable, in form and substance acceptable to the City, within four years of the date of Closing. The development plan provided shall be conforming to the land uses and intent for West Colfax as evidenced in the Decatur/Federal Station Area Plan, as adopted by Denver City Council in April 2013. In the event, and at such time, that the City approves a development plan, Purchaser shall provide the approved development plan to the Director. Purchaser's time table for development shall detail construction completion of development on the Property and shall be acceptable to the City as mentioned above. In the event the Purchaser has not provided the above-referenced development plan and development time table to the City within four years of the date of Closing, the Purchaser shall, at the Director's written request, convey the Property to the City in exchange for the City paying Purchaser an amount equal to the lesser of the then appraised value of the Property or 2% compounded annual appreciation of the Property from the date of Closing. The City agrees to cooperate with Purchaser in providing evidence that Purchaser has satisfied its obligations pursuant to this Section 38 as may be necessary to complete the development plan.

Exhibit List

Exhibit A – Legal Description of the Property

Exhibit B –Form of Quitclaim Deed

**Contract Control Number:**

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:

By \_\_\_\_\_

By \_\_\_\_\_

By \_\_\_\_\_



Contract Control Number: FINAN-201415157-00

Contractor Name: Housing Authority of City and County of Denver

By: Ismael Guerrero

Name: Ismael Guerrero  
(please print)

Title: Executive Director  
(please print)

ATTEST: [if required]

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

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

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



EXHIBIT A

Legal Description

Lots 3-6 inclusive, Hiederer's Addition, City and County of Denver, State of Colorado less and except that land described in Bargain and Sale Deed recorded November 9, 2004 at Reception Number 2004232170 in the real property records of the City and County of Denver, State of Colorado

**EXHIBIT B  
FORM OF QUITCLAIM DEED**

After recording, return to:  
Lisa Lumley  
201 West Colfax Avenue, Dept. 1010  
Denver, CO 80202

**QUITCLAIM DEED**

THIS DEED, made this \_\_\_\_\_ day of \_\_\_\_\_, 2013 between the **CITY AND COUNTY OF DENVER**, a Colorado municipal corporation of the State of Colorado, whose address is 1437 Bannock Street, Denver, Colorado 80202 ("Grantor") and **HOUSING AUTHORITY OF THE CITY AND COUNTY OF DENVER**, a quasi-municipal corporation whose address is 777 Grant Street, Denver, Colorado 80203 ("Grantee").

WITNESSETH, That Grantor, for and in consideration of the sum of Four Hundred Seventy Thousand Dollars (\$470,000.00), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, has remised, released, sold and QUITCLAIMED, and by these presents does remise, release, sell and QUITCLAIM unto Grantee and Grantee's heirs, successors, and assigns, forever, all the right, title, interest, claim and demand which Grantor has in and to the real property, together with improvements, if any, situate, lying and being in the County of Denver, And the State of Colorado, described as follows:

See Exhibit A attached hereto;

Also known by street and number as 2506 West Colfax Avenue Denver, Colorado;

TO HAVE AND TO HOLD the same, together with all and singular the appurtenances and privileges thereunto belonging or in anywise thereunto appertaining, and all the estate, right, title, interest and claim whatsoever, of Grantor, either in law or equity, to the only proper use, benefit, and behoof of Grantee and Grantee's heirs, successors, and assigns forever.

IN WITNESS WHEREOF, Grantor has caused this deed to be executed on the date set forth above.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2013

**ATTEST:**

**CITY AND COUNTY OF DENVER**

By \_\_\_\_\_  
DEBRA JOHNSON,  
Clerk and Recorder, Ex-Officio Clerk  
of the City and County of Denver

By \_\_\_\_\_  
Mayor

APPROVED AS TO FORM:  
DOUGLAS FRIEDNASH, Attorney for  
the City and County of Denver





EXHIBIT A  
LEGAL DESCRIPTION

Also known and numbered as 2506 West Colfax Avenue, Denver, Colorado