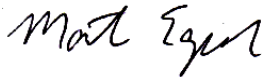


DISTRICT COURT, DENVER COUNTY, COLORADO	
Court Address: 1437 Bannock Street, Rm 256, Denver, CO, 80202	
Plaintiff(s) GERALD ROME SECURITIES COM FOR THE ST OF CO v. Defendant(s) GARY DRAGUL et al.	DATE FILED: February 26, 2019 3:26 PM CASE NUMBER: 2018CV33011 <p style="text-align: center;">△ COURT USE ONLY △</p> Case Number: 2018CV33011 Division: 424 Courtroom:
Order: ORDER APPROVING WINNING AND BACKUP CONTRACTS FOR SALE OF HAPPY CANYON SHOPPES	

The motion/proposed order attached hereto: SO ORDERED.

Issue Date: 2/26/2019



MARTIN FOSTER EGELHOFF
District Court Judge

<p>DISTRICT COURT, DENVER COUNTY, STATE OF COLORADO Denver District Court 1437 Bannock St. Denver, CO 80202</p>	<p style="text-align: center;">▲ COURT USE ONLY ▲</p>
<p>Plaintiff: Chris Mykelbust, Securities Commissioner for the State of Colorado</p> <p>v.</p> <p>Defendant: Gary Dragul, GDA Real Estate Services, LLC, and GDA Real Estate Management, LLC</p>	
<p>Attorneys for Receiver:</p> <p>Patrick D. Vellone, #15284 Michael T. Gilbert, #15009 Rachel A. Sternlieb, #51404 ALLEN VELLONE WOLF HELFRICH & FACTOR P.C. 1600 Stout St., Suite 1100 Denver, Colorado 80202 Phone Number: (303) 534-4499 E-mail: pvellone@allen-vellone.com E-mail: mgilbert@allen-vellone.com E-mail: rsternlieb@allen-vellone.com</p>	<p>Case Number: 2018CV33011</p> <p>Division/Courtroom: 424</p>
<p style="text-align: center;">ORDER APPROVING WINNING AND BACKUP CONTRACTS FOR SALE OF HAPPY CANYON SHOPPES</p>	

THIS MATTER is before the Court on the Receiver’s Motion for Order Authorizing Sale of Happy Canyon Shoppes (the “Sale Motion”; filed January 16, 2019;), and the Report of Auction and Request for Approval of Winning and Backup Contracts (“Auction Report”) filed by Harvey Sender, the duly appointed Receiver in this case (the “Receiver”). The Court has reviewed the Motion, this Court’s February 13, 2019, Order Approving Happy Canyon Shoppes Auction Procedures

(“Order Approving Auction Procedures”), and the Auction Report, the file, and is otherwise advised.

THE COURT HEREBY FINDS THAT: On August 30, 2018, the Court entered a Stipulated Order Appointing Receiver (the “Receivership Order”) appointing Harvey Sender of Sender & Smiley, LLC as receiver for Dragul, GDA Real Estate Services, LLC, GDA Real Estate Management, LLC, and related entities, their respective properties and assets, and interests and management rights in related affiliated and subsidiary businesses (the “Receivership Estate” or the “Estate”). The Happy Canyon Shoppes (the “Property”) as defined in the Sale Motion is currently titled in the name of HC Shoppes 18 A, LLC and HC Shoppes 18 B, LLC, both Delaware limited liability companies (the “Shoppes Entities”). The sole member of the Shoppes LLC is DBHC Holdings, LLC (“DBHC”), another Delaware limited liability company whose sole member is Gary J. Dragul. The Shoppes is managed by GDA Real Estate Management, Inc., whose president and sole-owner is Gary J. Dragul. The Shoppes is therefore property of the Estate the Receiver is authorized to sell under the Receivership Order.

THE COURT FURTHER FINDS THAT on February 22, 2019, the Receiver conducted an auction for the Property in accordance with this Court’s Order Approving Auction Procedures. Two qualified bidders appeared at the auction, BPI, Inc. (“BPI”) and Gart Properties, LLC (“Gart”). BPI was the Successful Bidder with a bid of \$24.2 million. Gart was the Backup Bidder with a bid of \$24.1 million. Both BPI and Gart have executed purchase agreements for the Happy Canyon Shoppes in accordance with the Order Approving Auction Procedures. Copies of those agreements are attached as Exhibits 1 and 2 to the Auction Report. The Court hereby finds that sale of the Property is in the best interest of the Estate and its creditors. Accordingly, the

COURT HEREBY ORDERS that the Auction Report is approved. Harvey Sender, as Receiver for HC Shoppes 18 A, LLC, a Delaware limited liability company and HC Shoppes 18 B, LLC, a Delaware limited liability company, pursuant to the Receivership Order, is hereby authorized to sell the Property to BPI (or Gart as the Backup Bidder if the BPI purchase and sale agreement does not timely close) on the terms and conditions set forth in Exhibits 1 and 2 to the Auction Report, and to take any and all further actions necessary to consummate the sale including, but not limited to, executing the deed conveying title and taking all actions necessary to remove all monetary liens and encumbrances from the Property pursuant to the Sale Motion and Auction Report.

THE COURT FURTHER ORDERS THAT from the net proceeds from the Shoppes sale (after paying broker's commissions, prorated closing costs, and other customary costs of sale) the Receiver shall – subject to further accounting and itemization Ardent may provide to the Receiver – pay Ardent \$18,907,140.33 (\$18,592,736.76 in principal and \$314,403.57 in interest on its Shoppes Loan). The the remaining funds shall be held in escrow until the Ardent cross-collateralization issue is resolved. With respect to the Property, this Order supersedes any restriction, limitation, or injunction imposed by this Court's August 15, 2018, Temporary Restraining Order, Order Freezing Assets, Order of Non-Destruction of Records.

Dated: _____, 2019.

BY THE COURT:

Hon. District Court Judge