

<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 MYKLEBUST, SECURITIES COMMISSIONER FOR THE STATE OF COLORADO</p> <p>v.</p> <p>Defendants: GARY DRAGUL, GDA REAL ESTATE SERVICES, LLC, AND GDA REAL ESTATE MANAGEMENT, LLC</p>	
<p>Attorneys for Receiver: 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 pvellone@allen-vellone.com mgilbert@allen-vellone.com rsternlieb@allen-vellone.com</p>	<p>Case Number: 2018CV33011</p> <p>Division/Courtroom: 424</p>
<p>RECEIVER’S MOTION FOR ORDER AUTHORIZING SALE OF REAL PROPERTY 5722 South Lansing Court, Englewood, Colorado 80111</p>	

Harvey Sender, the duly-appointed receiver (“Receiver”) for Gary Dragul (“Dragul”), GDA Real Estate Services, LLC, GDA Real Estate Management, LLC, and related entities (collectively, “Dragul and the GDA Entities”), asks the Court to enter an order approving the sale of real property located at 5722 South Lansing Court, Englewood, Colorado 80111 (the “Property”).

I. Background

1. On August 15, 2018, Gerald Rome, Securities Commissioner for the State of Colorado (the “Commissioner”), filed his Complaint for Injunctive and Other Relief against Dragul and the GDA Entities.

2. On August 29, 2018, the Commissioner, Dragul and the GDA Entities filed a Stipulated Motion for Appointment of Receiver, consenting to the appointment of a receiver over Dragul and the GDA Entities pursuant to COLO. REV. STAT. § 11-51-602(1), C.R.C.P. 66.

3. 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 and the GDA Entities, and their respective properties and assets, and interests and management rights in related affiliated and subsidiary businesses (the “Receivership Estate” or the “Estate”). Receivership Order at 2, ¶ 5.

II. The Proposed Sale

4. Pursuant to a March 11, 2019 purchase and sale agreement (the “PSA”), the Receiver agreed to sell and Irina and Nicholas Patete (“Buyers”) agreed to buy the Property for a purchase price of \$491,000.00 (the “Proposed Sale”). A copy of the fully-executed PSA and its addenda thereto are attached as **Exhibit 1** (the collectively, the “Contract”).

5. The Property is owned by 5722 South Lansing 14, LLC (“5722 S. Lansing 14”), which is 100% owned by X12 Housing, LLC (f/k/a GDA Housing, LLC) (“X12 Housing”). The sole member of X12 is Gary Dragul. 5722 S. Lansing 14 is managed by X12 Housing Management, Inc. (f/k/a GDA Housing Management, Inc.), whose president and sole shareholder is Gary Dragul. The Property is therefore property of the Receivership Estate.

6. The Receiver’s brokers listed the Property at \$460,000. Of the various offers made to the Receiver to purchase the Property, the proposed sale represents the highest and best offer, with the next highest offer being for \$486,000.

7. Under the Contract, closing on the Property is scheduled to occur on 28-days after Court approval of the Proposed Sale.

III. The Proposed Sale of the Property is in the Best Interests of the Estate and its Creditors.

8. The Receivership Order grants the Receiver the authority to sell or otherwise dispose of Estate property and obtain Court approval for any sale for greater than \$10,000 (Receivership Order at 12, ¶ 13(t)).

9. The Property was originally purchased on September 8, 2014 for \$355,000.00 by Grant '14, LLC, a wholly-owned Dragul entity, managed by GDA Real Estate Management, Inc.

10. Subsequently, on June 30, 2015, Grant 14, LLC sold the property to GDA Affiliate, 5722 S. Lansing 14 for \$371,000.

11. On August 24, 2016, Dragul refinanced the Property and obtained a \$297,500.00 loan from Velocity Commercial Capital, LLC ("Velocity") personally guaranteed by Dragul and secured by a Deed of Trust, Security Agreement and Assignment of Leases and Rents ("the Velocity Loan"). On November 27, 2018, the Velocity Loan was declared in default.

12. On or about March 21, 2018, WBF/CT Associates, LLC ("WBF") extended a line of credit of up to \$1,200,000.00 to Dragul (the "LOC"). The LOC was evidenced by a March 21, 2018, Promissory Note and Loan Agreement, and was secured and cross-collateralized by 11 residential properties, including 5277 South Landing Court (collectively, the "Collateral"). A Second Deed of Trust was recorded by WBF on April 26, 2017.

13. The principal balance of the first mortgage (the Velocity Loan) on the Property is estimated to be approximately \$297,500,000, and the Property is further encumbered by a second deed of trust in favor of WBF securing the outstanding LOC balance of \$1,120,000. Under the WBF Settlement previously approved by the Court, the Estate will receive 30% of the net proceeds from the proposed sale of the Property, approximately \$49,948.50. The Receiver believes the proposed sale is fair, reasonable, and in the best interests of the Estate. The sale will eliminate the Estate's obligation to fund the first mortgage on the Property, will reduce the outstanding balance on the WBF LOC, and will result in approximately \$49,000.00 being paid to the Estate.

14. Distribution of the sales proceeds are estimated as follows:

Sale Price	\$491,000.00
1 st Mortgage (Velocity)	(\$297,500.00)
2 nd Mortgage (70% of \$166,495.00)	(\$116,546.50)
Brokers' Commissions (5.5%)	(\$27,005.00)
Approximate Net to Estate	\$49,948.50

15. The Property is a 4-bedroom, 3-bath, 1,704 square-foot home located in Englewood, Colorado. It was listed for \$460,000 and was on the market for approximately 20 days. Under the Proposed Sale, Buyers have agreed to purchase the Property for more than the listing price at \$491,000. Of the various offers made to buy the Property, the Proposed Sale represents the highest and best offer, with the next highest offer being for \$486,000.

16. Buyers are arms-length purchasers with no affiliation to Dragul or the Dragul Entities, and based on the listing broker's market valuation, \$491,000 is a fair market price for the Property.

17. Pursuant to paragraph 10 of the Receivership Order, Court approval of any motion filed by the Receiver shall be given as a matter of course within 10 days after the motion is filed and served. As reflected by the certificate of service below, this Motion is being served on all parties in interest, and upon all known creditors in accordance with the Court's February 1, 2019 Order regarding same.

WHEREFORE, the Receiver respectfully requests that the Court grant this Motion and enter an Order approving the Proposed Sale of the 5722 South Lansing Court, Englewood, Colorado 80111 in accordance with the terms of the Contract.

Dated: March 19, 2019

ALLEN VELLONE WOLF HELFRICH & FACTOR P.C.

By: *Rachel A. Sternlieb*
Rachel A. Sternlieb

Patrick D. Vellone, # 15284

Michael T. Gilbert, #15009

Rachel A. Sternlieb, #51404

ATTORNEYS FOR THE RECEIVER

CERTIFICATE OF SERVICE

I hereby certify that on March 19, 2018, I served a true and correct copy of the foregoing **MOTION FOR ORDER AUTHORIZING SALE OF REAL PROPERTY 5722 South Lansing Court, Englewood, Colorado 80111** via CCE to the following:

Cynthia H. Coffman
Robert W. Finke
Matthew J. Bouillon Mascareñas
Ralph L. Carr Judicial Building
1300 Broadway, 8th Floor
Denver, Colorado 80203

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Commissioner***

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Capital***

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jhaberkorn@remax.net

Buyer's Agent

Jeffery A. Springer, Esq.
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1600 Broadway, Suite 1200
Denver, Colorado 80202

***Counsel for Defendants, Gary
Dragul, GDA Real Estate Services,
LLC and GDA Real Estate
Management, LLC***

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Counsel for WBF/CT Associates, LLC

/s/ Terri M. Novoa 
ALLEN VELLONE WOLF HELFRICH & FACTOR P.C.

CERTIFICATION OF E-SERVICE ON KNOWN CREDITORS

In accordance with this Court's February 1, 2019 Order clarifying notice procedures for this case, I also certify that a copy of the foregoing is being served by electronic mail on all currently known creditors of the Receivership Estate to the addresses set forth on the service list maintained in the Receiver's records.

s/ Terri M. Novoa

Allen Vellone Wolf Helfrich & Factor P.C.



The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission. (CBS1-6-18) (Mandatory 1-19)

THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX OR OTHER COUNSEL BEFORE SIGNING.

**CONTRACT TO BUY AND SELL REAL ESTATE
 (RESIDENTIAL)**

Date: 3/5/2019

AGREEMENT

1. AGREEMENT. Buyer agrees to buy and Seller agrees to sell the Property described below on the terms and conditions set forth in this contract (Contract).

2. PARTIES AND PROPERTY.

2.1. Buyer. *Irina Patete and Nicholas Patete* (Buyer) will take title to the Property described below as

Joint Tenants **Tenants In Common** **Other** n/a.

2.2. No Assignability. This Contract **IS NOT** assignable by Buyer unless otherwise specified in **Additional Provisions**.

2.3. Seller. *Gary Dragul Receivership Estate* (Seller) is the current owner of the Property described below.

2.4. Property. The Property is the following legally described real estate in the County of Arapahoe, Colorado:

LOT 29 BLK 10 CHERRY CREEK VISTA 6TH FLG AMEND RESUB

known as No. **5722 S Lansing Court, Englewood, CO 80111**,

together with the interests, easements, rights, benefits, improvements and attached fixtures appurtenant thereto, and all interest of Seller in vacated streets and alleys adjacent thereto except as herein excluded (Property).

2.5. Inclusions. The Purchase Price includes the following items (Inclusions):

2.5.1. Inclusions - Attached. If attached to the Property on the date of this Contract, the following items are included unless excluded under **Exclusions**: lighting, heating, plumbing, ventilating and air conditioning units, TV antennas, inside telephone, network and coaxial (cable) wiring and connecting blocks/jacks, plants, mirrors, floor coverings, intercom systems, built-in kitchen appliances, sprinkler systems and controls, built-in vacuum systems (including accessories) and garage door openers (including all remote controls). If checked, the following are owned by the Seller and included (leased items should be listed under **Due Diligence Documents**): **None** **Solar Panels** **Water Softeners** **Security Systems** **Satellite Systems** (including satellite dishes). If any additional items are attached to the Property after the date of this Contract, such additional items are also included in the Purchase Price.

2.5.2. Inclusions - Not Attached. If on the Property, whether attached or not, on the date of this Contract, the following items are included unless excluded under **Exclusions**: storm windows, storm doors, window and porch shades, awnings, blinds, screens, window coverings and treatments, curtain rods, drapery rods, fireplace inserts, fireplace screens, fireplace grates, heating stoves, storage sheds, carbon monoxide alarms, smoke/fire detectors and all keys.

2.5.3. Personal Property - Conveyance. Any personal property must be conveyed at Closing by Seller free and clear of all taxes (except personal property taxes for the year of Closing), liens and

Seller(s) Initials:

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encumbrances, except **Kitchen Refrigerator, Microwave Oven, Dishwasher, Built-in Range, Washer, Dryer and all Window Coverings.**

Conveyance of all personal property will be by bill of sale or other applicable legal instrument.

2.5.4. Other Inclusions. The following items, whether fixtures or personal property, are also included in the Purchase Price: **None**

If the box is checked, Buyer and Seller have concurrently entered into a separate agreement for additional personal property outside of this Contract.

2.5.5. Parking and Storage Facilities. The use or ownership of the following parking facilities: **Attached garage**; and the use or ownership of the following storage facilities:

NA.

Note to Buyer: If exact rights to the parking and storage facilities is a concern to Buyer, Buyer should investigate.

2.6. Exclusions. The following items are excluded (Exclusions): **None**

2.7. Water Rights/Well Rights.

2.7.1. Deeded Water Rights. The following legally described water rights:

NA

Any deeded water rights will be conveyed by a good and sufficient **NA** deed at Closing.

2.7.2. Other Rights Relating to Water. The following rights relating to water not included in §§ 2.7.1, 2.7.3 and 2.7.4, will be transferred to Buyer at Closing: **NA**

2.7.3. Well Rights. Seller agrees to supply required information to Buyer about the well. Buyer understands that if the well to be transferred is a "Small Capacity Well" or a "Domestic Exempt Water Well" used for ordinary household purposes, Buyer must, prior to or at Closing, complete a Change in Ownership form for the well. If an existing well has not been registered with the Colorado Division of Water Resources in the Department of Natural Resources (Division), Buyer must complete a registration of existing well form for the well and pay the cost of registration. If no person will be providing a closing service in connection with the transaction, Buyer must file the form with the Division within sixty days after Closing. The Well Permit # is **NA.**

2.7.4. Water Stock Certificates. The water stock certificates to be transferred at Closing are as follows: **NA**

2.7.5. Conveyance. If Buyer is to receive any rights to water pursuant to § 2.7.2 (Other Rights Relating to Water), § 2.7.3 (Well Rights), or § 2.7.4 (Water Stock Certificates), Seller agrees to convey such rights to Buyer by executing the applicable legal instrument at Closing.

3. DATES, DEADLINES AND APPLICABILITY.

3.1 Dates and Deadlines.

Item No.	Reference	Event	Date or Deadline
1	§ 4.3	Alternative Earnest Money Deadline	2 Days After MEC
Title			
2	§ 8.1, § 8.4	Record Title Deadline	7 Days After MEC
3	§ 8.2, § 8.4	Record Title Objection Deadline	10 Days After MEC
4	§ 8.3	Off-Record Title Deadline	7 Days After MEC
5	§ 8.3	Off-Record Title Objection Deadline	10 Days After MEC
6	§ 8.5	Title Resolution Deadline	10 Days After MEC
7	§ 8.6	Right of First Refusal Deadline	n/a
Owners' Association			
8	§ 7.2	Association Documents Deadline	7 Days After MEC
9	§ 7.4	Association Documents Termination Deadline	10 Days After MEC
Seller's Disclosures			
10	§ 10.1	Seller's Property Disclosure Deadline	5 Days After MEC

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11	§ 10.10	Lead-Based Paint Disclosure Deadline	2 Days After MEC
Loan and Credit			
12	§ 5.1	New Loan Application Deadline	Completed
13	§ 5.2	New Loan Termination Deadline	5 Days Prior to Closing
14	§ 5.3	Buyer's Credit Information Deadline	n/a
15	§ 5.3	Disapproval of Buyer's Credit Information Deadline	n/a
16	§ 5.4	Existing Loan Deadline	n/a
17	§ 5.4	Existing Loan Termination Deadline	n/a
18	§ 5.4	Loan Transfer Approval Deadline	n/a
19	§ 4.7	Seller or Private Financing Deadline	n/a
Appraisal			
20	§ 6.2	Appraisal Deadline	17 Days After MEC
21	§ 6.2	Appraisal Objection Deadline	19 Days After MEC
22	§ 6.2	Appraisal Resolution Deadline	20 Days After MEC
Survey			
23	§ 9.1	New ILC or New Survey Deadline	n/a
24	§ 9.3	New ILC or New Survey Objection Deadline	n/a
25	§ 9.3	New ILC or New Survey Resolution Deadline	n/a
Inspection and Due Diligence			
26	§ 10.3	Inspection Objection Deadline	10 Days After MEC
27	§ 10.3	Inspection Termination Deadline	13 Days After MEC
28	§ 10.3	Inspection Resolution Deadline	12 Days After MEC
29	§ 10.5	Property Insurance Termination Deadline	14 Days After MEC
30	§ 10.6	Due Diligence Documents Delivery Deadline	10 Days After MEC
31	§ 10.6	Due Diligence Documents Objection Deadline	12 Days After MEC
32	§ 10.6	Due Diligence Documents Resolution Deadline	13 Days After MEC
33	§ 10.7	Conditional Sale Deadline	NONE
34	§ 10.10	Lead-Based Paint Termination Deadline	12 Days After MEC
Closing and Possession			
35	§ 12.3	Closing Date	30 Days After MEC
36	§ 17	Possession Date	30 Days After MEC
37	§ 17	Possession Time	At Delivery of Deed
38	§ 28	Acceptance Deadline Date	NA
39	§ 28	Acceptance Deadline Time	NA
40	n/a	n/a	
41	n/a	n/a	

Note: If **FHA** or **VA** loan boxes are checked in § 4.5.3 (Loan Limitations), the **Appraisal** deadlines **DO NOT** apply to **FHA** insured or **VA** guaranteed loans.

3.2. Applicability of Terms. Any box checked in this Contract means the corresponding provision applies. If any deadline blank in § 3.1 (Dates and Deadlines) is left blank or completed with the abbreviation "N/A", or the word "Deleted," such deadline is not applicable and the corresponding provision containing the deadline is deleted. If no box is checked in a provision that contains a selection of "None", such provision means that "None" applies.

The abbreviation "MEC" (mutual execution of this Contract) means the date upon which both parties have signed this Contract.

Seller(s) Initials:

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4. **PURCHASE PRICE AND TERMS.**

4.1. **Price and Terms.** The Purchase Price set forth below is payable in U.S. Dollars by Buyer as follows:

Item No.	Reference	Item	Amount	Amount
1	§ 4.1	Purchase Price	\$491,000.00	
2	§ 4.3	Earnest Money		\$25,000.00
3	§ 4.5	New Loan		\$392,800.00
4	§ 4.6	Assumption Balance		\$0.00
5	§ 4.7	Private Financing		\$0.00
6	§ 4.7	Seller Financing		\$0.00
7	NA	NA	\$0.00	\$0.00
8	NA	NA	\$0.00	\$0.00
9	§ 4.4	Cash at Closing		\$73,200.00
10		TOTAL	\$491,000.00	\$491,000.00

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4.2. **Seller Concession.** At Closing, Seller will credit to Buyer \$ 0 (Seller Concession). The Seller Concession may be used for any Buyer fee, cost, charge or expenditure to the extent the amount is allowed by the Buyer's lender and is included in the Closing Statement or Closing Disclosure at Closing. Examples of allowable items to be paid for by the Seller Concession include, but are not limited to: Buyer's closing costs, loan discount points, loan origination fees, prepaid items and any other fee, cost, charge, expense or expenditure. Seller Concession is in addition to any sum Seller has agreed to pay or credit Buyer elsewhere in this Contract.

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4.3. **Earnest Money.** The Earnest Money set forth in this Section, in the form of a a personal check/wire transfer, will be payable to and held by Land Title Guarantee Company (Earnest Money Holder), in its trust account, on behalf of both Seller and Buyer. The Earnest Money deposit must be tendered, by Buyer, with this Contract unless the parties mutually agree to an **Alternative Earnest Money Deadline** for its payment. The parties authorize delivery of the Earnest Money deposit to the company conducting the Closing (Closing Company), if any, at or before Closing. In the event Earnest Money Holder has agreed to have interest on Earnest Money deposits transferred to a fund established for the purpose of providing affordable housing to Colorado residents, Seller and Buyer acknowledge and agree that any interest accruing on the Earnest Money deposited with the Earnest Money Holder in this transaction will be transferred to such fund.

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4.3.1. **Alternative Earnest Money Deadline.** The deadline for delivering the Earnest Money, if other than at the time of tender of this Contract, is as set forth as the **Alternative Earnest Money Deadline**.

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4.3.2. **Return of Earnest Money.** If Buyer has a Right to Terminate and timely terminates, Buyer is entitled to the return of Earnest Money as provided in this Contract. If this Contract is terminated as set forth in § 25 and, except as provided in § 24 (Earnest Money Dispute), if the Earnest Money has not already been returned following receipt of a Notice to Terminate, Seller agrees to execute and return to Buyer or Broker working with Buyer, written mutual instructions (e.g., Earnest Money Release form), within three days of Seller's receipt of such form.

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4.4. **Form of Funds; Time of Payment; Available Funds.**

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4.4.1. **Good Funds.** All amounts payable by the parties at Closing, including any loan proceeds, Cash at Closing and closing costs, must be in funds that comply with all applicable Colorado laws, including electronic transfer funds, certified check, savings and loan teller's check and cashier's check (Good Funds).

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4.4.2. **Time of Payment; Available Funds.** All funds, including the Purchase Price to be paid by Buyer, must be paid before or at Closing or as otherwise agreed in writing between the parties to allow disbursement by Closing Company at Closing **OR SUCH NONPAYING PARTY WILL BE IN DEFAULT**. Buyer represents that Buyer, as of the date of this Contract, **Does** **Does Not** have funds that are immediately

Seller(s) Initials:

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265 verifiable and available in an amount not less than the amount stated as Cash at Closing in § 4.1.

266 **4.5. New Loan.**

267 **4.5.1. Buyer to Pay Loan Costs.** Buyer, except as otherwise permitted in § 4.2 (Seller
268 Concession), if applicable, must timely pay Buyer's loan costs, loan discount points, prepaid items and loan
269 origination fees as required by lender.

270 **4.5.2. Buyer May Select Financing.** Buyer may pay in cash or select financing
271 appropriate and acceptable to Buyer, including a different loan than initially sought, except as restricted in §
272 4.5.3 (Loan Limitations) or § 30 (Additional Provisions).

273 **4.5.3. Loan Limitations.** Buyer may purchase the Property using any of the following
274 types of loans: **Conventional** **FHA** **VA** **Bond** **Other** **NA**.

275 **4.5.4. Loan Estimate – Monthly Payment and Loan Costs.** Buyer is advised to review
276 the terms, conditions and costs of Buyer's New Loan carefully. If Buyer is applying for a residential loan, the
277 lender generally must provide Buyer with a Loan Estimate within three days after Buyer completes a loan
278 application. Buyer also should obtain an estimate of the amount of Buyer's monthly mortgage payment.

281 **4.6. Assumption.** (Omitted as inapplicable)

282 **4.7. Seller or Private Financing.** (Omitted as inapplicable)

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TRANSACTION PROVISIONS

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289 **5. FINANCING CONDITIONS AND OBLIGATIONS.**

290 **5.1. New Loan Application.** If Buyer is to pay all or part of the Purchase Price by obtaining one or
291 more new loans (New Loan), or if an existing loan is not to be released at Closing, Buyer, if required by such
292 lender, must make an application verifiable by such lender, on or before **New Loan Application Deadline** and
293 exercise reasonable efforts to obtain such loan or approval.

294 **5.2. New Loan Review.** If Buyer is to pay all or part of the Purchase Price with a New Loan, this
295 Contract is conditional upon Buyer determining, in Buyer's sole subjective discretion, whether the New Loan is
296 satisfactory to Buyer, including its availability, payments, interest rate, terms, conditions and cost. This
297 condition is for the sole benefit of Buyer. Buyer has the Right to Terminate under § 25.1, on or before **New**
298 **Loan Termination Deadline**, if the New Loan is not satisfactory to Buyer, in Buyer's sole subjective discretion.
299 Buyer does not have a Right to Terminate based on the New Loan if the objection is based on the Appraised
300 Value (defined below) or the Lender Requirements (defined below). **IF SELLER IS NOT IN DEFAULT AND**
301 **DOES NOT TIMELY RECEIVE BUYER'S WRITTEN NOTICE TO TERMINATE, BUYER'S EARNEST MONEY**
302 **WILL BE NONREFUNDABLE**, except as otherwise provided in this Contract (e.g., Appraisal, Title, Survey).

303 **5.3. Credit Information and Buyer's New Senior Loan.** (Omitted as inapplicable)

304 **5.4. Existing Loan Review.** (Omitted as inapplicable)

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311 **6. APPRAISAL PROVISIONS.**

312 **6.1. Appraisal Definition.** An "Appraisal" is an opinion of value prepared by a licensed or certified
313 appraiser, engaged on behalf of Buyer or Buyer's lender, to determine the Property's market value (Appraised
314 Value). The Appraisal may also set forth certain lender requirements, replacements, removals or repairs
315 necessary on or to the Property as a condition for the Property to be valued at the Appraised Value.

316 **6.2. Appraisal Condition.** The applicable appraisal provision set forth below applies to the respective
317 loan type set forth in § 4.5.3, or if a cash transaction (i.e. no financing), § 6.2.1 applies.

318 **6.2.1. Conventional/Other.** Buyer has the right to obtain an Appraisal. If the Appraised Value
319 is less than the Purchase Price, or if the Appraisal is not received by Buyer on or before **Appraisal Deadline**
320 Buyer may, on or before **Appraisal Objection Deadline**:

321 **6.2.1.1. Notice to Terminate.** Notify Seller in writing, pursuant to § 25.1, that this
322 Contract is terminated; or

323 **6.2.1.2. Appraisal Objection.** Deliver to Seller a written objection accompanied by
324 either a copy of the Appraisal or written notice from lender that confirms the Appraised Value is less than the
325 Purchase Price (Lender Verification).

326 **6.2.1.3. Appraisal Resolution.** If an Appraisal Objection is received by Seller, on or

331 before **Appraisal Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement
332 thereof on or before **Appraisal Resolution Deadline**, this Contract will terminate on the **Appraisal Resolution**
333 **Deadline**, unless Seller receives Buyer's written withdrawal of the Appraisal Objection before such termination,
334 i.e., on or before expiration of **Appraisal Resolution Deadline**.
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336 **6.2.2. FHA.** It is expressly agreed that, notwithstanding any other provisions of this Contract,
337 the purchaser (Buyer) shall not be obligated to complete the purchase of the Property described herein or to
338 incur any penalty by forfeiture of Earnest Money deposits or otherwise unless the purchaser (Buyer) has been
339 given, in accordance with HUD/FHA or VA requirements, a written statement issued by the Federal Housing
340 Commissioner, Department of Veterans Affairs, or a Direct Endorsement lender, setting forth the appraised
341 value of the Property of not less than \$ NA. The purchaser (Buyer) shall have the privilege and option of
342 proceeding with the consummation of this Contract without regard to the amount of the appraised valuation.
343 The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and
344 Urban Development will insure. HUD does not warrant the value nor the condition of the Property. The
345 purchaser (Buyer) should satisfy himself/herself that the price and condition of the Property are acceptable.
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347 **6.2.3. VA.** It is expressly agreed that, notwithstanding any other provisions of this Contract,
348 the purchaser (Buyer) shall not incur any penalty by forfeiture of Earnest Money or otherwise or be obligated to
349 complete the purchase of the Property described herein, if the Contract Purchase Price or cost exceeds the
350 reasonable value of the Property established by the Department of Veterans Affairs. The purchaser (Buyer)
351 shall, however, have the privilege and option of proceeding with the consummation of this Contract without
352 regard to the amount of the reasonable value established by the Department of Veterans Affairs.
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354 **6.3. Lender Property Requirements.** If the lender imposes any written requirements, replacements,
355 removals or repairs, including any specified in the Appraisal (Lender Requirements) to be made to the Property
356 (e.g., roof repair, repainting), beyond those matters already agreed to by Seller in this Contract, this Contract
357 terminates on the earlier of three days following Seller's receipt of the Lender Requirements, or Closing, unless
358 prior to termination: (1) the parties enter into a written agreement to satisfy the Lender Requirements; (2) the
359 Lender Requirements have been completed; or (3) the satisfaction of the Lender Requirements is waived in
360 writing by Buyer.
361

362 **6.4. Cost of Appraisal.** Cost of the Appraisal to be obtained after the date of this Contract must be
363 timely paid by Buyer Seller. The cost of the Appraisal may include any and all fees paid to the appraiser,
364 appraisal management company, lender's agent or all three.
365

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369 **7. OWNERS' ASSOCIATION.** This Section is applicable if the Property is located within a Common
370 Interest Community and subject to the declaration (Association).
371

372 **7.1. Common Interest Community Disclosure. THE PROPERTY IS LOCATED WITHIN A**
373 **COMMON INTEREST COMMUNITY AND IS SUBJECT TO THE DECLARATION FOR THE COMMUNITY.**
374 **THE OWNER OF THE PROPERTY WILL BE REQUIRED TO BE A MEMBER OF THE OWNERS'**
375 **ASSOCIATION FOR THE COMMUNITY AND WILL BE SUBJECT TO THE BYLAWS AND RULES AND**
376 **REGULATIONS OF THE ASSOCIATION. THE DECLARATION, BYLAWS AND RULES AND REGULATIONS**
377 **WILL IMPOSE FINANCIAL OBLIGATIONS UPON THE OWNER OF THE PROPERTY, INCLUDING AN**
378 **OBLIGATION TO PAY ASSESSMENTS OF THE ASSOCIATION. IF THE OWNER DOES NOT PAY THESE**
379 **ASSESSMENTS, THE ASSOCIATION COULD PLACE A LIEN ON THE PROPERTY AND POSSIBLY SELL**
380 **IT TO PAY THE DEBT. THE DECLARATION, BYLAWS AND RULES AND REGULATIONS OF THE**
381 **COMMUNITY MAY PROHIBIT THE OWNER FROM MAKING CHANGES TO THE PROPERTY WITHOUT AN**
382 **ARCHITECTURAL REVIEW BY THE ASSOCIATION (OR A COMMITTEE OF THE ASSOCIATION) AND**
383 **THE APPROVAL OF THE ASSOCIATION. PURCHASERS OF PROPERTY WITHIN THE COMMON**
384 **INTEREST COMMUNITY SHOULD INVESTIGATE THE FINANCIAL OBLIGATIONS OF MEMBERS OF THE**
385 **ASSOCIATION. PURCHASERS SHOULD CAREFULLY READ THE DECLARATION FOR THE COMMUNITY**
386 **AND THE BYLAWS AND RULES AND REGULATIONS OF THE ASSOCIATION.**
387

388 **7.2. Association Documents to Buyer.** Seller is obligated to provide to Buyer the Association
389 Documents (defined below), at Seller's expense, on or before **Association Documents Deadline**. Seller
390 authorizes the Association to provide the Association Documents to Buyer, at Seller's expense. Seller's
391 obligation to provide the Association Documents is fulfilled upon Buyer's receipt of the Association Documents,
392 regardless of who provides such documents.
393
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396

397 **7.3. Association Documents.** Association documents (Association Documents) consist of the
398 following:
399

400 **7.3.1.** All Association declarations, articles of incorporation, bylaws, articles of
401 organization, operating agreements, rules and regulations, party wall agreements and the Association's
402 responsible governance policies adopted under § 38-33.3-209.5, C.R.S.;

403 **7.3.2.** Minutes of: (1) the annual owners' or members' meeting and (2) any executive
404 boards' or managers' meetings; such minutes include those provided under the most current annual disclosure
405 required under § 38-33.3-209.4, C.R.S. (Annual Disclosure) and minutes of meetings, if any, subsequent to the
406 minutes disclosed in the Annual Disclosure. If none of the preceding minutes exist, then the most recent
407 minutes, if any (§§ 7.3.1 and 7.3.2, collectively, Governing Documents); and

408 **7.3.3.** List of all Association insurance policies as provided in the Association's last Annual
409 Disclosure, including, but not limited to, property, general liability, association director and officer professional
410 liability and fidelity policies. The list must include the company names, policy limits, policy deductibles,
411 additional named insureds and expiration dates of the policies listed (Association Insurance Documents);

412 **7.3.4.** A list by unit type of the Association's assessments, including both regular and
413 special assessments as disclosed in the Association's last Annual Disclosure;

414 **7.3.5.** The Association's most recent financial documents which consist of: (1) the
415 Association's operating budget for the current fiscal year, (2) the Association's most recent annual financial
416 statements, including any amounts held in reserve for the fiscal year immediately preceding the Association's
417 last Annual Disclosure, (3) the results of the Association's most recent available financial audit or review, (4) list
418 of the fees and charges (regardless of name of title of such fees or charges) that the Association's community
419 association manager or Association will charge in connection with the Closing including, but not limited to, any
420 fee incident to the issuance of the Association's statement of assessments (Status Letter), any rush or update
421 fee charged for the Status Letter, any record change fee or ownership record transfer fees (Record Change
422 Fee), fees to access documents, (5) list of all assessments required to be paid in advance, reserves or working
423 capital due at Closing and (6) reserve study, if any (§§ 7.3.4 and 7.3.5, collectively, Financial Documents);

424 **7.3.6.** Any written notice from the Association to Seller of a "construction defect action"
425 under § 38-33.3-303.5, C.R.S. within the past six months and the result of whether the Association approved or
426 disapproved such action (Construction Defect Documents). Nothing in this Section limits the Seller's obligation
427 to disclose adverse material facts as required under § 10.2 (Disclosure of Adverse Material Facts; Subsequent
428 Disclosure; Present Condition) including any problems or defects in the common elements or limited common
429 elements of the Association property.

430 **7.4. Conditional on Buyer's Review.** Buyer has the right to review the Association Documents.
431 Buyer has the Right to Terminate under § 25.1, on or before **Association Documents Termination Deadline**,
432 based on any unsatisfactory provision in any of the Association Documents, in Buyer's sole subjective
433 discretion. Should Buyer receive the Association Documents after **Association Documents Deadline**, Buyer,
434 at Buyer's option, has the Right to Terminate under § 25.1 by Buyer's Notice to Terminate received by Seller on
435 or before ten days after Buyer's receipt of the Association Documents. If Buyer does not receive the
436 Association Documents, or if Buyer's Notice to Terminate would otherwise be required to be received by Seller
437 after **Closing Date**, Buyer's Notice to Terminate must be received by Seller on or before Closing. If Seller does
438 not receive Buyer's Notice to Terminate within such time, Buyer accepts the provisions of the Association
439 Documents as satisfactory and Buyer waives any Right to Terminate under this provision, notwithstanding the
440 provisions of § 8.6 (Right of First Refusal or Contract Approval).
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451 **8. TITLE INSURANCE, RECORD TITLE AND OFF-RECORD TITLE.**

452 **8.1. Evidence of Record Title.**

453 **8.1.1. Seller Selects Title Insurance Company.** If this box is checked, Seller will select the
454 title insurance company to furnish the owner's title insurance policy at Seller's expense. On or before **Record**
455 **Title Deadline**, Seller must furnish to Buyer, a current commitment for an owner's title insurance policy (Title
456 Commitment), in an amount equal to the Purchase Price, or if this box is checked, an **Abstract of Title**
457 certified to a current date. Seller will cause the title insurance policy to be issued and delivered to Buyer as
458 soon as practicable at or after Closing.

459 **8.1.2. Buyer Selects Title Insurance Company.** If this box is checked, Buyer will select the
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461
462

463 title insurance company to furnish the owner's title insurance policy at Buyer's expense. On or before **Record**
464 **Title Deadline**, Buyer must furnish to Seller, a current commitment for owner's title insurance policy (Title
465 Commitment), in an amount equal to the Purchase Price.

466 If neither box in § 8.1.1 or § 8.1.2 is checked, § 8.1.1 applies.

468 **8.1.3. Owner's Extended Coverage (OEC).** The Title Commitment **Will** **Will Not**
469 contain Owner's Extended Coverage (OEC). If the Title Commitment is to contain OEC, it will commit to delete
470 or insure over the standard exceptions which relate to: (1) parties in possession, (2) unrecorded easements,
471 (3) survey matters, (4) unrecorded mechanics' liens, (5) gap period (period between the effective date and time
472 of commitment to the date and time the deed is recorded) and (6) unpaid taxes, assessments and unredeemed
473 tax sales prior to the year of Closing. Any additional premium expense to obtain OEC will be paid by **Buyer**
474 **Seller** **One-Half by Buyer and One-Half by Seller** **Other** NA.

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476
477 Regardless of whether the Contract requires OEC, the Title Insurance Commitment may not provide OEC or
478 delete or insure over any or all of the standard exceptions for OEC. The Title Insurance Company may require
479 a New Survey or New ILC, defined below, among other requirements for OEC. If the Title Insurance
480 Commitment is not satisfactory to Buyer, Buyer has a right to object under § 8.5 (Right to Object to Title,
481 Resolution).

482
483 **8.1.4. Title Documents.** Title Documents consist of the following: (1) copies of any plats,
484 declarations, covenants, conditions and restrictions burdening the Property and (2) copies of any other
485 documents (or, if illegible, summaries of such documents) listed in the schedule of exceptions (Exceptions) in
486 the Title Commitment furnished to Buyer (collectively, Title Documents).

487
488 **8.1.5. Copies of Title Documents.** Buyer must receive, on or before **Record Title Deadline**,
489 copies of all Title Documents. This requirement pertains only to documents as shown of record in the office of
490 the clerk and recorder in the county where the Property is located. The cost of furnishing copies of the
491 documents required in this Section will be at the expense of the party or parties obligated to pay for the
492 owner's title insurance policy.

493
494 **8.1.6. Existing Abstracts of Title.** Seller must deliver to Buyer copies of any abstracts of title
495 covering all or any portion of the Property (Abstract of Title) in Seller's possession on or before **Record Title**
496 **Deadline**.

497
498 **8.2. Record Title.** Buyer has the right to review and object to the Abstract of Title or Title
499 Commitment and any of the Title Documents as set forth in § 8.5 (Right to Object to Title, Resolution) on or
500 before **Record Title Objection Deadline**. Buyer's objection may be based on any unsatisfactory form or
501 content of Title Commitment or Abstract of Title, notwithstanding § 13, or any other unsatisfactory title
502 condition, in Buyer's sole subjective discretion. If the Abstract of Title, Title Commitment or Title Documents are
503 not received by Buyer on or before the **Record Title Deadline**, or if there is an endorsement to the Title
504 Commitment that adds a new Exception to title, a copy of the new Exception to title and the modified Title
505 Commitment will be delivered to Buyer. Buyer has until the earlier of Closing or ten days after receipt of such
506 documents by Buyer to review and object to: (1) any required Title Document not timely received by Buyer, (2)
507 any change to the Abstract of Title, Title Commitment or Title Documents, or (3) any endorsement to the Title
508 Commitment. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection, pursuant to this § 8.2
509 (Record Title), any title objection by Buyer is governed by the provisions set forth in § 8.5 (Right to Object to
510 Title, Resolution). If Seller has fulfilled all Seller's obligations, if any, to deliver to Buyer all documents required
511 by § 8.1 (Evidence of Record Title) and Seller does not receive Buyer's Notice to Terminate or Notice of Title
512 Objection by the applicable deadline specified above, Buyer accepts the condition of title as disclosed by the
513 Abstract of Title, Title Commitment and Title Documents as satisfactory.

514
515 **8.3. Off-Record Title.** Seller must deliver to Buyer, on or before **Off-Record Title Deadline**, true
516 copies of all existing surveys in Seller's possession pertaining to the Property and must disclose to Buyer all
517 easements, liens (including, without limitation, governmental improvements approved, but not yet installed) or
518 other title matters (including, without limitation, rights of first refusal and options) not shown by public records,
519 of which Seller has actual knowledge (Off-Record Matters). This Section excludes any **New ILC** or **New**
520 **Survey** governed under § 9 (New ILC, New Survey). Buyer has the right to inspect the Property to investigate
521 if any third party has any right in the Property not shown by public records (e.g., unrecorded easement,
522 boundary line discrepancy or water rights). Buyer's Notice to Terminate or Notice of Title Objection of any
523 unsatisfactory condition (whether disclosed by Seller or revealed by such inspection, notwithstanding § 8.2
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(Record Title) and § 13 (Transfer of Title)), in Buyer's sole subjective discretion, must be received by Seller on or before **Off-Record Title Objection Deadline**. If an Off-Record Matter is received by Buyer after the **Off-Record Title Deadline**, Buyer has until the earlier of Closing or ten days after receipt by Buyer to review and object to such Off-Record Matter. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection pursuant to this § 8.3 (Off-Record Title), any title objection by Buyer is governed by the provisions set forth in § 8.5 (Right to Object to Title, Resolution). If Seller does not receive Buyer's Notice to Terminate or Notice of Title Objection by the applicable deadline specified above, Buyer accepts title subject to such Off-Record Matters and rights, if any, of third parties not shown by public records of which Buyer has actual knowledge.

8.4. Special Taxing Districts. SPECIAL TAXING DISTRICTS MAY BE SUBJECT TO GENERAL OBLIGATION INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM ANNUAL TAX LEVIES ON THE TAXABLE PROPERTY WITHIN SUCH DISTRICTS. PROPERTY OWNERS IN SUCH DISTRICTS MAY BE PLACED AT RISK FOR INCREASED MILL LEVIES AND TAX TO SUPPORT THE SERVICING OF SUCH DEBT WHERE CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF SUCH A DISTRICT TO DISCHARGE SUCH INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL LEVIES. BUYERS SHOULD INVESTIGATE THE SPECIAL TAXING DISTRICTS IN WHICH THE PROPERTY IS LOCATED BY CONTACTING THE COUNTY TREASURER, BY REVIEWING THE CERTIFICATE OF TAXES DUE FOR THE PROPERTY AND BY OBTAINING FURTHER INFORMATION FROM THE BOARD OF COUNTY COMMISSIONERS, THE COUNTY CLERK AND RECORDER, OR THE COUNTY ASSESSOR.

A tax certificate from the respective county treasurer listing any special taxing districts that effect the Property (Tax Certificate) must be delivered to Buyer on or before **Record Title Deadline**. If the Property is located within a special taxing district and such inclusion is unsatisfactory to Buyer, in Buyer's sole subjective discretion, Buyer may object, on or before **Record Title Objection Deadline**. If the Tax Certificate shows that the Property is included in a special taxing district and is received by Buyer after the **Record Title Deadline**, Buyer has until the earlier of Closing or ten days after receipt by Buyer to review and object to the Property's inclusion in a special taxing district as unsatisfactory to Buyer.

8.5. Right to Object to Title, Resolution. Buyer's right to object, in Buyer's sole subjective discretion, to any title matters includes those matters set forth in § 8.2 (Record Title), § 8.3 (Off-Record Title), § 8.4 (Special Taxing District) and § 13 (Transfer of Title). If Buyer objects to any title matter, on or before the applicable deadline, Buyer has the following options:

8.5.1. Title Objection, Resolution. If Seller receives Buyer's written notice objecting to any title matter (Notice of Title Objection) on or before the applicable deadline and if Buyer and Seller have not agreed to a written settlement thereof on or before **Title Resolution Deadline**, this Contract will terminate on the expiration of **Title Resolution Deadline**, unless Seller receives Buyer's written withdrawal of Buyer's Notice of Title Objection (i.e., Buyer's written notice to waive objection to such items and waives the Right to Terminate for that reason), on or before expiration of **Title Resolution Deadline**. If either the Record Title Deadline or the Off-Record Title Deadline, or both, are extended pursuant to § 8.2 (Record Title), § 8.3 (Off-Record Title) or § 8.4 (Special Taxing Districts), the Title Resolution Deadline also will be automatically extended to the earlier of Closing or fifteen days after Buyer's receipt of the applicable documents; or

8.5.2. Title Objection, Right to Terminate. Buyer may exercise the Right to Terminate under § 25.1, on or before the applicable deadline, based on any title matter unsatisfactory to Buyer, in Buyer's sole subjective discretion.

8.6. Right of First Refusal or Contract Approval. If there is a right of first refusal on the Property or a right to approve this Contract, Seller must promptly submit this Contract according to the terms and conditions of such right. If the holder of the right of first refusal exercises such right or the holder of a right to approve disapproves this Contract, this Contract will terminate. If the right of first refusal is waived explicitly or expires, or the Contract is approved, this Contract will remain in full force and effect. Seller must promptly notify Buyer in writing of the foregoing. If expiration or waiver of the right of first refusal or approval of this Contract has not occurred on or before **Right of First Refusal Deadline**, this Contract will then terminate.

8.7. Title Advisory. The Title Documents affect the title, ownership and use of the Property and should be reviewed carefully. Additionally, other matters not reflected in the Title Documents may affect the title, ownership and use of the Property, including, without limitation, boundary lines and encroachments, set-back requirements, area, zoning, building code violations, unrecorded easements and claims of easements, leases and other unrecorded agreements, water on or under the Property, and various laws and

595 governmental regulations concerning land use, development and environmental matters.

596 **8.7.1. OIL, GAS, WATER AND MINERAL DISCLOSURE. THE SURFACE ESTATE OF THE**
597 **PROPERTY MAY BE OWNED SEPARATELY FROM THE UNDERLYING MINERAL ESTATE AND**
598 **TRANSFER OF THE SURFACE ESTATE MAY NOT NECESSARILY INCLUDE TRANSFER OF THE**
599 **MINERAL ESTATE OR WATER RIGHTS. THIRD PARTIES MAY OWN OR LEASE INTERESTS IN OIL, GAS,**
600 **OTHER MINERALS, GEOTHERMAL ENERGY OR WATER ON OR UNDER THE SURFACE OF THE**
601 **PROPERTY, WHICH INTERESTS MAY GIVE THEM RIGHTS TO ENTER AND USE THE SURFACE OF THE**
602 **PROPERTY TO ACCESS THE MINERAL ESTATE, OIL, GAS OR WATER.**

603
604
605 **8.7.2. SURFACE USE AGREEMENT. THE USE OF THE SURFACE ESTATE OF THE**
606 **PROPERTY TO ACCESS THE OIL, GAS OR MINERALS MAY BE GOVERNED BY A SURFACE USE**
607 **AGREEMENT, A MEMORANDUM OR OTHER NOTICE OF WHICH MAY BE RECORDED WITH THE**
608 **COUNTY CLERK AND RECORDER.**

609
610 **8.7.3. OIL AND GAS ACTIVITY. OIL AND GAS ACTIVITY THAT MAY OCCUR ON OR**
611 **ADJACENT TO THE PROPERTY MAY INCLUDE, BUT IS NOT LIMITED TO, SURVEYING, DRILLING,**
612 **WELL COMPLETION OPERATIONS, STORAGE, OIL AND GAS, OR PRODUCTION FACILITIES,**
613 **PRODUCING WELLS, REWORKING OF CURRENT WELLS AND GAS GATHERING AND PROCESSING**
614 **FACILITIES.**

615
616 **8.7.4. ADDITIONAL INFORMATION. BUYER IS ENCOURAGED TO SEEK ADDITIONAL**
617 **INFORMATION REGARDING OIL AND GAS ACTIVITY ON OR ADJACENT TO THE PROPERTY,**
618 **INCLUDING DRILLING PERMIT APPLICATIONS. THIS INFORMATION MAY BE AVAILABLE FROM THE**
619 **COLORADO OIL AND GAS CONSERVATION COMMISSION.**

620
621 **8.7.5. Title Insurance Exclusions.** Matters set forth in this Section and others, may be
622 excepted, excluded from, or not covered by the owner's title insurance policy.

623 **8.8. Consult an Attorney.** Buyer is advised to timely consult legal counsel with respect to all such
624 matters as there are strict time limits provided in this Contract (e.g., **Record Title Objection Deadline** and
625 **Off-Record Title Objection Deadline**).

626
627
628 **9. NEW ILC, NEW SURVEY.**

629 **9.1. New ILC or New Survey.** If the box is checked, a: 1) **New Improvement Location Certificate**
630 **(New ILC);** or, 2) **New Survey** in the form of NA; is required and the following will apply:

631
632 **9.1.1. Ordering of New ILC or New Survey.** **Seller** **Buyer** will order the New ILC or New
633 Survey. The New ILC or New Survey may also be a previous ILC or survey that is in the above-required form,
634 certified and updated as of a date after the date of this Contract.

635
636 **9.1.2. Payment for New ILC or New Survey.** The cost of the New ILC or New Survey will be
637 paid, on or before Closing, by: **Seller** **Buyer** or: NA

638
639 **9.1.3. Delivery of New ILC or New Survey.** Buyer, Seller, the issuer of the Title Commitment (or
640 the provider of the opinion of title if an Abstract of Title) and NA will receive a New ILC or New Survey on or
641 before **New ILC or New Survey Deadline**.

642
643 **9.1.4. Certification of New ILC or New Survey.** The New ILC or New Survey will be certified by
644 the surveyor to all those who are to receive the New ILC or New Survey.

645
646 **9.2. Buyer's Right to Waive or Change New ILC or New Survey Selection.** Buyer may select a
647 New ILC or New Survey different than initially specified in this Contract if there is no additional cost to Seller or
648 change to the **New ILC or New Survey Objection Deadline**. Buyer may, in Buyer's sole subjective discretion,
649 waive a New ILC or New Survey if done prior to Seller incurring any cost for the same.

650
651 **9.3. New ILC or New Survey Objection.** Buyer has the right to review and object to the **New ILC or**
652 **New Survey**. If the New ILC or New Survey is not timely received by Buyer or is unsatisfactory to Buyer, in
653 Buyer's sole subjective discretion, Buyer may, on or before **New ILC or New Survey Objection Deadline**,
654 notwithstanding § 8.3 or § 13:

655 **9.3.1. Notice to Terminate.** Notify Seller in writing, pursuant to § 25.1, that this Contract is
656 terminated; or

657 **9.3.2. New ILC or New Survey Objection.** Deliver to Seller a written description of any matter that
658 was to be shown or is shown in the New ILC or New Survey that is unsatisfactory and that Buyer requires
659 Seller to correct.

Seller(s) Initials:

RP NP

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661 **9.3.3. New ILC or New Survey Resolution.** If a **New ILC or New Survey Objection** is received
662 by Seller, on or before **New ILC or New Survey Objection Deadline** and if Buyer and Seller have not agreed
663 in writing to a settlement thereof on or before **New ILC or New Survey Resolution Deadline**, this Contract will
664 terminate on expiration of the **New ILC or New Survey Resolution Deadline**, unless Seller receives Buyer's
665 written withdrawal of the New ILC or New Survey Objection before such termination, i.e., on or before
666 expiration of **New ILC or New Survey Resolution Deadline**.
667
668

669 **DISCLOSURE, INSPECTION AND DUE DILIGENCE**
670

671
672 **10. PROPERTY DISCLOSURE, INSPECTION, INDEMNITY, INSURABILITY, DUE DILIGENCE, AND**
673 **SOURCE OF WATER.**
674

675 **10.1. Seller's Property Disclosure.** On or before **Seller's Property Disclosure Deadline**, Seller
676 agrees to deliver to Buyer the most current version of the applicable Colorado Real Estate Commission's
677 Seller's Property Disclosure form completed by Seller to Seller's actual knowledge and current as of the date of
678 this Contract.
679

680 **10.2. Disclosure of Adverse Material Facts; Subsequent Disclosure; Present Condition.** Seller
681 must disclose to Buyer any adverse material facts actually known by Seller as of the date of this Contract.
682 Seller agrees that disclosure of adverse material facts will be in writing. In the event Seller discovers an
683 adverse material fact after the date of this Contract, Seller must timely disclose such adverse fact to Buyer.
684 Buyer has the Right to Terminate based on the Seller's new disclosure on the earlier of Closing or five days
685 after Buyer's receipt of the new disclosure. Except as otherwise provided in this Contract, Buyer acknowledges
686 that Seller is conveying the Property to Buyer in an "**As Is**" condition, "**Where Is**" and "**With All Faults**."
687

688 **10.3. Inspection.** Unless otherwise provided in this Contract, Buyer, acting in good faith, has the right
689 to have inspections (by one or more third parties, personally or both) of the Property and Inclusions
690 (Inspection), at Buyer's expense. If (1) the physical condition of the Property, including, but not limited to, the
691 roof, walls, structural integrity of the Property, the electrical, plumbing, HVAC and other mechanical systems of
692 the Property, (2) the physical condition of the Inclusions, (3) service to the Property (including utilities and
693 communication services), systems and components of the Property (e.g., heating and plumbing), (4) any
694 proposed or existing transportation project, road, street or highway, or (5) any other activity, odor or noise
695 (whether on or off the Property) and its effect or expected effect on the Property or its occupants is
696 unsatisfactory, in Buyer's sole subjective discretion, Buyer may:
697

698 **10.3.1. Inspection Objection.** On or before the **Inspection Objection Deadline**, deliver to
699 Seller a written description of any unsatisfactory condition that Buyer requires Seller to correct; or
700

701 **10.3.2. Terminate.** On or before the **Inspection Termination Deadline**, notify Seller in writing,
702 pursuant to § 25.1, that this Contract is terminated due to any unsatisfactory condition. **Inspection**
703 **Termination Deadline will be on the earlier of Inspection Resolution Deadline or the date specified in §**
704 **3.1 for Inspection Termination Deadline.**
705

706 **10.3.3. Inspection Resolution.** If an Inspection Objection is received by Seller, on or before
707 **Inspection Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on
708 or before **Inspection Resolution Deadline**, this Contract will terminate on **Inspection Resolution Deadline**
709 unless Seller receives Buyer's written withdrawal of the Inspection Objection before such termination, i.e., on or
710 before expiration of **Inspection Resolution Deadline**.
711

712 **10.4. Damage, Liens and Indemnity.** Buyer, except as otherwise provided in this Contract or other
713 written agreement between the parties, is responsible for payment for all inspections, tests, surveys,
714 engineering reports, or other reports performed at Buyer's request (Work) and must pay for any damage that
715 occurs to the Property and Inclusions as a result of such Work. Buyer must not permit claims or liens of any
716 kind against the Property for Work performed on the Property. Buyer agrees to indemnify, protect and hold
717 Seller harmless from and against any liability, damage, cost or expense incurred by Seller and caused by any
718 such Work, claim, or lien. This indemnity includes Seller's right to recover all costs and expenses incurred by
719 Seller to defend against any such liability, damage, cost or expense, or to enforce this Section, including
720 Seller's reasonable attorney fees, legal fees and expenses. The provisions of this Section survive the
721 termination of this Contract. This § 10.4 does not apply to items performed pursuant to an Inspection
722 Resolution.
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727 **10.5. Insurability.** Buyer has the right to review and object to the availability, terms and conditions of
728 and premium for property insurance (Property Insurance). Buyer has the Right to Terminate under § 25.1, on or
729 before **Property Insurance Termination Deadline**, based on any unsatisfactory provision of the Property
730 Insurance, in Buyer's sole subjective discretion.
731

732 **10.6. Due Diligence.**

733 **10.6.1. Due Diligence Documents.** If the respective box is checked, Seller agrees to deliver
734 copies of the following documents and information pertaining to the Property (Due Diligence Documents) to
735 Buyer on or before **Due Diligence Documents Delivery Deadline**:

736 **10.6.1.1.** All current leases, including any amendments or other occupancy
737 agreements, pertaining to the Property. Those leases or other occupancy agreements pertaining to the
738 Property that survive Closing are as follows (Leases): NA

739 **10.6.1.2.** Other documents and information:
740 ***Seller to provide any and all of the following documents in their possession to be reviewed at***
741 ***inspection and be given to buyer at closing: all drawings, blueprints, permits, receipts for***
742 ***work performed at home. All user manuals, warranty information and repair documents***
743 ***relating to the appliances, roof and mechanical systems.***
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750 **10.6.2. Due Diligence Documents Review and Objection.** Buyer has the right to review and
751 object to Due Diligence Documents. If the Due Diligence Documents are not supplied to Buyer or are
752 unsatisfactory, in Buyer's sole subjective discretion, Buyer may, on or before **Due Diligence Documents**
753 **Objection Deadline**:

754 **10.6.2.1. Notice to Terminate.** Notify Seller in writing, pursuant to § 25.1, that this
755 Contract is terminated; or

756 **10.6.2.2. Due Diligence Documents Objection.** Deliver to Seller a written description
757 of any unsatisfactory Due Diligence Documents that Buyer requires Seller to correct.

758 **10.6.2.3. Due Diligence Documents Resolution.** If a Due Diligence Documents
759 Objection is received by Seller, on or before **Due Diligence Documents Objection Deadline** and if Buyer and
760 Seller have not agreed in writing to a settlement thereof on or before **Due Diligence Documents Resolution**
761 **Deadline**, this Contract will terminate on **Due Diligence Documents Resolution Deadline** unless Seller
762 receives Buyer's written withdrawal of the Due Diligence Documents Objection before such termination, i.e., on
763 or before expiration of **Due Diligence Documents Resolution Deadline**.
764
765
766

767 **10.7. Conditional Upon Sale of Property.** This Contract is conditional upon the sale and closing of
768 that certain property owned by Buyer and commonly known as NA. Buyer has the Right to Terminate under §
769 25.1 effective upon Seller's receipt of Buyer's Notice to Terminate on or before **Conditional Sale Deadline** if
770 such property is not sold and closed by such deadline. This Section is for the sole benefit of Buyer. If Seller
771 does not receive Buyer's Notice to Terminate on or before **Conditional Sale Deadline**, Buyer waives any Right
772 to Terminate under this provision.
773
774

775 **10.8. Source of Potable Water (Residential Land and Residential Improvements Only).** Buyer
776 **Does** **Does Not** acknowledge receipt of a copy of Seller's Property Disclosure or Source of
777 Water Addendum disclosing the source of potable water for the Property. There is **No Well**. Buyer **Does**
778 **Does Not** acknowledge receipt of a copy of the current well permit.
779

780 **Note to Buyer: SOME WATER PROVIDERS RELY, TO VARYING DEGREES, ON NONRENEWABLE**
781 **GROUND WATER. YOU MAY WISH TO CONTACT YOUR PROVIDER (OR INVESTIGATE THE DESCRIBED**
782 **SOURCE) TO DETERMINE THE LONG-TERM SUFFICIENCY OF THE PROVIDER'S WATER SUPPLIES.**
783

784 **10.9. Existing Leases; Modification of Existing Leases; New Leases. [Intentionally Deleted]**

785 **10.10. Lead-Based Paint**

786 **10.10.1. Lead-Based Paint Disclosure.** Unless exempt, if the Property includes one or
787 more residential dwellings constructed or a building permit was issued prior to January 1, 1978, for the benefit
788 of Buyer, Seller and all required real estate licensees must sign and deliver to Buyer a completed Lead-Based
789 Paint Disclosure (Sales) form on or before the **Lead-Based Paint Disclosure Deadline**. If Buyer does not
790 timely receive the Lead-Based Paint Disclosure, Buyer may waive the failure to timely receive the Lead-Based
791 Paint Disclosure, or Buyer may exercise Buyer's Right to Terminate under § 25.1 by Seller's receipt of Buyer's
792

793 Notice to Terminate on or before the expiration of the **Lead-Based Paint Termination Deadline**.

794 **10.10.2. Lead-Based Paint Assessment.** If Buyer elects to conduct or obtain a risk
795 assessment or inspection of the Property for the presence of Lead-Based Paint or Lead-Based Paint hazards,
796 Buyer has a Right to Terminate under § 25.1 by Seller's receipt of Buyer's Notice to Terminate on or before the
797 expiration of the **Lead-Based Paint Termination Deadline**. If Buyer's Notice to Terminate would otherwise be
798 required to be received by Seller after **Closing Date**, Buyer's Notice to Terminate must be received by Seller
799 on or before Closing. Buyer may elect to waive Buyer's right to conduct or obtain a risk assessment or
800 inspection of the Property for the presence of Lead-Based Paint or Lead-Based Paint hazards. If Seller does
801 not receive Buyer's Notice to Terminate within such time, Buyer accepts the condition of the Property relative to
802 any Lead-Based Paint as satisfactory and Buyer waives any Right to Terminate under this provision.
803

804 **10.11. Carbon Monoxide Alarms. Note:** If the improvements on the Property have a fuel-fired
805 heater or appliance, a fireplace, or an attached garage and include one or more rooms lawfully used for
806 sleeping purposes (Bedroom), the parties acknowledge that Colorado law requires that Seller assure the
807 Property has an operational carbon monoxide alarm installed within fifteen feet of the entrance to each
808 Bedroom or in a location as required by the applicable building code.
809

810 **10.12. Methamphetamine Disclosure.** If Seller knows that methamphetamine was ever
811 manufactured, processed, cooked, disposed of, used or stored at the Property, Seller is required to disclose
812 such fact. No disclosure is required if the Property was remediated in accordance with state standards and
813 other requirements are fulfilled pursuant to § 25-18.5-102, C.R.S., Buyer further acknowledges that Buyer has
814 the right to engage a certified hygienist or industrial hygienist to test whether the Property has ever been used
815 as a methamphetamine laboratory. Buyer has the Right to Terminate under § 25.1, upon Seller's receipt of
816 Buyer's written Notice to Terminate, notwithstanding any other provision of this Contract, based on Buyer's test
817 results that indicate the Property has been contaminated with methamphetamine, but has not been remediated
818 to meet the standards established by rules of the State Board of Health promulgated pursuant to §
819 25-18.5-102, C.R.S. Buyer must promptly give written notice to Seller of the results of the test.
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825 **11. TENANT ESTOPPEL STATEMENTS. [Intentionally Deleted]**
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CLOSING PROVISIONS

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830 **12. CLOSING DOCUMENTS, INSTRUCTIONS AND CLOSING.**

831 **12.1. Closing Documents and Closing Information.** Seller and Buyer will cooperate with the Closing
832 Company to enable the Closing Company to prepare and deliver documents required for Closing to Buyer and
833 Seller and their designees. If Buyer is obtaining a loan to purchase the Property, Buyer acknowledges Buyer's
834 lender is required to provide the Closing Company, in a timely manner, all required loan documents and
835 financial information concerning Buyer's loan. Buyer and Seller will furnish any additional information and
836 documents required by Closing Company that will be necessary to complete this transaction. Buyer and Seller
837 will sign and complete all customary or reasonably-required documents at or before Closing.
838

839 **12.2. Closing Instructions.** Colorado Real Estate Commission's Closing Instructions Are Are
840 **Not** executed with this Contract.
841

842 **12.3. Closing.** Delivery of deed from Seller to Buyer will be at closing (Closing). Closing will be on the
843 date specified as the **Closing Date** or by mutual agreement at an earlier date. The hour and place of Closing
844 will be as designated by **THE LISTING AGENT**.
845

846 **12.4. Disclosure of Settlement Costs.** Buyer and Seller acknowledge that costs, quality and extent of
847 service vary between different settlement service providers (e.g., attorneys, lenders, inspectors and title
848 companies).
849

850
851 **13. TRANSFER OF TITLE.** Subject to Buyer's compliance with the terms and provisions of this Contract,
852 including the tender of any payment due at Closing, Seller, provided another deed is not selected, must
853 execute and deliver a good and sufficient special warranty deed to Buyer, at Closing. However, if the box is
854 checked, the parties agree to use the corresponding deed instead:
855

856 general warranty deed bargain and sale deed quit claim deed personal representative's deed
857
858

Seller(s) Initials:

RP NP

EXHIBIT 1 - PAGE 13 OF 53

859 n/a deed.

860 **13.1. Special Warranty Deed and General Warranty Deed Exceptions.** If title will be conveyed
861 using a special warranty deed or a general warranty deed, title will be conveyed subject to:

862 **13.1.1.** General taxes for the year of Closing,

863 **13.1.2.** Distribution utility easements (including cable TV),

864 **13.1.3.** Those specifically described rights of third parties not shown by the public records
865 of which Buyer has actual knowledge and which were accepted by Buyer in accordance with with § 8.3
866 (Off-Record Title) and § 9 (New ILC or New Survey),

867 **13.1.4.** Inclusion of the Property within any special taxing district,

868 **13.1.5.** Any special assessment if the improvements were not installed as of the date of
869 Buyer's signature hereon, whether assessed prior to or after Closing and

870 **13.1.6.** Other NA.

871 **13.2. Special Warranty Deed.** In addition to the requirements of § 13.1, if title will be conveyed by
872 a special warranty deed, Seller will warrant title against all persons claiming by, through or under Seller subject
873 to those specific recorded exceptions, if any, created during Seller's ownership of the Property and described
874 by reference to recorded documents shown as Exceptions in the Title Documents that are accepted by Buyer
875 in accordance with § 8.2 (Record Title) and described in the deed by reference to the specific recording
876 information for each recorded document.

877 **13.3. General Warranty Deed.** In addition to the requirements of § 13.1, if title will be conveyed by
878 a general warranty deed, Seller will warrant the title subject to those specific recorded exceptions described by
879 reference to recorded documents shown as Exceptions in the Title Documents that are accepted by Buyer in
880 accordance with § 8.2 (Record Title) and described in the deed by reference to the specific recording
881 information for each recorded document.

882 **14. PAYMENT OF LIENS AND ENCUMBRANCES.** Unless agreed to by Buyer in writing, any amounts
883 owed on any liens or encumbrances securing a monetary sum, including, but not limited to, any governmental
884 liens for special improvements installed as of the date of Buyer's signature hereon, whether assessed or not
885 and previous years' taxes, will be paid at or before Closing by Seller from the proceeds of this transaction or
886 from any other source.

887 **15. CLOSING COSTS, CLOSING FEE, ASSOCIATION FEES AND TAXES.**

888 **15.1. Closing Costs.** Buyer and Seller must pay, in Good Funds, their respective closing costs
889 and all other items required to be paid at Closing, except as otherwise provided herein.

890 **15.2. Closing Services Fee.** The fee for real estate closing services must be paid at Closing by
891 Buyer Seller One-Half by Buyer and One-Half by Seller
892 Other n/a

893 **15.3. Status Letter and Record Change Fees.** At least fourteen days prior to **Closing Date**,
894 Seller agrees to promptly request the Association to deliver to Buyer a current Status Letter. Any fees incident
895 to the issuance of Association's Status Letter must be paid by None Buyer Seller One-Half by
896 Buyer and One-Half by Seller. Any Record Change Fee must be paid by None Buyer Seller
897 One-Half by Buyer and One-Half by Seller .

898 **15.4. Local Transfer Tax.** The Local Transfer Tax of NA % of the Purchase Price must
899 be paid at Closing by None Buyer Seller One-Half by Buyer and One-Half by Seller.

900 **15.5. Private Transfer Fee.** Private transfer fees and other fees due to a transfer of the Property,
901 payable at Closing, such as community association fees, developer fees and foundation fees, must be paid at
902 Closing by None Buyer Seller One-Half by Buyer and One-Half by Seller. The Private Transfer
903 fee, whether one or more, is for the following association(s): NA in the total amount of NA% of the Purchase
904 Price or \$NA.

905 **15.6. Water Transfer Fees.** The Water Transfer Fees can change. The fees, as of the date of
906 this Contract, do not exceed \$NA for:

907 Water Stock/Certificates Water District

908 Augmentation Membership Small Domestic Water Company NA and must be paid at Closing by

909 None Buyer Seller One-Half by Buyer and One-Half by Seller

Seller(s) Initials:

RP NP

925 **15.7. Sales and Use Tax.** Any sales and use tax that may accrue because of this transaction
926 must be paid when due by None Buyer Seller One-Half by Buyer and One-Half by Seller.

927 **15.8. FIRPTA and Colorado Withholding.**

928 **15.8.1. FIRPTA.** The Internal Revenue Service (IRS) may require a substantial portion of
929 the Seller's proceeds be withheld after Closing when Seller is a foreign person. If required withholding does not
930 occur, the Buyer could be held liable for the amount of the Seller's tax, interest and penalties. If the box in this
931 Section is checked, Seller represents that Seller IS a foreign person for purposes of U.S. income taxation. If
932 the box in this Section is not checked, Seller represents that Seller is not a foreign person for purposes of U.S.
933 income taxation. Seller agrees to cooperate with Buyer and Closing Company to provide any reasonably
934 requested documents to verify Seller's foreign person status. If withholding is required, Seller authorizes
935 Closing Company to withhold such amount from Seller's proceeds. Seller should inquire with Seller's tax
936 advisor to determine if withholding applies or if an exemption exists.

937 **15.8.2. Colorado Withholding.** The Colorado Department of Revenue may require a
938 portion of the Seller's proceeds be withheld after Closing when Seller will not be a Colorado resident after
939 Closing, if not otherwise exempt. Seller agrees to cooperate with Buyer and Closing Company to provide any
940 reasonably requested documents to verify Seller's status. If withholding is required, Seller authorizes Closing
941 Company to withhold such amount from Seller's proceeds. Seller should inquire with Seller's tax advisor to
942 determine if withholding applies or if an exemption exists.

943 **16. PRORATIONS AND ASSOCIATION ASSESSMENTS.** The following will be prorated to the **Closing**
944 **Date**, except as otherwise provided:

945 **16.1. Taxes.** Personal property taxes, if any, special taxing district assessments, if any and
946 general real estate taxes for the year of Closing, based on Taxes for the Calendar Year Immediately
947 **Preceding Closing** **Most Recent Mill Levy and Most Recent Assessed Valuation**, adjusted by any
948 applicable qualifying seniors property tax exemption, qualifying disabled veteran exemption or Other **NA**.

949 **16.2. Rents.** Rents based on Rents Actually Received Accrued. At Closing, Seller will
950 transfer or credit to Buyer the security deposits for all Leases assigned, or any remainder after lawful
951 deductions and notify all tenants in writing of such transfer and of the transferee's name and address. Seller
952 must assign to Buyer all Leases in effect at Closing and Buyer must assume Seller's obligations under such
953 Leases.

954 **16.3. Association Assessments.** Current regular Association assessments and dues
955 (Association Assessments) paid in advance will be credited to Seller at Closing. Cash reserves held out of the
956 regular Association Assessments for deferred maintenance by the Association will not be credited to Seller
957 except as may be otherwise provided by the Governing Documents. Buyer acknowledges that Buyer may be
958 obligated to pay the Association, at Closing, an amount for reserves or working capital. Any special
959 assessment assessed prior to **Closing Date** by the Association will be the obligation of Buyer Seller.
960 Except however, any special assessment by the Association for improvements that have been installed as of
961 the date of Buyer's signature hereon, whether assessed prior to or after Closing, will be the obligation of Seller.
962 Seller represents there are no unpaid regular or special assessments against the Property except the current
963 regular assessments and **NA**. Association Assessments are subject to change as provided in the Governing
964 Documents.

965 **16.4. Other Prorations.** Water and sewer charges, propane, interest on continuing loan and **NA**.

966 **16.5. Final Settlement.** Unless otherwise agreed in writing, these prorations are final.

967 **17. POSSESSION.** Possession of the Property will be delivered to Buyer on **Possession Date** at
968 **Possession Time**, subject to the Leases as set forth in § 10.6.1.1.

969 If Seller, after Closing, fails to deliver possession as specified, Seller will be subject to eviction and
970 will be additionally liable to Buyer for payment of \$ **200** per day (or any part of a day notwithstanding § 18.1)
971 from **Possession Date** and **Possession Time** until possession is delivered.

972 Buyer represents that Buyer will occupy the Property as Buyer's principal residence unless the
973 following box is checked, then Buyer **Does Not** represent that Buyer will occupy the Property as Buyer's
974 principal residence.

991 If the box is checked, Buyer and Seller agree to execute a Post-Closing Occupancy Agreement.

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995 **GENERAL PROVISIONS**

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997 **18. DAY; COMPUTATION OF PERIOD OF DAYS, DEADLINE.**

998 **18.1. Day.** As used in this Contract, the term "day" means the entire day ending at 11:59 p.m., United
999 States Mountain Time (Standard or Daylight Savings, as applicable).

1000 **18.2. Computation of Period of Days, Deadline.** In computing a period of days (e.g., three days after
1001 MEC), when the ending date is not specified, the first day is excluded and the last day is included. If any
1002 deadline falls on a Saturday, Sunday or federal or Colorado state holiday (Holiday), such deadline **Will**
1003 **Will Not** be extended to the next day that is not a Saturday, Sunday or Holiday. Should neither box be
1004 checked, the deadline will not be extended.
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1008 **19. CAUSES OF LOSS, INSURANCE; DAMAGE TO INCLUSIONS AND SERVICES; CONDEMNATION;**
1009 **AND WALK-THROUGH.** Except as otherwise provided in this Contract, the Property, Inclusions or both will be
1010 delivered in the condition existing as of the date of this Contract, ordinary wear and tear excepted.

1011 **19.1. Causes of Loss, Insurance.** In the event the Property or Inclusions are damaged by fire, other
1012 perils or causes of loss prior to Closing (Property Damage) in an amount of not more than ten percent of the
1013 total Purchase Price and if the repair of the damage will be paid by insurance (other than the deductible to be
1014 paid by Seller), then Seller, upon receipt of the insurance proceeds, will use Seller's reasonable efforts to
1015 repair the Property before **Closing Date**. Buyer has the Right to Terminate under § 25.1, on or before **Closing**
1016 **Date**, if the Property is not repaired before **Closing Date**, or if the damage exceeds such sum. Should Buyer
1017 elect to carry out this Contract despite such Property Damage, Buyer is entitled to a credit at Closing for all
1018 insurance proceeds that were received by Seller (but not the Association, if any) resulting from damage to the
1019 Property and Inclusions, plus the amount of any deductible provided for in the insurance policy. This credit may
1020 not exceed the Purchase Price. In the event Seller has not received the insurance proceeds prior to Closing,
1021 the parties may agree to extend the **Closing Date** to have the Property repaired prior to Closing or, at the
1022 option of Buyer, (1) Seller must assign to Buyer the right to the proceeds at Closing, if acceptable to Seller's
1023 insurance company and Buyer's lender; or (2) the parties may enter into a written agreement prepared by the
1024 parties or their attorney requiring the Seller to escrow at Closing from Seller's sale proceeds the amount Seller
1025 has received and will receive due to such damage, not exceeding the total Purchase Price, plus the amount of
1026 any deductible that applies to the insurance claim.
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1028

1029 **19.2. Damage, Inclusions and Services.** Should any Inclusion or service (including utilities and
1030 communication services), system, component or fixture of the Property (collectively Service) (e.g., heating or
1031 plumbing), fail or be damaged between the date of this Contract and Closing or possession, whichever is
1032 earlier, then Seller is liable for the repair or replacement of such Inclusion or Service with a unit of similar size,
1033 age and quality, or an equivalent credit, but only to the extent that the maintenance or replacement of such
1034 Inclusion or Service is not the responsibility of the Association, if any, less any insurance proceeds received by
1035 Buyer covering such repair or replacement. If the failed or damaged Inclusion or Service is not repaired or
1036 replaced on or before Closing or possession, whichever is earlier, Buyer has the Right to Terminate under §
1037 25.1, on or before **Closing Date**, or, at the option of Buyer, Buyer is entitled to a credit at Closing for the repair
1038 or replacement of such Inclusion or Service. Such credit must not exceed the Purchase Price. If Buyer receives
1039 such a credit, Seller's right for any claim against the Association, if any, will survive Closing.
1040
1041

1042 **19.3. Condemnation.** In the event Seller receives actual notice prior to Closing that a pending
1043 condemnation action may result in a taking of all or part of the Property or Inclusions, Seller must promptly
1044 notify Buyer, in writing, of such condemnation action. Buyer has the Right to Terminate under § 25.1, on or
1045 before **Closing Date**, based on such condemnation action, in Buyer's sole subjective discretion. Should Buyer
1046 elect to consummate this Contract despite such diminution of value to the Property and Inclusions, Buyer is
1047 entitled to a credit at Closing for all condemnation proceeds awarded to Seller for the diminution in the value of
1048 the Property or Inclusions but such credit will not include relocation benefits or expenses, or exceed the
1049 Purchase Price.
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1052 **19.4. Walk-Through and Verification of Condition.** Buyer, upon reasonable notice, has the right to
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1057 walk through the Property prior to Closing to verify that the physical condition of the Property and Inclusions
1058 complies with this Contract.

1059 **19.5. Home Warranty.** Seller and Buyer are aware of the existence of pre-owned home warranty
1060 programs that may be purchased and may cover the repair or replacement of such Inclusions.
1061
1062

1063 **20. RECOMMENDATION OF LEGAL AND TAX COUNSEL.** By signing this Contract, Buyer and Seller
1064 acknowledge that the respective broker has advised that this Contract has important legal consequences and
1065 has recommended the examination of title and consultation with legal and tax or other counsel before signing
1066 this Contract.
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1068

1069 **21. TIME OF ESSENCE, DEFAULT AND REMEDIES.** Time is of the essence for all dates and deadlines
1070 in this Contract. This means that all dates and deadlines are strict and absolute. If any payment due, including
1071 Earnest Money, is not paid, honored or tendered when due, or if any obligation is not performed timely as
1072 provided in this Contract or waived, the non-defaulting party has the following remedies:
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1074

1075 **21.1. If Buyer is in Default:**

1076 **21.1.1. Specific Performance.** Seller may elect to cancel this Contract and all Earnest
1077 Money (whether or not paid by Buyer) will be paid to Seller and retained by Seller. It is agreed that the Earnest
1078 Money is not a penalty and the Parties agree the amount is fair and reasonable. Seller may recover such
1079 additional damages as may be proper. Alternatively, Seller may elect to treat this Contract as being in full force
1080 and effect and Seller has the right to specific performance or damages, or both.
1081

1082 **21.1.2. Liquidated Damages, Applicable. This § 21.1.2 applies unless the box in § 21.1.1.**
1083 **is checked.** Seller may cancel this Contract. All Earnest Money (whether or not paid by Buyer) will be paid to
1084 Seller and retained by Seller. It is agreed that the Earnest Money specified in § 4.1 is LIQUIDATED DAMAGES
1085 and not a penalty, which amount the parties agree is fair and reasonable and (except as provided in §§ 10.4,
1086 22, 23 and 24), said payment of Earnest Money is SELLER'S ONLY REMEDY for Buyer's failure to perform
1087 the obligations of this Contract. Seller expressly waives the remedies of specific performance and additional
1088 damages.
1089

1090 **21.2. If Seller is in Default:** Buyer may elect to treat this Contract as canceled, in which case all
1091 Earnest Money received hereunder will be returned to Buyer and Buyer may recover such damages as may be
1092 proper. Alternatively, Buyer may elect to treat this Contract as being in full force and effect and Buyer has the
1093 right to specific performance or damages, or both.
1094
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1096 **22. LEGAL FEES, COST AND EXPENSES.** Anything to the contrary herein notwithstanding, in the event
1097 of any arbitration or litigation relating to this Contract, prior to or after **Closing Date**, the arbitrator or court must
1098 award to the prevailing party all reasonable costs and expenses, including attorney fees, legal fees and
1099 expenses.
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1101

1102 **23. MEDIATION.** If a dispute arises relating to this Contract (whether prior to or after Closing) and is not
1103 resolved, the parties must first proceed, in good faith, to mediation. Mediation is a process in which the parties
1104 meet with an impartial person who helps to resolve the dispute informally and confidentially. Mediators cannot
1105 impose binding decisions. Before any mediated settlement is binding, the parties to the dispute must agree to
1106 the settlement, in writing. The parties will jointly appoint an acceptable mediator and will share equally in the
1107 cost of such mediation. The obligation to mediate, unless otherwise agreed, will terminate if the entire dispute
1108 is not resolved within thirty days of the date written notice requesting mediation is delivered by one party to the
1109 other at that party's last known address (physical or electronic as provided in § 27). Nothing in this Section
1110 prohibits either party from filing a lawsuit and recording a *lis pendens* affecting the Property, before or after the
1111 date of written notice requesting mediation. This Section will not alter any date in this Contract, unless
1112 otherwise agreed.
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1117 **24. EARNEST MONEY DISPUTE.** Except as otherwise provided herein, Earnest Money Holder must
1118 release the Earnest Money following receipt of written mutual instructions, signed by both Buyer and Seller. In
1119 the event of any controversy regarding the Earnest Money, Earnest Money Holder is not required to release the
1120 Earnest Money. Earnest Money Holder, in its sole subjective discretion, has several options: (1) wait for any
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1123 proceeding between Buyer and Seller; (2) interplead all parties and deposit Earnest Money into a court of
1124 competent jurisdiction (Earnest Money Holder is entitled to recover court costs and reasonable attorney and
1125 legal fees incurred with such action); or (3) provide notice to Buyer and Seller that unless Earnest Money
1126 Holder receives a copy of the Summons and Complaint or Claim (between Buyer and Seller) containing the
1127 case number of the lawsuit (Lawsuit) within one hundred twenty days of Earnest Money Holder's notice to the
1128 parties, Earnest Money Holder is authorized to return the Earnest Money to Buyer. In the event Earnest Money
1129 Holder does receive a copy of the Lawsuit and has not interpleaded the monies at the time of any Order, Earnest
1130 Money Holder must disburse the Earnest Money pursuant to the Order of the Court. The parties reaffirm the
1131 obligation of § 23 (Mediation). This Section will survive cancellation or termination of this Contract.
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1135 **25. TERMINATION.**

1136 **25.1. Right to Terminate.** If a party has a right to terminate, as provided in this Contract (Right to
1137 Terminate), the termination is effective upon the other party's receipt of a written notice to terminate (Notice to
1138 Terminate), provided such written notice was received on or before the applicable deadline specified in this
1139 Contract. If the Notice to Terminate is not received on or before the specified deadline, the party with the Right
1140 to Terminate accepts the specified matter, document or condition as satisfactory and waives the Right to
1141 Terminate under such provision.
1142

1143 **25.2. Effect of Termination.** In the event this Contract is terminated, all Earnest Money received
1144 hereunder will be returned to Buyer and the parties are relieved of all obligations hereunder, subject to §§ 10.4,
1145 22, 23 and 24.
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1149 **26. ENTIRE AGREEMENT, MODIFICATION, SURVIVAL; SUCCESSORS.** This Contract, its exhibits and
1150 specified addenda, constitute the entire agreement between the parties relating to the subject hereof and any
1151 prior agreements pertaining thereto, whether oral or written, have been merged and integrated into this
1152 Contract. No subsequent modification of any of the terms of this Contract is valid, binding upon the parties, or
1153 enforceable unless made in writing and signed by the parties. Any right or obligation in this Contract that, by its
1154 terms, exists or is intended to be performed after termination or Closing survives the same. Any successor to a
1155 party receives the predecessor's benefits and obligations of this Contract.
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1158 **27. NOTICE, DELIVERY AND CHOICE OF LAW.**

1159 **27.1. Physical Delivery and Notice.** Any document, or notice to Buyer or Seller must be in writing,
1160 except as provided in § 27.2 and is effective when physically received by such party, any individual named in
1161 this Contract to receive documents or notices for such party, Broker, or Brokerage Firm of Broker working with
1162 such party (except any notice or delivery after Closing must be received by the party, not Broker or Brokerage
1163 Firm).
1164

1165 **27.2. Electronic Notice.** As an alternative to physical delivery, any notice, may be delivered in
1166 electronic form to Buyer or Seller, any individual named in this Contract to receive documents or notices for
1167 such party, Broker or Brokerage Firm of Broker working with such party (except any notice or delivery after
1168 Closing must be received by the party, not Broker or Brokerage Firm) at the electronic address of the recipient
1169 by facsimile, email or NA.
1170

1171 **27.3. Electronic Delivery.** Electronic Delivery of documents and notice may be delivered by: (1) email
1172 at the email address of the recipient, (2) a link or access to a website or server provided the recipient receives
1173 the information necessary to access the documents, or (3) facsimile at the facsimile number (Fax No.) of the
1174 recipient.
1175

1176 **27.4. Choice of Law.** This Contract and all disputes arising hereunder are governed by and construed
1177 in accordance with the laws of the State of Colorado that would be applicable to Colorado residents who sign a
1178 contract in Colorado for real property located in Colorado.
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1181 **28. NOTICE OF ACCEPTANCE, COUNTERPARTS.** This proposal will expire unless accepted in writing,
1182 by Buyer and Seller, as evidenced by their signatures below and the offering party receives notice of such
1183 acceptance pursuant to § 27 on or before **Acceptance Deadline Date** and **Acceptance Deadline Time**. If
1184 accepted, this document will become a contract between Seller and Buyer. A copy of this Contract may be
1185 executed by each party, separately and when each party has executed a copy thereof, such copies taken
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1189 together are deemed to be a full and complete contract between the parties.

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29. GOOD FAITH. Buyer and Seller acknowledge that each party has an obligation to act in good faith including, but not limited to, exercising the rights and obligations set forth in the provisions of **Financing Conditions and Obligations; Title Insurance, Record Title and Off-Record Title; New ILC, New Survey; and Property Disclosure, Inspection, Indemnity, Insurability, Due Diligence and Source of Water.**

ADDITIONAL PROVISIONS AND ATTACHMENTS

30. ADDITIONAL PROVISIONS. (The following additional provisions have not been approved by the Colorado Real Estate Commission.)

NONE

31. OTHER DOCUMENTS.

31.1. The following documents are a part of this Contract:

NONE

31.1.1. Post-Closing Occupancy Agreement. If the Post-Closing Occupancy Agreement box is checked in § 17 the Post-Closing Occupancy Agreement is a part of this Contract.

31.2. The following documents have been provided but are not a part of this Contract:

NONE

SIGNATURES

Irina Patete

Date: 3/5/2019

Buyer: **Irina Patete**

Nicholas Patete

Date: 3/5/2019

Buyer: **Nicholas Patete**

[NOTE: If this offer is being countered or rejected, do not sign this document.

Date: _____

Seller: **Gary Dragul Receivership Estate**

By: Harvey Sender, Receiver

END OF CONTRACT TO BUY AND SELL REAL ESTATE

32. BROKER'S ACKNOWLEDGMENTS AND COMPENSATION DISCLOSURE.

(To be completed by Broker working with Buyer)

Broker Does **Does Not** acknowledge receipt of Earnest Money deposit. Broker agrees that if Brokerage Firm is the Earnest Money Holder and, except as provided in § 24, if the Earnest Money has not already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written mutual instructions, provided the Earnest Money check has cleared.

Although Broker is not a party to the Contract, Broker agrees to cooperate, upon request, with any mediation requested under § 23.

Broker is working with Buyer as a **Buyer's Agent** **Transaction-Broker** in this transaction. This is a **Change of Status**

Customer. Broker has no brokerage relationship with Buyer. See § 33 for Broker's brokerage relationship with Seller.

Brokerage Firm's compensation or commission is to be paid by **Listing Brokerage** **Buyer** **Other** *n/a*.

Brokerage Firm's Name: **RE/MAX Professionals**

Brokerage Firm's License #: **EC 100028439**



Date: **3/5/2019**

Broker's Name: **Jerry Haberkorn**

Broker's License #: **FA100004461**

Address: **1745 Shea Center Dr Ste 100 Highlands Ranch, CO 80129**

Ph: **303-919-5032** Fax: **303-268-0300** Email Address: **jhaberkorn@remax.net**

33. BROKER'S ACKNOWLEDGMENTS AND COMPENSATION DISCLOSURE.

(To be completed by Broker working with Seller)

Broker Does **Does Not** acknowledge receipt of Earnest Money deposit. Broker agrees that if Brokerage Firm is the Earnest Money Holder and, except as provided in § 24, if the Earnest Money has not already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written mutual instructions, provided the Earnest Money check has cleared.

Although Broker is not a party to the Contract, Broker agrees to cooperate, upon request, with any mediation requested under § 23.

Broker is working with Seller as a **Seller's Agent** **Transaction-Broker** in this transaction. This is a **Change of Status**.

Customer. Broker has no brokerage relationship with Seller. See § 32 for Broker's brokerage relationship with Buyer.

Brokerage Firm's compensation or commission is to be paid by **Seller** **Buyer** **Other** *n/a*.

Brokerage Firm's Name: **Madison & Company Properties**

Brokerage Firm's License #: **EC 100025694**

BRENDAN MORAN

Date: **3/12/2019**

Broker's Name: **BRENDAN MORAN**

Broker's License #: **FA-40006027**

Address: **5975 S. Quebec St., Suite 100 Greenwood Village, CO 80111**

Ph: **303-771-3850** Fax: **n/a** Email Address: **Brendan@Realtor.com**

CBS1-6-18. CONTRACT TO BUY AND SELL REAL ESTATE (RESIDENTIAL)

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Seller(s) Initials:

BP NP

EXHIBIT 1 - PAGE 21 OF 53



The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission. (CP40-6-18) (Mandatory 1-19)

THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX OR OTHER COUNSEL BEFORE SIGNING.

COUNTERPROPOSAL

Date: 3/7/2019

1. This Counterproposal supersedes and replaces any previous counterproposal. This Counterproposal amends the proposed contract dated 3/5/2019 (Contract), between **Gary Dragul Receivership Estate** (Seller), and **Irina Patete and Nicholas Patete** (Buyer), relating to the sale and purchase of the following legally described real estate in the County of **Arapahoe**, Colorado: **LOT 29 BLK 10 CHERRY CREEK VISTA 6TH FLG AMEND RESUB** known as No. **5722 S Lansing Court, Englewood, CO 80111** (Property).

NOTE: If the table is omitted, or if any item is left blank or is marked in the "No Change" column, it means no change to the corresponding provision of the Contract. If any item is marked in the "Deleted" column, it means that the corresponding provision of the Contract to which reference is made is deleted.

2. **§ 3.1 Dates and Deadlines.** [Note: This table may be omitted if inapplicable.]

Item No.	Reference	Event	Date or Deadline	No Change	Deleted
1	§ 4.3	Alternative Earnest Money Deadline	C.A. + 3 days		
Title					
2	§ 8.1, § 8.4	Record Title Deadline	C.A. + 7 days		
3	§ 8.2, § 8.4	Record Title Objection Deadline	C.A. + 10 days		
4	§ 8.3	Off-Record Title Deadline	C.A. + 7 days		
5	§ 8.3	Off-Record Title Objection Deadline	C.A. + 10 days		
6	§ 8.5	Title Resolution Deadline	C.A. + 14 days		
7	§ 8.6	Right of First Refusal Deadline	no change		
Owners' Association					
8	§ 7.2	Association Documents Deadline	C.A. + 7 days		
9	§ 7.4	Association Documents Termination Deadline	C.A. + 10 days		
Seller's Disclosures					
10	§ 10.1	Seller's Property Disclosure Deadline	N/A		
11	§ 10.10	Lead-Based Paint Disclosure Deadline CBS 1, 2, F1	C.A. + 3 days		
Loan and Credit					
12	§ 5.1	Loan Application Deadline	COMPLETE		
13	§ 5.2	Loan Termination Deadline	C.A. + 21 days		
14	§ 5.3	Buyer's Credit Information Deadline	no change	<input checked="" type="checkbox"/>	
15	§ 5.3	Disapproval of Buyer's Credit Information Deadline	no change	<input checked="" type="checkbox"/>	
16	§ 5.4	Existing Loan Documents Deadline	no change	<input checked="" type="checkbox"/>	
17	§ 5.4	Existing Loan Documents Termination Deadline	no change	<input checked="" type="checkbox"/>	
18	§ 5.4	Loan Transfer Approval Deadline	no change	<input checked="" type="checkbox"/>	
19	§ 4.7	Seller or Private Financing Deadline	no change	<input checked="" type="checkbox"/>	

		Appraisal				
20	§ 6.2	Appraisal Deadline	C.A. + 18 days			
21	§ 6.2	Appraisal Objection Deadline	C.A. + 19 days			
22	§ 6.2	Appraisal Resolution Deadline	C.A. + 20 days			
		Survey				
23	§ 9.1	New ILC or New Survey Deadline	C.A. + 14 days			
24	§ 9.3	New ILC or New Survey Objection Deadline	C.A. + 17 days			
25	§ 9.3	New ILC or New Survey Resolution Deadline	C.A. + 18 days			
		Inspection and Due Diligence				
26	§ 10.3	Inspection Objection Deadline	C.A. + 10 days			
27	§ 10.3	Inspection Termination Deadline	C.A. + 10 days			
28	§ 10.3	Inspection Resolution Deadline	C.A. + 14 days			
29	§ 10.5	Property Insurance Termination Deadline	C.A. + 14 days			
30	§ 10.6	Due Diligence Documents Delivery Deadline	N/A			
31	§ 10.6	Due Diligence Documents Objection Deadline	N/A			
32	§ 10.6	Due Diligence Documents Resolution Deadline	N/A			
33	§ 10.6	Environmental Inspection Objection Deadline CBS2, 3, 4	no change		<input checked="" type="checkbox"/>	
34	§ 10.6	ADA Evaluation Objection Deadline CBS2, 3, 4	no change		<input checked="" type="checkbox"/>	
35	§ 10.7	Conditional Sale Deadline	NONE			
36	§ 10.10	Lead-Based Paint Termination Deadline CBS 1, 2, F1	C.A. + 10 days			
37	§ 11.1, 11.2	Estoppel Statements Deadline CBS2, 3, 4	no change		<input checked="" type="checkbox"/>	
38	§ 11.3	Estoppel Statements Termination Deadline CBS2,3,4	no change		<input checked="" type="checkbox"/>	
		Closing and Possession				
39	§ 12.3	Closing Date	C.A. + 28 days			
40	§ 17	Possession Date	C.A. + 28 days			
41	§ 17	Possession Time	UPON FUNDING & DELIVERY OF DEED			
42	n/a	n/a	no change			
43	n/a	n/a	no change			

19
20 **3. § 4. PURCHASE PRICE AND TERMS. [Note: This table may be deleted if inapplicable.]**

21
22 The Purchase Price set forth below is payable in U.S. Dollars by Buyer as follows:

23
24

Item No.	Reference	Item	Amount	Amount
1	§ 4.1	Purchase Price	\$491,000.00	
2	§ 4.3	Earnest Money		\$25,000.00
3	§ 4.5	New Loan		\$392,800.00
4	§ 4.6	Assumption Balance		
5	§ 4.7	Private Financing		
6	§ 4.7	Seller Financing		
7	n/a	n/a		
8	n/a	n/a		
9	§ 4.4	Cash at Closing		\$73,200.00
10		TOTAL	\$491,000.00	\$491,000.00

25
26 **4. ATTACHMENTS.** The following are a part of this Counterproposal:

ADDENDUM TO CONTRACT.

Addendum /5722 S. Lansing Ct.

27

This Addendum is hereby attached and is made part of this Contract.

28 **Note:** The following documents have been provided but are **not** a part of this Counterproposal:

29 ***no change***

30

31 **5. OTHER CHANGES.**

C.A. in 3.1 Dates and Deadlines table is "Court Approval"

2.3

Seller

Harvey Sender, in his capacity as RECEIVER of the Gary Dragul RECEIVER ESTATE

6. Appraisal Provisions. In the event the Property Appraisal is less than the Contract Price, the Buyer agrees to bring up to \$5,000 additional cash to Closing above the appraised value. This amount will be added to "Cash at Closing" in Section 4.1 Price and Terms.

10.6.1.2. Seller does not have any Due Diligence Documents in their possession other than what may be found at the Property.

32

13. Transfer of Title. Title shall be conveyed by Special Warranty Deed.

17. Possession: \$100 per day if Seller fails to deliver possession.

Section 18.1. Day. As used in this Contract, the term "day" means the entire day ending at 6:00 p.m. & not 11:59 p.m., United States Mountain Time (Standard or Daylight Savings as applicable).

See ADDENDUM TO CONTRACT. Addendum /5722 S. Lansing Ct.

This Addendum is hereby attached and is made part of this Contract.

33

34 **6. ACCEPTANCE DEADLINE.** This Counterproposal expires unless accepted in writing by Seller and Buyer as evidenced by their signatures below and the offering party to this document receives notice of such acceptance on or before ***3/11/2019 6:00 PM MST.***

Date Time

35

36 If accepted, the Contract, as amended by this Counterproposal, will become a contract between Seller and Buyer. All other terms and conditions of the Contract remain the same.

37

38 *Harvey Sender, Receiver*

Date: 3/7/2019

Seller: **Gary Dragul Receivership Estate**
By: Harvey Sender, Receiver

Address:

39

40 Seller: _____ Date: _____

41 Address:

42

43 *Irina Patete*

Date: 3/11/2019

Buyer: **Irina Patete**

Address:

44

45 *Nicholas Patete*

Date: 3/11/2019

Buyer: **Nicholas Patete**

Address:

46 **Note:** When this Counterproposal form is used, the Contract is **not** to be signed by the party initiating this Counterproposal. Brokers must complete and sign the Broker's Acknowledgments and Compensation Disclosure portion of the Contract.

CP40-6-18. COUNTERPROPOSAL

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ADDENDUM TO CONTRACT

This Addendum (“Addendum”) to Contract to Buy and Sell Real Estate (Residential) dated March 5, 2019 (the “Printed Form Contract”), and Counterproposal dated March 7, 2019 (the “Counterproposal”), for property located at 5722 S. Lansing Ct., Englewood, CO 80111 (the “Property”), is dated as of the last day signed below, between **Irina Patete and Nicholas Patete (“Buyer”)** and **Harvey Sender, in his capacity as RECEIVER of the Gary Dragul RECEIVERSHIP ESTATE (“Seller”)**. This Addendum is separately attached to and made a part of the Printed Form Contract and Counterproposal. The Printed Form Contract, Counterproposal and this Addendum, together, shall be referred to as the “Contract”.

1. Conflicts. In the event of any conflict between the terms and provisions of the Printed Form Contract and this Addendum, the terms of this Addendum shall govern and control.

2. Authority of Seller. Gary Dragul owned and managed various companies (collectively “Dragul”) for which he solicited investors to acquire residential and commercial real estate. Gary Dragul was indicted for securities fraud by the Attorney General for the State of Colorado. By Court Order dated August 30, 2018, Harvey Sender, was appointed Receiver (alternately referred to as “Receiver” or “Seller”), in Rome v. Dragul, et al., Case Number 2018 CV 33011, District Court, Denver, Colorado (the “Receivership Court” and the “Receivership Order”) to take control of all Dragul assets (referred to as “Receivership Property” or “Receivership Estate”). See Receivership Order attached as **Exhibit A**. For purposes of this transaction, the Receivership Estate includes all the assets of GDA Real Estate Services, LLC (“GDA RES”), a Colorado limited liability company; GDA Real Estate Management, LLC (“GDA REM”), a Colorado limited liability company and 5722 Lansing 14, LLC, a Colorado limited liability company. 5722 Lansing 14, LLC is the Grantee of the Warranty Deed recorded July 2, 2015 (the vesting deed) to the Property. The Receivership Order authorizes the Receiver to sell assets of the Receivership Estate subject to Court approval.

3. Court Approval. Within three (3) business days of mutual execution of this Contract (“MEC”), Seller shall file a motion with the Receivership Court seeking approval of this Contract. Seller will notify Buyer in writing within two (2) business days of receipt of a Court order approving this Contract (“Court Approval Notification Date”). The Receiver will use his reasonable efforts to obtain approval of and will support this Contract over the objection of any creditors or other interested parties; provided, however, that the Receiver, consistent with his fiduciary duties in the Receivership Case, shall, until the Receivership Court enters an order approving this Contract, be free to entertain and to accept any competing offer that he deems in his reasonable business judgement to be a higher or better offer. The Receiver’s foregoing right to entertain and/or accept competing offers shall immediately and automatically terminate upon the Receivership Court’s entry of an order approving this Contract.

4. Exclusive Court Jurisdiction. This Contract shall be null and void if it is not approved by an order of the Receivership Court on or before thirty (30) days from MEC.

The Parties agree that the Receivership Court shall have exclusive jurisdiction to hear and determine all disputes, claims, or other actions arising from or relating to the Contract. Each Party consents to the Court entering final orders, judgements and/or decrees.

5. AS-IS. Except as expressly set forth herein or in any Closing document, Seller makes no representations or warranties of any kind to Buyer. Seller and Buyer acknowledge and agree that all Property, real and personal, is to be conveyed by Seller "AS IS, WHERE IS" and in its present condition and that Seller has not made, does not hereby make and shall not make, and specifically disclaims, any representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past or present, of, as to, concerning or with respect to the Property (except as set forth in this Contract and the warranty of title set forth in the deed with respect to the real property). Except as set forth in this Contract and any Closing document, it is the intention of the Seller expressly to negate and exclude all warranties, including without limitation, the implied warranties of merchantability and fitness for any particular purpose from and after the Closing Date. Buyer shall assume all risks relating in any manner to any defects, if any, in the Property (or any part thereof) of any type or nature whatsoever and shall be solely and completely responsible for the repair and/or removal of all such defects and the payment of all costs and expenses related thereto. It is expressly agreed that Buyer is being provided the opportunity to investigate and inspect the Property.

6. SELLER DISCLAIMER. NOTWITHSTANDING ANY LANGUAGE IN THIS CONTRACT TO THE CONTRARY, THE RECEIVER MAKES NO REPRESENTATION OR WARRANTY TO THE BUYER CONCERNING THE PROPERTY, EXPRESS OR IMPLIED, AND ANY SUCH OTHER OR ADDITIONAL REPRESENTATIONS OR WARRANTIES ARE HEREBY SPECIFICALLY AND EXPRESSLY DISCLAIMED. WITHOUT LIMITING THE GENERALITY OF THE PREVIOUS SENTENCE, THE RECEIVER EXPRESSLY DISCLAIMS ANY REPRESENTATION OR WARRANTY RELATED OR WITH RESPECT TO THE VALUE OF THE PROPERTY.

7. DEFAULT BY SELLER. IN THE EVENT THAT SELLER DEFAULTS OR FAILS TO CONSUMMATE THIS CONTRACT FOR ANY REASON, PURCHASER'S SOLE REMEDY SHALL BE THE RIGHT TO THE RETURN OF THE DEPOSIT, WHICH RETURN SHALL OPERATE TO TERMINATE THIS CONTRACT. SECTION 21.2 OF THE CONTRACT, CAPTIONED "IF SELLER IS IN DEFAULT", IS DELETED IN THE ENTIRETY AND SHALL BE OF NO FORCE OR EFFECT.

8. DEFAULT BY BUYER. IF THE SALE IS NOT CONSUMMATED DUE TO ANY DEFAULT BY BUYER HEREUNDER, THEN SELLER'S SOLE REMEDY SHALL BE THE RIGHT TO RETAIN THE DEPOSIT AS LIQUIDATED DAMAGES. THE PARTIES HAVE AGREED THAT SELLER'S ACTUAL DAMAGES, IN THE EVENT OF A FAILURE TO CONSUMMATE THIS SALE DUE TO BUYER'S DEFAULT, WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. AFTER NEGOTIATION, THE PARTIES HAVE AGREED THAT, CONSIDERING ALL THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS CONTRACT, THE AMOUNT OF THE DEPOSIT IS A REASONABLE ESTIMATE OF THE DAMAGES THAT SELLER

WOULD INCUR IN SUCH EVENT. THE FOREGOING IN NO WAY LIMITS SELLER FROM SEEKING INDEMNIFICATION FROM BUYER UNDER THE TERMS OF THE CONTRACT.

[SIGNATURE PAGE ON NEXT PAGE]

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

BUYER:

Irina Patete and Nicholas Patete

Irina Patete

Irina Patete

03/11/2019

Date

Nicholas Patete

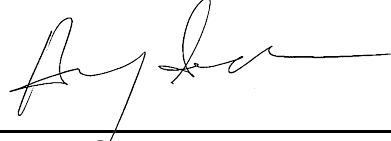
Nicholas Patete

03/11/2019

Date

SELLER:

Harvey Sender, in his capacity as
RECEIVERr of the Garary Dragul
RECEIVERSHIP ESTATE



Harvey Sender, Receiver

3/7/2019

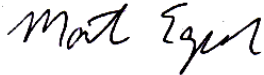
Date

EXHIBIT A
Receivership Order

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 v. Defendant(s) GARY DRAGUL et al.	DATE FILED: August 30, 2018 8:27 AM CASE NUMBER: 2018CV33011 <p style="text-align: center;">△ COURT USE ONLY △</p> Case Number: 2018CV33011 Division: 424 Courtroom:
Order: (Proposed) Stipulated Order Appointing Receiver also filed on behalf of Defendants Gary Dragul and GDA Real Estate Service, and GDA Real Estate Management LLC)	

The motion/proposed order attached hereto: SO ORDERED.

Issue Date: 8/30/2018



MARTIN FOSTER EGELHOFF
District Court Judge

<p>DISTRICT COURT, DENVER COUNTY, COLORADO</p> <p>1437 Bannock Street Denver, CO 80202</p> <hr/> <p>GERALD ROME, Securities Commissioner for the State of Colorado,</p> <p>Plaintiff,</p> <p>v.</p> <p>GARY DRAGUL, GDA REAL ESTATE SERVICES, LLC, and GDA REAL ESTATE MANAGEMENT, LLC</p> <p>Defendants.</p>	<p style="text-align: center;">▲ COURT USE ONLY ▲</p>
<p>BY THE COURT</p>	<p>Case No.: 2018 CV 33011</p> <p>Courtroom: 424</p>
<p>STIPULATED ORDER APPOINTING RECEIVER</p>	

THIS MATTER having come before this Court on the Stipulated Motion to Appoint Receiver (the “Motion”) filed by the Plaintiff Gerald Rome, Securities Commissioner for the State of Colorado and Defendants Gary Dragul (“Dragul”), GDA Real Estate Services, LLC (“GDARES”), and GDA Real Estate Management, Inc. (“GDAREM”), and the Court, being otherwise fully advised in the premises,

HEREBY FINDS:

1. The Court has jurisdiction and venue is proper pursuant to C.R.C.P. 98(a).
2. Dragul is an individual and a resident of Colorado, and the manager of

GDARES and GDAREM, among other businesses.

3. GDARES is a Colorado limited liability company with its principal place of business at 5690 DTC Blvd., Suite 515, Greenwood Village, Colorado 80111.

4. GDAREM is a Colorado corporation with its principal place of business at 5690 DTC Blvd., Suite 515, Greenwood Village, Colorado 80111.

5. The Parties have stipulated to the appointment of a Receiver without bond or other security for Dragul, GDARES, and GDAREM, as well as for their respective properties and assets, and interests and management rights in related affiliated and subsidiary businesses as set forth herein.

6. The appointment of a receiver is reasonable and necessary for the protection of the assets and the rights of the parties in this case. Based on the standards set forth in C.R.C.P. 66 and case law thereunder, the Parties have stipulated that the Commissioner is entitled to entry of this Order.

7. Nothing in this stipulated Order shall be deemed an admission by Dragul to any allegations or as a waiver of any defenses thereto or limit Dragul's 4th, 5th, or 6th Amendment rights or other Constitutional and statutory protections and privileges afforded to any criminal defendant, or prevent him from invoking such rights in his personal capacity. Nothing in this Order operates as a waiver or an abrogation of the attorney-client privilege held by Dragul in his personal capacity.

8. Harvey Sender of Sender & Smiley LLC, has been determined to be suitable to serve as Receiver for Dragul (as such term is defined below in this

Order), GDARES and GDAREM, as set forth in this Order. Mr. Sender's business address is 600 17th Street, Suite 2800, Denver, Colorado 80202.

IT IS THEREFORE ORDERED THAT:

9. Harvey Sender ("the Receiver") is hereby appointed as Receiver for Dragul (limited to the definition of the "Receivership Property" or "Receivership Estate" as defined herein), GDARES, GDAREM, and all of their assets, including, but not limited to, all real and personal property, including tangible and intangible assets, their interests in any subsidiaries or related companies, management and control rights, claims, and causes of action, wherever located, including without limitation the "LLC Entities" identified in the Commissioner's Motion and Complaint for Injunctive and Other Relief, or assets (including those of Dragul) of any kind or of any nature whatsoever related in any manner, or directly or indirectly derived, from investor funds from the solicitation or sale of securities as described in the Complaint, or derived indirectly or indirectly from investor funds (the "Receivership Property," and altogether this "Receivership Estate"). Except that the personal residence of Dragul, located at 10 Cherry Vale Drive, Englewood, Colorado 80113, shall not be considered "Receivership Property" or part of the "Receivership Estate," unless the Receiver determines that an improvement to or increase in equity in such residence is directly related to the proceeds from the sale of the securities or matters referenced in the Complaint, in which case the improvements or equity shall be considered "Receivership Property" or part of the "Receivership Estate." Consistent with

Colorado's dissolution statutes and applicable law, and as set forth in greater detail below, the Receiver may, in the exercise of his reasonable judgment, investigate any claims and causes of action which may be pursued for the benefit of Dragul, GDARES, GDAREM, their creditors, members, and equity holders, and make recommendations to interested parties and this Court regarding the prosecution of any such claims and causes of action; establish a process for the assertion of claims against the Receivership Estate; make recommendations to this Court for the allowance and payment of such claims; and investigate and make recommendations to this Court for the ongoing operation, sale or distribution of any remaining Receivership Property, or the proceeds thereof, pursuant to the terms hereof.

10. Dragul, GDARES, and GDAREM, and all persons in active participation them, including without limitation, their officers and directors, partners, managers, employees, agents, representatives, attorneys, accountants, banks, contractors, subcontractors, and all who claim under them (collectively, the "Representatives"), are hereby ordered to deliver immediately to the Receiver or his agents all of the Receivership Property and to fully cooperate with the Receiver including, but not limited to, providing the Receiver all reasonably requested documents, records, bank accounts, trust accounts, deposit accounts, savings accounts, money market accounts, and all other demand deposit accounts, inventory, supplies, contracts, accounts receivable, computer databases, sales and marketing materials; together with stock certificates or other indicia of

ownership of any subsidiaries or related companies, and any and all reasonably requested documents, records, bank accounts, trust accounts, deposit accounts, savings accounts, money market accounts, and all other demand deposit accounts, inventory, supplies, contracts, accounts receivable, computer databases, sales and marketing materials, related to the operation of any subsidiaries or related companies. Dragul, GDARES, and GDAREM and their Representatives, when necessary or when requested (subject to Dragul's Constitutional protections, including the Fifth Amendment), shall explain the operation, maintenance and management of the Receivership Property, including any subsidiaries or related entities or companies, to the Receiver or his agents, without compensation therefor. Any claims for nonpayment for services shall not be used as a defense to turning over Receivership Property. All privileges in connection with professional representation of GDARES and GDAREM shall accrue to the sole benefit of the Receiver and the Receivership Estate and may only be waived by the Receiver, except that Dragul maintains all such privileges in his personal capacity. The Receiver may request supplemental authority from this Court upon proper motion, if necessary, to obtain the cooperation of any Representatives or any other foregoing persons acting on behalf of or for Dragul, GDARES and GDAREM, to comply fully and completely with this Order.

11. Any creditors of Dragul, GDARES or GDAREM that are in the possession of, or have taken any action to seize any books, records, or assets of the Receivership Estate (hereinafter called "Creditors") and all persons in active

participation with such Creditors, including without limitation, such Creditors' officers, managers, members, employees, agents, representatives, attorneys, accountants, banks, contractors, subcontractors, and all who claim under them (hereafter called "Creditors' Representatives") are hereby ordered to deliver immediately to the Receiver all of the Receivership Property in such Creditors' or Creditors' Representatives' possession, and to fully cooperate with the Receiver in connection with such turnover. Any claims against Dragul, GDARES or GDAREM shall not be used as a defense to turning over as set forth in this paragraph. The Receiver may request supplemental authority from this Court upon proper motion, if necessary, to obtain the cooperation of Creditors or Creditors' Representatives or any other foregoing persons acting on behalf of or for the Creditors to comply fully and completely with this Order.

12. If the Receiver determines, after reasonable inquiry that a person or entity is in violation of the turnover provisions set forth in Paragraphs 9 and 10 of this Order, the Receiver is instructed to give written notice thereof to the person or entity violating such provisions, with a copy of this Order attached, demanding turnover of such Receivership Property. If the person or entity in possession fails or refuses to turn over the Receivership Property after receiving notice, the Receiver shall file a Request for an Order to Show Cause with this Court.

13. The Receiver shall have all the powers and authority usually held by equity receivers and reasonably necessary to accomplish the purposes stated

herein, including, but not limited to, the following powers which the Receiver may execute without further order of this Court, except as expressly provided herein:

(a) To take from Dragul's, GDARES' and GDAREM's Representatives, and all persons acting in participation with Dragul, GDARES and GDAREM, and from Creditors and Creditors' Representatives, immediate possession and control of all of the assets of Dragul, GDARES and GDAREM, including the Receivership Property, to the exclusion of Dragul, GDARES and GDAREM, and their Representatives or all persons acting in participation with Dragul, GDARES and GDAREM, and Creditors and Creditors' Representatives;

(b) To exercise such control over all subsidiaries and related companies owned or managed by Dragul, GDARES and GDAREM, consistent with the governance documents or operating agreements applicable to the subsidiaries and related companies, including to exercise all rights of Dragul, GDARES and GDAREM to elect new officers, directors, or management of the subsidiaries and related companies, in their respective capacities and not as an assignee;

(c) To take charge of the subject Receivership Property, regardless of where such property is located, including, but not limited to, bank accounts, cash, checks, drafts, notes, security deposits, bonds, books, records, contracts, claims, leases, files, furniture, certificates, licenses, fixtures and equipment, property located in any real property either owned or leased by Dragul, GDARES and GDAREM and any personal property located in storage facilities;

(d) As appropriate, to take possession of offices of Dragul, GDARES

and GDAREM and to change any and all locks on such offices and to limit access to such offices to the Receiver and his agents, subject to any privileges maintained by Dragul in his personal capacity;

(e) To collect in a timely fashion all accounts receivable and other obligations due to Dragul, GDARES and GDAREM, including, as necessary to negotiate and deposit checks made payable to them into accounts maintained by the Receiver and as necessary to review mail directed to Dragul, GDARES and GDAREM and their Representatives in order to collect incoming accounts receivable and other obligations due and owing to Dragul, GDARES and GDAREM;

(f) To contract for and obtain such services as utilities, supplies, equipment and goods as is reasonably necessary to manage, preserve, and protect the Receivership Property as the Receiver may reasonably deem necessary; however, no contract shall extend beyond the termination of the Receivership without the permission of the Court;

(g) To obtain, review and analyze Dragul, GDARES and GDAREM books and records relating to the Receivership Property, including without limitation accounting records, banking records, tax records, and any other books or documents necessary to perform the duties of the Receiver;

(h) To pay, at the Receiver's discretion, any obligations incurred by Dragul, GDARES and GDAREM prior to the appointment of the Receiver that are deemed by the Receiver to be necessary or advisable for the preservation or protection of the Receivership Property;

(i) To borrow from third parties on such reasonable terms as may be acceptable to the Receiver, such funds that may be required for the fulfillment of the Receiver's obligations hereunder, and to meet the needs of the Receivership Estate in excess of the income from the Receivership Estate. The Receiver may issue Receiver's Certificates secured by all assets of the Receivership Estate, including, but not limited to, all claims on insurance policies, surety bonds, and similar assets of the Receivership Estate, in exchange for funds advanced during the term of this receivership, and such Receiver Certificates shall be a first and prior lien and preference claim upon the Receivership Property or a portion of it at the Receiver's election;

(j) To open and maintain accounts at a financial institution insured by the federal government in the name of the Receiver and to deposit all sums received by the Receiver into such account and to make such withdrawals as are necessary to pay the reasonable costs and expenses incurred by the Receiver;

(k) To exercise all rights of an owner incidental to the ownership of the Receivership Property;

(l) To hire and pay general counsel, accounting, and other professionals as may be reasonably necessary to the proper discharge of the Receiver's duties, and to hire, pay and discharge the personnel necessary to fulfill the obligations of the Receiver hereunder, including the retention of companies affiliated with the Receiver, or other third parties to assist the Receiver in the performance of its duties hereunder, all within the Receiver's discretion;

(m) In the Receiver's discretion as appropriate, to hire and pay employees with the necessary skills and experience to operate GDARES and GDAREM efficiently and with least amount of cost or expense, and to preserve the assets of GDARES and GDAREM and the Receivership Estate.

(n) After consultation with the Commissioner and agreement on the amount and funding of a budget related thereto, to institute such legal actions as the Receiver deems reasonably necessary, including actions necessary to enforce this Order to protect the Receivership Property, and to prosecute causes of action of Dragul, GDARES and GDAREM against third parties in this or any other jurisdictions, including foreign countries;

(o) After consultation with the Commissioner and agreement on the amount and funding of a budget related to anticipated out of pocket expenses related thereto, to retain special counsel, and other professionals as needed, on a contingency fee basis containing commercially reasonable terms, as determined by the Receiver in the exercise of his reasonable business judgment, to recover possession of the Receivership Property from any persons who may now or in the future be wrongfully possessing Receivership Property or any part thereof, including claims premised on fraudulent transfer or similar theories, in this or any other jurisdictions, including foreign countries;

(p) To notify any and all insurers under insurance policies and issuers of surety bonds affecting the Receivership Property of the pendency of these proceedings, and that any proceeds paid under any such insurance policy or surety

bond shall be paid to the Receiver to be administered for the benefit of all creditors of Dragul, GDARES and GDAREM;

(q) To pay, at the Receiver's discretion, any obligations incurred by Dragul, GDARES and GDAREM prior to the appointment of the Receiver that are deemed by the Receiver to be necessary or advisable for the preservation or protection of the Receivership Property;

(r) To notify and make demands on any insurers under insurance policies and issuers of any such policies or surety bonds affecting Receivership Property for the turnover and payment of proceeds to the Receiver for the benefit of Creditors, and as necessary, and after consultation with Plaintiffs and agreement on the amount and funding of a budget related thereto, commence litigation against such insurers and/or sureties in order to recover the proceeds of such insurance policies and surety bonds for the benefit of Dragul, GDARES and GDAREM and their creditors; and further provided that, in connection with any such claims or causes of action, the Receiver shall not be deemed to be asserting claims of Dragul, GDARES and GDAREM pursuant to any "insured vs. insured" exclusions that may be set forth in such insurance policies or surety bonds, but rather shall, in accordance with subparagraph (p) below, be deemed to be prosecuting claims of creditors of Dragul, GDARES and GDAREM in connection therewith;

(s) To prosecute claims and causes of actions held by Creditors of Dragul, GDARES and GDAREM, and any subsidiary entities for the benefit of

Creditors, in order to assure the equal treatment of all similarly situated Creditors:

(t) In the Receiver's discretion as appropriate, to consider the potential sale of assets of Dragul, GARDES, and GARDEM to a third-party or to sell or otherwise dispose of any personal property of the Receivership Estate, provided that Court approval shall not be required of any sale or disposition of any property being sold for a sales price of less than \$10,000;

(u) To establish a procedure for the assertion of claims against Dragul, GDARES and GDAREM or the Receivership Property, for the resolution of any disputes regarding such claims, and for the distribution of the proceeds of the Receivership Property;

(v) To issue subpoenas, institute, prosecute, defend, compromise, or adjust such actions or proceedings in state or federal courts now pending and hereafter instituted, as may in his discretion be advisable or proper for the protection, preservation and maintenance of the Receivership Assets or proceeds therefrom;

(w) To do such other and further lawful acts as the Receiver reasonably deems necessary for the effective recovery of the Receivership Property, and to perform such other functions and duties as may from time to time be required and authorized by this Court, by the laws of the State of Colorado, or the laws of the United States; and

(x) To do any and all acts necessary, convenient or incidental to the foregoing provisions of this Order and this equity receivership.

14. The Receiver is further directed to review the books and records of Dragul, GDARES and GDAREM, to account for receipts and disbursements of their funds, and to provide a report and accounting of their operations, for a period of time determined by the Receiver to be reasonable under the circumstances, to this Court and to the Commissioner, and any parties that have filed an entry of appearance herein. An initial report shall be filed with the Court within ninety (90) days of entry of this Order. In such report, the Receiver shall identify any claims and causes of action of Dragul, GDARES and GDAREM, identified as of the date of such report, including under insurance policies, on surety bonds, against any of their representatives or third parties, or arising under the Uniform Fraudulent Transfer Act, or any similar statute; and the Receiver's recommendations related thereto. The Receiver shall be authorized to act on his recommendations upon agreement with the Commissioner regarding budgets related to the prosecution thereof, and funding of such litigation, as set forth in this Order.

15. To the extent they have not already done so, Dragul, GDARES and GDAREM and their representatives, Creditors, and Creditors' Representatives, and their agents, are ordered to deliver over immediately to the Receiver, or his agents, all Receivership Property, including, but not limited to, unpaid bills, bank accounts, cash, checks, drafts, notes, security deposits, books, records, contracts, claims, leases, deeds, files, furniture, certificates, licenses, fixtures, escrow, sales contracts, equipment, and stock certificates or other evidence of ownership related to the Subsidiaries, relating to the Receivership Property and shall continue to

deliver immediately to the Receiver any such property received at any time in the future.

16. Any parties holding claims against Dragul, GDARES and GDAREM or the Receivership Estate shall not be entitled to participate as creditors in the distribution of recoveries from the Receiver's administration of the Receivership Estate and collection and liquidation of the assets thereof, unless such parties: (I) agree not to file or prosecute independent claims such parties may have (a) on insurance policies and surety bonds issued in connection with Dragul, GDARES and GDAREM operations, or (b) against Dragul, GDARES and GDAREM or any of their Representatives, and (II) promptly dismiss any lawsuits currently pending in connection therewith.

17. If necessary, the Receiver may request of this Court letters rogatory or commissions or supplemental orders as necessary to require out-of-state directors, officers, employees, agents, representatives, managers, attorneys, accountants, banks, contractors, or any other person acting in t participation with Dragul, GDARES and GDAREM and their Representatives, through the appropriate court of appropriate jurisdiction, to comply with any of the Orders of this Court.

18. The Receiver shall be compensated for his services at the rate of \$400 per hour, together with reimbursement for all reasonable costs and expenses incurred in connection with his duties, which compensation and reimbursement shall be paid from the assets of the Receivership Estate, proceeds of the disposition of Receivership Property, or the proceeds of loans secured by the Receiver.

19. Except as may be expressly authorized by the Court, Dragul, GDARES and GDAREM and all persons in active participation them, including without limitation, their officers and directors, partners, managers, employees, agents, representatives, attorneys, accountants, banks, contractors, subcontractors, and all who claim under them, are enjoined from:

(a) Collecting any revenues from the Receivership Property, or withdrawing funds from any bank or other depository account relating to the Receivership Property;

(b) Binding, or purporting to bind, Dragul, GDARES and GDAREM or the Receivership Estate, to any contract or other obligation;

(c) Holding themselves out as, or acting or attempting to take any and all actions of any kind or nature as Representatives of Dragul, GDARES and GDAREM, or subsidiary entities they own or control, or in any other purported capacity, except with the permission of the Receiver or by further order of this Court; and

(d) Otherwise interfering with the operation of the Receivership Property, or the Receiver's discharge of his duties hereunder.

20. Upon receipt of a copy of this Order, or upon actual knowledge of the entry of this Order, any other person or business entity shall also be bound by this Order.

21. Should the Receiver determine that tax returns were not filed for periods prior to the entry of this Order for which tax returns were required of

Dragul, GDARES and GDAREM, as funds are available in the Receivership Estate, the Receiver shall use reasonable efforts to have prepared and filed tax returns for any missing periods prior to the entry of this Order. To the extent it is determined that any outstanding tax obligations are due to the Internal Revenue Service, the Colorado Department of Revenue, or any other taxing authorities for any period of time prior to the entry of this Order, such taxes shall be paid, as funds are available in the Receivership Estate. The Receiver shall not be considered a responsible person, or otherwise have any personal liability, for any unpaid tax obligations of Dragul, GDARES and GDAREM (including for any trust fund taxes, such as payroll or sales tax) withheld but not paid to the proper taxing authority for any period prior to the entry of this Order. The Receiver shall file tax returns for periods commencing on the date of the entry of this Order through completion of the dissolution of Dragul, GDARES and GDAREM and discharge of the Receiver, as required by applicable federal, state, or local law.

22. The Receiver is directed and empowered to apply revenues, incomes and sales proceeds collected by the Receiver:

(a) First, to payment of costs and expenses of the Receivership Estate, and including the costs and expenses of preserving and liquidating the Receivership Property, taxes incurred from the appointment of the Receiver through the conclusion of the Receivership Proceeding and discharge of the Receiver, and to compensation due the Receiver and any employees, consultants, or professionals retained by the Receiver or employed by the Receiver to operate

GDARES or GDAREM;

(b) Second, to the payment of any outstanding Receiver's

Certificates;

(c) Third, to creditors holding obligations secured by the Receivership Property, in the order of their priority of record;

(d) Fourth, to the payment of any unsecured tax obligations determined to be due for periods prior to the entry of this Order, pursuant to the tax filing obligations imposed on the Receiver;

(e) Fifth, to the payment of unsecured creditors determined to hold legitimate claims against Dragul, GDARES and GDAREM pursuant to the claims administration procedure adopted by the Receiver, in their legal order of priority; and

(f) Sixth, to the preferred and common partners, members, or other equity interest holders of Dragul, GDARES and GDAREM, as their rights are defined in their governing documents, with the exception of any rights or interests held or owned by or for the benefit of Dragul, GDARES or GDAREM, or any insiders or related parties, with all such rights or interests to be determined by the Court.

23. The debts or liabilities incurred by the Receiver in the course of his operation and management of the Receivership Property, whether in the Receiver's name or in the name of the Receivership Property, shall be the debts and

obligations of the Receivership Estate only, and not of the Receiver in a personal capacity.

24. The Receiver shall enjoy and have the judicial immunity usually applicable to receivers in law and equity. All who are acting, or have acted, on behalf of the Receiver at the request of the Receiver are protected and privileged with the same judicial immunity as the Receiver has under this Order.

25. Nothing herein contained shall be construed as interfering with or invalidating any lawful lien or claim by any person or entity.

26. It is further Ordered that all actions in equity or at law against the Receiver, Dragul, GDARES and GDAREM, or the Receivership Estate are hereby enjoined (and any actions already pending are hereby stayed), pending further action by this Court. The Receiver is instructed to file a request for an Order to Show Cause if any business, entity, or person commences or continues the prosecution of any action in any other court seeking relief in equity or at law against the Receiver, Dragul, GDARES and GDAREM or the Receivership Estate without first seeking relief from this stay of proceedings.

27. The Receiver shall continue in possession of the Receivership Property until the completion of the disposition of this litigation which may anticipate the wind-up of the affairs of Dragul, GDARES and GDAREM.

28. Dragul, GDARES and GDAREM, and their Representatives, or anyone else in possession of records related to the Receivership Property, shall respond in a timely fashion to requests and inquiries from the Receiver concerning

such records, record keeping protocols, filing systems, information sources, algorithms and processes used to store, compile, organize, or manipulate data, and similar matters. With respect to any information or records stored in computer-readable form or located on computers Dragul, GDARES and GDAREM, and their Representatives, the person in possession of such information or records shall provide the Receiver full access to all media on which such records are located and all computers and the necessary application, system, and other software necessary to review, understand, print, and otherwise deal with such computerized records and all passwords and security codes necessary to access such computerized records, regardless of whether such records are separate or commingled with other information, except that information subject to the attorney-client privilege held by Dragul in his personal capacity shall remain privileged. Any such claimed privileged information, or information that may reasonably be considered to be privileged information, obtained by Receiver or commingled with other information shall be disgorged by the Receiver and notice given to Dragul regarding the privileged information and its disposition by the Receiver. In the event that the Receiver questions or disputes that any such information is privileged, the dispute shall be submitted to the Court, together with the disputed information for in camera review.

29. The Receiver may at any time, on proper and sufficient notice to all parties who have appeared in this action, apply to this Court for further

instructions whenever such instructions shall be deemed to be necessary to enable the Receiver to perform the duties of his office properly.

30. Notwithstanding anything to the contrary contained in this Order, the Receiver shall not take any action with regard to ownership, operation, control, storage, generation, or disposal of (a) any substance deemed a "hazardous substance", "pollutant," "contaminant", or similar substance under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. §§ 9601-9675, the Conservation and Recovery Act of 1976, the Solid Waste Amendments of 1984, the Superfund Amendments and Reauthorization Act of 1986, and any other amendments; or (b) any other chemical, toxin, pollutant or substance defined as hazardous or dangerous to human health under any other federal, state or local law, regulation, rule or ordinance, including, without limitation thereto, petroleum, crude oil, or any fraction thereof (all collectively referred to herein as "Hazardous Substances"), without first applying for an obtaining an Order of this Court specifically setting forth the action or actions proposed to be taken and to be taken by the Receiver. Without first applying for and obtaining such an Order of this Court, the Receiver shall have no ownership, control, authority or power (neither shall receiver have any obligation to exercise ownership, control, authorize or power) over the operation, storage, generation or disposal of any Hazardous Substance. All decisions relating to the ownership, operation, control, storage, generation and disposal of any Hazardous Substances shall be resolved by this Court.

31. The Receiver shall take appropriate action as necessary with respect to the January 20, 2015 "CDPHE Stipulation and Order," as defined and with background provided in the Motion Appointing Receiver.

32. Pursuant to C.R.C.P. 66(d)(3), the Receiver shall provide written notice of this action and entry of this Order to any persons in possession of Receivership Property or otherwise affected by this Order, including all known Creditors of Dragul, GDARES and GDAREM, subsidiaries and any their respective Representatives.

33. After the initial report required pursuant to this Order, the Receiver shall make periodic reports of the condition of the Receivership Estate on intervals to be agreed to by the Receiver and the Commissioner as is reasonably necessary to provide timely reporting of the operations of the Receivership Estate to all interested parties, without imposing undue burden and expense on the Receivership Estate. The Receiver shall not be required to, but as reasonably necessary, may follow generally accepted accounting principles or use auditors or accountants in the preparation of his reports to the Court.

34. Court approval of any motion filed by the Receiver shall be given as a matter of course, unless any party objects to the request for Court approval within ten (10) days after service by the Receiver or written notice of such request. Service of motions by facsimile and electronic transmission is acceptable.

IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this action for all purposes. The Receiver is hereby authorized, empowered and

directed to apply to this Court, with notice to the Commissioner for issuance of such other Orders as may be necessary and appropriate in order to carry out the mandate of this Court.

IT IS FURTHER ORDERED that this Order shall be effective immediately and will remain in effect until terminated or modified by further Order of this Court.

DATED this _____ day of August, 2018.

BY THE COURT:

MARTIN F. EGELHOFF
Denver District Court Judge

Attachment to Order - 2018CV32011

DISTRICT COURT, DENVER COUNTY, STATE OF COLORADO Denver District Court 1437 Bannock St. Denver, CO 80202	
Plaintiff: CHRIS MYKLEBUST, SECURITIES COMMISSIONER FOR THE STATE OF COLORADO v. Defendants: GARY DRAGUL, GDA REAL ESTATE SERVICES, LLC, AND GDA REAL ESTATE MANAGEMENT, LLC	<p style="text-align: center;">▲ COURT USE ONLY ▲</p> Case Number: 2018CV33011 Division/Courtroom: 424
[PROPOSED] ORDER GRANTING RECEIVER'S MOTION FOR ORDER AUTHORIZING SALE OF REAL PROPERTY 5722 South Lansing Court, Englewood, Colorado 80111	

THIS MATTER is before the Court on the Motion for Order Authorizing Sale of Real Property 5722 South Lansing Court, Englewood, Colorado 80111 (the "Motion") filed by Harvey Sender, the duly appointed Receiver in this case (the "Receiver"). The Court has reviewed the Motion and the file and is otherwise advised.

THE COURT HEREBY FINDS THAT: The property located at 5722 South Lansing Court, Englewood, Colorado 80111 (the "Property"), is currently titled in the name of 5722 South Lansing 14, LLC ("Seller"). The Court understands Seller is 100% owned by X12 Housing, LLC (f/k/a GDA Housing, LLC) which is in turn 100% owned by Gary J. Dragul ("Dragul"). Seller is managed by X12 Housing Management, Inc. (f/k/a GDA Housing Management, Inc.) which is owned 100% by Dragul. 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”). Receivership Order at 2, ¶ 5. The Property is property of the Receivership Estate which the Receiver is authorized to sell under the Receivership Order.

The Seller is subject to the jurisdiction of this Court and is now controlled exclusively by the Receiver pursuant this Court’s Receivership Order. Under the Receivership Order, the Receiver has been granted the *exclusive* authority to conduct Seller’s business and to liquidate its assets, which includes the sole and exclusive authority to act on its behalf. Because the Property is an asset of the Receivership Estate, the Receiver has the exclusive authority to act and control the Property. Accordingly, the

COURT HEREBY ORDERS that the Motion is GRANTED. The Receiver is hereby authorized to sell the Property on the terms and conditions set forth in the Motion and its Exhibit, and to take any and all further actions necessary to consummate the sale. 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