

Zone Map Amendment (Rezoning) - Application

PROPERTY OWNER INFORMATION*		PROPERTY OWNER(S) REPRESENTATIVE**	
<input checked="" type="checkbox"/> CHECK IF POINT OF CONTACT FOR APPLICATION <input type="checkbox"/> CHECK IF POINT OF CONTACT FOR FEE PAYMENT***		<input type="checkbox"/> CHECK IF POINT OF CONTACT FOR APPLICATION <input checked="" type="checkbox"/> CHECK IF POINT OF CONTACT FOR FEE PAYMENT***	
Property Owner Name	992 Knox Ct LLC	Representative Name	Niles Emerick / Stephen McCullough
Address	PO Box 11037	Address	PO Box 11037
City, State, Zip	Denver, CO 80211	City, State, Zip	Denver, CO 80211
Telephone	303-949-6383 /	Telephone	303-949-6383 / 720-530-7662
Email	naemerick@gmail.com; swmccullough@gmail.com	Email	naemerick@gmail.com; swmccullough@gmail.com
*All standard zone map amendment applications must be initiated by owners (or authorized representatives) of at least 51% of the total area of the zone lots subject to the rezoning. See page 4.		**Property owner shall provide a written letter authorizing the representative to act on his/her behalf. ***If contact for fee payment is other than above, please provide contact name and contact information on an attachment.	
SUBJECT PROPERTY INFORMATION			
Location (address):	992 Knox Ct Denver, CO 80204		
Assessor's Parcel Numbers:	0505322001000		
Area in Acres or Square Feet:	12500		
Current Zone District(s):	E-SU-D		
PROPOSAL			
Proposed Zone District:	E-MS-3		
PRE-APPLICATION INFORMATION			
In addition to the required pre-application meeting with Planning Services, did you have a concept or a pre-application meeting with Development Services?	<input checked="" type="checkbox"/> Yes - State the contact name & meeting date <u>Beatrice Rodriguez 10/22/25</u> <input type="checkbox"/> No - Describe why not (in outreach attachment, see page 3)		
Did you contact the City Council District Office, applicable Registered Neighborhood Organization, and adjacent property owners and tenants regarding this application?	<input checked="" type="checkbox"/> Yes - State date below and describe method in outreach attachment, see page 3 <u>Yes. See attached documentation</u>		

REZONING REVIEW CRITERIA (ACKNOWLEDGE EACH SECTION)

<p>General Review Criteria DZC Sec. 12.4.10.7.A</p> <p>Check box to affirm and include sections in the review criteria narrative attachment</p>	<p><input checked="" type="checkbox"/> Consistency with Adopted Plans: The proposed official map amendment is consistent with the City's adopted plans.</p> <p>Please provide a review criteria narrative attachment describing how the requested zone district is consistent with the policies and recommendations found in each of the adopted plans below. Each plan should have its own section.</p> <p>1. Denver Comprehensive Plan 2040</p> <p>In this section of the attachment, describe how the proposed map amendment is consistent with <i>Denver Comprehensive Plan 2040's</i> a) equity goals, b) climate goals, and c) any other applicable goals/strategies.</p> <p>2. Blueprint Denver</p> <p>In this section of the attachment, describe how the proposed map amendment is consistent with: a) the neighborhood context, b) the future place, c) the growth strategy, d) adjacent street types, e) plan policies and strategies, and f) equity concepts contained in <i>Blueprint Denver</i>.</p> <p>3. Neighborhood/ Small Area Plan and Other Plans (List all from pre-application meeting, if applicable):</p> <p><u>West Area Plan, Climate Guide, Equity Guide</u></p>
<p>General Review Criteria DZC Sec. 12.4.10.7.A.1</p> <p>Only check this box if your application is not consistent with 12.4.10.7.A</p>	<p><input type="checkbox"/> Community Need Exception: The City Council may approve an official map amendment that does not comply with subsection 12.4.10.7.A if the proposed official map amendment is necessary to provide for an extraordinary community need that was not anticipated at the time of the adoption of the city's plans.</p> <p>Please provide a narrative attachment describing how the requested zone district is necessary to provide for an extraordinary community need that was not anticipated at the time of the adoption of the city's plans.</p>
<p>General Review Criteria: DZC Sec. 12.4.10.7. B & C</p> <p>Check boxes to the right to affirm and include a section in the review criteria for the public interest narrative attachment and for consistency with the neighborhood context and the stated purpose and intent of the proposed zone district.</p>	<p><input checked="" type="checkbox"/> Public Interest: The proposed official map amendment is in the Public Interest.</p> <p>In the review criteria narrative attachment, please provide an additional section describing how the requested rezoning is in the public interest of the city.</p> <p><input checked="" type="checkbox"/> The proposed official map amendment is consistent with the description of the applicable neighborhood context, and with the stated purpose and intent of the proposed Zone District.</p> <p>In the review criteria narrative attachment, please provide a separate section describing how the rezoning aligns with a) the proposed district neighborhood context description, b) the general purpose statement, and c) the specific intent statement found in the Denver Zoning Code.</p>

REQUIRED ATTACHMENTS

Please check boxes below to affirm the following **required** attachments are submitted with this rezoning application:

- Legal Description of subject property(s).** Submit as a **separate Microsoft Word document**. View guidelines at: <https://www.denvergov.org/content/denvergov/en/transportation-infrastructure/programs-services/right-of-way-survey/guidelines-for-land-descriptions.html>
- Proof of ownership document** for each property owner signing the application, such as (a) Assessor's Record, (b) Warranty deed, or (c) Title policy or commitment dated no earlier than 60 days prior to application date. If the owner is a corporate entity, proof of authorization for an individual to sign on behalf of the organization is required. This can include board resolutions authorizing the signer, bylaws, a Statement of Authority, or other legal documents as approved by the City Attorney's Office.
- Review Criteria Narratives.** See page 2 for details.
- Outreach documentation.** Pre-application outreach is required. The minimum requirement is outreach to the City Council District Office, Registered Neighborhood Organizations, and adjacent neighbors. Please describe all community outreach and engagement to these and any other community members or organizations. The outreach documentation must include the type of outreach, who was contacted or met with, the date of the outreach or engagement, and a description of feedback received, if any. If outreach was via email, the applicant may include a copy of the email. The outreach documentation attachment should be sent as a PDF or Word Doc, separate from other required attachments.

ADDITIONAL ATTACHMENTS (IF APPLICABLE)

Additional information may be needed and/or required. Please check boxes below identifying additional attachments provided with this application.

- Written narrative explaining reason for the request** (optional)
- Letters of Support.** If surrounding neighbors or community members have provided letters in support of the rezoning request, please include them with the application as an attachment (optional)
- Written Authorization to Represent Property Owner(s)** (if applicable)
- Individual Authorization to Sign on Behalf of a Corporate Entity** (e.g. if the deed of the subject property lists a corporate entity such as an LLC as the owner, this document is required.) (if applicable)
- Affordable Housing Review Team Acceptance Letter** (if applicable)
- Other Attachments.** Please describe below.

N/A – Community Need Exception not requested.

REZONING GUIDE

Rezoning Application Page 4 of 4

PROPERTY OWNER OR PROPERTY OWNER(S) REPRESENTATIVE CERTIFICATION

We, the undersigned represent that we are the owner(s) of the property described opposite our names, or have the authorization to sign on behalf of the owner as evidenced by a Power of Attorney or other authorization attached, and that we do hereby request initiation of this application. I hereby certify that, to the best of my knowledge and belief, all information supplied with this application is true and accurate. I understand that without such owner consent, the requested official map amendment action cannot lawfully be accomplished.

Property Owner Name(s) <small>(please type or print legibly)</small>	Property Address City, State, Zip Phone Email	Property Owner Interest % of the Area of the Zone Lots to Be Rezoned	Please sign below as an indication of your consent to the above certification statement	Date	Indicate the type of ownership documentation provided: (A) Assessor's record, (B) warranty deed, (C) title policy or commitment, or (D) other as approved	Has the owner authorized a representative in writing? (YES/NO)
EXAMPLE John Alan Smith and Josie Q. Smith	123 Sesame Street Denver, CO 80202 (303) 555-5555 sample@sample.gov	100%	<i>John Alan Smith</i> <i>Josie Q. Smith</i>	01/12/20	(A)	YES
Niles Emerick	1740 W 40th Ave Denver, CO 80211 303-949-6383 naemerick@gmail.com	20%	<i>N Emerick</i>	10/31/2025		YES NO <input type="checkbox"/> n/a <input type="checkbox"/>
Stephen McCullough	1792 Scarlet Oak Tr Oshkosh, WI 54904 720-530-7662 swmccullough@gmail.com	80%	<i>Stephen McCullough</i>	10/31/2025		YES NO <input type="checkbox"/>
						YES NO <input type="checkbox"/>
						YES NO <input type="checkbox"/>

Rezoning Review Criteria Narrative – 992 N Knox Ct

Site / Parcel Information Address: 992 N Knox Ct, Denver, CO 80204 Assessor's Parcel ID: 0505322001000 Legal Description: VILLA PARK B19 L1 TO 4 INC Lot Size: 12,500 sq ft (0.289 acres) Current Zone: E-SU-D Proposed Zone: E-MS-3 Owner/Applicant: 992 Knox Ct LLC (Niles Emerick & Stephen McCullough) Contact: naemerick@gmail.com | 303-949-6383

Consistency with Adopted Plans

E-SU-D to E-MS-3 is consistent with Denver's adopted plans.

1. Comprehensive Plan 2040:

Supports compact growth, equitable housing, and climate resilience. Adds diverse housing choices and aligns with equity and climate goals by reducing car reliance and encouraging infill.

Environmentally Resilient Goal 8, Strategy A: Promote infill development where infrastructure and services are already in place (p.54). This request already has two RTD bus lines and a bike lane running directly in front, and sits 2 blocks from the RTD Light Rail West Line. This makes the location a key component supporting its infill redevelopment to meet environmental goals.

Environmentally Resilient Goal 8, Strategy B: Encourage mixed-use communities where residents can live, work and play in their own neighborhoods (p. 54). This is intended to provide an increase in both the mix of housing types and neighborhood serving retail where communities can live, work, and play.

Strong and Authentic Neighborhoods Goal 1, Strategy D: Encourage quality infill development that is consistent with the surrounding neighborhoods and offers opportunities for increased amenities (p. 34). Additional amenities include neighborhood serving retail and an outdoor patio space.

2. Blueprint Denver: Future Place Type along the 10th Avenue corridor supports mixed-use and main street form. The rezoning aligns with neighborhood context, street type, and growth strategy.

Urban Edge: Contains elements of both the suburban and urban contexts. Small multi-unit residential and commercial areas are typically embedded in 1-unit and 2-unit residential areas. Block patterns are generally regular with a mix of alley access. Buildings are lower scale and generally set back farther from the street (pg. 69). Commercial nodes are generally found along key corridors or intersections such as 10th Ave and Knox Ct.

3. West Area Plan:

Specifically identifies Knox Ct and 10th Ave as a corridor for mixed-use, shopfront activation, and missing-middle housing. E-MS-3 enables shopfront and townhouse forms with retail activation as called for in the Plan.

Public Interest: This rezoning supports the public interest by allowing redevelopment of an underutilized parcel into a vibrant mixed-use site. It will provide more housing options (including affordable units via HOST agreement), support local business, activate the corridor, and improve the pedestrian environment with greater transparency and additional eyes on the street.

Neighborhood Context / Zone District Purpose: The proposed E-MS-3 district is consistent with the Urban Edge Main Street context. The shopfront and townhouse building form maintains compatibility with nearby single-unit homes while adding intensity along the corridor. The purpose and intent of E-MS-3 (neighborhood serving retail with residential) is directly fulfilled by this proposal.

Equity and Climate Considerations

Equity: The signed HOST Affordable Housing Plan (Sept 2025) ensures compliance with the Mandatory Affordable Housing Ordinance, committing to approximately 12 percent of units at 70 to 90 percent AMI. This aligns with equity goals to prevent displacement and expand housing options.

West Area Plan Priorities (2023)

Rezoning Implementation Approach Policy Memo (2025)

Recommendations, Policy E.1: Preserve existing housing affordability and housing quality (p. 211). This is accomplished through the inclusion of an Affordable Housing component in the proposed development and guaranteed by the HOST plan.

Policy E.1B: Preserve naturally occurring affordable housing, particularly in areas close to transit and in areas vulnerable to displacement, through existing and new tools. We have opted to use the HOST plan tool provided.

Recommendations, Policy E.2: Explore strategies so affordable housing is available everywhere by implementing approaches that promote a diversity of affordable housing options within all neighborhoods and new development. This rezoning allows for a variety of housing types and sizes within the same parcel.

Policy E.2A: Ensure the value of increased development potential is shared within communities through the provision of on-site affordable housing, a diversity of housing types, and elements that promote complete neighborhoods.

West Area Plan page 14:

“Some of the zoning recommendations in this plan are intended to be implemented legislatively (initiated by the city) either through citywide processes or area-specific text amendments, instead of through applicant-driven rezonings (e.g., see Policy B-2 (P. 272)). Therefore, requests for one-off applicant-driven rezonings should be evaluated to determine if they are better suited as part of a legislative rezoning effort to more effectively advance the vision and recommendations of the plan.”

The rezoning request for 992 Knox Ct was proposed to Councilwoman Torres as part of her 2025 legislative rezoning initiative in her district. Per her email response on January 8th 2024, she recommended a one-off applicant-driven rezoning rather than inclusion in a legislative rezoning.

Public Interest

This rezoning supports the public interest by allowing redevelopment of an underutilized parcel into a vibrant mixed-use site. It will provide more housing options (including affordable units via HOST agreement), support local business, activate the corridor, and improve the pedestrian environment with greater transparency and additional eyes on the street.

Climate: Redevelopment near transit (Knox Station), a bus line, and a dedicated bike lane reduces car reliance. Mixed-use infill uses existing infrastructure, reduces emissions, and allows water and energy efficiency. Landscape and tree canopy additions align with Blueprint Denver climate strategies.

This rezoning supports the city’s goals to reduce climate impacts by enabling additional density near transit, including light rail at Knox Ct and both 10th Ave and Knox Ct RTD bus corridors. New dwelling units in these areas tend to be less auto-dependent, reducing greenhouse gas emissions from transportation. These units will also benefit from energy efficient multi-unit buildings. This supports Environmentally Resilient Goal 1: mitigate climate impact by significantly reducing greenhouse gas emissions by providing a larger number of dwelling units in proximity to a multimodal transit hub.

Consistency with Neighborhood Context, Zone District Purpose and Intent

Neighborhood Context

The subject property is located within the Urban Edge (E) Neighborhood Context defined in Section 4.1 of the Denver Zoning Code. This context supports a mix of residential and limited commercial uses within a walkable pattern. Urban Edge neighborhoods often include small clusters of retail or services located at key nodes or corner lots. The site fits this pattern, with retail and multi-unit uses immediately to the North and established residential uses to the south.

The area is well served by public transportation, including a bike lane, a bus line, and light rail within a short walking distance. These mobility options support modest increases in activity and housing choice while maintaining compatibility with the surrounding low-rise residential fabric. Additionally 125' of street parking is available along 10th Ave directly adjacent to the subject property.

Zone District Purpose

The purpose of the E-MS zone districts in Section 4.2.6 is to promote small-scale pedestrian-scaled commercial and mixed-use activity within the Urban Edge context. These districts are intended to support neighborhood-serving retail, pedestrian activity, and a mix of residential and commercial uses in areas that already have access to transit and services.

Rezoning to E-MS-3 aligns with this purpose by focusing activity at an appropriate corner location, expanding local housing options, and reinforcing an existing pattern of mixed uses, further establishes this as a neighborhood retail cluster. This use promotes a more active street and enhances both walking and public transit uses with neighborhood serving retail. The three-story height allowance remains consistent with the low-rise scale typical in Urban Edge areas, and the HOST agreement encourages affordable housing. The zoning setback adjacent to residential uses further supports the transition between commercial development and adjacent residential single family homes.

Zone District Intent

The intent of the E-MS-3 district according to Section 4.2.6.2.C is to allow small-scale mixed-use buildings up to three stories that contribute to a walkable neighborhood environment. These districts are well suited for corner lots where a transition between commercial and residential uses is appropriate.

Applying E-MS-3 on this site supports predictable transitions along both a collector street and a corridor, adds housing types that fit Article 4 goals, and concentrates neighborhood-

serving activity at a location supported by retail adjacency in an already mixed-use intersection and is supported by multiple transit options.

EQUITY RESPONSE:

Please provide a response that details how the proposed zone district will either advance Blueprint Denver’s equity concepts or, at a minimum, prevent further inequitable scores in the immediate and surrounding area. For suggestions, refer to the attached menu of strategies document.

ACCESS TO OPPORTUNITY - Creating more equitable access to quality-of-life amenities, health, and education.

Response from Applicant

The proposed rezoning to E-MS-3 supports improved access to opportunity by allowing compact, walkable infill development in an area with strong access to transit, parks, and neighborhood centers, but identified gaps in access to daily needs. The proposed zone district will allow for replacement of an existing single-family residence in poor condition with new housing and neighborhood-serving uses that more efficiently utilize existing city infrastructure for surrounding neighbors.

Consistent with the Villa Park Neighborhood Plan, which encourages reinvestment and mixed-use development along key corridors to improve access to goods and services, the proposed zoning allows neighborhood-serving retail at the street level, as reflected in a draft site plan. These uses may support food access, services, and other daily needs within walking distance, improving overall neighborhood livability and access to opportunity. Street-facing residential and commercial uses improve walkability, activate the public realm, and reinforce neighborhood vitality while supporting local services and reducing auto dependence further improving quality-of-life for surrounding residents.

REDUCING VULNERABILITY TO DISPLACEMENT – Stabilizing residents and businesses who are vulnerable to involuntary displacement due to increasing property values and rents.

Response from Applicant

The proposed rezoning reduces long-term displacement pressure by increasing housing supply, expanding unit type variety, and delivering on-site affordability in a transit- and amenity-rich location. Allowing additional housing capacity on an underutilized infill site supports Blueprint Denver’s strategy of accommodating growth within existing neighborhoods to reduce competition for existing housing stock.

The project includes a HOST-approved negotiated alternative that provides a mix of market-rate rental, market-rate for-sale, and income-restricted units on the site. This mix expands access to new housing at multiple price points and supports housing stability. This mixed rate structure provides additional capacity for the higher than city average percentage of renters in Villa Park neighborhood.

EXPANDING HOUSING DIVERSITY - providing a better and more inclusive range of housing in all neighborhoods.

Response from Applicant

Rezoning from E-SU-D to E-MS-3 advances housing diversity by enabling missing middle and small-scale multifamily housing forms that are not permitted under the existing zoning. The need for additional missing middle housing in this area has been identified as a key factor in supporting equity by increasing housing choice and providing alternatives between single-unit homes and larger multifamily units.

The proposed zoning allows a range of unit sizes and housing types that can accommodate growing families, smaller households, and residents seeking to downsize while remaining in the neighborhood. This approach is consistent with Blueprint Denver and the Villa Park Neighborhood Plan's goal of expanding housing options near corridors and transit and supports inclusive growth through a mix of tenure, affordability, and unit configuration. Current proposed site plan incorporates a mix of for-sale and for-rent units further expanding the diversity and optionality for the neighborhood.

EXPANDING JOB DIVERSITY - providing a better and more inclusive range of employment options in all neighborhoods.

Response from Applicant

The E-MS-3 zone district supports job diversity by allowing neighborhood-serving retail and commercial uses along a key corridor within Villa Park, consistent with adopted neighborhood plan guidance. These uses are included in the draft site plan and are intended to serve nearby residents.

By concentrating housing near transit and supporting local services in a walkable mixed-use setting, the proposed rezoning improves access to nearby employment opportunities and strengthens the relationship between housing, services, and neighborhood economic activity without introducing incompatible land uses. The site location provides public transportation options by RTD bus, bike lane, RTD light rail, in addition to local foot traffic which supports long term viability of access to jobs and providing ongoing support for customers to access a sustainable neighborhood serving retail space as patrons or employees.

City & County of Denver - Property Record Search

0505322001000
992 N KNOX CT

992 KNOX CT LLC
1792 SCARLET OAK TRL OSHKOSH WI 54904

Total Appraised Value
\$683,000

KEY INFORMATION

Schedule Number	0505322001000
Situs Address	992 N KNOX CT
Owner(s)	992 KNOX CT LLC
Class	RESIDENTIAL
Land Use Code	113 - SFR Grade C
Zoning	E-SU-D
Tax District	DENV
Land Sq Ft	12,500
Building Sq Ft	2,490
Legal Description	VILLA PARK B19 L1 TO 4
Prior Year Mill Levy (2024)	79.202

ACTUAL VALUES

Tax Year	2025
----------	------

Land	\$372,400
Improvements	\$310,600
Total	\$683,000

[Protest My Value](#)

ASSESSED VALUES - SCHOOL

ASSESSED VALUES - LOCAL GOVERNMENT

Land	\$26,250
Improvements	\$21,900
Total	\$48,150
Exempt	\$0
Taxable Total	\$48,150

Land	\$23,280
Improvements	\$19,410
Total	\$42,690
Exempt	\$0
Taxable Total	\$42,690

ASSESSOR FORMS & ADDRESS CHANGE

[Assessor's Office Forms](#) [Address Change](#)

ADDITIONAL PROPERTY INFORMATION

Zoning	E-SU-D	Neighborhood	Villa Park
Subdivision	No	Enterprise Zone	Not in Enterprise Zone
Individual Historic Landmark	No	Historic Landmark District	No
Floodplain Designation	X: AREA OF MINIMAL FLOOD HAZARD		

DOWNLOADABLE MAPS

[Parcel Map](#) [Quarter Section Map](#) [Assessment Parcel Map Index](#) [Quarter Section Map Index](#)

LAND DETAILS

LAND LINE #	LAND TYPE	CODE	CLASS	AREA SQFT	ACRES	APPRAISED VALUE
1	S - SQUARE FOOT	2	1112 - SINGLE FAMILY RESIDENTIAL - LAND	12,500	0.2870	\$372,400

IMPROVEMENT / BUILDING DETAILS

APPRAISAL CARD #1

Class	1212 - SINGLE FAMILY RES - IMPS
Exterior Walls	BRICK AND FRAME
Grade	C
Full Bathrooms	2
Half Bathrooms	0
Fixtures	8
Year Built	1899
Effective Year	-
Year Remodel	-
Condition	AV - AVERAGE
Style	15 - 2 STORY
Stories	2.00
Total Basement	417 sqft
Finished Basement	0 sqft
Total Living Area	2,490 sqft

SUB-AREAS

LOWER	FIRST FLOOR	SECOND FLOOR	THIRD FLOOR	GROSS AREA	CARD NO
BASEMENT-TOTAL	-	-	-	417	1
-	LIVING AREA	-	-	1,610	1
-	-	LIVING AREA-FRM	-	880	1

OUTBUILDINGS & EXTRA FEATURES

BUILDING NO	YEAR BUILT	CONDITION	DESCRIPTION	AREA	UNITS
1	1899	A	FIN AREA +	679	1
1	1899	A	MISC BUILDING - FRAME	679	1
1	1900	P	UTILITY SHED - FRAME	1,300	1
1	1900	P	UTILITY SHED - FRAME	1,600	1

PERMIT DETAILS

No data to display

No data to display

SALE DETAILS

RECEPTION NUMBER	SALE DATE	SALE PRICE	INSTRUMENT	GRANTOR	GRANTEE
2017104786	08/01/2017	\$0	QC: QUIT CLAIM	EMERICK,NILES	992 KNOX CT LLC
2016098497	07/22/2016	\$315,000	WD: WARRANTY	GALLEGOS,YOLANDA MARIE	EMERICK,NILES
2016098496	03/30/2016	\$0	DC: DEATH CERTIFICATE	GARCIA,JOE R	GALLEGOS,YOLANDA MARIE
2013046098	04/01/2013	\$0	QC: QUIT CLAIM	GARCIA,JOE R	GARCIA,JOE R
2013046097	12/07/2012	\$0	DC: DEATH CERTIFICATE	GARCIA,JOE R & MABEL M	GARCIA,JOE R

PROPERTY TAXES FOR CURRENT YEAR

Current Year Taxes

Prior Year Mill Levy (2024) **: 79.202

Please click on additional information below to check for any delinquencies on this property/schedule number and for tax sale information.

Date Paid	02/27/2025	06/12/2025	
Original Tax Levy	\$2,138.45	\$2,138.45	\$4,276.90
Liens/Fees	\$526.38	\$0.00	\$526.38
Interest	\$98.11	\$0.00	\$98.11
Paid	\$2,762.94	\$2,138.45	\$4,901.39
Due	\$0.00	\$0.00	\$0.00

Before proceeding to make your tax payment, please be sure to copy or save your Schedule Number/Parcel ID Number. You will need it in order to process your payment.

Your schedule number is: **05053-22-001-000**

[Pay This Tax Now](#)

Note: The amount of interest shown, if any, is good through the end of this month. This information is not to be used in place of a Certificate of Taxes Due. Please call the Treasurer's Office for these at (720) 913-9300.

Liens/Fees amount displayed are good through the last day of February. Please be advised that paying the liens/fees after February will result in additional interest accrued on the parcel. Please contact 720-913-9300 to get the payoff amount for lien/fees.

ADDITIONAL INFORMATION

ACTUAL & ASSESSED VALUE - CURRENT & PRIOR VALUES

TAX DOCUMENTS

Tax Notices:



Data last updated: 10/14/2025



08/10/2017 11:04 AM
City & County of Denver
Electronically Recorded

R \$13.00
QCD

D \$0.00



State Documentary Fee
Date: August 01, 2017
\$0.00
No Doc Fee Required

Quit Claim Deed
(Pursuant to 38-30-116 C.R.S.)

THIS DEED, made on **August 01, 2017** by **NILES EMERICK AND STEPHEN MCCULLOUGH** Grantor(s), of the County of **DENVER** and State of **COLORADO** for the consideration of ***** Ten Dollars and Other Good and Valuable Consideration ***** dollars in hand paid, hereby sells and quitclaims to **992 KNOX CT, LLC, A COLORADO LIMITED LIABILITY COMPANY** Grantee(s), whose street address is **4910 W. HAYWARD PL. DENVER, CO 80212** County of **DENVER**, State of **COLORADO**, the following real property in the **CITY AND** County of **DENVER**, and State of **Colorado**, to wit:

LOTS 1, 2, 3 AND 4, BLOCK 19, VILLA PARK, CITY AND COUNTY OF DENVER, STATE OF COLORADO.
also known by street and number as **992 KNOX COURT DENVER CO 80204**

with all its appurtenances.



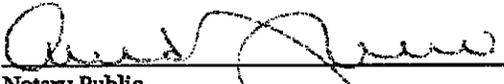
NILES EMERICK, BY STEPHEN MCCULLOUGH AS ATTORNEY IN FACT
Niles Emerick, By Stephen McCullough as Attorney in fact



STEPHEN MCCULLOUGH

State of *Colorado*)
County of *Jefferson*)ss

The foregoing instrument was acknowledged before me this day of *8/1/2017* by **NILES EMERICK, BY STEPHEN MCCULLOUGH AS ATTORNEY IN FACT AND STEPHEN MCCULLOUGH**



Notary Public
My commission expires *5/20/20*

When recorded return to: **992 KNOX CT, LLC, A COLORADO LIMITED LIABILITY COMPANY**
4910 W. HAYWARD PL. DENVER, CO 80212

AMANDA JASLOW
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20164019472
MY COMMISSION EXPIRES 05/20/20



OPERATING AGREEMENT

FOR

992 Knox Ct LLC

07/22/16

THE MEMBERSHIP INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY JURISDICTION. NO MEMBERSHIP INTEREST MAY BE SOLD OR OFFERED FOR SALE (WITHIN THE MEANING OF ANY SECURITIES LAW) UNLESS A REGISTRATION STATEMENT UNDER ALL APPLICABLE SECURITIES LAWS WITH RESPECT TO THE INTEREST IS THEN IN EFFECT OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THOSE LAWS IS THEN APPLICABLE TO THE INTEREST. NO MEMBERSHIP INTEREST MAY BE TRANSFERRED OR ENCUMBERED UNLESS THE PROVISIONS OF THIS OPERATING AGREEMENT ARE SATISFIED.

**OPERATING AGREEMENT
FOR
992 Knox Ct LLC**

This Operating Agreement (this “**Agreement**”) is made and entered into effective as of July 22, 2016 (the “**Effective Date**”), by and among the members of, 992 Knox Ct LLC a Colorado limited liability company (the “**Company**”), who have signed this Agreement.

EXPLANATORY STATEMENT

This Agreement governs the relationships between the Members (as defined in Section 1.10 below) and between the Company and the Members, pursuant to the Colorado Limited Liability Company Act (C.R.S. §§ 7-80-101, et seq.), as amended from time to time (the “**Act**”).

In consideration of their mutual promises, covenants, and agreements and the Explanatory Statement, which Explanatory Statement is incorporated by reference herein and made a substantive part of this Agreement, the parties hereto do hereby promise, covenant, and agree as follows:

1. **–DEFINITIONS**

The word or words set forth below within the quotation marks shall have the meanings specified below. Other terms defined in the text of this Agreement and throughout this Agreement shall have the meanings respectively ascribed to them.

1. “**Affirmative Vote of the Members**” shall mean that the Members holding 55% or more of all of the Membership Percentage (as defined in Section 5.1 below) have approved an action even though such action has not been addressed in a meeting of the Members. Notwithstanding anything to the contrary contained in this Agreement, for purposes of determining whether the requisite threshold of Membership Percentage has been satisfied under this Agreement for any action, the total resulting Membership Percentage in favor of or against such action shall be rounded to the nearest whole percent.

2. “**Articles**” shall mean the Articles of Organization of the Company recorded with the Colorado Secretary of State on 7/27/2015 under ID Number: 20151485265 Document Number: 20151485265.

3. **“Bankruptcy”** shall mean the filing by a Member of a petition commencing a voluntary case under the bankruptcy laws of the United States or under any insolvency act of any state; a general assignment by a Member for the benefit of creditors; an admission in writing by a Member of the Member’s inability to pay the Member’s debts as they become due; the filing by a Member of any petition or answer in any proceeding seeking for the Member, or consenting to, or acquiescing in, any insolvency, receivership, composition, readjustment, liquidation, dissolution, or similar relief under any present or future statute, law, or regulation, or the filing by a Member of an answer or other pleading admitting or failing to deny, or to contest, the material allegations of the petition filed against the Member in any such proceeding; the seeking or consenting to, or acquiescence by a Member in, the appointment of any trustee, receiver, or liquidator of the Member or any part of the Member’s property; and the commencement against a Member of an involuntary case under the Bankruptcy Code, or a proceeding under any receivership, composition, readjustment, liquidation, insolvency, dissolution, or like law or statute, which case or proceeding is not dismissed or vacated within 60 days.

4. **“Capital Account”** shall have the meaning ascribed thereto in Section 4.2 below.

5. **“Capital Contribution”** shall mean all contributions to the capital of the Company including contributions of cash, non-cash contributions of property or carrying costs and positive capital account revaluation adjustments permitted by Section 704(b) of the Code (as defined below) and the treasury regulations promulgated thereunder (the **“Treasury Regulations”**).

6. **“Code”** shall mean the Internal Revenue Code of 1986, or the corresponding provisions of any future federal internal revenue law or any similar tax law of any state or jurisdiction.

7. **“Dissolution”** shall mean:

(a) In the case of a Member who is acting as a Member by virtue of being a trustee of a trust, the termination of the trust (but not merely the substitution of a new trustee).

(b) In the case of a Member that is a partnership, the dissolution and commencement of winding up of the partnership.

(c) In the case of a Member that is a corporation, the filing of Articles of Dissolution, or its equivalent, for the corporation or the revocation of its charter.

(d) In the case of a Member that is a limited liability company, the filing of a Statement of Dissolution, or its equivalent, for the limited liability company, or the involuntary dissolution by a nonappealable order of the district court.

(e) In the case of a Member that is an estate, the distribution by the fiduciary of the estate's entire Membership Interest (as defined in Section 1.11 below).

8. "**Immediate Family Member**" shall mean an individual person who is a Member and such Member's spouse and children, whether natural or adopted.

9. "**Manager**" shall mean any Person(s) (as defined in Section 1.12 below) elected or appointed by the Members from time to time to be responsible to manage the business and affairs of the Company in accordance with the provisions of this Agreement. Initially, the Managers shall be Stephen McCullough and Niles Emerick. With regard to any and all decisions made by the Managers per this agreement and subject to the provisions of Article 1.1, the voting rights shall be as follows: Stephen McCullough shall have 80% voting rights, and Niles Emerick shall have 20% voting rights.

10. "**Member**" shall mean each of the Persons that are signatories to this Agreement, and any other Persons who may subsequently be designated as a Member of the Company pursuant to the further terms of this Agreement. Initially, the Members shall be as set forth on **Exhibit A** attached hereto.

11. "**Membership Interest**" shall mean the entire interest of a Member in the Company, including the Member's share of profits and losses and all of the Member's voting rights and other rights hereunder.

12. "**Person(s)**" shall mean individuals, partnerships, corporations, limited liability companies, unincorporated associations, trusts, estates, and any other type of entity.

13. "**Resignation**" shall mean the decision or determination of a Member to continue no longer as a Member, upon written notice to the Company.

2. – ARTICLES OF ORGANIZATION

The Articles are hereby adopted and incorporated by reference in this Agreement. In the event of any inconsistency between the Articles and this Agreement, the terms of the Articles shall govern.

3. – PURPOSE AND TERM OF THIS AGREEMENT

1. **Purpose of the Company.** The purpose of the Company shall be to Purchase, Manage, develop and sell income generating real estate properties and to engage in all activities necessary, customary, convenient or incident to the foregoing. Further, the Company may participate in and provide any other activities or services permitted by law.

2. **Term.** This Agreement shall continue until it is terminated upon the voluntary or involuntary dissolution of the Company.

4.

– CONTRIBUTIONS

1. Original Capital Contributions. The original Capital Contribution to the Company of each of the Members shall be made in cash in the applicable amounts set forth on **Exhibit A** attached hereto and incorporated herein by reference.

2. Capital Accounts.

(a) An individual capital account (each, a “**Capital Account**”) shall be maintained for each Member. The Capital Account of each Member shall consist of that Member’s original Capital Contribution, increased by (1) additional Capital Contributions made by that Member and (2) that Member’s share of any Company gains and profits, and decreased by (3) distributions of such profits and capital to that Member and (d) that Member’s share of any Company losses. The manner in which Capital Accounts are to be maintained pursuant to this section is intended to comply with the requirements of Section 704(b) of the Code and the Treasury Regulations promulgated thereunder. If in the opinion of the Managers the manner in which Capital Accounts are to be maintained pursuant to the preceding provisions of this section should be modified in order to comply with Section 704(b) of the Code and the Treasury Regulations, then, notwithstanding anything to the contrary contained in the preceding provisions of this section, the Managers may alter the method in which Capital Accounts are maintained, and the Managers shall have the right to amend this Agreement without action by the Members to reflect any such change in the manner in which Capital Accounts are maintained; provided, however, that any change in the manner of maintaining Capital Accounts shall not materially alter the economic agreement between or among the Members.

(b) Upon liquidation of the Company (or any Member’s Membership Interest), liquidating distributions will be calculated in accordance with the positive Capital Account balances of the Members, as determined after taking into account all Capital Account adjustments for the Company’s taxable year during which the liquidation occurs. Liquidation proceeds will be paid to all Members (upon liquidation of the Company) or to the liquidating Member within 90 days after the end of the taxable year.

3. Liability for Contributions. Each Member is obligated to the Company to perform any promise contained in this Agreement to contribute cash or property or to perform services, even if that Member is unable to perform because of death, disability, or any other reason. If a Member does not make the contribution required by this Agreement, the Member is obligated, at the option of the Company, to contribute cash equal to that portion of the value, of such contribution that has not been made.

4. Compromise of a Member’s Liability. The obligation of a Member to make a contribution to the Company may be compromised only by consent in writing of all the Members of the Company.

5. Additional Capital Contributions.

(a) In the event that the cash funds of the Company are insufficient to meet its operating expenses as determined by an Affirmative Vote of the Members, the Members shall make additional Capital Contributions. The amount of the additional Capital Contribution required by the Company and the period during which such additional Capital Contribution shall be retained by the Company shall be determined by an Affirmative Vote of the Members. In addition, a “**Reserve Contribution**” shall be required of the Members at any time following the expiration of twenty four (24) months following the Effective Date, if the Company’s reserves are less than the sum of (i) three (3) months of debt service requirements, plus (ii) an amount equal to three (3) months average operating expenses (averaged over the last 12 months, but excluding security deposits and similar liabilities). The amount and due date for Reserve Contributions shall be determined by an Affirmative Vote of the Managers.

(b)(i) If any Member shall fail to make any additional Capital Contribution, including a Reserve Contribution, when required (a “**Default**”), the Company may take such action as is necessary to collect the amount of the additional Capital Contribution and shall be entitled to collect interest thereon at a rate of Prime + 4% (or, if said rate is higher than permitted under applicable laws, at the highest rate permitted) together with all costs and expenses of collection, including reasonable attorneys’ fees and costs.

(ii) In the alternative, the Membership Interest of the defaulting Member (the “**Defaulting Membership Interest**”) may be purchased by one or more of the non-defaulting Members in accordance with the following provisions. After a Default, the Company may give written notice of a Default (the “**Default Notice**”) to the defaulting Member and to all other non-defaulting Members. If the defaulting Member fails to make payment of the defaulted additional Capital Contribution, together with interest thereon as provided above, within 10 days after receipt of the Default Notice and, if one or more of the other non-defaulting Members elect to purchase the Defaulting Membership Interest as herein provided, the Defaulting Membership Interest may be sold to the non-defaulting Members who elect to purchase the same. Any Member may elect to purchase the Defaulting Membership Interest by giving written notice to the Company within 30 days after receipt of the Default Notice. The purchase price for the Defaulting Membership Interest shall be the payment to the Company of the defaulted additional Capital Contribution, without interest, plus payment to the defaulting Member of an amount equal to 75% of the Defaulting Member’s Membership Percentage multiplied by (b) the Fair Market Value of the Company’s assets as determined in accordance with Article 16 of this Agreement. The Defaulting Membership Interest shall be deemed sold and shall be transferred to the non-defaulting Members electing to purchase the same at the time of payment of the purchase price. If more than one Member elects to purchase the Defaulting Membership Interest, the Defaulting Membership Interest shall be transferred to, and the purchase price for the Defaulting Membership Interest shall be paid by, the electing non-defaulting Members in proportion to their respective Membership Interests or in such other proportion as such non-

defaulting Members may otherwise agree among themselves. If no Member elects to purchase the Defaulting Membership Interest or if the purchase price for the Defaulting Membership Interest is not paid, the Company shall (1) continue to have the right to collect from the defaulting Member the amount of the defaulted additional Capital Contribution together with interest, costs and expenses aforesaid; and/or (2) have the right to reduce the defaulting Member's Capital Account by 125% of the amount that the defaulting Member failed to pay for the additional Capital Contribution and thereafter each Member's Membership Percentage shall be recalculated and reflected in the Company records (c) Each Member hereby irrevocably constitutes and appoints the Managers as its true and lawful attorney and agent, with full power and authority in his or her name place and stead to execute, acknowledge, deliver, file and record any and all instruments necessary, desirable or appropriate to accomplish and evidence any sale and transfer of his or her Membership Interest in the Company in accordance with the foregoing provisions.

(d) The Members each acknowledge and agree that prompt payment of required Capital Contributions hereunder is of the essence and that failure of any Member to make such payments as provided herein will cause substantial injury to the Company and the other Members; further, the amount of damages caused by such injury will be difficult to calculate and the remedies granted to the Company in this section are fair and reasonable.

6. Capital Contributions in General. Except as otherwise expressly provided in this Agreement, (a) no part of the contributions of any Member to the capital of the Company may be withdrawn by such Member, (b) no Member shall be entitled to receive interest on such Member's contributions to the capital of the Company, (c) no Member shall have the right to demand or receive property other than cash in return for such Member's contribution to the Company, and (d) each Member shall look solely to the assets of the Company for return of such Member's contributions, and such Member shall have no recourse against any other Member for that purpose.

7. No Capital Withdrawals. A Member shall not be entitled to withdraw any part of the Member's Capital Contribution or to receive any distributions, whether of money or property, from the Company except as provided in this Agreement.

5.

– PROFIT AND LOSS

1. Membership Percentages. There is hereby allocated to each of the Members, as part of such Member's Membership Interest, a percentage interest in the Company (each, a "**Membership Percentage**"), as set forth in Exhibit A attached hereto.

2. Allocation of Taxable Items. Subject to Sections 5.3 and 5.4 below, for purposes of Section 702 and 704 of the Code, all items of income, gain, loss, deduction, credit, or allowance of the Company for any period or year shall be allocated among the Members in proportion to their relative Membership Percentages.

3. Special Allocation of Losses Creating Negative Capital Accounts. Notwithstanding any other provisions of this Article 5, no allocation of losses or deductions may be made to a Member if such allocation would cause or increase a deficit balance in such Member's Capital Account as of the end of the Company taxable year to which such allocation relates, taking into consideration reductions in the Member's Capital Account in the manner prescribed by Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations. Any allocation of losses or deductions (or portions thereof) disallowed to a Member pursuant to this section shall be specially allocated to Members with positive capital account balances, pro rata, in proportion to such positive capital account balances, or if no such Member exist, then to all Members in accordance with their Membership Percentages. Furthermore, if one or more Members are specially allocated losses or deductions pursuant to this section, there subsequently shall be specially allocated to such Members, profits in an amount equal to such losses or deduction previously specially allocated to such Members hereunder.

4. Qualified Income Offset. If a Member unexpectedly receives an allocation or distribution described in Sections 1.704-(1)(b)(2)(ii)(d)(4), (5) or (6) of the Treasury Regulations and such unexpected allocation or distribution of items creates or increases a deficit balance in the Member's Capital Account, then such Member shall be allocated items of Company income and gain in an amount and manner as set forth in the Treasury Regulations sufficient to eliminate the deficit balance in such Member's Capital Account created by such allocation or distribution as quickly as possible. Any special allocations pursuant to this section shall be taken into account in computing subsequent allocations of profits and losses pursuant to this Article 5, so that the net amount of any items so allocated and the profits, losses, and all other items allocated to each Member pursuant to this Article 5, to the extent possible, shall be equal to the net amount that would have been allocated to each such Member pursuant to the provisions of this Article 5 if such unexpected adjustments, allocations, or distributions had not occurred. Allocations under this section shall be comprised of a pro rata portion of each item of Company income (including gross income) and gain for the year (and, if necessary, subsequent years). The Members intend that the provisions set forth in this section will constitute a "qualified income offset" provision as required by Treasury Regulation Section 1-704(b)(2)(ii)(d) and will meet the alternate test for economic effect set forth therein. The regulations shall control in the case of any conflict between those regulations and this Section 5.4.

5. Minimum Gain. Notwithstanding anything to the contrary contained herein, if there is a net decrease in the Company's minimum gain as defined in Treasury Regulation Section 1.704-2(d) during a taxable year of the Company, then the Capital Account of each Member shall be allocated items of income (including gross income) and gain for such year (and if necessary for subsequent years) equal to that Member's share of the net decrease in Company minimum gain. This section is intended to comply with the minimum gain chargeback requirement of Section 1.704-2 of the Treasury Regulations and shall be interpreted consistently therewith.

6. Tax Allocations. In accordance with the Section 704(c) of the Code and the related Treasury Regulations, income, gain, loss and deduction with respect to any property contributed to the capital of the Company, solely for tax purposes, will be allocated among the Members so as to take account of any variation between the adjusted basis to the Company of the property for federal income tax purposes and the initial book value of the property. Any elections or other decisions relating to allocations under this section will be made in any manner that the Manager determined reasonably reflects the purpose and intention of this Agreement. Allocations under this section are solely for purposes of federal, state and local taxes and will not affect, or in any way be taken into account in computing, any Member's Capital Account or share of book income, loss, net income or other items or distributions under any provision of this Agreement.

6.

– DISTRIBUTIONS

1. Operating Distributions. The Net Cash from Operations (as defined in Section 6.2 below) shall be distributed to the Members at such times as may be determined by the Managers in accordance with Article 7 of this Agreement, and in proportion to the respective percentages of Membership Interest.

2. Net Cash from Operations. As used in this section, the term "**Net Cash from Operations**" shall mean:

(a) The taxable income of the Company for federal income tax purposes as shown on the books of the Company increased by (1) the amount of depreciation and amortization deductions taken in computing such taxable income, and (2) any non-taxable income or receipts of the Company, and reduced by (A) payments upon the principal of any installment obligations, mortgages, or deeds of trust respecting the Company assets or of other Company debts, and (B) such expenditures for capital improvements or replacements, such reserves for said improvements and replacements, and such reserves for repairs, for meeting anticipated expenses, and for working capital as the Managers, in accordance with Article 7 of this Agreement, shall deem to be reasonably necessary in the efficient conduct of the business; plus

(b) Any excess funds resulting from the placement or refinancing of any mortgages or deeds of trust on Company property, or the encumbering or financing of such property, in any other manner; plus

(c) Any other funds (including amounts previously set aside for reserves by the Managers, in accordance with Article 7 of this Agreement, to the extent that the Managers, in accordance with Article 7 of this Agreement, no longer regard such reserves as reasonably necessary in the efficient conduct of the Company business) deemed available for distribution by the Managers, in accordance with Article 7 of this Agreement.

(d) In determining the amount of Net Cash from Operations, any negative balance in any category described in Sections 6.2(a), (b), and (c) shall be netted against the positive balances in the other such categories. Cumulative negative or positive balances shall be carried forward.

3. Disposition Distributions. In addition to the distributions pursuant to Section 6.1 of this Agreement, upon any sale, transfer, or other disposition of any capital asset of the Company (hereinafter referred to as a “**Disposition**”), the proceeds of such Disposition shall first be applied to the payment or repayment of any selling or other expenses incurred in connection with the Disposition and to the payment of any indebtedness secured by the asset subject to the Disposition immediately prior thereto; all proceeds remaining thereafter (the “**Net Proceeds**”) shall be retained by the Company or be distributed, at such time or times as shall be determined by the Managers in accordance with Article 7 of this Agreement, to the Members in accordance with Section 6.1 (subject to Section 4.2(b) relating to liquidating distributions); provided, however, that for purposes of Sections 702 and 704 of the Code, each Member’s distributive share of all items of income, gain, loss, deduction, credit, or allowance in respect of any such Disposition shall be made and based upon such Member’s basis in such capital asset.

4. Distributions Upon Resignation. Upon resignation of a Member, a resigning Member shall be entitled to receive only the distributions to which that Member is entitled under this Agreement, as provided in Article 14.

5. Distributions in Kind. A Member, regardless of the nature of that Member’s contribution, has no right to demand and receive any distribution from the Company in any form other than cash. However, a Member shall not be required to accept the distribution of any asset in kind from the Company to the extent that the percentage of the asset distributed to that Member exceeds the percentage which is equal to that Member’s Membership Percentage. In the event of an in-kind distribution, the assets distributed shall be treated as having been sold by the Company at the time of such distribution for an amount equal to their then fair market value; and any gain or loss which would have been recognized on such sale shall be allocated to the Members in accordance with Article 5.

7. – MANAGEMENT OF THE COMPANY

1. Managers. The business and affairs of the Company shall be managed by its Managers. The Managers shall direct, manage, and control the business of the Company to the best of their ability and shall have full and complete authority, power, and discretion to make any and all decisions and to do any and all things which the Managers deem necessary or desirable for that purpose. Each of the Managers may be compensated by the Company as determined by an Affirmative Vote of the Members.

2. Duties of Managers.

(a) A Manager of the Company shall perform his or her duties as a Manager, including his or her duties as a member of any committee upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Company, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. In performing his or her duties, a Manager shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by persons and groups listed in subsection (b) below; but he or she shall not be considered to be acting on good faith if he or she has knowledge concerning the matter in question that would cause such reliance to be unwarranted. A Person who so performs his, her or its duties shall not have any liability by reason of being or having been a Manager of the Company.

(b) Those Persons and groups on whose information, opinions, reports, and statements a Manager is entitled to rely are:

(1) One or more employees or other agents of the Company whom the Manager reasonably believes to be reliable and competent in the matters presented.

(2) Legal counsel, public accountants, or other Persons as to matters that the Manager reasonably believes to be within such Persons' professional or expert competence.

(3) A committee, appointed by the Manager, upon which he or she does not serve, duly designated in accordance with the provisions of this Agreement, as to matters within its designated authority, which committee the Manager reasonably believes to merit confidence.

(c) A Manager shall spend such time on the Company's affairs as is necessary to fulfill his or her duties to the Company; there will be no presumption that a Manager must spend all or a substantial portion of his or her time on Company Affairs. Nothing contained in this section shall be construed to relieve a Manager from any of his or her duties to the Company.

3. General Powers of Manager. Without limiting the generality of Sections 7.1 and 7.2 of this Agreement, the Managers shall have the following authority when acting on behalf of the Company:

(a) Upon the Affirmative Vote of the Members, to borrow money for the Company from banks, other lending institutions, the Members, or Affiliates of the Members on such terms as they deem appropriate and, in connection therewith, to hypothecate, encumber, and grant security interests in the assets of the Company to secure repayment of the borrowed sums. Except as otherwise provided in the Act, no debt shall be contracted or liability incurred by or on behalf of the Company except by the Company's Managers.

(b) Upon the Affirmative Vote of the Members, to lend money to such parties on such reasonable terms and conditions as the Managers may determine; provided, however, that the written approval of a majority of the Members shall be required for any loan by the Company to any Member or Manager.

(c) To purchase liability and other insurance to protect the Company's property and business.

(d) Upon the Affirmative Vote of the Members, to sell or otherwise dispose of all or substantially all of the assets of the Company as part of a single transaction or plan, so long as such disposition is not in violation of or causes a default under any other agreement to which the Company may be bound.

(e) Subject to the provisions of this section, execute on behalf of the Company all instruments and documents, including, without limitation, checks; drafts; notes and other negotiable instruments; draw requests; security agreements; documents providing for the acquisition or disposition of the Company's property; assignments; bills of sale; and any other instruments or documents necessary or useful, in the opinion of the Managers, to the business of the Company.

(f) To maintain reserves for accounting and legal costs or expenses as required by the Managers.

(g) To employ accountants, legal counsel, managing agents, or other experts to perform services for the Company and to compensate them from Company funds.

(h) To pay all fees and expenses reasonably necessary for the organization of the Company and to reimburse those Persons who have advanced said fees and expenses on behalf of the Company.

(i) Subject to the provisions of this section, to enter into any and all other agreements on behalf of the Company, with any other Person for any purpose, in such forms as the Managers may approve.

(j) To do and perform all other acts as may be necessary or appropriate to the conduct of the Company's business, including paying the fees and expenses described in this Agreement and delegating duties and authority to others when deemed necessary or appropriate.

4. Limitation on Liability. Notwithstanding anything to the contrary contained in this Agreement, the Manager shall not enter into any lease, license, contract, liability, obligation or other agreement wherein the liability to the Company exceeds \$500, unless the Managers obtain the Affirmative Vote of the Members.

5. Number of Managers. The number of Managers of the Company shall be determined by the Members from time to time and initially shall be two. The number of Managers may be increased or decreased from time to time by resolution of the Members, but no decrease shall have the effect of shortening the term of any incumbent Manager. Each Manager shall hold office until the next annual meeting of Members or until his or her successor shall have been elected and qualified. Managers need not be residents of the State of Colorado or Members of the Company.

6. Regular Meetings. A regular meeting of the Managers shall be held without the requirement of any other notice immediately after, and at the same place as, the annual meeting of Members. The Managers may provide, by resolution, the time and place, either within or without the State of Colorado, for the holding of additional regular meetings without other notice than such resolution.

7. Special Meetings. Special meetings of the Managers may be called by or at the request of any Manager. The Person calling the special meetings of the Managers may fix any place, either within or, without the State of Colorado, as the place for holding any special meeting of the Managers called by him.

8. Notice. Written notice of any special meeting of Managers shall be given (a) by certified mail to each Manager at his or her business address at least five calendar days prior to the meeting; or (b) by personal delivery or telecopy at least five calendar days prior to the meeting to the business address of each Manager or, in the event such notice is given on a Saturday, Sunday, or holiday, to the residence address of each Manager; or (c) by e-mail to the e-mail address of each Manager.

If mailed, such notice shall be deemed to be delivered when delivered via registered or certified mail to Manager, so addressed, with postage thereon prepaid. If notice is delivered by facsimile, such notice shall be deemed to be delivered when a confirmation of receipt of the facsimile is printed by the sending facsimile. If notice is delivered by e-mail, such notice shall be deemed to be delivered when a “delivery receipt” is received.

Any Manager may waive notice of any meeting. The attendance of a Manager at any meeting shall constitute a waiver of notice of such meeting, except where a Manager attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Managers need be specified in the notice or waiver of notice of such meeting.

When any notice is required to be given to a Manager, a waiver thereof in writing signed by such Manager, whether before, at, or after the time stated therein, shall constitute the giving of such notice.

9. Quorum. A majority of the number of Managers fixed by or pursuant to Section 7.6 of this Agreement shall constitute a quorum for the transaction of business at any meeting of the Managers, but if less than such majority is present at a meeting, a majority of the Managers present may adjourn the meeting from time to time without further notice. Manner of Acting. The act of the majority of the Managers present at a meeting at which a quorum is present shall be the act of the Managers. Any voting deadlock on the part of the Managers shall be resolved by Affirmative Vote of the Membership Percentages entitled to vote.

10. Informal Action by Managers. Any action required or permitted to be taken at a meeting of the Managers or of any committee designated by said Managers may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each Manager or committee member, and delivered to the Person having custody of the Company records for inclusion in the minutes or for filing with the records. Action taken under this section is effective when all Managers or committee members have signed the consent, unless the consent specified a different effective date. Such consent has the same force and effect as a unanimous vote of the Managers or committee members and may be stated as such in any document.

11. Participation by Electronic Means. Any Manager or any committee designated by the Managers may participate in a meeting of the Managers or committee by means of telephone conference or similar communications equipment by which all Persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

12. Vacancies. Any managerial vacancy or increase in the number of Managers shall be filled by the Affirmative Vote of the Members. A Manager elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

13. Resignation. Any Manager of the Company may resign at any time by giving written notice to the Company. The resignation of any Manager shall take effect upon receipt of notice thereof or at such later time as shall be specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. When one or more Managers shall resign, effective at a future date, a majority of the Managers then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective.

14. Removal. Any Manager or Managers of the Company may be removed at any time, with or without cause, by an Affirmative Vote of the Members.

15. Compensation. By resolution of the Members and irrespective of any personal interest of any of the Members, each Manager may be paid his or her expenses, if any, for attendance at each meeting of the Managers, and may be paid a stated salary as Manager or a

fixed sum for attendance at each meeting of the Managers or both. No such payment shall preclude any Manager from serving the Company in any other capacity and receiving compensation therefor.

16. Presumption of Assent. A Manager of the Company who is present at a meeting of the Managers or committee thereof at which action on any matter is taken shall be presumed to have assented to the action taken unless such Manager objects at the beginning of such meeting to the holding of the meeting or to the transacting of business at the meeting, unless his dissent is entered in the minutes of the meeting, or unless he shall file his written dissent to such or her action with the presiding officer of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Company immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Manager who voted in favor of such action.

17. Transactions with Company and Otherwise. Any of the Managers, or any agent, servant, or employee of any of the Managers, may engage in and possess any interest in other businesses or ventures of every nature and description, independently or with other Persons, whether or not directly or indirectly in competition with the business or purpose of the Company, and neither the Company nor any of the Members shall have any rights, by virtue of this Agreement or otherwise, in and to such independent ventures or the income or profits derived therefrom, or any rights, duties, or obligations in respect thereof. A Manager and any business controlled by a Manager may lend money to, act as surety for, and transact other business with the Company and shall have the same rights and obligations with respect thereto as a Person who is not a Manager of the Company, except that nothing contained in this section shall be construed to relieve a Manager from any of his or her duties to the Company.

8.

– MEMBERS

1. Original Members. The original Members of the Company shall be those Persons who have signed this Agreement.
2. Admission of New Members. After the filing of the Company's original Articles, a Person may be admitted as an additional Member upon the Affirmative Vote of the Members. Annual Meeting. The annual meeting of the Members shall be held at such time on such day as shall be fixed by the Managers, commencing with the year 2016 for the purpose of electing Managers and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Colorado, such meeting shall be held on the next succeeding business day.
3. Special Meetings. Special meetings of the Members for any purpose or purposes, unless otherwise prescribed by statute, may be called by the Managers and by not less than one-tenth of all Membership Percentages entitled to vote at the meeting.

4. Place of Meetings. The Managers may designate any place, either within or outside of the State of Colorado, as the place of meeting for any annual meeting or for any special meeting called by the Managers. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the principal office of the Company in the State of Colorado.

5. Notice of Meeting. Written notice stating the place, day, and hour of the meeting of Members and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than 10 nor more than 50 days before the date of the meeting, either personally or by mail, by or at the direction of the Managers or other Persons calling the meeting, to each Member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when delivered by registered or certified mail, addressed to the Member at his or her address as it appears in the books of the Company, with postage thereon prepaid. If three successive letters mailed to the last-known address of any Member of record are returned as undeliverable, no further notices to such Member shall be necessary until another address for such Member is delivered in writing to the Company.

6. Meeting of All Members. If all of the Members shall meet at any time and place, either within or outside of the State of Colorado, and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice, and at such meeting any action of the Members may be taken.

7. Quorum. A majority of the Membership Percentages entitled to vote, represented in person or by proxy, shall constitute a quorum at any meeting of Members. In the absence of a quorum at any such meeting, a majority of the Membership Percentages so represented may adjourn the meeting from time to time for a period not to exceed 30 days without further notice. However, if the adjournment is for more than 30 days, a notice of the adjourned meeting shall be given to each Member of record entitled to vote at the meeting. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal during such meeting of that number of Membership Percentages whose absence would cause there to be less than a quorum.

8. Manner of Acting. If a quorum is present, the affirmative vote of the majority of the Membership Percentages represented at the meeting and entitled to vote on the subject matter shall, unless otherwise provided herein, be the act of the Members.

9. Proxies. At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Company before or at the time of the meeting. No proxy shall be valid after 11 months from the date of its execution, unless otherwise provided in the proxy.

10. Voting of Members. Each Member entitled to vote shall be entitled to one vote upon each matter submitted to a vote at a meeting of Members, and such vote shall be weighted according to such Member's Membership Percentage.

11. Voting by Certain Members.

(a) Membership Interests owned in the name of a corporation may be voted by such Officer, agent, or proxy as the by-laws of such corporation may prescribe, or, in the absence of such provision, as the Board of Directors of such corporation may determine.

(b) Membership Interests owned in the name of a limited liability company may be voted by such member or manager as the articles of organization of such corporation may prescribe, or, in the absence of such provision, as the members of such limited liability company may determine.

(c) Membership Interests owned in the name of a deceased individual, a minor ward, or an incompetent individual may be voted by an administrator, executor, or a court-appointed guardian or conservator, either in person or by proxy, without a transfer of such Membership Interests into the name of such administrator, executor, or court-appointed guardian or conservator. Membership Interests owned in the name of a trustee may be voted by him, either in person or by proxy, but no trustee shall be entitled to vote Membership Interests held by him without a transfer of such Membership Interests into his or her name.

(d) Membership Interests owned in the name of a receiver may be voted by such receiver and Membership Interests held by or under the control of a receiver may be voted by such receiver either in person or by proxy, but no receiver shall be entitled to vote Membership Interests without a transfer thereof into the receiver's name.

(e) A Member whose Membership Interests are pledged shall be entitled to vote such Membership Interests until the Membership Interests have been transferred into the name of the pledgee.

(f) If a Membership Interest is owned in the names of two or more Persons, whether fiduciaries, members of a partnership, joint tenants, tenants in common, tenants by the entirety, or otherwise, or if two or more Persons have the same fiduciary relationship respecting the same Membership Interest, the owners of such Membership Interest shall designate one individual to have voting power for the entire Membership Interest, and shall give written notice of such designation to the Company. Until that notice is revoked, the designated individual will have sole authority to vote on behalf of such Membership Interest.

13. Action by Members Without a Meeting. Action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each holder of Membership Percentages entitled to vote and delivered to the Managers for filing with the Company records. Action taken under this section is effective when all Members representing the Membership Percentages entitled to vote have signed the consent, unless the consent specifies a different effective date.

14. Voting by Ballot. Voting on any question or in any election may be by voice vote unless the Managers or any Member shall demand that voting be by ballot.

15. Waiver of Notice. When any notice is required to be given to any Member, a waiver thereof in writing signed by the Person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice. The attendance of a Member at any meeting shall constitute a waiver of notice, waiver of objection to defective notice of such meeting, and a waiver of objection to the consideration of a particular matter at the meeting unless the Member, at the beginning of the meeting, objects to the holding of the meeting, the transaction of business at the meeting, or the consideration of a particular matter at the time it is presented at the meeting.

16. Members Entitled to Vote. Any reference in this Agreement to “majority of the Members” or “Affirmative Vote of the Members” or “unanimous consent of the Members,” or the like, is intended to refer only to those Members holding Membership Percentages that are entitled to vote with respect to the matter in question. Any Member that is in default under its obligations under this Agreement at the time any Notice of Meeting or other consent or approval is sought, or that has caused a Triggering Event, or that has caused an event of withdrawal in accordance with Section 14.1, shall not be entitled to vote with respect to the matter in question.

17. Participation by Electronic Means. Any Member may participate in an annual or special meeting of the Members by means of telephone conference or similar communications equipment by which all Persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

9. – BANKING

All revenues of the Company shall be deposited regularly in the Company savings and checking accounts at such bank or banks as shall be selected by the Managers in accordance with Article 7 of this Agreement, and the signatures of such Managers as shall be determined in accordance with Article 7 of this Agreement shall be honored for banking purposes, including the extension of credit to, or the borrowing of money by or on behalf of, the Company.

10. – BOOKS; FISCAL YEAR;

Accurate and complete books of account shall be kept by the Managers. Entries shall be made promptly therein of all of the transactions of the Company. Such books of account shall be open at all times to the inspection and examination of the Managers and Members. The books shall be kept on the basis of accounting selected by the accountant regularly servicing the Company. The fiscal year of the Company shall be the calendar year.

**11. – MEMBERSHIP INTEREST AND MEMBERSHIP RIGHTS
OF A DECEASED, INCOMPETENT, OR DISSOLVED MEMBER**

If a Member who is an individual dies or if a court of competent jurisdiction adjudges him to be incompetent to manage his or her person or his or her property, the Member's executor, administrator, guardian, conservator, or other legal representative may, subject to Article 13 below, exercise all of the Member's rights and receive the benefits of the Member's Membership Interest for the purpose of settling the Member's estate or administering the Member's property. If a Member is a corporation, trust, partnership, limited liability company, or other entity and is dissolved or terminated, the powers of that Member may be exercised by its legal representative or successor.

**12. – TRANSFER OF MEMBERSHIP INTEREST AND
MEMBERSHIP RIGHTS**

Except as otherwise provided in Section 4.5 above or Articles 13 and 14 below, no Member (the "**Offering Member**") shall sell, hypothecate, pledge, assign, or otherwise transfer, with or without consideration ("**Transfer**"), any part or all of his or her Membership Interest in the Company to any other Person (a "**Transferee**"), without first offering (the "**Offer**") that portion of his or her Membership Interest in the Company subject to the contemplated transfer (the "**Offered Interest**") first, to the Company, and second, to the other Members, at the Option Purchase Price (as defined in Article 16 below) and in a manner as follows:

1. Offer.

(a) The Offer shall be made by the Offering Member first to the Company by written notice (hereinafter referred to as the "**Offering Notice**"). Within 20 days (the "**Company Offer Period**") after receipt by the Company of the Offering Notice, the Company shall notify the Offering Member in writing (the "**Company Notice**") whether or not the Company shall accept the Offer and shall purchase all but not less than all of the Offered Interest.

(b) If the Company decides not to accept the Offer, the Offering Member shall, by written notice (the "**Remaining Member Notice**") given within that period (the "**Member Offer Period**") terminating 10 days after the expiration of the Company Offer Period, make the Offer of the Offered Interest to the other Members, each of whom shall then have a period of 25 days (the "**Member Acceptance Period**") after the expiration of

the Member Offer Period within which to notify the Offering Member in writing whether or not that Member intends to purchase all but not less than all of the Offered Interest. If two or more Members of the Company desire to accept the Offer to purchase the Offered Interest, then, in the absence of an agreement between them, each such Member shall have the right to purchase the Offered Interest in the proportion which that Member's Membership Percentage bears to the combined Membership Percentages of all of the Members who desire to accept the Offer.

2. Payment. The Option Purchase Price shall be payable in cash, unless the Company or the purchasing Members shall elect prior to such date to purchase such Offered Interest in installments pursuant to the provisions of Article 17 below. The closing of such purchase shall take place within 10 days after the Option Purchase Price has been established pursuant to Article 16 below.

3. Free Transfer Period. If the Company or the other Members fail to accept the Offer or, if the Offer is accepted by the Company or the other Members and the Company or the other Members fail to purchase all of the Offered Interest at the Option Purchase Price within the time and in the manner specified in this Article, then the Offering Member shall be free, for a period (hereinafter referred to as the "**Free Transfer Period**") of 60 days from the occurrence of such failure, to transfer the Offered Interest to a Transferee; provided, however, that if all of the other Members other than the Offering Member do not approve of the proposed transfer by unanimous written consent, the Transferee of the Offered Interest shall have no right to participate in the management of the business and affairs of the Company or to become a Member. The Transferee shall only be entitled to receive the share of profits or other compensation by way of income and the return of contributions to which the Offering Member would otherwise have been entitled. In the event that the other Members approve the Transfer by unanimous written consent, any such Transferee, upon acquiring the Offered Interest, shall automatically be bound by the terms of this Agreement and shall be required to join in, execute, acknowledge, seal, and deliver a copy of this Agreement as a result of which that Transferee shall become a substituted Member. If the Offering Member shall not transfer the Offered Interest within the Free Transfer Period, the Offering Member's right to transfer the Offered Interest free of the foregoing restrictions shall thereupon cease and terminate.

4. No Dissolution. No transfer made pursuant to this Article 12 shall dissolve or terminate the Company or cause the Company to be dissolved, but, instead, the business of the Company shall be continued as if such transfer had not occurred.

5. Transfers During Calendar Year. If a Membership Interest is transferred during a calendar year, that part of the Company's profits and losses (including, for income tax purposes, all items of income, gain, loss, deduction and credit) allocated pursuant to Article 5 with respect to the transferred interest shall be allocated between the transferor and the Person who acquired such interest in proportion to the number of days in such year during which each owned the interest, as disclosed by the Company's records. The allocation required by this section shall be made without regard to the results of Company operations

during particular periods of such year or to the Company distributions made to the transferor or the Person who acquired such interest. Items of Company gain or loss earned or incurred on the sale, exchange or other disposition of any Company asset shall be allocated to the Member owning the Membership Interest at the time of the closing of said sale, exchange or other disposition of such Company asset.

13. – DEATH, INCOMPETENCY, DISSOLUTION, OR TERMINATION OF A MEMBER

1. Purchase of Membership Interest. Upon the death or the adjudication by a court of competent jurisdiction of the incompetency of any individual Member, or the dissolution (except with respect to a partnership or limited liability company dissolution that is immediately followed by a reconstitution of such entity) or termination of a Member that is not an individual (collectively, a “**Triggering Event**”; the Member whose Membership Interest is the subject of the Triggering Event is referred to herein as the “**Departing Member**”), the heirs, personal representative, guardian, or administrator, as the case may be, of the Departing Member may offer to sell to the Company and to the remaining Members, at the Option Purchase Price and in accordance with the procedures outlined in Section 12.1 of this Agreement, all of the Departing Member’s Membership Interest (the “**Departing Member’s Interest**”) as of the date of the Triggering Event. Notwithstanding the provisions of this section, each Member shall have the right by a lifetime transfer or testamentary disposition to bequeath all or any portion of that Member’s Membership Interest in the Company to an Immediate Family Member or to any trust in which any one or more Immediate Family Members retains the full beneficial interest; provided, however, that in the case of any such bequest, the legatee or legatees shall hold the Membership Interest received as a result of such bequest subject to the terms of this Agreement (including the above purchase options) and, if the other Members unanimously consent in writing, shall be required to join in and execute, acknowledge, seal, and deliver a copy of this Agreement as a substituted Member. If the other Members do not so unanimously consent in writing, then the legatee or legatees shall have no right to participate in the management of the business and affairs of the Company or to become a Member, and shall only be entitled to receive the allocations and distributions to which the Departing Member would otherwise have been entitled.

2. Payment. Payment for the Departing Member’s Interest shall be made in cash, unless the purchasers shall elect prior to or on the closing date to purchase the Departing Member’s Interest in installments as provided in Article 17 below. The closing of such purchase shall take place within 10 days after the Option Purchase Price has been established pursuant to Article 16 below.

3. Failure to Exercise Purchase Option. Should the Company and the other Members decline to exercise their options to purchase the Departing Member’s Interest, unless the other Members unanimously consent, the holder or holders of that interest shall have no right

to participate in the management of the business and affairs of the Company or to become a Member and shall only be entitled to receive the allocations and distributions to which the Departing Member would otherwise have been entitled. In the case of a Triggering Event that is a dissolution or termination of the Departing Member, upon such failure to exercise the purchase options, the Departing Member's Interest shall be liquidated in accordance with Section 4.2(b) above.

14. – BANKRUPTCY, RETIREMENT, OR RESIGNATION OF A MEMBER

1. Purchase of Membership Interest. Upon the Bankruptcy or Resignation of any Member (the "**Withdrawing Member**"), the Withdrawing Member must offer to sell to the Company and to the remaining Members, at the Option Purchase Price and in accordance with the procedures outlined in Section 12.1 of this Agreement, all of the Membership Interest (the "**Withdrawing Member's Interest**") owned by the Withdrawing Member on the date of such Bankruptcy or Resignation. Should the Company and the other Members decline to purchase the Withdrawing Member's Interest, that interest shall be liquidated in accordance with Section 4.2(b) above.

2. Payment for the Withdrawing Member's Interest shall be made in cash, unless the purchaser shall elect prior to or on the closing date to purchase the Withdrawing Member's Interest in installments as provided in Article 17 below. The closing of such purchase shall take place within 10 days after the Option Purchase Price has been established pursuant to Article 16 below.

3. Consequences of Bankruptcy or Resignation. Resignation of a Member shall not be considered to be a breach or default of this Agreement so long as that Member resigns with the written consent of a majority of the Membership Percentages (a "**Permitted Resignation**"). Bankruptcy and Resignation, other than a Permitted Resignation, of a Member shall be regarded as a breach and default of this Agreement, and the Company may withhold and set-off from any amount payable or distributable to the Withdrawing Member any damages incurred by the Company including, but not limited to, the costs of complying with the provisions of this Agreement to determine and fix the Appraised Value.

**15. – CERTAIN TAX ASPECTS INCIDENT TO TRANSACTIONS
CONTEMPLATED BY THIS AGREEMENT**

It is the intention of the parties that the Option Purchase Price shall for income tax purposes constitute and be considered as made in exchange for the interest of a partner in partnership property, including goodwill, within the meaning of Section 736(b) of the Code.

16. – OPTION PURCHASE PRICE

1. Calculation of Option Purchase Price. With respect to any Membership Interest, the Option Purchase Price shall be (a) the Appraised Value (as defined in Section 16.2 below),

minus (b) the amount of any deficit balance of the Capital Account for that Membership Interest, as determined after taking into account all Capital Account adjustments for the Company's taxable year during which occurs the Offering Notice, the Triggering Event, the Bankruptcy, or the Resignation.

2. Appraised Value. The term "**Appraised Value**," as used in this Agreement, shall be the dollar amount equal to the product obtained by multiplying (a) the Member's Membership Percentage by (b) the Fair Market Value of the Company's assets, as determined in accordance with Section 16.3, minus the liabilities of the Company.

3. Fair Market Value. The Fair Market Value of the Company's assets shall be determined in the following manner:

(a) Fair Market Value shall be determined by appraisers experienced in appraising businesses of the type that the Company is engaged in. Within 30 days after the date of the Offering Notice, the Triggering Event, the Bankruptcy, or the Resignation, as the case may be, the Managers shall appoint an appraiser (the "**Company Appraiser**") to determine the Fair Market Value of the Company's assets, and the Company Appraiser shall submit a determination thereof within 21 days after the date that appraiser was selected (the "**Appraisal Due Date**").

(b) If the appraisal made by the Company Appraiser is unsatisfactory to the Offering Member, the personal representative or administrator (as the case may be) of the Departing Member, the Departing Member's heir, or the Withdrawing Member, as the case may be, then within 10 days after the date of the Appraisal Due Date, that unsatisfied party shall appoint an appraiser (the "**Member's Appraiser**") to determine the Fair Market Value of the Company's assets, and such appraiser shall submit a determination thereof within 21 days after the date that appraiser was selected.

(c) If the two appraisals per paragraphs (a) and (b) above are within 10% of each other, then the Fair Market Value shall be the arithmetic average of the appraisals. If the appraisals vary by more than 10%, then the two appraisers shall select a third appraiser and the determination of the third appraiser shall constitute the "**Final Determination**", which shall be binding upon the Company, the remaining Members, and the Offering Member, the personal representatives or heirs of the Departing Member, or the Withdrawing Member, as the case may be. The costs of the appraisers appointed by the parties shall be paid for by the appointing party, and the costs of the third appraiser, if applicable, shall be shared equally between the Company and the Departing Member.

17. – INSTALLMENT PAYMENTS

1. Election to Pay by Installment. In the event that there shall be an election pursuant to the provisions hereof to purchase (the Member or the Company so purchasing shall be

hereinafter, where appropriate, referred to as the “**Purchasing Person**”) the Offering Member’s Interest, the Departing Member’s Interest, or the Withdrawing Member’s Interest, as the case may be (hereinafter, where appropriate, referred to as the “**Interest**”), on an installment basis, then the terms and conditions of such installment purchase shall be as set forth below:

(a) Thirty percent of the Option Purchase Price shall be paid on the closing date; and

(b) The remainder of the Option Purchase Price shall be paid in three equal consecutive annual installments on each anniversary of the closing date, beginning with the year following the calendar year in which the sale occurred (hereinafter referred to as the “**Installment Payment Period**”).

(c) Anything contained in this Article to the contrary notwithstanding, the entire unpaid balance of the Option Purchase Price shall become immediately due and payable upon the sale, exchange, transfer, or other disposition of all or substantially all of the property or assets of the Company.

(d) The Purchasing Person shall pay simple interest at a rate that shall be equal to the prime rate of interest then being charged by Wells Fargo Bank, N.A., or its successors to its highest credit-rated corporate borrowers on short-term unsecured commercial borrowings on the unpaid balance of the Option Purchase Price on each anniversary of the closing date during the Installment Period plus 2% per annum.

2. Rights of Members Under Installment Payments. So long as any part of the Option Purchase Price remains unpaid, the Company shall permit the Offering Member, the personal representative, heir, or administrator of the Departing Member or the Withdrawing Member (or the legal representative of the Withdrawing Member in the event of the bankruptcy of the Withdrawing Member), as the case may be, and the attorneys and the accountants of each of the foregoing persons, to examine the books and records of the Company and its business following the event that shall have given rise to the election to purchase, during regular business hours from time to time upon reasonable prior notice, and to receive copies of the annual accounting reports of the Company.

18. – DELIVERY OF EVIDENCE OF INTEREST

On the closing date, upon payment of the Option Purchase Price for the purchase of the Interest hereunder or, if payment is to be made in installments pursuant to the provisions of Article 17 hereof, upon the first payment, the Offering Member, the personal representative, heir, or administrator of the Departing Member or the Withdrawing Member, or the legal representative of the Withdrawing Member (in the event of the bankruptcy of the Withdrawing Member), as the case may be, shall execute, acknowledge, seal, and deliver to the Purchasing Person such instrument or instruments of transfer to evidence the purchase of the Interest (the

“**Instruments of Transfer**”) that shall be reasonably requested by counsel to the Purchasing Person in form and substance reasonably satisfactory to such counsel. If a tender of the Option Purchase Price, or if payment is to be made in installments pursuant to the provisions of Section 17.1 hereof, the tender of the first payment thereof, shall be refused, or if the Instruments of Transfer shall not be delivered contemporaneously with the tender of the Option Purchase Price or of the first payment thereof, as aforesaid, then the Purchasing Person shall be appointed, and the same is hereby irrevocably constituted and appointed, the attorney-in-fact with full power and authority to execute, acknowledge, seal, and deliver the Instruments of Transfer.

19. – NOTICES

Any and all notices, offers, acceptances, requests, certifications, and consents provided for in this Agreement shall be in writing and shall be given and be deemed to have been given when personally delivered against a signed receipt or mailed by registered or certified mail, return receipt requested, to the last address of the addressee known by the Company. The address of the Company shall be its principal office. If a Membership Interest is owned in the names of two or more Persons, whether fiduciaries, members of a partnership, joint tenants, tenants in common, tenants by the entirety, or otherwise, or if two or more Persons have the same fiduciary relationship respecting the same Membership Interest, the address for such Membership Interest shall be that of the individual designated, pursuant to Section 8.12(e) above, as having the voting power for the entire Membership Interest.

20. – ADDITIONAL MEMBERS

From the date of the formation of the Company, any individual or entity acceptable to the Members by their unanimous vote may become a Member in this Company by the sale of new Company Membership Interests for such consideration as the Members by their unanimous vote shall determine, or as a transferee of a Member’s Membership Interest or any portion thereof, subject to the terms and conditions of this Agreement. All new Members shall agree to the terms and conditions of this Agreement and assume all obligations and responsibilities hereunder. Each new Member will execute and deliver to the Company concurrent with its admission as a Member in the Company an assumption agreement in form and content acceptable to the Company. No new Members shall be entitled to any retroactive allocation of profits or losses incurred by the Company. The Managers may, at their option, at the time a new Member is admitted, close the Company books (as though the Company’s tax year had ended) or make pro rata allocations of profits or losses to the new Member for that portion of the Company’s tax year in which a new Member was admitted.

21. – DISSOLUTION AND TERMINATION

1. Dissolution.

(a) The Company shall be dissolved upon the occurrence of any of the following events:

(1) By the unanimous written agreement of all Members; or

(2) Upon the Resignation of a sole Member, or the occurrence of any other event which leaves no remaining members of the Company.

(b) As soon as possible following the occurrence of any of the events specified in this section affecting the dissolution of the Company, the Company shall execute a statement of intent to dissolve in such form as shall be prescribed by the Colorado Secretary of State.

2. Filing of Statement of Intent to Dissolve. Duplicate originals of the statement of intent to dissolve shall be delivered to the Colorado Secretary of State.

3. Effect of Filing of Dissolving Statement. Upon the filing with the Colorado Secretary of State of a statement of intent to dissolve, the Company shall cease to carry on its business, except insofar as may be necessary for the winding up of its business, but its separate existence shall continue until articles of dissolution have been filed with the Secretary of State or until a decree dissolving the Company has been entered by a court of competent jurisdiction.

4. Distribution of Assets upon Dissolution.

(a) In settling accounts after dissolution, the liabilities of the Company shall be entitled to payment in the following order:

(1) To creditors including Members who are creditors, to the extent otherwise permitted by law, in satisfaction of liabilities of the Company other than liabilities for distributions to Members under the Act.

(2) To Members and former Members of the Company in satisfaction of liabilities for distributions under the Act.

(3) To Members of the Company for the return of their contributions and as distributions in the proportions in which the Members share in distributions.

(b) Members will share in Company assets for their claims for return of their capital contribution, and in respect to any claims they may have for compensation or for income on their capital contributions, if any, but only as may be specifically provided for in this Agreement. Any such distribution will be made in proportion to the respective amounts of the claims.

5. Articles of Dissolution. When all debts, liabilities, and obligations have been paid and discharged or adequate provision has been made therefor and all of the remaining property and assets have been distributed to the Members, articles of dissolution shall be

executed in duplicate and verified by the Person signing the articles, which articles shall set forth the information required by the Act.

6. Filing of Articles of Dissolution.

(a) Duplicate originals of such articles of dissolution shall be delivered to the Colorado Secretary of State.

(b) Upon the filing of the articles of dissolution, the existence of the Company shall cease, except for the purpose of suits, other proceedings, and appropriate action as provided in the Act. The Managers shall thereafter be trustees for the Members and creditors of the Company and as such shall have authority to distribute any Company property discovered after dissolution, convey real estate, and take such other action as may be necessary on behalf of and in the name of the Company.

7. Managers' Responsibility. Upon dissolution, each Member shall look solely to the assets of the Company for the return of his or her Capital Contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the cash contribution of each Member, such Member shall have no recourse against a Manager or any other Member. The winding up of the affairs of the Company and the distribution of its assets shall be conducted exclusively by the Managers, who are hereby authorized to take all actions necessary to accomplish such distribution, including, without limitation, selling any Company assets the Managers deem necessary or appropriate to sell. In the event of removal or resignation of all Managers and the failure to appoint a new Manager, the winding up of the affairs of the Company and the distribution of its assets shall be conducted by such Persons as may be selected by a vote of Members holding a majority of the Membership Percentages, which Persons are authorized to do any and all acts and things authorized by law for these purposes.

8. Power of Attorney. Unless otherwise prohibited by the Act, each Member hereby irrevocably designates and appoints each Manager of the Company, or any successor Manager with full power of substitution, to be his or her agent and true and lawful attorney-in-fact, for him or her and in his or her name, place, and stead, to implement, execute, acknowledge, file, and record:

(a) This Agreement and any separate certificates and agreements, as well as amendments thereto, which under the laws of the State of Colorado or the laws of any other state are required to be filed, or which a Manager deems it advisable to file.

(b) Any other instrument or document which may be required to effect the qualification and continuation of the Company under the laws of any state or any governmental agency, or which a Manager deems it advisable to file.

(c) Any instrument or document which may be required to effect the admission of an additional or substituted Member, or the dissolution and termination of the Company (provided such continuation, admission, or dissolution and termination are in accordance with the terms of the Agreement), or to reflect any change in the amount of contributions of Members.

(d) Any and all documents required to acquire, finance, refinance, convey, or sell the assets of the Company.

(e) Any nonmaterial amendment to this Agreement.

(f) Any amendment to the Company's articles of organization when:

(1) There is a change in the name of the Company or in the amount or the character of Capital Contributions;

(2) There is a change in the character of the business of the Company;

(3) There is a false or erroneous statement in the articles of organization; or

(4) There is a change in the time as stated in the articles of organization for the dissolution of the Company.

The foregoing power of attorney:

(A) Is a special power of attorney coupled with an interest, is irrevocable, and shall survive the death or incapacity of a Member;

(B) May be exercised by a Manager, acting alone, for each Member by listing all of the Members executing any instrument with a single signature of the Manager, acting as attorney-in-fact for all of them;

(C) Shall survive the assignment by a Member of all or any portion of his or her Membership Interest in the Company except that, where the assignee of such Membership Interest in the Company owned by such Member has been approved by the Members for admission to the Company as a substituted Member, the special power of attorney shall survive the assignment for the sole purpose of enabling the Manager to execute, acknowledge, and file any instrument or document necessary effect such substitution; and

(D) Shall in no way cause a Member to be liable in any manner for the acts or omissions of a Manager.

Each Member hereby agrees to be bound by any actions taken by a Manager acting in good faith pursuant to this power of attorney; and each Member hereby waives any and all defenses which may be available to contest, negate, or disaffirm the action of a Manager taken in good faith under such power of attorney.

Any substituted or additional Member, upon admission to the Company, shall be deemed to ratify and reaffirm the appointment of a Manager as his or her true and lawful attorney for the purposes and on the same terms as set forth herein above.

22. – GOVERNING LAW

It is the intent of the parties hereto that all questions with respect to the construction of this Agreement and the rights, duties, obligations, and liabilities of the parties shall be determined in accordance with the applicable provisions of the laws of the State of Colorado without reference to its conflict of laws principles.

23. – MISCELLANEOUS PROVISIONS

1. Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, all parties hereto, their personal and legal representatives, guardians, successors, and assigns to the extent, but only to the extent, that succession or assignment is provided for in accordance with, and permitted by, the provisions of this Agreement.

2. No Limit on Personal Activities. Nothing herein contained shall be construed to limit in any manner the Members, or their respective agents, servants, and employees, in carrying out their own respective businesses or activities.

3. Further Assurances. The Members and the Company agree that they and each of them will take whatever action or actions as are deemed by counsel to the Company to be reasonably necessary or desirable from time to time to effectuate the provisions or intent of this Agreement, and to that end, the Members and the Company agree that they will execute, acknowledge, seal, and deliver any further instruments or documents which may be necessary to give force and effect to this Agreement or any of the provisions hereof, or to carry out the intent of this Agreement or any of the provisions hereof.

4. Gender and Headings. Throughout this Agreement, where such meanings would be appropriate, (a) the masculine gender shall be deemed to include the feminine and the neuter and vice versa, and (b) the singular shall be deemed to include the plural, and vice versa. The headings herein are inserted only as a matter of convenience and reference, and in no way define or describe the scope of the Agreement, or the intent of any provisions thereof.

5. Entire Agreement. This Agreement and the subscription agreements, if any, of each of the Members, including exhibits attached hereto and thereto, set forth all (and are intended by all parties hereto to be an integration of all) of the promises, agreements, conditions, understandings, warranties, and representations among the parties hereto with respect to the Company; and there are no other promises, agreements, conditions, understandings, warranties, or representations, oral or written, express or implied, among them.

6. Amendment. The terms of this Agreement may be modified, amended, altered, or repealed from time to time by the affirmative vote of 80% of the Membership Percentages entitled to vote.

7. Severability. Nothing contained in this Agreement shall be construed as requiring the commission of any act contrary to law. In the event there is any conflict between any provision of this Agreement and any statute, law, ordinance, or regulation contrary to which the Members or the Company have no legal right to contract, the latter shall prevail, but in such event the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to conform with said requirement of law. In the event that any part, article, section, paragraph, or clause of this Agreement shall be held to be indefinite, invalid, or otherwise unenforceable, the entire Agreement shall not fail on account thereof, and the balance of the Agreement shall continue in full force and effect.

8. Life Insurance. The Company shall have the right to make application for, take out, and maintain in effect such policies of life insurance on the lives of any or all of the Members or Managers, whenever and in such amounts as the Members shall determine in accordance with Article 8 of this Agreement. Each Member shall exert his or her best efforts and fully assist and cooperate with the Company in obtaining any such policies of life insurance.

9. Buy/Sell Provision.

(a) Any Member ("**Offeror Member**") may at any time make to any other Member ("**Offeree Member**") an offer in writing (i) to sell all, but not less than all, of his or her Membership Interest in the Company, or (ii) to purchase all, but not less than all, of the Offeree Member's Membership Interest in the Company. All offers shall state all material terms, including, without limitation, the offered purchase price. The offer shall be irrevocable for a period of 10 days from the date of receipt of the offer by the Offeree Member.

(b) In the event an offer has been made pursuant to subsection (a), the Offeree Member shall respond in writing within 10 days from the date of receiving the offer. In the event the Offeree Member fails to respond within the specified time period or provides written notice of acceptance in a timely fashion, the Offeree Member shall be deemed to have accepted the offer to sell his or her Membership Interest on the terms and conditions stated in the offer. In such case, the closing shall occur no later than 10 days after the expiration of said 10-day period. If the offer price for the Membership Interest is \$100,000 or less, then at

the closing the Offeror Member shall tender to the Offeree Member a certified check in the full amount of the offer. If the offer price for the Membership Interest is more than \$100,000, then at such closing, the Offeror Member, at its option, shall tender to the Offeree Member either (i) a certified check in the full amount of the offer, or (ii) a certified check in the amount of 30% of the offer price, together with a full-recourse promissory note for the balance of the offer, payable in three equal consecutive annual installments on each anniversary of the closing date, beginning with the year following the calendar year in which the sale occurred, with interest at a rate of Prime +2% and secured by the interest being acquired; and in either case, the Offeree Member shall deliver to the Offeror Member all necessary instruments transferring the Offeree Member's Membership Interest to the Offeror Member. The Offeror Member shall purchase the Offeree Member's Membership Interest free and clear of any and all liens, claims, encumbrances or other rights of third parties.

(c) In the event the Offeree Member accepts in writing the offer to buy the Offeror Member's Membership Interest, the Offeror Member shall sell its Membership Interest to the Offeree Member based on the price of the offer. Closing shall occur no later than 10 days after the Offeree Member's acceptance. If the offer price for the Membership Interest is \$100,000 or less, then at the closing the Offeree Member shall tender to the Offeror Member a certified check in the full amount of the offer. If the offer price for the Membership Interest is more than \$100,000, then at such closing, the Offeree Member, at its option, shall tender to the Offeror Member either (i) a certified check in the full amount of the offer, or (ii) a certified check in the amount of 30% of the offer price, together with a full-recourse promissory note for the balance of the offer, payable in three equal consecutive annual installments on each anniversary of the closing date, beginning with the year following the calendar year in which the sale occurred, with interest at a rate of Prime +2% and secured by the interest being acquired; and in either case, the Offeror Member shall deliver to the Offeree Member all necessary instruments transferring the Offeror Member's Membership Interest to the Offeree Member. The Offeree Member shall purchase the Offeror Member's Membership Interest free and clear of any and all liens, claims, encumbrances or other rights of third parties.

(d) In the event that the Membership Interests of the Offeror Member and the Offeree Member are not equal, the purchase price of the offer shall be adjusted prorata to reflect their respective proportionate Membership Interests.

(e) Because of the unique relationship of the Members in the Company and the unique value of their interest therein, in addition to any other remedies for breach hereof, the provisions of this Agreement concerning purchase and sale of Membership Interests shall be specifically enforceable.

23.10 Investment Representations.

(a) The Members understand (i) that the Membership Interests evidenced by this Agreement have not been registered under the Securities Act of 1933, the Colorado Securities

Act or any other state securities laws (the “**Securities Acts**”) because the Company is issuing these Membership Interests in reliance upon the exemptions from the registrations requirements of the Securities Acts providing for issuance of securities not involving a public offering, (ii) that the Company has relied upon the fact that the Membership Interests are to be held by each Member for investment, and (iii) that exemption from registrations under the Securities Acts would not be available if the Membership Interests were acquired by a Member with a view to distribution.

(b) Each Member hereby confirms to the Company that such Member is acquiring the Membership Interests for such own Member’s account, for investment and not with a view to the resale or distribution thereof. Each Member agrees not to transfer, sell or offer for sale any of portion of the Membership Interests unless there is an effective registration or other qualification relating thereto under the Securities Act of 1933 and under any applicable state securities laws or unless the holder of Membership Interests delivers to the Company an opinion of counsel, satisfactory to the Company, that such registration or other qualification under such Securities Act and applicable state securities laws is not required in connection with such transfer, offer or sale. Each Member understands that the Company is under no obligation to register the Membership Interests or to assist such Member in complying with any exemption from registration under the Acts if such Member should at a later date, wish to dispose of the Membership Interest. Furthermore, even if the Membership Interests were to be registered, each Member realizes that the Membership Interests are unlikely to qualify for disposition under Rule 144 of the Securities and Exchange Commission unless such Member is not an “affiliate” of the Company and the Membership Interest has been beneficially owned and fully paid for by such Member for at least three years.

(c) Prior to acquiring the Membership Interests, each Member has made an investigation of the Company and its business and has examined all information with respect thereto which such Member needed to make an informed decision to acquire the Membership Interest. Each Member considers himself, herself or itself to be a person possessing experience and sophistication as an investor, which are adequate for the evaluation of the merits and risks of such Member’s investment in the Membership Interest.

23.11 Waivers. The failure of any party to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

23.12 Rights and Remedies Cumulative. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

23.13 Creditors. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of the Company.

23.14 Rule Against Perpetuities. The parties hereto intend that the Rule Against Perpetuities (and any similar rule of law) not be applicable to any provisions of this Agreement. However, notwithstanding anything to the contrary in this Agreement, if any provision in this Agreement would be invalid or unenforceable because of the Rule Against Perpetuities or any similar rule of law but for this section, the parties hereto hereby agree that any future interest which is created pursuant to said provision shall cease if it is not vested within twenty-one years after the death of the survivor of the group composed of the Members identified herein (or if any such Member is not an individual, the chief executive officer of such Member), and their issue, if any, who are living on the effective date of this Agreement.

23.15 Separate Counsel. Each Member has been advised that this Agreement is a legal document imposing certain obligations, liability and restrictions on each Member and as such, it is recommended that each Member consult with its own attorney regarding any such obligations, liabilities or restrictions.

23.16 Counterparts. This Agreement may be signed and delivered by telecopy or email and the same facsimile or "pdf" signatures shall constitute original signatures hereof with all force and effect of law. This Agreement may be executed in counterparts, each of which will constitute an original and all of which together shall constitute one and the same document. .

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals and acknowledged this Agreement as of the Effective Date first written above.

By: 
Stephen McCullough

By: 
Niles Emerick

Exhibit A

Member	Membership Percentage	Initial Capital Contribution
Stephen McCullough	80%	\$ 62,457.16
Niles Emerick	20%	\$ In Kind

992 Knox Engagement

Public and Community engagement for 992 Knox Ct Re-zone request

2016

7/6/2016 - Councilman Paul Lopez - Initial conversation

2017

10/25/2017 - Villa Park Neighborhood Meeting attendance

12/6/2017 - Villa Park Neighborhood Meeting attendance - introduce the idea of the re-zone request

2018

11/28/2018 - Villa Park Neighborhood Meeting attendance - listen to neighborhood desires and concerns

2019

5/14/2019 - Visioning Villa Park - meeting attendance and participation

8/5/2019 - Villa Park Zoning and Licenses Committee Meeting attendance and participation

10/5/2019 - Villa Park West Area Plan Kickoff mtg attendance Regular participation in various West Area Plan engagements

<Paused activity due to pandemic and awaiting completion of West Area Plan >

2023

12/12/2023 - Met with Denver City Planner re: property and West Area Plan

12/19/2023 - Engaged with VPNA and CW Torres re: requested potential legislative rezoning

2024

1/08/2024 - CW Torres email response -

1/25/2024 - Villa Park Neighborhood Meeting - attended neighborhood meeting

2/4/2024 - Jaime Aguilar - Phone call to discuss intent for 992 Knox /22/2024 - Villa Park Neighborhood Meeting - shared intent for rezoning

4/23/2024 - CW Torres - email update on progress and engagement with VPNA

7/20/2024 - CW Torres met with our Architect, and corresponding email response to questions

8/28/2024 - Villa Park Neighborhood Mtg - Presented rezoning request and site plan draft

9/15/2024 - Neighbor engagement, door knocking and flyers informing of intended rezone (ENG & ESP), Knox Ct 9th Ave to 12th, King 9th Ave to 12th Ave

CPD outreach guiding to pause re-zoning efforts at this time

10/18/2024 - CW Torres and Rocha Vasquez - email update prior to Implementation Policy Memo discussion

10/22/2024 - CW Torres - call to discuss next steps regarding Re-zoning in accordance with West Area Plan Implementation Policy Memo

2025

2/6/2025 - CW Torres and CW Sandoval outreach for potential MOU to support rezoning effort

6/9/2025 - Re-zoning Pre-application Submission #2

6/8/2025 - Update CW Torres, CW Sandoval, VPNA of conversations with HOST - Response from Hayley Schroeder as new VPNA President

6/26/2025 - HOST - initial meeting to discuss the project and potential negotiated alternative

9/4/2025 - HOST Negotiated Alternative duly countersigned

9/19/2025 - HOST Agreement update to CW Lopez, CW Sandoval, VPNA President, CPD contacts - response from former VPNA President Jaime Aguilar Media with additional perspective and support

10/22/2025 - Concept Plan Review Feedback received from CPD

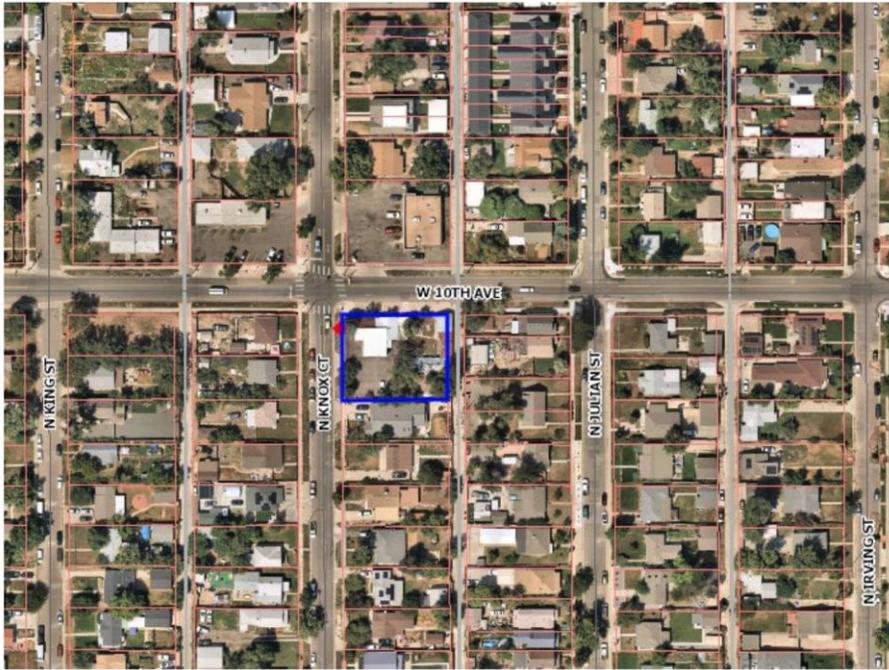
10/24/2025 - Villa Park Land Use Committee Update and favorable email response (James Warren)

Knox HOST mtg - June 26, 2025

The screenshot shows a Zoom meeting interface. At the top, the title bar reads "992 Knox Ct: Initial Conversation on Affordable Housing". Below the title bar is a toolbar with icons for Chat, People (5), Raise, React, View, Notes, More, Camera, Mic, Share, and a red "Leave" button. The meeting duration is shown as "02:33".

The main area displays five video thumbnails of participants:

- Top-left: Niles Emerick
- Top-right: Johnson, Andrew C. - HOST Fiscal Administrator III (External)
- Middle-left: Mitchell, Laia C. - HOST Director (External). Her thumbnail includes the Denver logo and the text "DENVER THE MILE HIGH CITY".
- Middle-right: Stephen (Unverified)
- Bottom-center: Colarelli, Jon M. - HOST Administrator II (External)



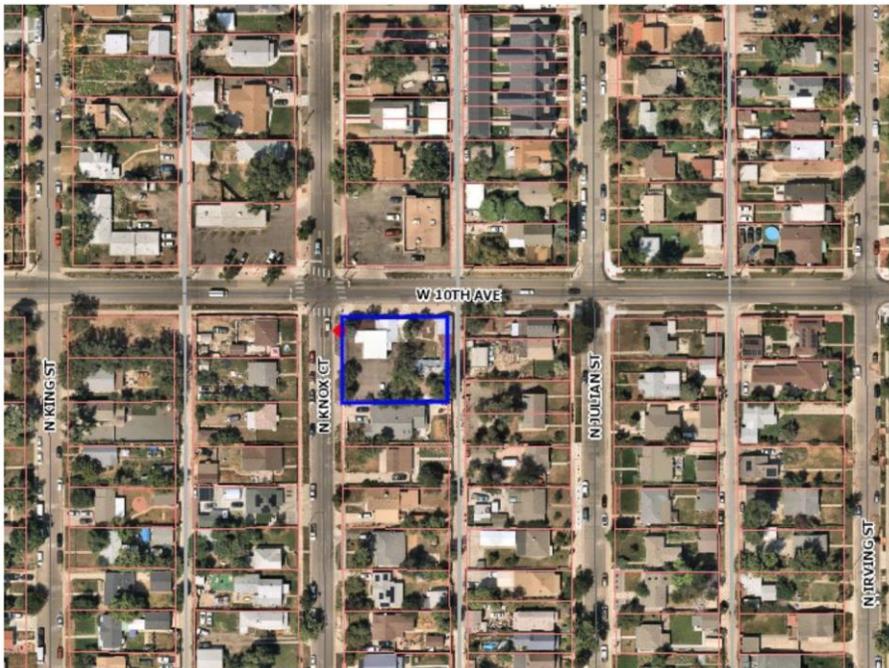
E-MS-3 allows for the following uses:

- Residential multifamily townhomes
- Small Scale neighborhood serving retail uses

Intent for E-MS-3:

- Pedestrian scaled commercial street
- Transitional commercial developments
- Promotes walkability
- Promotes urban mixed use
- Building scale of 1-3 stories with residential sensitive setbacks

To share your support and/or feedback please email 992KnoxCt@gmail.com



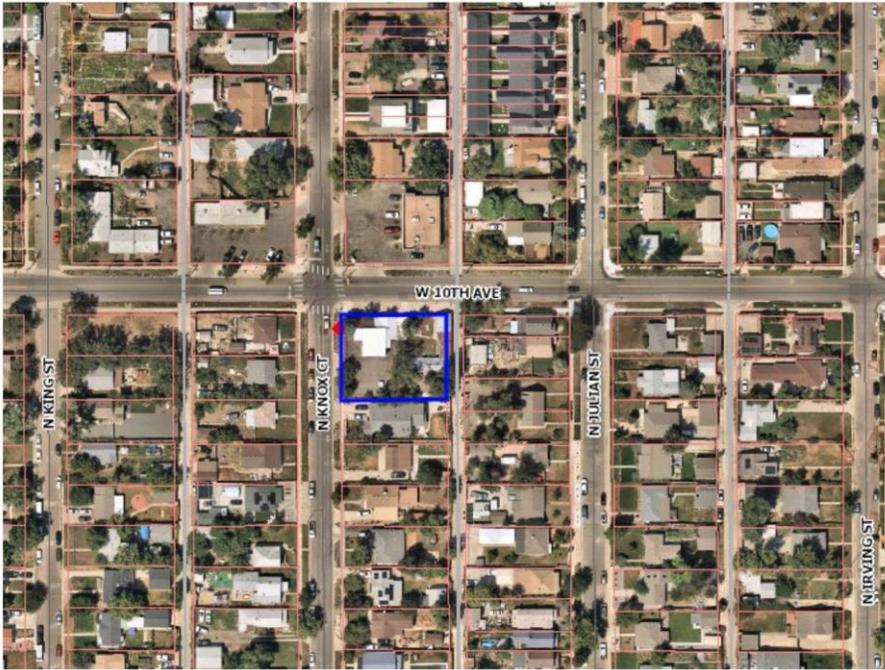
E-MS-3 allows for the following uses:

- Residential multifamily townhomes
- Small Scale neighborhood serving retail uses

Intent for E-MS-3:

- Pedestrian scaled commercial street
- Transitional commercial developments
- Promotes walkability
- Promotes urban mixed use
- Building scale of 1-3 stories with residential sensitive setbacks

To share your support and/or feedback please email 992KnoxCt@gmail.com



E-MS-3 permite los siguientes usos:

Casas adosadas multifamiliares
residenciales
Barrio de pequeña escala que sirve
usos minoristas

Intención para E-MS-3:

Calle comercial a escala peatonal
Desarrollos comerciales de transición
Promueve la transitabilidad
Promueve el uso mixto urbano
Escala de construcción de 1 a 3 pisos
con retrocesos residenciales sensibles.

Para compartir su apoyo y/o comentarios, envíe un correo electrónico a 992KnoxCt@gmail.com



E-MS-3 permite los siguientes usos:

Casas adosadas multifamiliares
residenciales
Barrio de pequeña escala que sirve
usos minoristas

Intención para E-MS-3:

Calle comercial a escala peatonal
Desarrollos comerciales de transición
Promueve la transitabilidad
Promueve el uso mixto urbano
Escala de construcción de 1 a 3 pisos
con retrocesos residenciales sensibles.

Para compartir su apoyo y/o comentarios, envíe un correo electrónico a 992KnoxCt@gmail.com

From: James Warren jameswarren35@gmail.com
Subject: Re: For tomorrow's Meeting
Date: October 29, 2025 at 11:21 PM
To: stephen mccullough swmccullough@gmail.com
Cc: nils emerick naemerick@gmail.com



Hey Niles and Stephen,

Thanks so much for taking the time to engage with the Land Use Committee about your proposed project on 10th and Knox. We were pleased to see alignment with the West Area plan, and appreciated your responses to our questions. The members of the committee were given a link with which to vote, and voted nearly unanimously in favor of the rezoning. One piece of feedback we got was to ensure there was adequate off-street bike parking for the retail space, as many people in our community use bicycles to get around.

Please keep us informed as you take the next steps with this project, and let us know if you would like input on specific choices, as I know many people on our committee would be excited to provide such input.

Thanks again,
James

On Mon, Oct 27, 2025 at 9:23 AM stephen mccullough <swmccullough@gmail.com> wrote:

Hi James,

Great to talk to you Friday! As we discussed, while we have preliminary plans to a reasonable amount of confidence, we don't have definitive answers for every question and there is likely to be some variation based on community feedback, market needs, financial factors, and planning alignment.

1. **How many units are being planned?** We anticipate 14-16 depending on the final configuration. Factors include amount of surface parking, unit mix, construction cost, rent/sale ratio for financial viability, as well as city requirements for alley width, lot coverage, fire access etc.
2. **How many of those units do we anticipate will be affordable?** We have a signed Affordable Housing Plan containing a negotiated alternative agreement with HOST as follows:
 - o *Within any residential development on the site, the project shall provide the greater of (a) 12% of total residential units as Income-Restricted Units (IRUs), with or without deeded parking, made available to households at 70% AMI if for rent or 90% AMI if for sale; or (b) one (1) IRU, with or without deeded parking, made available to households at 70% AMI if for rent or 90% AMI if for sale. If 50% or greater of residential units on site are offered for rent, and the applicant agrees to provide the IRUs for sale, then the unit types (i.e. bedroom counts) of the ownership IRUs do not need to be proportional with the market-rate units. Rather, any ownership IRUs can include a minimum of 1-bedroom, and they may be located anywhere on the site.*
3. **How many parking spots will be provided?** This has not been finalized. We've looked at everything from 1 spot per unit to none, based on the changing requirements at the state & city levels and proximity to light rail. Also note there are approx 6 street parking spots available on 10th Ave to support the site.
4. **Will there be a Community Benefits Agreement?** We have not formalized a community benefits agreement.
5. **What number will be owned and what number will be rental?** We anticipate a balanced mix, determined by final unit count and economics, in line with the HOST agreement.
6. **What is the timeline for this process?** Realistically it will be a minimum of 6 months for the re-zone, then 3-6 months finalizing architecture, then we need to go through the city permitting process. All in, at least 12-18 months before any ground activity. The start of development will be dependent upon market conditions, construction partner, etc.

Let us know if you have any other questions or need further clarification...

Best,

stephen

stephen mccullough
992 Knox Ct LLC
720.530.7662

On Fri, Oct 24, 2025 at 5:47 PM James Warren <jameswarren35@gmail.com> wrote:

Hey Stephen,

No stress. It's a very exciting development and the site plan is wonderful - it really feels like it would be a huge asset to our community and you can anticipate my vocal support during the council rezoning. For the rest of the committee, however, there were the following questions (I know you answered some above, but please answer them in bullets following my questions just for clarity to the group:

- How many units are being planned?
- How many of those units do we anticipate will be affordable?
- How many parking spots will be provided?
- Will there be a Community Benefits Agreement?
- What number will be owned and what number will be rental?
- What is the timeline for this process?

Thanks! The sooner you can get back to me with these questions, the sooner we can vote as a committee and write something up.
Talk soon,
James

On Fri, Oct 24, 2025 at 4:30 PM stephen mccullough <swmccullough@gmail.com> wrote:

James - thanks for your flexibility today and hopping on a later call with me. Apologies for the timezone mixup.

1. Find attached the latest draft site plan as currently modeled without parking. We also have looked at other options with varying degrees of BR count & parking. The common themes regardless are:

1. Ground level corner retail at 10th & Knox with units above

1. Ground level, common pool at 10th & Knox, with units above
2. 2 townhome structures along 10th & Knox respectively
3. A handful of smaller units in the south east corner
4. 14-16 units of varying BR count from 1-3.

2. The signed negotiated HOST agreement verbiage is as follows:

"Within any residential development on the site, the project shall provide the greater of (a) 12% of total residential units as Income-Restricted Units (IRUs), with or without deeded parking, made available to households at 70% AMI if for rent or 90% AMI if for sale; or (b) one (1) IRU, with or without deeded parking, made available to households at 70% AMI if for rent or 90% AMI if for sale. If 50% or greater of residential units on site are offered for rent, and the applicant agrees to provide the IRUs for sale, then the unit types (i.e. bedroom counts) of the ownership IRUs do not need to be proportional with the market-rate units. Rather, any ownership IRUs can include a minimum of 1-bedroom, and they may be located anywhere on the site.

In no circumstances will a residential development on the site be allowed to meet its affordability requirements through the payment of a fee-in-lieu or standard linkage fee, unless this agreement is amended with the mutual agreement of the property owner and HOST."

We're happy to answer further specific questions!

stephen

stephen mccullough
720.530.7662

On Fri, Oct 24, 2025 at 4:59 PM James Warren <jameswarren35@gmail.com> wrote:
Hey Stephen,

That's okay. The proposal looks good and folks seem to like it. Can you hop on a call real quick? 7204224287

James

On Fri, Oct 24, 2025 at 3:57 PM stephen mccullough <swmccullough@gmail.com> wrote:
James - ugh my apologies - my timezone math failed. I tried to join, but looks like you'd already wrapped up.

s

stephen mccullough
720.530.7662

On Fri, Oct 24, 2025 at 4:02 PM James Warren <jameswarren35@gmail.com> wrote:
Hey Stephen,

We are in the meeting. Will you be joining soon?

James

On Thu, Oct 23, 2025 at 11:19 AM James Warren <jameswarren35@gmail.com> wrote:
Hey Stephen,

Looking forward to talking tomorrow about the site. One of the members had asked if you had the alternative agreement with HOST that was mentioned in the application. Do you have that and can it be shared?

Otherwise, for tomorrow I think folks will want to hear about the proposal and how it fits in with the West Area Plan, as well as affordability components.

Can't wait, see ya then!

James

PURPOSE

This Affordable Housing Plan ("Plan") documents the Applicant's compliance with the Mandatory Affordable Housing Ordinance ("Ordinance") codified at Article X, Chapter 27 of the Denver Revised Municipal Code ("DRMC") and indicates eligibility for the associated zoning incentives provided in the Denver Zoning Code ("DZC") and the financial incentives provided in the DRMC. The Department of Housing Stability ("HOST") and Department of Community Planning and Development ("CPD") oversee the approval of the Plan.

By executing this Plan, the Applicant has committed to comply with the requirements of the Ordinance, DZC, and accompanying Rules and Regulations on the Subject Property as described in this Plan.

I. CONTACT INFORMATION FOR APPLICANT	
Name: Niles Emerick	Phone Number: 303-949-6383
Email: naemerick@gmail.com	
Applicant Business Name (if applicable): 992 Knox Ct LLC	Applicant Business Address: PO Box 11037 Denver, CO 80211

II. CONTACT INFORMATION FOR OWNER(S)	
Name: Niles Emerick, Stephen McCullough	Phone Number: 303-949-6383
Email: naemerick@gmail.com, swmccullough@gmail.com	
Owner Business Name (if applicable): 992 Knox Ct LLC	Owner Business Address: PO Box 11037 Denver, CO 80211

III. PROJECT INFORMATION	
<i>Applicant must attach a Legal Description as Exhibit A to this application.</i>	
Project Name: 992 Knox Court	Project Record Number(s) (e.g. Project Master, SDP, LOG): N/A: Rezoning
Project Address: 992 Knox Ct Denver, CO 80204	
<i>City staff must fill out market area information</i>	
Applicable Market Area <input checked="" type="checkbox"/> Typical Market Area <input type="checkbox"/> High Market Area	Date of Market Area Determination: 9/2/2025

IV. PROJECT DETAILS

Development Description (include all uses as defined by the Denver Zoning Code):

Mixed-use development to include small neighborhood serving retail and variety of townhomes for rent and/or sale. Project to include IRUs per Section V - negotiated alternative.

Is the project any of the following: ownership condos, townhomes, single/two-unit developments, or phased development?

- No Yes - Please attach an additional document as an Exhibit, such as a site plan, identifying the specific units that will be income restricted as required by this Plan as well as the specific addresses for these units. Additionally, for phased developments, provide the timing of the provision of the Income Restricted Units (IRUs).

Project Residential Dwelling Unit Development Summary

TBD _____ Total Number of Dwelling Units in Project

TBD _____ Total **Rental** Dwelling Units

_____ Studio rental

_____ 1-bedroom rental

_____ 2-bedroom rental

_____ 3-bedroom rental

_____ 4-bedroom rental

_____ Other (specify: _____)

TBD _____ Total **Ownership** Dwelling Units

_____ Studio ownership

_____ 1-bedroom ownership

_____ 2-bedroom ownership

_____ 3-bedroom ownership

_____ 4-bedroom ownership

_____ Other (specify: _____)

V. COMPLIANCE OPTIONS

Applicant shall satisfy the requirements of the Ordinance by:

Applicant must select one compliance option and complete the corresponding section below.

- A. Providing Income Restricted Units (IRUs) On-Site (DRMC § 27-224)
- B. Fee-In-Lieu (DRMC § 27-225)
- C. Negotiated Alternative (DRMC § 27-226)
- D. Exception (DRMC § 27-222)

For High Impact Developments, Applicant to coordinate with HOST for High Impact Development Compliance Plan.

V.A. PROVIDING INCOME RESTRICTED UNITS ON-SITE PER DRMC § 27-224

Applicant must select one compliance option for appropriate market area

High Market Area Build On-site Options

- High Market Area Baseline – Option 1 (H-1B)
10% of dwelling units at 60% AMI rental or 80% AMI ownership
- High Market Area Baseline – Option 2 (H-2B)
15% of dwelling units averaging 70% AMI rental or 90% AMI ownership
- High Market Area Enhanced – Option 1 (H-1E)
12% of dwelling units at 60% AMI rental or 80% AMI ownership
- High Market Area Enhanced – Option 2 (H-2E)
18% of dwelling units averaging 70% AMI rental or 90% AMI ownership

Typical Market Area Build On-site Options

- Typical Market Area Baseline – Option 1 (T-1B)
8% of dwelling units at 60% AMI rental or 80% AMI ownership
- Typical Market Area Baseline – Option 2 (T-2B)
12% of dwelling units averaging 70% AMI rental or 90% AMI ownership
- Typical Market Area Enhanced – Option 1 (T-1E)
10% of dwelling units at 60% AMI rental or 80% AMI ownership
- Typical Market Area Enhanced – Option 2 (T-2E)
15% of dwelling units averaging 70% AMI rental or 90% AMI ownership

V.B. FEE-IN-LIEU PER DRMC § 27-225

Applicant must select the percent of Income Restricted Units to be used for the fee calculation. No incentives are available if fee-in-lieu compliance option is selected. Fee-in-lieu shall be paid prior to issuance of building permit.

- 10% of total dwelling units in a High Market Area – Rental Development
- 10% of total dwelling units in a High Market Area – Ownership Development
- 8% of total dwelling units in a Typical Market Area – Townhouses
- 8% of total dwelling units in a Typical Market Area – Ownership development, dwelling units other than townhouses
- 8% of total dwelling units in a Typical Market Area – Rental development up to 7 stories
- 8% of total dwelling units in a Typical Market Area – Rental development of 8 or more stories

____ Based on the percentage selected above, number of income-restricted units for fee-in-lieu multiplier

Is the Subject Property in an **Area Vulnerable to Displacement** as defined in DRMC Section 27-220(b) and found [online](#)?

- Yes No

V.C. NEGOTIATED ALTERNATIVE PER DRMC § 27-226

Applicant must provide a summary of negotiated alternative for HOST evaluation.

Within any residential development on the site, the project shall provide the greater of (a) 12% of total residential units as Income-Restricted Units (IRUs), with or without deeded parking, made available to households at 70% AMI if for rent or 90% AMI if for sale; or (b) one (1) IRU, with or without deeded parking, made available to households at 70% AMI if for rent or 90% AMI if for sale. If 50% or greater of residential units on site are offered for rent, and the applicant agrees to provide the IRUs for sale, then the unit types (i.e. bedroom counts) of the ownership IRUs do not need to be proportional with the market-rate units. Rather, any ownership IRUs can include a minimum of 1-bedroom, and they may be located anywhere on the site.

In no circumstances will a residential development on the site be allowed to meet its affordability requirements through the payment of a fee-in-lieu or standard linkage fee, unless this agreement is amended with the mutual agreement of the property owner and HOST.

V.D. EXCEPTIONS PER DRMC § 27-222

Applicant must attach required documentation as an Exhibit, per Section 4 of the [Administrative Rules and Regulations](#).

Proposed Exception to Mandatory Affordable Housing per [DRMC 27-222](#) (a) – (f): _____

VI. INCOME RESTRICTED UNITS SUMMARY

12 **Percent** of total units to be income restricted

≥ 1 **Number** of units to be income restricted

_____ Maximum AMI for all income restricted units or an effective average of 70-90% AMI

Unit Mix of Income Restricted Units

_____ Studio

_____ 1-bedroom

_____ 2-bedroom

_____ 3-bedroom

_____ 4-bedroom

_____ Other (specify: _____)

VII. ELIGIBLE INCENTIVES

City Staff must fill out based on compliance option selected.

Baseline Incentives per DRMC § 27-224(b)

- Commercial or residential construction permit fee reduction
- Reduced minimum vehicle parking per Article 10 of the Denver Zoning Code
- Commercial, sales, service and repair use street-level exemption to the linkage fee

Enhanced Incentives per DRMC § 27-224(c)

- Height or floor area increase per Article 8 and 10 of the Denver Zoning Code
- Vehicle parking exemption per Article 10 of the Denver Zoning Code

Note: Zoning incentives include additional standards that may limit applicability and therefore will be reviewed by CPD staff for zoning compliance and full eligibility.

VIII. MINIMUM STANDARDS FOR INCOME RESTRICTED UNITS (IRUs)

All IRUs shall meet the minimum standards per DRMC § 27-224(f) and accompanying Rules and Regulations, summarized below:

- A. IRUs shall be maintained as affordable for a minimum term of 99-years per DRMC §27-224(f)(1).
- B. The IRUs must be functionally equivalent in construction and appearance to the other dwelling units per DRMC §27-224(f)(2)(ii).
- C. The unit mix of IRUs must align with the proportionate mix of the market rate units per DRMC §27-224 (f)(2)(iii).
- D. IRUs shall be offered for sale or rent in accordance with the AMI limits per the DRMC and the Rules and Regulations.
- E. During initial leasing or continued leasing of IRUs, and during the initial offering or resale of IRUs, Applicants must make a good faith effort to market to eligible households. Applicants should refer to HOST's Equitable Fair Marketing Policies and Procedures in accordance with the requirements of the Rules and Regulations.
- F. Housing projects located in an area vulnerable to displacement or containing a minimum of one hundred (100) dwelling units may also be subject to the prioritization program described in Article XII, Chapter 27 of the DRMC.

IX. COVENANTS (FOR COMPLIANCE OPTIONS A AND C)

Rental projects: As a condition of the issuance of the first certificate of occupancy on the Subject Property for any building that contains IRUs, Applicant will record a Covenant in substantially similar form to that attached to this Plan as an Exhibit; AND/OR

For sale projects: Applicant agrees that prior to the recordation of a [condominium declaration (for multifamily developments) OR final subdivision plat] for any building on the Subject Property that contains IRUs, Applicant will record a Covenant in substantially similar form to that attached to this Plan as an Exhibit.

Note: The requirement to record a Rental Covenant will not apply to any structure providing for-rent IRUs meeting the requirements of the Plan that is financed by any combination of tax-exempt private activity bonds, or tax credits to incentivize the development of affordable housing, and that is restricted by law, contract, deed, covenant, or any other legally enforceable instrument.

X. ELECTRONIC SIGNATURE

Applicant consents to the use of electronic signatures by the City. The Plan may be signed electronically by the City in the manner specified by the City. Applicant agrees not to deny the legal effect or enforceability of the Plan solely because it is in electronic form or because an electronic record was used in its formation. Applicant agrees not to object to the admissibility of the Plan 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.

NOTE: Do not execute with a signature until city staff has reviewed and initially approved.

XI. APPLICANT APPROVAL

I, the undersigned, being the Applicant, or a duly authorized agent of the Applicant, hereby certify that the information provided above, to my actual knowledge, is true and correct. I agree to construct or cause the construction of the Income Restricted Units in compliance with the plans, requirements, terms and conditions set forth in this Plan, Ordinance, and accompanying Rules and Regulations. I acknowledge I will be unable to receive a Site Development Plan (or relevant) approval until the Affordable Housing Plan is approved.

Niles Emerick



September 2, 2025

Print Name

Signature

Date

XII. OWNER APPROVAL

I, the undersigned, being the Owner, hereby certify that the information provided above, to my actual knowledge, is true and correct. I agree to construct or cause the construction of the Income Restricted Units in compliance with the plans, requirements, terms and conditions set forth in this Plan, Ordinance, and accompanying Rules and Regulations. I acknowledge I will be unable to receive a Site Development Plan (or relevant) approval until the Affordable Housing Plan is approved.

If there is more than one owner, please provide a supplemental signature page as an Exhibit to this Plan.

Niles Emerick



September 2, 2025

Print Name

Signature

Date

XIII. HOST APPROVAL

Laia Mitchell



Digitally signed by
Laia Mitchell
Date: 2025.09.03
09:55:38 -06'00'

Sept. 3rd, 2025

Department of Housing Stability – Print Name

Signature

Date

EXHIBIT A

LEGAL DESCRIPTION

VILLA PARK B19 L1 TO 4

EXHIBIT B
FORM RENTAL COVENANT

WHEN RECORDED MAIL TO:

Department of Housing Stability
Attention: Catalytic Projects Team
201 W. Colfax Ave., Dept. 615
Denver, CO 80202

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE

RENTAL AND OCCUPANCY COVENANT

THIS RENTAL AND OCCUPANCY COVENANT is made this ____ day of _____, 20____, by _____, a _____ (“Owner”), and enforceable by the City and County of Denver, Colorado (“City”).

RECITALS:

WHEREAS, Owner owns the following described real property in the City and County of Denver, State of Colorado (the “Subject Property”):

[fill in]

WHEREAS, pursuant to the provisions of the Mandatory Affordable Housing Ordinance as set forth in Article X of Chapter 27 of the Denver Revised Municipal Code as amended from time to time (the “MAH Ordinance”) and the Mandatory Affordable Housing Ordinance & Affordable Housing Permanent Funds Ordinance Administrative Rules and Regulations (the “Rules”), Owner shall provide that certain units within the Subject Property will be built as Income Restricted Units as defined in the Affordable Housing Plan (defined below), and this Covenant;

WHEREAS, in order to document compliance with the MAH Ordinance and a plan for construction of Income Restricted Units, the City approved the Affordable Housing Plan submitted by the Owner, dated _____ and recorded under Reception No. _____ in the real estate records of the City and County of Denver; and

WHEREAS, the MAH Ordinance and Rules require Owner to record a covenant that shall apply to the Subject Property and run with the land to ensure that certain rental and occupancy limitations, and administrative requirements for the Income Restricted Units are met and to assign to the City the right to enforce compliance with this Covenant.

NOW THEREFORE, the following are established as covenants running with the Subject Property:

1. **Definitions**

- i. “Area Median Income” (AMI) means the area median income, adjusted for household size, for the Denver metropolitan area as determined by the U.S. Department of Housing and Urban Development.
- ii. Income Restricted Units (“IRUs”) means those [# of units] rental housing units located within the Subject Property as are designated from time to time by Owner. IRUs must be restricted as to the rent charged and resident income allowed pursuant to the Covenant.
- iii. “Compliance Report” means the annual reporting mechanism submitted to HOST, the form of which will be maintained on HOST’s website or otherwise supplied by HOST, that Owner shall prepare and provide to the City pursuant to Section 5 of this Covenant.
- iv. “Eligible Household” means a natural person who, at the time of entering into the lease for an IRU or a renewal of such lease, verifies to Owner on the Income Verification that the total gross income earned by such person is [XX]%, [YY]%, or [FILL IN AS NECESSARY]% or less of the of AMI for the resident's household size.
- v. “Income Verification” means the process by which a household has been determined to be eligible to occupy or purchase an IRU.
- vi. “Initial Leasing Period” means the period commencing on the first date a certificate of occupancy is issued for any building within the Subject Property that contains IRUs and ending on the earlier of the date when all IRUs have been fully leased or six months after certificate of occupancy.
- vii. “Resident Income Certification” (RIC) means a certification, the form of which will be maintained on HOST’s website or otherwise supplied by HOST, regarding resident eligibility to live in the Affordable Unit; and any successor certification, as required by HOST from time to time.

2. **Rent Limitations.** The rent limitation for the IRUs are as follows:

- i. (##) of the IRUs (the “XX% Units”) will have rents not exceeding the amount posted on the website of the City and County of Denver’s Department of Housing

Stability (“HOST”), or any successor agency which is assigned responsibility for the City’s MAH Ordinance, for households earning [XX]% or less of AMI.

- ii. (##) of the IRUs (the “YY% Units”) will have rents not exceeding the amount posted on the website of HOST for households earning [YY]% or less of AMI.
- iii. [REPEAT AS NECESSARY]
- iv. The maximum allowable rents posted on HOST’s website are based upon the AMI threshold published by the U.S. Department of Housing and Urban Development. Using these gross rental limits, HOST’s maximum allowable net rents are calculated by subtracting the utility allowance published annually by the Colorado Department of Local Affairs (DOLA) and any other “non-optional” fees charged to residents.

3. **Occupancy/Income Limitations.** The occupancy and income limitations for the IRUs are as follows:

- i. The XX% Units shall be occupied by Eligible Households whose incomes are at or below [XX]% of AMI.
- ii. The YY% Units shall be occupied by Eligible Households whose incomes are at or below [YY]% of AMI.
- iii. [REPEAT AS NECESSARY]
- iv. Owner shall have responsibility to assure that a household or individual is an Eligible Household before executing a lease contract, and shall complete an Income Verification for each Eligible Household. Owner shall also offer the IRUs to Eligible Households through a fair and equitable system and use good-faith efforts to enter into leases with and market to Eligible Households.

4. **Amount of Income Restricted Units.** Owner shall provide no less than () IRUs on the Subject Property. All of the IRUs are floating and are designated as follows:

BEDROOMS	XX% Units					
-----------------	------------------	------------------	------------------	------------------	------------------	------------------

Studio						
1 Bedroom						
2 Bedroom						
3 Bedroom						
TOTAL						

5. **Compliance and Reporting.**

- i. At the end of the Initial Leasing Period, Owner shall submit a Compliance Report, indicating how many IRUs were made available and leased during the Initial Leasing Period and a copy of a signed Resident Income Certification (RIC) for each Eligible Household that entered into a lease during the Initial Leasing Period.
- ii. Owner shall demonstrate continued compliance with this Covenant after the Initial Leasing Period by submitting to the City a Compliance Report on an annual basis during the term of this Covenant. Reports are to be submitted within 30 days of HOST’s request.
- iii. The Income Verifications for each Eligible Household shall be maintained by Owner at the management office at the Subject Property or such other place where Owner’s books and records are kept in the Denver metropolitan area for so long as the Eligible Household occupies an IRU. HOST reserves the right to request Income Verification documentation as needed to verify compliance.
- iv. Upon reasonable notice and during the normal business hours maintained by Owner at the management office at the Subject Property or such other place where the requested books and records are kept in the Denver metropolitan area, Owner shall permit any duly authorized representative of the City to inspect any books or records of Owner pertaining to the project at the Subject Property containing IRUs which reasonably relate to Owner’s compliance with the terms and conditions of this Covenant.
- v. Owner acknowledges that the City may, upon reasonable notice and during the normal business hours maintained by the Owner, perform housing quality standard inspections as necessary to ensure IRUs are maintained at minimum quality standards in accordance with the Rules. These inspections may take place during the Initial Leasing Period as well as throughout the term of affordability.

- vi. Owner acknowledges that the City may, at its election, hire a compliance agent, to monitor Owner's compliance with this Covenant. In such an event, Owner shall be authorized to rely upon any written representation made by the compliance agent on behalf of the City.

6. **Termination of Lease.** The form of lease to be used by Owner in renting any IRUs to Eligible Households shall also provide for termination of the lease and consent by such resident to immediate eviction if such resident subleases the IRU, attempts to sublease the IRU, or provides the IRU as a short-term rental as defined by Article III, Chapter 33 of the Denver Revised Municipal Code.

7. **Term.** This Covenant shall encumber the Subject Property for a period of ninety-nine (99) years from the date of recording hereof and shall not be amended or modified without the express written consent of the City and County of Denver.

8. **Run with the Land.** The Covenant shall run with the Subject Property and shall be binding on all persons having or acquiring an interest in title to the Subject Property, all upon terms, provisions, and conditions set forth in this Covenant.

9. **Seniority of Covenant.** The Covenant is senior to all instruments securing permanent financing.

10. **Survivability.** If any provision of this Covenant shall be held by a court of proper jurisdiction to be invalid, illegal or unenforceable, the remaining provisions shall survive and their validity, legality or enforceability shall not in any way be affected or impaired thereby.

11. **Enforcement.** This Covenant may be enforced by the City and County of Denver, or the Executive Director of HOST.

12. **Memorandum of Acceptance.** Upon any sale of the Subject Property, Owner shall require the grantee of the Subject Property to execute a Memorandum of Acceptance and shall deliver a copy of such Memorandum of Acceptance to the Executive Director of HOST not less than thirty (30) days after such sale is consummated.

BALANCE OF PAGE INTENTIONALLY LEFT BLANK

ACCEPTANCE BY THE CITY AND COUNTY OF DENVER

The foregoing Rental and Occupancy Covenant, and its terms are hereby accepted by the City and County of Denver, Colorado.

CITY AND COUNTY OF DENVER, COLORADO

By: _____

Name: _____

Title: _____

STATE OF COLORADO)

) ss.

CITY AND COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____ as _____ of the City and County of Denver, Colorado.

Witness my hand and official seal.

My commission expires:_____.

Notary Public

EXHIBIT B

FORM OWNERSHIP COVENANT

WHEN RECORDED MAIL TO:
Department of Housing Stability
Attention: Catalytic Projects Team
201 W. Colfax Ave., Dept. 615
Denver, CO 80202

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE

NOTICE OF VOIDABLE TITLE TRANSFER AND AFFORDABLE HOUSING COVENANT FOR THE OCCUPANCY AND RESALE OF FOR SALE UNIT at

[project name]

THIS NOTICE OF VOIDABLE TITLE TRANSFER AND AFFORDABLE HOUSING COVENANT FOR THE OCCUPANCY AND RESALE OF FOR SALE UNIT at _____, (the "Covenant") is

[project name]
made and entered into this _____ day of _____, 20____,
by

(the
[developer entity]

"Declarant"), and enforceable by the CITY AND COUNTY OF DENVER, COLORADO, or its designee (the "City").

WITNESSETH:

WHEREAS, Declarant owns the real property legally described as follows:

[INSERT LEGAL LOT DESCRIPTION]

(the unit being referred to herein as an "IRU").

WHEREAS, the provisions of Article X of Chapter 27 of the Denver Revised Municipal Code as amended from time to time (the "MAH Ordinance") and the Mandatory Affordable Housing Ordinance & Affordable Housing Permanent Funds Ordinance Administrative Rules and Regulations (the "Rules"), shall apply to the IRU and run with the land until the Final IRU Sale and this Covenant shall bind the Owners of the IRU, and all other parties with an interest in title to the IRU until the Final IRU Sale.;

WHEREAS, Declarant agrees to restrict the acquisition or transfer of the IRU to Eligible Households as that term is defined in this Covenant. In addition, the Declarant agrees that this Covenant shall constitute a resale restriction setting forth the Maximum Sale Price for

which the IRU may be sold, the amount of appreciation, and the terms and provisions controlling the resale of the IRU should a subsequent Owner of an IRU desire to sell his or her interest in the IRU at any time after the date of this Covenant. Finally, by this Covenant, Declarant agrees to restrict the IRU against use and occupancy inconsistent with this Covenant

NOW, THEREFORE, for consideration hereby acknowledged by Declarant, Declarant hereby represents, covenants and declares as follows:

1. Definitions. The following terms shall have the following meanings when used in this Covenant:

(a) “AMI” means the median income for the Denver metropolitan area, adjusted for household size as calculated by HUD.

(b) “Covenant Period” means a period of _____ (___) years, commencing on the date of Initial Sale of the IRU.

(c) “Director” means the Executive Director of HOST or his or her designee.

(d) “Eligible Household” means a household that holds a valid verification of eligibility from HOST (as described in Section 4 below) that entitles the household to buy an IRU. To be eligible to purchase the IRU at Initial Sale or resale, households must be earning no more than __ percent (___%) of the AMI at the time of execution of a contract for purchase of an IRU and meet all other requirements set forth in the Rules. The term Eligible Household includes nonprofit organizations designed by the Director and governmental or quasi-governmental bodies who purchase the IRU for the purpose of renting or selling the IRU to a household whose income qualifies them to rent or purchase the IRU.

(e) “Final Sale” means the first resale of the IRU occurring after the end of the Covenant Period in compliance with the terms and restrictions set forth herein. If the IRU is not resold within the period beginning on the expiration date of the Covenant Period and ending on the ten (10) year anniversary of such date, the Final Sale of the IRU shall be deemed to have occurred on such ten (10) year anniversary.

(f) “HOST” means the City and County of Denver’s Department of Housing Stability or any successor agency which is assigned responsibility for the City’s MAH Ordinance.

(g) “HUD” means the U.S. Department of Housing and Urban Development.

(h) “Initial Sale” means the first sale of the IRU by Declarant;

(i) “Maximum Sale Price” means the maximum amount for which the IRU may be sold by Declarant, as set forth in Section 3(a) below or sold by a subsequent Owner, as set forth in Section 7 below.

(j) “Memorandum of Acceptance” shall have the meaning set forth in paragraph 5 below.

(k) “Owner” means any Eligible Household that purchases the IRU from the Declarant and any subsequent buyer, devisee, transferee, grantee or owner of, or holder of title to, the IRU, provided that if the City shall for any reason take title to the IRU, it shall not be

considered an "Owner" for purposes of this Covenant.

(l) "Purchase Money First Lien Holder" means the lender who advances funds to an Eligible Household for the purchase the IRU and who is a holder of a purchase money first priority deed of trust against the IRU. The Purchase Money First Lien Holder shall be deemed to include assigns of the first lien holder but shall not include lenders who re-finance the IRU.

(m) "Transfer" means any sale, assignment or transfer that is voluntary, involuntary or by operation of law (whether by deed, contract of sale, gift, devise, trustee's sale, deed in lieu of foreclosure, or otherwise) of any interest in the IRU, including, but not limited to a fee simple interest, a joint tenancy interest, a tenancy in common, a life estate, or any interest evidenced by a land contract by which possession of the IRU is transferred and the Owner obtains title.

2. Property Subject to Covenant. Declarant and each subsequent Owner of the IRU, and every party with an interest in title to the IRU hereby covenants and agrees that the IRU will be used, occupied, and Transferred strictly in conformance with the provisions of this Covenant, for so long as this Covenant remains in force and effect.

3. Initial Sale. The Initial Sale of the IRU by Declarant shall be subject to the following restrictions:

(a) The Initial Sale of the IRU shall be at a price no greater than _____ Dollars and No/100.

(b) Declarant shall make a good faith effort, as described in the Rules, to market the IRU for sale to households that are expected to qualify as Eligible Households and use the IRU as their own primary residence.

(c) If, during Declarant's marketing of the IRUs, more than one offer is received for the IRU, the Declarant shall use a fair selection process to select among the prospective purchasers.

(d) The Declarant shall not close on the sale of the IRU without first obtaining a verification of eligibility issued by HOST for the buyer or buyers as set forth in Section 4 below. A copy of each verification shall be furnished by HOST and maintained on file by HOST.

(e) Upon closing of the Initial Sale of the IRU, the purchase contract, Memorandum of Acceptance, appraisal (if necessary), the warranty deed and a copy of the HUD-1 Settlement Sheet (or similar documentation), and any other documentation deemed necessary by HOST shall be filed with HOST to verify the sale of the IRU.

4. Eligible Household Verification.

(a) Prior to entering into a purchase and sale contract for the IRU, a household must be income verified by HOST. The household must submit a request for income verification (on the form provided by the City).

(b) Within ten (10) business days after receipt of the income verification request, the City shall verify the potential purchaser's household income based on the Rules and either (i) issue a verification, signed by the City, stating that the household is an Eligible Household (the "Verification"); or (ii) deliver notice to the household specifying the reasons that

a Verification cannot be issued.

5. Memorandum of Acceptance. Each Owner shall execute and record a Memorandum of Acceptance in substantially the form attached hereto as Exhibit A (completed with the appropriate information relating to the IRU and such Owner) in the real property records of the City and County of Denver, Colorado concurrently with the recordation of such Owner's deed to the IRU. Such Memorandum of Acceptance shall state that the conveyed property is an IRU and is subject to the restrictions contained in this Covenant.

Upon any sale or resale of the IRU, a Memorandum of Acceptance shall be recorded with the Clerk and Recorder of the City and County of Denver concurrently with the deed for the IRU. If the Memorandum of Acceptance is not so recorded, then the transfer shall be voidable at the option of the City.

6. Use and Occupancy.

(a) Owners of the IRU shall occupy the IRU within thirty (30) days after closing of their purchase thereof.

(b) At all times during the Covenant Period the Owner shall occupy the IRU as the Owner's sole, exclusive and permanent place of residence. A permanent residence shall mean the home or place in which one's habitation is fixed and to which one, whenever one is absent, has a present intention of returning after a departure or absence therefrom. The maximum duration of absence within any one (1) year period is sixty (60) days. In determining what is a permanent residence, the City may consider the following circumstances relating to the Owner: business pursuits, employment, income sources, residence for income or other tax purposes, age, marital status, residence of parents, spouse and children, if any, location of personal and real property, and motor vehicle registration. Temporary exceptions allowing the Owner of the IRU to rent out the IRU (subject to the limitations set forth in the Rules) may only be granted by HOST as permitted by and justified under the Rules. Under no circumstances shall the IRU be used as a short-term rental, as defined by Article III, Chapter 33 of the Denver Revised Municipal Code. The requirements of this Section shall not preclude an Owner from sharing occupancy of an IRU with non-Owners on a rental basis provided Owner continues to reside in the IRU and to meet the obligations contained in this Covenant.

(c) If the Owner dies, at least one person taking title by will or by operation of law, whether eligible or not, either shall occupy the IRU as his, her, or their primary residence during the Covenant Period, or shall sell the IRU as provided herein. In no event shall the death of the Owner affect the operation of the Covenant or the Rules, including, but not limited to, the provisions related to Maximum Sale Price.

7. Maximum Sale Price.

(a) If, at any time during the Covenant Period, an Owner desires to sell their IRU, the Owner shall, at least ten (10) days prior to offering such IRU for sale, complete and submit to HOST a Maximum Resale Request (on the form provided by the City). Such form shall include the date on which the Owner will be ready to begin the marketing to Eligible Households.

(b) The Maximum Sale Price is calculated as follows:

(i) Start with the Prior Purchase Price paid for the IRU;

(ii) For each year from the date that the selling Owner acquired the IRU multiply the selling Owner's Prior Purchase Price by the percentage change over the prior year in the Case/Shiller index up to a maximum increase for any given year of 3.5 percent. Each year's percent increase is added to the Prior Purchase Price and is not compounded from year to year. In years where the Case/Shiller index decreases, there shall be no adjustment to decrease the Prior Purchase Price of the IRU;

(iii) For each year add the product of the multiplication described in 6(a)(ii) above to the selling Owner's purchase price;

(iv) Add the costs of Eligible Capital Improvements that have been approved by HOST up to the time of Transfer; and

(v) Add the amount of the sales commission paid by the Owner; provided that such amount does not exceed the maximum allowable sales commission published by HOST on an annual basis.

(c) The Owner may not list the IRU for sale prior to receipt of HOST's written determination of the Maximum Sale Price. After receiving such determination from the City, the selling Owner may list the IRU for sale to potential Eligible Households at or below such Maximum Sale Price. THE MAXIMUM SALE PRICE IS ONLY AN UPPER LIMIT ON THE RESALE PRICE FOR THE IRU, AND NOTHING HEREIN SHALL BE CONSTRUED TO CONSTITUTE A REPRESENTATION, WARRANTY OR GUARANTEE BY THE CITY OR DECLARANT THAT UPON RESALE THE OWNER SHALL OBTAIN THE MAXIMUM SALE PRICE. DEPENDING UPON THE CONDITION OF THE UNIT AND CONDITIONS AFFECTING THE REAL ESTATE MARKET, THE OWNER MAY OBTAIN LESS THAN THE MAXIMUM SALE PRICE FOR THE IRU UPON RESALE.

(d) The Owner shall make a good faith effort to market the IRU in accordance with the requirements set forth in the Rules to purchasers that are expected to qualify as Eligible Households.

(e) The Owner may enter into a contract for the sale of the IRU upon such terms and conditions as the selling Owner shall deem acceptable, provided, however, that the purchase price shall not exceed the Maximum Sale Price.

(f) The verification procedure described above in Section 4 shall apply to each resale of any IRU.

(g) Upon the transfer of the IRU, the purchaser must sign and record a Memorandum of Acceptance as described above in Section 5.

(h) The Director may waive the restrictions on the resale prices for IRUs if the Director finds that the restrictions conflict with regulations of federal or state housing programs and thus prevent Eligible Households from buying dwelling units under the IRU program. Any waiver shall be in writing, shall reference the recorded covenant, and shall be recorded in the records of the Clerk and Recorder for the City and County of Denver, Colorado.

8. Remedies in the Event of Breach.

(a) In the event that HOST has reasonable cause to believe that an Owner is violating the provisions of this Covenant, an authorized representative of HOST may seek permission to enter the IRU, if necessary to determine compliance.

(b) In the event the City becomes aware of an alleged violation of this Covenant, the City or HOST shall send a notice of such alleged violation to the Owner detailing the nature thereof and allowing the Owner thirty (30) days to cure such default or request a hearing before the City in accordance with the process described in the Rules. If no hearing is requested and the violation is not cured within the thirty (30) day period, the Owner shall be considered in violation of this Covenant. If a hearing is held before the City, the decision of the City based on the record of such hearing shall be final for the purpose of determining if a violation has occurred.

(c) There is hereby reserved to the City, HOST and the Director the right to enforce this Covenant, including any and all remedies provided pursuant to the Denver Revised Municipal Code.

(d) Any Owner who violates the occupancy provisions of Section 6(b) above may be required by the Director to occupy such IRU as Owner's domicile, offer the IRU for resale to an Eligible Household, and/or turn over to the City all rents received without a City exception.

(e) Subject to the limitations set forth in Section 10 below, in the event the IRU is Transferred in a manner that is not in full compliance with the terms and conditions of this Covenant, such Transfer shall be wholly null and void and shall confer no title whatsoever upon the purported transferee. Each and every Transfer of the IRU, for all purposes, shall be deemed to include and incorporate by this reference the covenants herein contained, regardless of reference therein to this Covenant. Notwithstanding anything in this Covenant to the contrary, in the event that the IRU is encumbered by a deed of trust from a Purchase Money First Lien Holder and such deed of trust is insured by HUD, the City's remedies shall specifically not include remedies prohibited by HUD, such as: (i) voiding a conveyance, including a lease, by the Owner; (ii) terminating the Owner's interest in the IRU; or (iii) subjecting the Owner to contractual liability including damages, specific performance or injunctive relief, other than requiring repayment at a reasonable rate of interest any amount paid for an IRU above the Maximum Sale Price.

9. Seniority of Covenant. This Covenant is senior to all instruments securing permanent financing, except as otherwise permitted herein.

10. Release of Covenant in Foreclosure.

(a) In the event of notice of default or notice of foreclosure by the Purchase Money First Lien Holder (which shall include assignees of the Purchase Money First Lien Holder), the Owner shall send a copy of said notice to HOST within seven (7) days of receipt.

(b) The City, pursuant to the process and rights described in Subsection 10 (c) below, shall release this Covenant of record and waive its ability to enforce the provisions of this Covenant with respect to the IRU in the event of foreclosure or the acceptance of a deed in lieu of foreclosure with respect to the IRU by a Purchase Money First Lien Holder which is a holder of a purchase money first priority deed of trust against the IRU (which shall be the only party entitled to take the IRU free of this Covenant pursuant to the provisions of this Section 10). In the event that HOST purchases the IRU at foreclosure, HOST or its designee may sell the IRU to Eligible Households, or rent the IRU until such time that the IRU can be sold to an Eligible Household in accordance with this Covenant. As to any IRU encumbered by a HUD-insured mortgage, this Covenant shall automatically and permanently terminate upon

foreclosure of a deed of trust by a Purchase Money First Lien Holder, acceptance of a deed in lieu of foreclosure by a Purchase Money First Lien Holder, or assignment to HUD of a purchase money first priority deed of trust encumbering the IRU.

(c) In the event of (i) a foreclosure action being brought by the Purchase Money First Lien Holder (including assigns of the Purchase Money First Lien Holder), or (ii) the request for the Purchase Money First Lien Holder to accept title to the IRU by deed in lieu of foreclosure, the Owner shall give a copy of any notice of intent to foreclose or request for deed in lieu to HOST within ten (10) days of receipt of such notice or request. Notice to HOST shall be to the address of HOST as provided in this Covenant with a copy to the City Attorney's Office. In the event that the Purchase Money First Lien Holder takes title to the IRU pursuant to a deed in lieu of foreclosure, the Owner shall give notice to HOST with a copy to the City Attorney's Office upon the vesting of title to the IRU in Purchase Money First Lien Holder.

11. Limitation on Equity Mortgages. During the Covenant Period, Owner shall not cause or allow any second mortgage, refinance mortgage, or equity mortgage greater than the then-current Maximum Sale Price to be placed on or recorded against the IRU. Any action in contravention of this provision shall be void and may subject the Owner to any applicable penalties for fraud.

12. Covenant Running with Land; Duration of Covenant. The terms of this Covenant and the provisions of the Rules shall apply to the IRUs and run with the land as a burden thereof until Final Sale, and shall be specifically enforceable by the City and its successors and assigns, as applicable, by any appropriate legal action including but not limited to specific performance, injunction, reversion or eviction of non-complying Owners and/or occupants.

13. Final IRU Sale.

(a) Assuming no previous termination due to foreclosure, this Covenant shall terminate, expire and be of no further force and effect with respect to the IRU on the date of Final Sale.

(b) If an Owner desires to sell their IRU within the ten (10) year period after the end of the Covenant Period, such proposed sale shall be subject to the following requirements:

(i) Right of HOST to Purchase. No less than thirty (30) days before offering the IRU for Final Sale, the Owner shall notify HOST of the proposed offering and the date on which the Owner will be ready to offer the property for sale. The notice shall affirm that the property will be offered at fair market value with no extraordinary terms of sale and that it is being offered as a single property for sale. The notice shall set forth the proposed sale price, number of bedrooms, unit size by square feet, and a description of the amenities offered in the IRU.

(ii) Within thirty (30) days of HOST's receipt of the notice described above, HOST shall provide written notice to the Owner of the City's or its designee's intent to purchase the IRU. If the City or its designee opts to purchase the IRU, it shall complete such purchase within ninety (90) days after the date on which the notice of intent to purchase was received by the Owner. If the City does not so notify the Owner or if the purchase of the property does not close within such ninety (90) day period, the Owner may proceed to sell the IRU to any third party purchaser.

14. Notices. Any notice, consent or approval which is required or permitted to be

21. Waiver. No claim of waiver, consent or acquiescence with respect to any provision of this Covenant shall be valid against any party hereto except on the basis of a written instrument executed by the parties to this Covenant. However, the party for whose benefit a condition is inserted herein shall have the unilateral right to waive such condition.

22. Gender and Number. Whenever the context so requires herein, the neuter gender shall include any or all genders and vice versa and the use of the singular shall include the plural and vice versa.

23. Personal Liability. Owner shall be personally liable for any of the transactions contemplated herein.

24. Further Actions. The parties to this Covenant agree to execute such further documents and take such further actions as may be reasonably required to carry out the provisions and intent of this Covenant or any restriction or document relating hereto or entered into in connection herewith.

25. Modifications. The parties to this Covenant agree that any modifications of this Covenant shall be effective only when made by writings signed by both parties and recorded with the Clerk and Recorder of the City and County of Denver, Colorado.

26. Owner and Successors. It is understood that a person or persons shall be deemed an Owner hereunder only during the period of his, her or their ownership interest in the IRU and shall be obligated hereunder for the full and complete performance and observance of all covenants, conditions and restrictions contained herein during such period. Notwithstanding the foregoing, if an Owner conveys the IRU in violation of this Covenant, nothing herein shall prevent or limit the City's ability to seek a remedy against such Owner even after their ownership interest in the IRU ceases.

EXHIBIT A

**MEMORANDUM OF ACCEPTANCE
OF
NOTICE OF VOIDABLE TITLE TRANSFER AND AFFORDABLE
HOUSING COVENANT FOR THE OCCUPANCY AND RESALE OF
UNIT AT**

[Project Name]

WHEREAS, _____, the Buyer, purchased

[Buyer Name]
_____, on the date of _____ from

[Property Address]
_____. Seller. The maximum resale price [is

(Seller Name)
/is deemed to be] \$ _____ as of _____, 20____.

[purchase price amount]

WHEREAS, the Seller of the IRU is requiring as a prerequisite to the sale transactions, that the Buyer acknowledge and agree to the terms, conditions and restrictions found in that certain instrument entitled "Notice of Voidable Title Transfer and Affordable Housing Covenant for The Occupancy and Resale of Unit at _____", recorded on _____, 20____, under Reception No. _____, in the real property records of the City and County of Denver, Colorado (the "Covenant").

[Project Name]

NOW, THEREFORE, as an inducement to the Seller to sell the Unit, the Buyer:

1. Acknowledges that Buyer has carefully read the entire Covenant, that applies to the property and has had the opportunity to consult with legal and financial counsel concerning the Covenant and fully understands the terms, conditions, provisions, and restrictions contained in the Covenant.
2. Acknowledges the Covenant **voids title passage** if a transfer is attempted which is non-compliant with the affordability restrictions in the Covenant. The failure to transfer for a restricted price and to an eligible household under the Covenant means title is not transferred (void) and the buyer has no title or ownership of the property.
3. Acknowledges that, before selling this affordable home in the future, it is mandatory that approval is obtained **in writing** from the City and County of Denver, Department of Housing Stability, 201 West Colfax Ave., Dept. 615, Denver, Colorado 80202.
4. Acknowledges that the terms of the Covenant restrict the resale price. Maximum resale price is available only from the City and County of Denver.

5. Acknowledges that the terms of the Covenant restrict purchasers to households earning no more than _____% of Area Median Income (“AMI”). Allowable income maximums are available only from the City and County of Denver.

6. Acknowledges that the City and County of Denver may recover as financial penalty all amounts overpaid to the seller and require the purchaser to sell the property for the affordable price to an eligible household. The City’s recovery of a penalty does not limit any action a buyer or other injured party may have to recover their damages from the seller.

7. Acknowledges that the terms of the Covenant prohibit rentals except in limited circumstances. Exceptions to rental require the written approval of the City and County of Denver.

8. Acknowledges that the City and County of Denver may recover as financial penalty all rents paid for and require the purchaser to sell the property for the affordable price to an eligible household. The City’s recovery of a penalty does not limit any action a resident or other injured party may have to recover their damages from the landlord.

9. Notice to Buyer, pursuant to Subsection 14 of the Covenant, should be sent to:

10. In addition to the above, the City and County of Denver may seek any remedy allowed to it for violations of Article X, Chapter 27, Denver Revised Municipal Code (including any adopted rules and regulations) or the Covenant.

11. Directs that this memorandum be placed of record in the real estate records of the City and County of Denver, Colorado and a copy provided to the Department of Housing Stability.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

