

PURCHASE AND SALE AGREEMENT
(570 West 44th Avenue and 4337 North Elati Street)

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”), and **DENVER 44TH AVENUE, LLC**, a Colorado limited liability company, whose address is 1333 2nd Street, Suite 650, Santa Monica, California 90401 (“Seller”). City and Seller are collectively referred to herein as the “Parties” and individually as a “Party.”

RECITALS

A. Seller owns certain real 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 570 West 44th Avenue, Denver Colorado 80216 and 4337 North Elati Street, Denver Colorado 80216, more particularly described in **Exhibit 1**, attached hereto and incorporated herein by reference, together with Seller’s interest, if any, in: (i) all easements, rights of way and vacated roads, streets and alleys appurtenant to the property described in **Exhibit 1**; (ii) all buildings, fixtures and improvements on the property described in **Exhibit 1**; (iii) all of Seller’s right, title and interest, if any, in and to all utility taps, licenses, permits, contract rights, and warranties and guarantees associated with the property described in **Exhibit 1**; and all water rights, if any, owned by Seller as to the subject Property herein (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 TWENTY SIX MILLION, TWO HUNDRED THOUSAND AND 00/100 DOLLARS (\$26,200,000.00) (“**Purchase Price**”), which shall be payable as follows:

b. Earnest Money Deposit. On or before the fifth (5th) business day after the Effective Date, the City shall deposit with Land Title Guarantee Company, 3033 E. First Avenue, Suite 600, Denver, Colorado 80206 (“**Title Company**”) an earnest money deposit in the amount of One Hundred Thousand Dollars (\$100,000.00) (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, 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) business 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. In connection with its environmental tests (and its physical inspection set forth in Section 4), City shall promptly restore any alterations or damage made to the Property by City or at City’s instance or request. City shall pay promptly when due for all work performed on the Property by City, or at City’s instance or request, including, without limitation, all inspection fees, appraisal fees, engineering fees and other expenses of any kind incurred by City relating to the inspections of the Property, all of which shall be incurred and payable at the sole cost and expense of the City.

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 treat this Agreement as terminated with no further obligation on the part of either Party.

4. INSPECTION/SURVEY. The City has the right to inspect the physical condition of the Property. 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 deadline 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 deadline 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 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 represents and warrants that there are no existing leases (other than the current lease with the City), agreements, contracts or arrangements for management, service, maintenance or operation with respect to the Property, that are currently in Seller's possession ("**Service Contracts**").

5. TITLE.

a. Title Review. The City has obtained a commitment for 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**"), and shall provide to Seller a copy of the Title Documents within ten (10) days after the Effective Date.

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 all documents that pertain to the Property 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 deadline set forth in Section 7(b) of this Agreement. At Seller's sole cost and expense, Seller may cure such unacceptable conditions by the date 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 date in

Section 7(c) of this Agreement, the City in its sole discretion and by the date 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 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 the 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 five (5) days after the City discovers such Defect provided that, if such Defect is discovered within five (5) 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 five (5) days from the date of such notice. If such cure period extends beyond the Closing Date, the Closing Date shall be extended to three (3) 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 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.

b. 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.

c. 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; (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; and (c) shall not enter into any contracts or commitments that will survive the Closing other than a contract that is terminated on less than thirty (30) days' notice.

d. Finance Contingency. City shall have City Council approval of the purchase transaction during the Due Diligence Period (defined below) with a certificate of participation financing to fund its purchase of the Property. If the contingency is not satisfied on or before the expiration of the Inspection Period, City may at its option, and in its sole and absolute discretion (a) waive such condition which can be legally waived and proceed to Closing without adjustment or abatement of the Purchase Price, or (b) terminate this Agreement by written notice thereof to Seller, in which case the Deposit shall be returned to City.

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 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, seventy-five (75) days after the Effective Date ("**Due Diligence Period**").
- 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 the Due Diligence Period.
- iii. If the City delivers a written termination notice on or before the expiration of the Due Diligence Period, then the Title Company shall return the Deposit to the City and this Agreement shall terminate or terminate this Agreement by providing written notice thereof to Seller 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).

c. Seller's Cure. Seller shall have until no later than 5 p.m. local time five (5) business 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 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).

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 thirty (30) days after expiration of the Due Diligence Period, or on a date as otherwise agreed by the Parties in writing signed by the Director of the Division of Real Estate and the Seller, but in no event later than December 31, 2024 ("**Closing Date**").

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 2 herein ("**Deed**") to the City at Closing conveying the Property free and clear of all taxes that are then presently due and payable (with proration for the current year 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 on an "as-is" basis.
 - iii. Seller shall execute, have acknowledged and deliver to the City an assignment of leases, and a notice to all tenants or other occupants of the Property under any occupancy agreement regarding the sale of the Property to the City and providing that all future payments of rent or other monies due under the occupancy agreement shall be made to the City.
 - iv. 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.
- 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, payable to the order of Seller in the amount of the Purchase Price.
 - ii. 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, excepting any material adverse change, loss, or damage caused by the City as the current tenant of the Property.

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 (other than the City as the current tenant), 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 (other than the lease to the City); and
- iii. To Seller's actual 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 actual knowledge, there are no patent or latent defects, soil deficiencies, or subsurface anomalies existing on the Property; and
- v. To Seller's actual knowledge, there is no pending or threatened litigation, proceeding, or investigation by any governmental authority or any other person affecting the Property, nor does Seller know of any grounds for any such litigation, proceeding or investigations; and
- vi. To Seller's actual knowledge, each and every document, schedule, item, and other information 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; and
- vii. Seller has provided or will provide, on the timeframes set forth herein, the City with a copy of all leases or rental and all other agreements and documents to Seller's actual knowledge 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. There are no improvements, real or personal, 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 actual knowledge there are no claims of possession not shown by record (other than the lease to the City), as to any part of the Property; and
- x. With respect to environmental matters, except as previously disclosed herein:
 - 1. No part of the Property has ever been used as a landfill by Seller; and
 - 2. Seller has no reason to believe or suspect and has no actual knowledge of the presence of asbestos-contaminated soils existing within the Property; and
 - 3. Seller has no knowledge or information 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.

As used herein, the term "to Seller's actual knowledge" shall mean the actual knowledge of David Lebowitz.

- 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. Except as specifically set forth in Section 11(a) above and in the Deed and any other documents delivered in connection with the Closing, the transfer of interests in the Property hereunder in connection with the Closing is and will be made on an “as is” basis, without representations and warranties of any kind or nature, express, implied or otherwise, including any representation or warranty concerning title to the Property, the physical condition of the Property (including the condition of the soil or any improvements), the environmental condition of the Property (including the presence or absence of hazardous substances on or respecting the Property), the compliance of the Property with applicable laws and regulations (including zoning and building codes or the status of development or use rights respecting the Property), the financial condition of the Property or any other representation or warranty respecting any income, expenses, charges, liens or encumbrances, rights or claims on, affecting or pertaining to the Property or any part thereof. The City acknowledges that it has had the opportunity to examine, review and inspect all matters which in City’s judgment bear upon the Property and its value and suitability for th

City's purposes, and has either done so or elected not to do so. Except as to matters specifically set forth in subsection 11(a) and in the Deed and any other documents delivered in connection with the Closing, the City will proceed with the Closing solely on the basis of its own physical and financial examinations, reviews and inspections and the title insurance protection afforded by the Title Policy.

12. PAYMENT OF ENCUMBRANCES. Seller is responsible for paying all encumbrances at or before Closing from the proceeds of this transaction or from any other source.

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 his 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 on the Property for the current year 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. 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, 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 shall be entitled, as its sole and exclusive remedy for a default by the City, to terminate the Agreement.

b. If Seller Is In Default. The City may elect to (i) treat this Agreement as canceled, in which case any things of value received by a Party under this Agreement shall be returned to the providing party, the Title Company shall return the Deposit to the City, this Agreement shall terminate automatically and the Parties shall thereafter be released from all obligations under this Agreement; or (ii) treat this Agreement as being in full force and effect and seek specific performance and damages, including delay damages and attorney fees, or both, or any other legal or equitable remedy. 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, demote, or discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, ethnicity, citizenship, immigration status, gender, age, sexual orientation, gender identity, gender expression, marital status, source of income, military status, protective hairstyle, or disability. Seller shall insert the foregoing provision in all subcontracts for work on the Property.

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 of remedy available with respect to the breach of 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 or 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

Manager
Department of Public Works
201 West Colfax Avenue, Department 608
Denver, Colorado 80202

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 W. Colfax Ave. Dept. 1207
Denver, Colorado 80202

If to Seller:

David Lebowitz
1333 2nd Street, Suite 650
Santa Monica, CA 90401
david@watchhillcapllc.com

with copies of termination and similar notices to:

Holland & Hart LLP
555 17th Street, Suite 3200
Denver, Colorado 80202
Attn: Andrew A. Folkerth

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 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.

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 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. The Parties expressly assume any and all risks that the facts and law that may be or become different from the facts and law as known to, or believed to be, by the Parties as of the date of this Agreement. 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 other than the information specifically required to be disclosed by this Agreement.

[Remainder of Page Intentionally Left Blank]

Contract Control Number:
Contractor Name:

FINAN-202475759-00
Denver 44th Avenue, LLC

By: David Lebowitz

Name: David Lebowitz
(please print)

Title: Co-Manager
(please print)

ATTEST: [if required]

By: _____

Name: _____
(please print)

Title: _____
(please print)

Contract Control Number:
Contractor Name:

FINAN-202475759-00
Denver 44th Avenue, 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:

EXHIBIT 1

(Legal Description of Property)

Parcel A:

Lots 2 through 9, Block 7, Viaduct Addition to Denver, City and County of Denver, State of Colorado.

For informational purposes only: APN 02223-07-013-000

Also known by street address as 570 W. 44th Ave, Denver, CO 80216

Parcel B:

Lots 22 to 29, Block 7, Viaduct Addition to Denver, City and County of Denver, State of Colorado.

For informational purposes only: APN 02223-07-012-000

Also known by street address as 4337 N. Elati Street, Denver, CO 80216

EXHIBIT 2

(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 _____, 2024, by DENVER 44TH AVENUE, LLC, a Colorado limited liability company, whose address is 1333 2nd Street, Suite 650, Santa Monica, CA 90401 (“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.

No separate bill of sale with respect to improvements on the Property will be executed.

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

GRANTOR:

DENVER 44TH AVENUE, LLC,
a Colorado limited liability company

By: _____

Name: _____

Title: _____

STATE OF _____)

) ss

COUNTY OF _____)

The foregoing instrument was acknowledged before me on _____, 2024, by
_____, the _____ of Denver 44th
Avenue, LLC, a Colorado limited liability company.

Witness my hand and official seal.

My commission expires: _____

Notary Public