

**PURCHASE AND SALE AGREEMENT
(3744 Lipan Street)**

THIS PURCHASE AND SALE AGREEMENT (“Agreement”) is entered into as of the Effective Date between the **CITY AND COUNTY OF DENVER**, a Colorado municipal corporation and home rule city, whose address is 1437 Bannock Street, Denver, Colorado 80202 (“City” or “Owner” or “Seller”), and **DP ASSETS, LLC**, a Colorado limited liability company, whose address is 2345 7th Street, Denver, Colorado 80211 (“Purchaser”).

RECITALS

WHEREAS, the Seller owns certain property in the City and County of Denver, State of Colorado, at 38th and Lipan;

WHEREAS, the Seller has agreed to sell and the Purchaser has agreed to purchase this property, subject to the terms set forth in the Agreement; and

AGREEMENT

NOW THEREFORE, in consideration of the covenants contained herein and other good and valuable consideration, the parties agree as follows:

1. **SUBJECT PROPERTY:** Purchaser agrees to purchase and the Seller agrees to sell the real property located at 3744 Lipan Street, Denver, Colorado, and more particularly described in **Exhibit A**, attached and incorporated herein by this reference, and (i) all easements and vacated roads, streets and alleys appurtenant to the property, (ii) all buildings, fixtures and improvements on the property, (iii) all Seller-owned equipment and other personal property used in connection with the building, and (iv) all of Seller’s rights, title and interest in and to all utility taps, licenses, permits, contract rights, and warranties and guarantees associated with the property (collectively “Property”).

2. **PURCHASE PRICE:** The total purchase price for the Property is **TWENTY THOUSAND DOLLARS AND ZERO CENTS (\$20,000.00)** (“Purchase Price”).

3. **DUE DILIGENCE:**

(a) **Environmental Matters:**

(i) **Environmental Information:** If not previously disclosed, Seller shall, within 3 days of execution of this Agreement by Purchaser, disclose and will continue to disclose through Closing in writing to the Purchaser, all information the City’s Director of the Division of Real Estate (“Director”) has regarding any environmental contamination or the presence of any hazardous or toxic substances on, under, or about the

Property. For purposes of the Agreement “hazardous substances” mean 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 and 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 and includes asbestos, polychlorinated biphenyls (PCB’s), and lead-based paints.

(ii) Environmental Audit: The Purchaser, at its sole expense, shall have the right to obtain a Phase I Report and Phase II Environmental Assessment Report (“Environmental Reports”) on the Property. Seller shall cooperate with Purchase in obtaining the Environmental Reports.

(iii) Environmental Inspection: The Purchaser has the right to inspect the Property for environmental matters for ninety (90) days following execution of this Agreement by Purchaser (“Due Diligence Period”).

(iv) Notice of Objection. The Purchaser shall give Seller notice of any unacceptable environmental conditions by the end of the Due Diligence Period (“Notice of Objection”).

(v) Cure: The Seller may, in its sole discretion, cure any unacceptable environmental conditions identified in the Notice of Objection within fifteen (15) days after receipt of the Notice of Objection (“Cure Date”) to the Purchaser’s satisfaction. In the event Seller declines to cure such conditions by the Cure Date, the Purchaser may make the election as set forth in Paragraph 3(c)(v) below.

(b) Inspection: At its own expense, the Purchaser may conduct an inspection of the physical condition of the Property and has the right to inspect the Property during the Due Diligence Period. Seller shall cooperate with Purchase in Purchaser’s inspection of the Property. The Purchaser shall give a Notice of Objection of any unacceptable physical condition of the Property to Seller by the end of the Due Diligence Period. The Seller may, in its sole discretion, cure any unacceptable physical condition by the Cure Date to the Purchaser’s

satisfaction. In the event Seller declines to cure such unacceptable conditions by the Cure Date, the Purchaser may make the election as set forth in Paragraph 3(c)(v) below.

(c) Title and Survey:

(i) Title Review: During the Due Diligence Period, Purchaser, at Purchaser's expense, may obtain a current commitment for ALTA Form B Owner's Title Insurance Policy for the Property from the Title Company. The title insurance commitment and all copies or abstracts of instruments or documents identified in the commitment shall constitute the title documents ("Title Documents"). The Purchaser has the right to inspect the Title Documents.

(ii) Matters Not Shown by the Public Records and Survey: If not previously disclosed, three (3) days after execution of this Agreement by Purchaser and continuing to the Closing Date, Seller shall deliver to the Purchaser complete and accurate copies of all lease(s), employment contracts, contracts related to management and operation of the Property, including without limitation any property management and leasing agreements in the Director's possession pertaining to the Property and shall disclose, in writing, to the Purchaser all easements, liens or other title matters not shown by the public records of which the Director has actual knowledge. During the Due Diligence period, Purchaser may, at its sole cost and expense, obtain a current ALTA survey or take other actions necessary for the title company that will be issuing a title insurance policy for the Property to remove the standard exceptions for defects, liens, mechanic's liens, tax or assessment liens, encumbrances, encroachments, prescriptive easements, adverse claims, or similar matters that are not shown by the public records, from the title insurance policy issued to the Purchaser and confirming that no part of the Property is situated in a flood plain, wetlands or other specially environmentally controlled, regulated or protected area. Seller shall cooperate with Purchaser in obtaining such ALTA survey, etc. if Purchaser determines the same is necessary.

(iii) Notice of Unacceptable Conditions: The Purchaser shall give notice of any unacceptable condition of title or the survey to the Director by the end of the Due Diligence Period.

(iv) Cure: Seller may, in its sole discretion, cure such unacceptable conditions by the Cure Date to the Purchaser's satisfaction.

(v) Election. In the event Seller declines, pursuant to written notice to Purchaser, to cure such unacceptable conditions by the Cure Date, the Purchaser, in its

sole discretion, and by three (3) days after the Cure Date (“Election Date”), may elect to waive such unacceptable conditions and proceed to Closing or treat the Agreement as terminated. If the Agreement is terminated, neither party shall have any further obligations hereunder.

(d) Operation of Property Pending Closing. Pending Closing, Seller shall operate and maintain the Property free from waste and neglect, in compliance with applicable law and in substantially the same manner as the Property has previously been operated and maintained and, without prior written consent of the Purchaser, shall not (i) amend or modify, in any material respect, any existing lease of space or any agreement relating to the Property; or (ii) enter into any new lease or other agreement relating to the Property; or (iii) further encumber or grant any interest in the Property.

4. CLOSING:

(b) Closing Date: The date of Closing shall be on a date mutually agreed upon by the parties but no later than thirty (30) days after the Election Date (“Closing Date”). The location and the hour of Closing shall be agreed to by the Parties.

(c) Transfer of Title Deed: Subject to tender of the Purchase Price at Closing by the Purchaser and compliance with the other terms and provisions of the Agreement, Seller shall at Closing execute and deliver a good and sufficient Quit Claim Deed to the Purchaser (“Deed”) in substantially the form set forth in **Exhibit B**, attached hereto and incorporated herein, conveying the Property free and clear of all taxes (with proration as provided for in the Agreement) and free and clear of all liens and encumbrances, except: (i) those rights, if any, of third parties in the Property not shown by the public records accepted by the Purchaser in accordance with the Agreement; (ii) subject to applicable Denver building and zoning regulations; and (iii) subject to any other conditions acceptable to the Purchaser.

(d) Possession: Possession of the Property shall be delivered to the Purchaser on the Closing Date.

(e) Closing Costs, Documents and Services: The Purchaser shall pay for (i) any owner’s policy of title insurance, (ii) any survey, (iii) one-half (1/2) of all closing fees, and (iv) all transfer taxes, state deed fees, recording fees, and documentary fees. The Seller shall pay for one-half (1/2) of all closing fees. The Purchaser and Seller shall sign and complete all customary or required documents at or before Closing.

(f) Prorations: Seller shall pay at Closing any and all taxes and special assessments accrued and owed on the Property prorated to the date of Closing, if any.

Proration of general taxes and assessments for the year of Closing shall be based on the most recent mil levy and assessment. Utility, water and sewer charges shall be prorated to the date of Closing and paid by the Seller. Other items not related to the Property shall be the responsibility of the Purchaser.

5. NO WARRANTY: Seller makes no representation or warranty of any kind with respect to the condition of the Property. Purchaser accepts the Property in its "AS-IS" condition, WITH ALL FAULTS AND AT PURCHASER'S RISK, without any warranty, express or implied, including without limitation, any warranty of merchantability, liability, fitness or fitness for a particular purpose, all such warranties being hereby expressly disclaimed by the Purchaser. Seller does not convey or purport to convey any right not specifically set forth herein.

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

(a) If the Seller is in Default: Any breach of this Agreement may result in irreparable damage to Purchaser for which Purchaser will not have an adequate remedy at law. Seller acknowledges and agrees that Purchaser may immediately seek enforcement of this Agreement by means of specific performance or injunction. Seller waives all other remedies at law and equity, including the right to seek damages.

(b) If Purchaser is in Default: Seller may elect to treat the Agreement as canceled as its sole remedy. Seller hereby waives the right to seek all actions of law and equity. All payments and things of value received under the Agreement shall be returned and the parties shall thereafter be released from all obligations under the Agreement.

7. AUTHORITY TO EXECUTE: Purchaser represents that the persons who have executed the Agreement have all necessary and sufficient authority to bind Purchaser.

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

9. BROKER'S FEES: The Seller has not had negotiations through or

brokerage services performed by any broker or intermediary that would require the Seller to pay any commissions or fees. Any commissions or fees owed to any broker or intermediary by the Purchaser shall be paid pursuant to a separate agreement and shall not be paid by the Seller or out of the Purchase Price. Purchaser hereby agrees to defend, indemnify, and hold harmless the City, its appointed and elected officials, agents and employees against all liabilities, claims, judgments, suits or demands for damages for any commissions or fees claimed by any broker, intermediary or other third party.

10. ASSIGNMENT: Any assignment of a party's rights and obligations under the Agreement shall require the prior written consent of the other party. If the Agreement is assigned, all the covenants and agreements contained in the Agreement shall be binding upon and inure to the benefit of the successors, assigns, heirs and personal representatives of the respective parties. Consent for the Seller shall be evidenced by the signature of the Director.

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

12. NO DISCRIMINATION IN EMPLOYMENT: In connection with the performance of work under the Agreement, the Purchaser 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, gender, age, military status, sexual orientation, marital status, or physical or mental disability; and further agrees to insert the foregoing provision in all subcontracts relating to the Agreement.

13. WHEN RIGHTS AND REMEDIES NOT WAIVED: In no event shall any performance under the Agreement constitute or be construed to be a waiver by any party of any breach of covenant or condition or of any default that 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.

14. SUBJECT TO LOCAL LAWS; VENUE: The Agreement is subject to and is to be construed in accordance with the laws of the State of Colorado and the City's Charter, Revised Municipal Code, and Executive Orders, including all ordinances, rules and

regulations enacted or promulgated pursuant to these state and local provisions, which provisions are incorporated into the Agreement by reference. Venue for any action arising out of the Agreement shall be in the Denver District Court in the City and County of Denver, Colorado.

15. NOTICES: All notices provided for in the Agreement 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 City: Mayor
Mayor's Office
City and County Building
1437 Bannock Street, Room 350
Denver, Colorado 80202

With copies to: Denver City Attorney's Office
201 W. Colfax, Department 1207
Denver, Colorado 80202

and: Director of the Division of Real Estate
201 West Colfax Avenue, Dept. 1010
Denver, Colorado 80202

If to Purchaser: DP Assets, LLC
2345 7th Street
Denver, Colorado 80211

16. CONTRACT AS COMPLETE INTEGRATION; AMENDMENTS; TIME EXTENSIONS: The Agreement is intended as the complete integration of all understandings between the parties. No prior or contemporaneous addition, deletion or amendment to the Agreement shall have any effect whatsoever, unless embodied in writing in the Agreement. No subsequent notation, renewal, addition, deletion, or amendment to the Agreement shall have any effect unless embodied in a written agreement executed by the parties, except the Parties may change the time for any performance set forth herein by a letter signed by the Director and an authorized representative of the Purchaser. No City Council approval shall be required for an amendment except as required by City Charter.

17. THIRD-PARTY BENEFICIARY: It is the intent of the parties that no third party beneficiary interest is created in the Agreement except for an assignment pursuant to the 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 the Agreement.

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

19. REASONABLENESS OF CONSENT OR APPROVAL: Whenever under the 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.

20. NO PERSONAL LIABILITY: No elected official, director, officer, agent or employee of the Seller shall be charged personally or held contractually liable by or to the Purchaser under any term or provision of the Agreement or because of any breach thereof or because of its or their execution, approval or attempted execution of the Agreement.

21. CONFLICT OF INTEREST BY CITY OFFICER: Purchaser represents that to the best of Purchaser’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 the Agreement except as such interest may arise as a result of the lawful discharge of the responsibilities of such elected official or employee.

22. MERGER: The Agreement shall survive closing and shall not be merged into the Deed conveying the Property.

23. CONSTRUCTION: The Agreement shall not be interpreted in favor of or against either Purchaser or the Seller merely because of their respective efforts in preparing it. The rule of strict construction shall not apply to the Agreement.

24. CITY EXECUTION OF AGREEMENT: The Agreement is subject to, and shall not become effective or binding on the City until approved by City Council and fully executed by the City and Purchaser.

25. COUNTERPARTS: The Agreement may be executed in at least two (2) counterparts, each of which is an original and together constitute the same document.

26. 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.

27. ELECTRONIC SIGNATURES AND ELECTRONIC RECORDS:

Parties hereto consent to the use of electronic signatures by the City. The Agreement, and any other documents requiring a signature hereunder, except for the Quit Claim Deed, 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.

28. EFFECTIVE DATE: The effective date of this Agreement shall be the date set forth on the City's signature page below ("Effective Date").

[Remainder of Page Intentionally Left Blank]

[Signatures Appear on Following Pages]

Contract Control Number: FINAN-201417490-00

Contractor Name: DP Assets LLC

By: _____

Name: _____

(please print)

Title: _____

(please print)

ATTEST: [if required]

By: _____

Name: _____

(please print)

Title: _____

(please print)



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 _____



Exhibit A

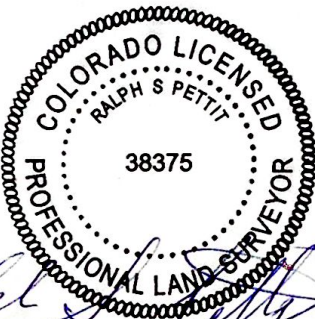
(Exhibit on Following Page)

Land Description

A parcel of land lying in the NE ¼ of SEC. 28, TWP. 3 S, RNG. 68 W, of the 6th PM, City and County of Denver, State of Colorado, being more particularly described as follows:

The north 12' of lot 5, Block 51, Viaduct Addition to Denver, originally recorded in Arapahoe County on October 8th, 1887 at Book 4, Page 46. Said parcel being part of the real property conveyed to the City and County of Denver by quit claim deed dated May 31, 1938, and recorded August 5, 1938, at Deed Book 5238, Page 429, in the Office of the Clerk and Recorder, City and County of Denver, State of Colorado.

Prepared by:
Ralph S. Pettit, PLS
For and on behalf of the City and County of Denver
201 W. Colfax Ave.
Dept 507
Denver, CO 80202



Ralph S. Pettit 8/5/14
Ralph S. Pettit, PLS 38375

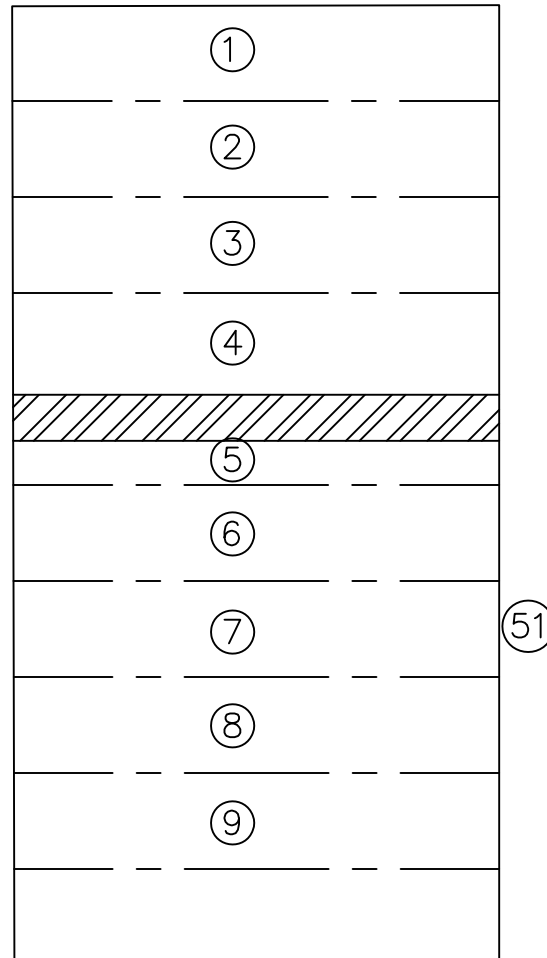
3744 Lipan St.

Part of the NE 1\4 of SEC 28, T3S, R68W, 6thPM,
City and County of Denver, State of Colorado

The North 12' of Lot 5, Block 51, Viaduct Addition

W. 38th Ave.

N. Lipan St.



3744 Lipan St.
Land Description Illustration

C&C DENVER
PUBLIC WORKS
SURVEY DEPT.

Exhibit B

(Exhibit on Following Page)

WHEN RECORDED RETURN TO:

DP ASSETS, LLC
2345 7th Street
Denver, Colorado 80211

**QUIT CLAIM DEED
(3744 Lipan Street)**

THIS QUIT CLAIM DEED, is made this ____ day of _____, 2014 between the **CITY AND COUNTY OF DENVER**, a Colorado municipal corporation and home rule city (“Grantor”), and **DP ASSETS, LLC**, whose address 2345 7th Street, Denver, Colorado 80211 (“Grantee”).

WITNESS, that Grantor, for and in consideration of the sum of **TWENTY THOUSAND DOLLARS AND ZERO CENTS (\$20,000.00)** and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has remised, released, sold, conveyed, and **QUITCLAIMED**, and by these presents does remise, release, sell, convey and Quitclaim unto Grantee, it successors and assigns forever the following real property, together with improvements, if any, situate, lying and being in the said County of Denver, and State of Colorado described as follows:

SEE ATTACHED **EXHIBIT A.**

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 behoove of Grantee, its successors and assigns forever.

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

Attest:

City and County of Denver

By: _____
Clerk and Recorder, Ex-Officio
Clerk of the City and County of
Denver

Michael B. Hancock, Mayor

Approved as to Form:

D. Scott Martinez, Attorney for
the City and County of Denver

By: _____

STATE OF COLORADO }
 }ss.
CITY AND COUNTY OF DENVER }

The foregoing instrument was acknowledged before me this ____ day of _____, 2014, by Michael B. Hancock as Mayor of the City and County of Denver.

WITNESS MY HAND AND OFFICIAL SEAL

NOTARY PUBLIC
My commission expires: _____