

DISTRICT COURT, DENVER COUNTY, STATE OF COLORADO Denver District Court 1437 Bannock St. Denver, CO 80202	DATE FILED: August 22, 2019 12:17 PM FILING ID: E1B3008CCDC24 CASE NUMBER: 2018CV33011
<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>	▲ COURT USE ONLY ▲
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	Case Number: 2018CV33011 Division/Courtroom: 424
RECEIVER’S MOTION FOR ORDER AUTHORIZING SALE OF REAL PROPERTY (3142 South Leyden Street, Denver, Colorado 80222)	

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 3142 South Leyden Street,

Denver, Colorado 80222 (the “Property”).

Background

1. On August 15, 2018, the 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.

The Proposed Sale

4. Pursuant to an August 18, 2019, purchase and sale agreement (the “PSA”), the Receiver agreed to sell and Kelsey Haist and Scott Thompson (“Buyer”) agreed to buy the Property for a purchase price of \$510,000.00 (the “Proposed Sale”). A copy of the fully-executed PSA and its addenda are attached as **Exhibit 1** (the “Contract”).

5. The Property is owned by 3142 South Leyden 14, LLC (“3142 S. Leyden 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. 3142 S. Leyden 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 the Receiver is authorized to sell.

6. The Property was listed for \$500,000. The Receiver accepted a contract offer for \$485,00 from a prior buyer. Shortly after accepting this offer, the Receiver received the instant offer for \$510,000. Pursuant to a provision in the contract that allows the Receiver to consider (and accept) other offers (“Overbid Provision”), the Receiver terminated the initial contract (the \$485,000 contract) and accepted the subsequent offer for \$510,000. The proposed sale represents the highest and best offer the Estate has received.

7. Under the Contract, closing on the Property is scheduled to occur 30 days after Court approval of the Proposed Sale.

**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 November 10, 2014, for \$405,000.00 by Grant ’14, LLC, a wholly-owned Dragul entity, managed by GDA Real

Estate Management, Inc.

10. On May 13, 2015, Grant 14, LLC sold the property to GDA Affiliate, 3142 South Leyden 14, LLC for \$405,000.

11. On August 24, 2016, Dragul refinanced the Property and obtained a \$311,500.00 loan from Velocity Commercial Capital, LLC (“Velocity”), which he personally guaranteed, and which is secured by a Deed of Trust, Security Agreement and Assignment of Leases and Rents (“the Velocity Loan”). On November 27, 2018, Velocity declared the Loan 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 3142 South Leyden Street (collectively, the “Collateral”). A Second Deed of Trust dated March 27, 2018, was recorded against the Property by WBF on April 26, 2017.

13. On November 1, 2018, the Court entered an Order approving a Settlement Agreement between the Receiver and WBF resolving a dispute as to how net sales proceeds from the sale of the Collateral would be distributed. Pursuant to the Settlement Agreement, WBF agreed to accept 70% of the net sales proceeds from the sale of the Collateral and the remaining 30% would be paid to the Estate. WBF also agreed to release its second deed of trust on the Property. The net sales proceeds, and corresponding distribution to the Receiver, is estimated to be as follows:

Sale Price	\$510,000
1st Mortgage (Velocity)	(\$372,995)
Broker Commission (5.5%)	(\$28,050)
Estimated Closing Costs (1.5%)	(\$7,650)
Estimated Unpaid Taxes, 2017 – 2018	(\$5,610)
NET SALE PROCEEDS	\$95,695
2 nd Mortgage (WBF/CT) (70% of net)	(\$66,987)
Proceeds to Receiver (30% of net)	\$28,709

14. The Property is a 3-bedroom, 3-bath, 1,272 square-foot home located in Denver, Colorado. It was listed for \$500,000 and was under contract for \$485,000 when the Receiver got a higher and better offer from Buyer. Pursuant to the Overbid Provision in the PSA, the Receiver terminated the contract with the prior purchaser and entered into a contract with Buyer. Under the Proposed Sale, Buyer has agreed to purchase the Property for \$510,000, \$10,000 more than the list price.

15. Buyer is an arms-length purchaser with no affiliation to Dragul or the Dragul Entities. Based on the listing broker's market valuation, \$510,000 is a fair market price for the Property.

16. The principal balance of the first mortgage on the Property is approximately \$372,995. The Property is encumbered by a second deed of trust in

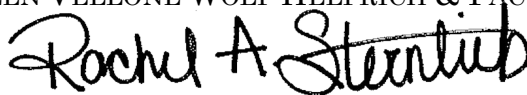
favor of WBF/CT Associates, LLC that secures an outstanding letter of credit balance of \$1,120,000. Under the Court's November 1, 2018, Order approving the Estate's settlement agreement with WBF, the Receivership Estate will receive 30% of the net sale proceeds from the proposed sale of the Property, approximately \$28,709. The Receiver believes the proposed sale is fair, reasonable, and in the best interests of the Estate. The sale will result in payment in full of the first mortgage on the Property and will net the Estate approximately \$28,709. Closing is scheduled to occur 30 days after Court approval of the instant Motion.

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 who have appeared in this case and on all currently known creditors of the Estate.

WHEREFORE, the Receiver asks the Court to grant this Motion and approve the proposed sale of the Property in accordance with the terms of the Contract.

Dated: August 22, 2019.

ALLEN VELLONE WOLF HELFRICH & FACTOR P.C.



By: /s/ 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 August 22, 2019, I served a true and correct copy of the foregoing **RECEIVER'S MOTION FOR ORDER AUTHORIZING SALE OF REAL PROPERTY (3142 South Leyden Street, Denver, Colorado 80222)** 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

***Counsel for Gerald Rome,
Securities Commissioner***

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

Duncan Barber
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Denver, CO 80237
dbarber@sbbolaw.com

Counsel for WBF/CT Associates, LLC

A copy of the Motion was also 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.

By: /s/ Terri M. Novoa 
Allen Vellone Wolf Helfrich & Factor, P.C.



Usaj Realty
 1499 Blake St. Ste. 1F Denver, CO 80202
 Jenny L. Usaj Employing Broker/Owner jenny@usajrealty.com
 Ph: 720-883-5714

The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission. (CBS1-5-19) (Mandatory 7-19)

DATE FILED: August 22, 2019 12:17 PM

THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX OR OTHER COUNSEL BEFORE SIGNING. CASE NUMBER: 2018CV33011

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

Date: 8/14/2019

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. **Kelsey Haist and Scott Thompson** (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. **Harvey Sender, in his capacity as RECEIVER of the Gary Dragul RECEIVER 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 53 BLK 11 GAISER HOLLY RIDGE

known as No. **3142 S Leyden Street, Denver, CO 80222,**

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

KH J Exhibit 1

Seller(s) Initials:

67 encumbrances, except n/a.

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

69 **2.5.4. Other Inclusions.** The following items, whether fixtures or personal property, are also
70 included in the Purchase Price: Dishwasher, Refrigerator (Kitchen), Stove/Range/Oven

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

73 **2.5.5. Parking and Storage Facilities.** The use or ownership of the following parking
74 facilities: Two-Car Attached Garage; and the use or ownership of the following storage facilities:
75 n/a.

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

78 **2.6. Exclusions.** The following items are excluded (Exclusions): Sellers personal
79 property

80 **2.7. Water Rights/Well Rights.**

81 **2.7.1. Deeded Water Rights.** The following legally described water rights:

82 n/a

83 Any deeded water rights will be conveyed by a good and sufficient n/a deed at Closing.

84 **2.7.2. Other Rights Relating to Water.** The following rights relating to water not included in
85 §§ 2.7.1, 2.7.3 and 2.7.4, will be transferred to Buyer at Closing: n/a

86 **2.7.3. Well Rights.** Seller agrees to supply required information to Buyer about the well.
87 Buyer understands that if the well to be transferred is a "Small Capacity Well" or a "Domestic Exempt Water
88 Well" used for ordinary household purposes, Buyer must, prior to or at Closing, complete a Change in
89 Ownership form for the well. If an existing well has not been registered with the Colorado Division of Water
90 Resources in the Department of Natural Resources (Division), Buyer must complete a registration of existing
91 well form for the well and pay the cost of registration. If no person will be providing a closing service in
92 connection with the transaction, Buyer must file the form with the Division within sixty days after Closing. The
93 Well Permit # is n/a.

94 **2.7.4. Water Stock Certificates.** The water stock certificates to be transferred at Closing are
95 as follows: n/a

96 **2.7.5. Conveyance.** If Buyer is to receive any rights to water pursuant to § 2.7.2 (Other
97 Rights Relating to Water), § 2.7.3 (Well Rights), or § 2.7.4 (Water Stock Certificates), Seller agrees to convey
98 such rights to Buyer by executing the applicable legal instrument at Closing.

99 **3. DATES, DEADLINES AND APPLICABILITY.**

100 **3.1 Dates and Deadlines.**

Item No.	Reference	Event	Date or Deadline
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	n/a
		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

102 Seller(s) Initials:

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11	§ 10.10	Lead-Based Paint Disclosure Deadline	C.A. + 3 days	
		Loan and Credit		
12	§ 5.1	New Loan Application Deadline	C.A. + 3 days	
13	§ 5.2	New Loan Termination Deadline	C.A. + 23 days	
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	C.A. + 18 days	
21	§ 6.2	Appraisal Objection Deadline	C.A. + 19 days	
22	§ 6.2	Appraisal Resolution Deadline	C.A. + 21 days	
		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	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	§ 10.7	Conditional Sale Deadline	n/a	
34	§ 10.10	Lead-Based Paint Termination Deadline	C.A. + 10 days	
		Closing and Possession		
35	§ 12.3	Closing Date	C.A. + 30 days	
36	§ 17	Possession Date	Upon Delivery of Deed & Funding	
37	§ 17	Possession Time	Upon Delivery of Deed & Funding	
38	§ 28	Acceptance Deadline Date	8/15/2019	Thursday
39	§ 28	Acceptance Deadline Time	5pm MST	
40	n/a		n/a	
41	n/a	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.

Seller(s) Initials:

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

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	\$510,000.00	
2	§ 4.3	Earnest Money		\$10,000.00
3	§ 4.5	New Loan		\$408,000.00
4	§ 4.6	Assumption Balance		
5	§ 4.7	Private Financing		
6	§ 4.7	Seller Financing		
7	<i>n/a</i>	<i>n/a</i>		
8	<i>n/a</i>	<i>n/a</i>		
9	§ 4.4	Cash at Closing		\$92,000.00
10		TOTAL	\$510,000.00	\$510,000.00

4.2. Seller Concession. At Closing, Seller will credit to Buyer \$ *n/a* (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.

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 *Fidelity National Title Insurance 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.

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**.

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.

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

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).

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

Seller(s) Initials:

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265 disbursement by Closing Company at Closing **OR SUCH NONPAYING PARTY WILL BE IN DEFAULT**. Buyer
266 represents that Buyer, as of the date of this Contract, **Does** **Does Not** have funds that are immediately
267 verifiable and available in an amount not less than the amount stated as Cash at Closing in § 4.1.

268 **4.5. New Loan.**

270 **4.5.1. Buyer to Pay Loan Costs.** Buyer, except as otherwise permitted in § 4.2 (Seller
271 Concession), if applicable, must timely pay Buyer's loan costs, loan discount points, prepaid items and loan
272 origination fees as required by lender.

273 **4.5.2. Buyer May Select Financing.** Buyer may pay in cash or select financing
274 appropriate and acceptable to Buyer, including a different loan than initially sought, except as restricted in §
275 4.5.3 (Loan Limitations) or § 30 (Additional Provisions).

276 **4.5.3. Loan Limitations.** Buyer may purchase the Property using any of the following
277 types of loans: **Conventional** **FHA** **VA** **Bond** **Other** *n/a*.

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

282 **4.6. Assumption.** (Omitted as inapplicable)

283 **4.7. Seller or Private Financing.** (Omitted as inapplicable)

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TRANSACTION PROVISIONS

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292 **5. FINANCING CONDITIONS AND OBLIGATIONS.**

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

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

306 **5.3. Credit Information.** If an existing loan is not to be released at Closing, this Contract is conditional
307 (for the sole benefit of Seller) upon Seller's approval of Buyer's financial ability and creditworthiness, which
308 approval will be in Seller's sole subjective discretion. Accordingly: (1) Buyer must supply to Seller by **Buyer's**
309 **Credit Information Deadline**, at Buyer's expense, information and documents (including a current credit
310 report) concerning Buyer's financial, employment and credit condition; (2) Buyer consents that Seller may
311 verify Buyer's financial ability and creditworthiness; and (3) any such information and documents received by
312 Seller must be held by Seller in confidence and not released to others except to protect Seller's interest in this
313 transaction. If the Cash at Closing is less than as set forth in § 4.1 of this Contract, Seller has the Right to
314 Terminate under § 25.1, on or before Closing. If Seller disapproves of Buyer's financial ability or
315 creditworthiness, in Seller's sole subjective discretion, Seller has the Right to Terminate under § 25.1, on or
316 before **Disapproval of Buyer's Credit Information Deadline**.

317 **5.4. Existing Loan Review.** If an existing loan is not to be released at Closing, Seller must deliver
318 copies of the loan documents (including note, deed of trust and any modifications) to Buyer by **Existing Loan**
319 **Deadline**. For the sole benefit of Buyer, this Contract is conditional upon Buyer's review and approval of the
320 provisions of such loan documents. Buyer has the Right to Terminate under § 25.1, on or before **Existing**
321 **Loan Termination Deadline**, based on any unsatisfactory provision of such loan documents, in Buyer's sole
322 subjective discretion. If the lender's approval of a transfer of the Property is required, this Contract is
323 conditional upon Buyer obtaining such approval without change in the terms of such loan, except as set forth in

§ 4.6. If lender's approval is not obtained by **Loan Transfer Approval Deadline**, this Contract will terminate on such deadline. Seller has the Right to Terminate under § 25.1, on or before Closing, in Seller's sole subjective discretion, if Seller is to be released from liability under such existing loan and Buyer does not obtain such compliance as set forth in § 4.6.

6. APPRAISAL PROVISIONS.

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

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

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

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

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

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

6.2.2. FHA. It is expressly agreed that, notwithstanding any other provisions of this Contract, the purchaser (Buyer) shall not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of Earnest Money deposits or otherwise unless the purchaser (Buyer) has been given, in accordance with HUD/FHA or VA requirements, a written statement issued by the Federal Housing Commissioner, Department of Veterans Affairs, or a Direct Endorsement lender, setting forth the appraised value of the Property of not less than \$ *n/a*. The purchaser (Buyer) shall have the privilege and option of proceeding with the consummation of this Contract without regard to the amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value nor the condition of the Property. The purchaser (Buyer) should satisfy himself/herself that the price and condition of the Property are acceptable.

6.2.3. VA. It is expressly agreed that, notwithstanding any other provisions of this Contract, the purchaser (Buyer) shall not incur any penalty by forfeiture of Earnest Money or otherwise or be obligated to complete the purchase of the Property described herein, if the Contract Purchase Price or cost exceeds the reasonable value of the Property established by the Department of Veterans Affairs. The purchaser (Buyer) shall, however, have the privilege and option of proceeding with the consummation of this Contract without regard to the amount of the reasonable value established by the Department of Veterans Affairs.

6.3. Lender Property Requirements. If the lender imposes any written requirements, replacements, removals or repairs, including any specified in the Appraisal (Lender Requirements) to be made to the Property (e.g., roof repair, repainting), beyond those matters already agreed to by Seller in this Contract, this Contract terminates on the earlier of three days following Seller's receipt of the Lender Requirements, or Closing, unless prior to termination: (1) the parties enter into a written agreement to satisfy the Lender Requirements; (2) the Lender Requirements have been completed; or (3) the satisfaction of the Lender Requirements is waived in writing by Buyer.

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

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

399 **7.1. Common Interest Community Disclosure. THE PROPERTY IS LOCATED WITHIN A**
400 **COMMON INTEREST COMMUNITY AND IS SUBJECT TO THE DECLARATION FOR THE COMMUNITY.**
401 **THE OWNER OF THE PROPERTY WILL BE REQUIRED TO BE A MEMBER OF THE OWNERS'**
402 **ASSOCIATION FOR THE COMMUNITY AND WILL BE SUBJECT TO THE BYLAWS AND RULES AND**
403 **REGULATIONS OF THE ASSOCIATION. THE DECLARATION, BYLAWS AND RULES AND REGULATIONS**
404 **WILL IMPOSE FINANCIAL OBLIGATIONS UPON THE OWNER OF THE PROPERTY, INCLUDING AN**
405 **OBLIGATION TO PAY ASSESSMENTS OF THE ASSOCIATION. IF THE OWNER DOES NOT PAY THESE**
406 **ASSESSMENTS, THE ASSOCIATION COULD PLACE A LIEN ON THE PROPERTY AND POSSIBLY SELL**
407 **IT TO PAY THE DEBT. THE DECLARATION, BYLAWS AND RULES AND REGULATIONS OF THE**
408 **COMMUNITY MAY PROHIBIT THE OWNER FROM MAKING CHANGES TO THE PROPERTY WITHOUT AN**
409 **ARCHITECTURAL REVIEW BY THE ASSOCIATION (OR A COMMITTEE OF THE ASSOCIATION) AND**
410 **THE APPROVAL OF THE ASSOCIATION. PURCHASERS OF PROPERTY WITHIN THE COMMON**
411 **INTEREST COMMUNITY SHOULD INVESTIGATE THE FINANCIAL OBLIGATIONS OF MEMBERS OF THE**
412 **ASSOCIATION. PURCHASERS SHOULD CAREFULLY READ THE DECLARATION FOR THE COMMUNITY**
413 **AND THE BYLAWS AND RULES AND REGULATIONS OF THE ASSOCIATION.**

414 **7.2. Association Documents to Buyer.** Seller is obligated to provide to Buyer the Association
415 Documents (defined below), at Seller's expense, on or before **Association Documents Deadline.** Seller
416 authorizes the Association to provide the Association Documents to Buyer, at Seller's expense. Seller's
417 obligation to provide the Association Documents is fulfilled upon Buyer's receipt of the Association Documents,
418 regardless of who provides such documents.

419 **7.3. Association Documents.** Association documents (Association Documents) consist of the
420 following:

421 **7.3.1.** All Association declarations, articles of incorporation, bylaws, articles of
422 organization, operating agreements, rules and regulations, party wall agreements and the Association's
423 responsible governance policies adopted under § 38-33.3-209.5, C.R.S.;

424 **7.3.2.** Minutes of: (1) the annual owners' or members' meeting and (2) any executive
425 boards' or managers' meetings; such minutes include those provided under the most current annual disclosure
426 required under § 38-33.3-209.4, C.R.S. (Annual Disclosure) and minutes of meetings, if any, subsequent to the
427 minutes disclosed in the Annual Disclosure. If none of the preceding minutes exist, then the most recent
428 minutes, if any (§§ 7.3.1 and 7.3.2, collectively, Governing Documents); and

429 **7.3.3.** List of all Association insurance policies as provided in the Association's last Annual
430 Disclosure, including, but not limited to, property, general liability, association director and officer professional
431 liability and fidelity policies. The list must include the company names, policy limits, policy deductibles,
432 additional named insureds and expiration dates of the policies listed (Association Insurance Documents);

433 **7.3.4.** A list by unit type of the Association's assessments, including both regular and
434 special assessments as disclosed in the Association's last Annual Disclosure;

435 **7.3.5.** The Association's most recent financial documents which consist of: (1) the
436 Association's operating budget for the current fiscal year, (2) the Association's most recent annual financial
437 statements, including any amounts held in reserve for the fiscal year immediately preceding the Association's
438 last Annual Disclosure, (3) the results of the Association's most recent available financial audit or review, (4) list
439 of the fees and charges (regardless of name of title of such fees or charges) that the Association's community
440 association manager or Association will charge in connection with the Closing including, but not limited to, any
441 fee incident to the issuance of the Association's statement of assessments (Status Letter), any rush or update
442 fee charged for the Status Letter, any record change fee or ownership record transfer fees (Record Change
443 Fee), fees to access documents, (5) list of all assessments required to be paid in advance, reserves or working
444 capital due at Closing and (6) reserve study, if any (§§ 7.3.4 and 7.3.5, collectively, Financial Documents);

445 **7.3.6.** Any written notice from the Association to Seller of a "construction defect action"
446 under § 38-33.3-303.5, C.R.S. within the past six months and the result of whether the Association approved or
447 disapproved such action (Construction Defect Documents). Nothing in this Section limits the Seller's obligation
448 to disclose adverse material facts as required under § 10.2 (Disclosure of Adverse Material Facts; Subsequent
449 Disclosure; Present Condition) including any problems or defects in the common elements or limited common
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463 elements of the Association property.

464 **7.4. Conditional on Buyer's Review.** Buyer has the right to review the Association Documents.
465 Buyer has the Right to Terminate under § 25.1, on or before **Association Documents Termination Deadline**,
466 based on any unsatisfactory provision in any of the Association Documents, in Buyer's sole subjective
467 discretion. Should Buyer receive the Association Documents after **Association Documents Deadline**, Buyer,
468 at Buyer's option, has the Right to Terminate under § 25.1 by Buyer's Notice to Terminate received by Seller on
469 or before ten days after Buyer's receipt of the Association Documents. If Buyer does not receive the
470 Association Documents, or if Buyer's Notice to Terminate would otherwise be required to be received by Seller
471 after **Closing Date**, Buyer's Notice to Terminate must be received by Seller on or before Closing. If Seller does
472 not receive Buyer's Notice to Terminate within such time, Buyer accepts the provisions of the Association
473 Documents as satisfactory and Buyer waives any Right to Terminate under this provision, notwithstanding the
474 provisions of § 8.6 (Right of First Refusal or Contract Approval).
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479 **8. TITLE INSURANCE, RECORD TITLE AND OFF-RECORD TITLE.**

480 **8.1. Evidence of Record Title.**

481 **8.1.1. Seller Selects Title Insurance Company.** If this box is checked, Seller will select the
482 title insurance company to furnish the owner's title insurance policy at Seller's expense. On or before **Record**
483 **Title Deadline**, Seller must furnish to Buyer, a current commitment for an owner's title insurance policy (Title
484 Commitment), in an amount equal to the Purchase Price, or if this box is checked, an **Abstract of Title**
485 certified to a current date. Seller will cause the title insurance policy to be issued and delivered to Buyer as
486 soon as practicable at or after Closing.
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489 **8.1.2. Buyer Selects Title Insurance Company.** If this box is checked, Buyer will select the
490 title insurance company to furnish the owner's title insurance policy at Buyer's expense. On or before **Record**
491 **Title Deadline**, Buyer must furnish to Seller, a current commitment for owner's title insurance policy (Title
492 Commitment), in an amount equal to the Purchase Price.
493

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

495 **8.1.3. Owner's Extended Coverage (OEC).** The Title Commitment **Will** **Will Not**
496 contain Owner's Extended Coverage (OEC). If the Title Commitment is to contain OEC, it will commit to delete
497 or insure over the standard exceptions which relate to: (1) parties in possession, (2) unrecorded easements,
498 (3) survey matters, (4) unrecorded mechanics' liens, (5) gap period (period between the effective date and time
499 of commitment to the date and time the deed is recorded) and (6) unpaid taxes, assessments and unredeemed
500 tax sales prior to the year of Closing. Any additional premium expense to obtain OEC will be paid by **Buyer**
501 **Seller** **One-Half by Buyer and One-Half by Seller** **Other** n/a.
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503

504 Regardless of whether the Contract requires OEC, the Title Insurance Commitment may not provide OEC or
505 delete or insure over any or all of the standard exceptions for OEC. The Title Insurance Company may require
506 a New Survey or New ILC, defined below, among other requirements for OEC. If the Title Insurance
507 Commitment is not satisfactory to Buyer, Buyer has a right to object under § 8.5 (Right to Object to Title,
508 Resolution).
509

510 **8.1.4. Title Documents.** Title Documents consist of the following: (1) copies of any plats,
511 declarations, covenants, conditions and restrictions burdening the Property and (2) copies of any other
512 documents (or, if illegible, summaries of such documents) listed in the schedule of exceptions (Exceptions) in
513 the Title Commitment furnished to Buyer (collectively, Title Documents).
514

515 **8.1.5. Copies of Title Documents.** Buyer must receive, on or before **Record Title Deadline**,
516 copies of all Title Documents. This requirement pertains only to documents as shown of record in the office of
517 the clerk and recorder in the county where the Property is located. The cost of furnishing copies of the
518 documents required in this Section will be at the expense of the party or parties obligated to pay for the
519 owner's title insurance policy.
520

521 **8.1.6. Existing Abstracts of Title.** Seller must deliver to Buyer copies of any abstracts of title
522 covering all or any portion of the Property (Abstract of Title) in Seller's possession on or before **Record Title**
523 **Deadline**.
524

525 **8.2. Record Title.** Buyer has the right to review and object to the Abstract of Title or Title
526 Commitment and any of the Title Documents as set forth in § 8.5 (Right to Object to Title, Resolution) on or
527 before **Record Title Objection Deadline**. Buyer's objection may be based on any unsatisfactory form or
528

529 content of Title Commitment or Abstract of Title, notwithstanding § 13, or any other unsatisfactory title
530 condition, in Buyer's sole subjective discretion. If the Abstract of Title, Title Commitment or Title Documents are
531 not received by Buyer on or before the **Record Title Deadline**, or if there is an endorsement to the Title
532 Commitment that adds a new Exception to title, a copy of the new Exception to title and the modified Title
533 Commitment will be delivered to Buyer. Buyer has until the earlier of Closing or ten days after receipt of such
534 documents by Buyer to review and object to: (1) any required Title Document not timely received by Buyer, (2)
535 any change to the Abstract of Title, Title Commitment or Title Documents, or (3) any endorsement to the Title
536 Commitment. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection, pursuant to this § 8.2
537 (Record Title), any title objection by Buyer is governed by the provisions set forth in § 8.5 (Right to Object to
538 Title, Resolution). If Seller has fulfilled all Seller's obligations, if any, to deliver to Buyer all documents required
539 by § 8.1 (Evidence of Record Title) and Seller does not receive Buyer's Notice to Terminate or Notice of Title
540 Objection by the applicable deadline specified above, Buyer accepts the condition of title as disclosed by the
541 Abstract of Title, Title Commitment and Title Documents as satisfactory.

542
543 **8.3. Off-Record Title.** Seller must deliver to Buyer, on or before **Off-Record Title Deadline**, true
544 copies of all existing surveys in Seller's possession pertaining to the Property and must disclose to Buyer all
545 easements, liens (including, without limitation, governmental improvements approved, but not yet installed) or
546 other title matters (including, without limitation, rights of first refusal and options) not shown by public records,
547 of which Seller has actual knowledge (Off-Record Matters). This Section excludes any **New ILC** or **New**
548 **Survey** governed under § 9 (New ILC, New Survey). Buyer has the right to inspect the Property to investigate
549 if any third party has any right in the Property not shown by public records (e.g., unrecorded easement,
550 boundary line discrepancy or water rights). Buyer's Notice to Terminate or Notice of Title Objection of any
551 unsatisfactory condition (whether disclosed by Seller or revealed by such inspection, notwithstanding § 8.2
552 (Record Title) and § 13 (Transfer of Title)), in Buyer's sole subjective discretion, must be received by Seller on
553 or before **Off-Record Title Objection Deadline**. If an Off-Record Matter is received by Buyer after the
554 **Off-Record Title Deadline**, Buyer has until the earlier of Closing or ten days after receipt by Buyer to review
555 and object to such Off-Record Matter. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection
556 pursuant to this § 8.3 (Off-Record Title), any title objection by Buyer is governed by the provisions set forth in §
557 8.5 (Right to Object to Title, Resolution). If Seller does not receive Buyer's Notice to Terminate or Notice of Title
558 Objection by the applicable deadline specified above, Buyer accepts title subject to such Off-Record Matters
559 and rights, if any, of third parties not shown by public records of which Buyer has actual knowledge.

560
561 **8.4. Special Taxing Districts. SPECIAL TAXING DISTRICTS MAY BE SUBJECT TO GENERAL**
562 **OBLIGATION INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM ANNUAL TAX LEVIES**
563 **ON THE TAXABLE PROPERTY WITHIN SUCH DISTRICTS. PROPERTY OWNERS IN SUCH DISTRICTS**
564 **MAY BE PLACED AT RISK FOR INCREASED MILL LEVIES AND TAX TO SUPPORT THE SERVICING OF**
565 **SUCH DEBT WHERE CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF SUCH A DISTRICT TO**
566 **DISCHARGE SUCH INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL LEVIES. BUYERS**
567 **SHOULD INVESTIGATE THE SPECIAL TAXING DISTRICTS IN WHICH THE PROPERTY IS LOCATED BY**
568 **CONTACTING THE COUNTY TREASURER, BY REVIEWING THE CERTIFICATE OF TAXES DUE FOR THE**
569 **PROPERTY AND BY OBTAINING FURTHER INFORMATION FROM THE BOARD OF COUNTY**
570 **COMMISSIONERS, THE COUNTY CLERK AND RECORDER, OR THE COUNTY ASSESSOR.**

571
572 A tax certificate from the respective county treasurer listing any special taxing districts that effect the
573 Property (Tax Certificate) must be delivered to Buyer on or before **Record Title Deadline**. If the Property is
574 located within a special taxing district and such inclusion is unsatisfactory to Buyer, in Buyer's sole subjective
575 discretion, Buyer may object, on or before **Record Title Objection Deadline**. If the Tax Certificate shows that
576 the Property is included in a special taxing district and is received by Buyer after the **Record Title Deadline**,
577 Buyer has until the earlier of Closing or ten days after receipt by Buyer to review and object to the Property's
578 inclusion in a special taxing district as unsatisfactory to Buyer.

579
580 **8.5. Right to Object to Title, Resolution.** Buyer's right to object, in Buyer's sole subjective
581 discretion, to any title matters includes those matters set forth in § 8.2 (Record Title), § 8.3 (Off-Record Title), §
582 8.4 (Special Taxing District) and § 13 (Transfer of Title). If Buyer objects to any title matter, on or before the
583 applicable deadline, Buyer has the following options:

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585 **8.5.1. Title Objection, Resolution.** If Seller receives Buyer's written notice objecting to any
586 title matter (Notice of Title Objection) on or before the applicable deadline and if Buyer and Seller have not
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595 agreed to a written settlement thereof on or before **Title Resolution Deadline**, this Contract will terminate on
596 the expiration of **Title Resolution Deadline**, unless Seller receives Buyer's written withdrawal of Buyer's
597 Notice of Title Objection (i.e., Buyer's written notice to waive objection to such items and waives the Right to
598 Terminate for that reason), on or before expiration of **Title Resolution Deadline**. If either the Record Title
599 Deadline or the Off-Record Title Deadline, or both, are extended pursuant to § 8.2 (Record Title), § 8.3
600 (Off-Record Title) or § 8.4 (Special Taxing Districts), the Title Resolution Deadline also will be automatically
601 extended to the earlier of Closing or fifteen days after Buyer's receipt of the applicable documents; or
602

603 **8.5.2. Title Objection, Right to Terminate.** Buyer may exercise the Right to Terminate under
604 § 25.1, on or before the applicable deadline, based on any title matter unsatisfactory to Buyer, in Buyer's sole
605 subjective discretion.
606

607 **8.6. Right of First Refusal or Contract Approval.** If there is a right of first refusal on the Property
608 or a right to approve this Contract, Seller must promptly submit this Contract according to the terms and
609 conditions of such right. If the holder of the right of first refusal exercises such right or the holder of a right to
610 approve disapproves this Contract, this Contract will terminate. If the right of first refusal is waived explicitly or
611 expires, or the Contract is approved, this Contract will remain in full force and effect. Seller must promptly
612 notify Buyer in writing of the foregoing. If expiration or waiver of the right of first refusal or approval of this
613 Contract has not occurred on or before **Right of First Refusal Deadline**, this Contract will then terminate.
614

615 **8.7. Title Advisory.** The Title Documents affect the title, ownership and use of the Property and
616 should be reviewed carefully. Additionally, other matters not reflected in the Title Documents may affect the
617 title, ownership and use of the Property, including, without limitation, boundary lines and encroachments,
618 set-back requirements, area, zoning, building code violations, unrecorded easements and claims of
619 easements, leases and other unrecorded agreements, water on or under the Property, and various laws and
620 governmental regulations concerning land use, development and environmental matters.
621

622 **8.7.1. OIL, GAS, WATER AND MINERAL DISCLOSURE. THE SURFACE ESTATE OF THE**
623 **PROPERTY MAY BE OWNED SEPARATELY FROM THE UNDERLYING MINERAL ESTATE AND**
624 **TRANSFER OF THE SURFACE ESTATE MAY NOT NECESSARILY INCLUDE TRANSFER OF THE**
625 **MINERAL ESTATE OR WATER RIGHTS. THIRD PARTIES MAY OWN OR LEASE INTERESTS IN OIL, GAS,**
626 **OTHER MINERALS, GEOTHERMAL ENERGY OR WATER ON OR UNDER THE SURFACE OF THE**
627 **PROPERTY, WHICH INTERESTS MAY GIVE THEM RIGHTS TO ENTER AND USE THE SURFACE OF THE**
628 **PROPERTY TO ACCESS THE MINERAL ESTATE, OIL, GAS OR WATER.**
629

630 **8.7.2. SURFACE USE AGREEMENT. THE USE OF THE SURFACE ESTATE OF THE**
631 **PROPERTY TO ACCESS THE OIL, GAS OR MINERALS MAY BE GOVERNED BY A SURFACE USE**
632 **AGREEMENT, A MEMORANDUM OR OTHER NOTICE OF WHICH MAY BE RECORDED WITH THE**
633 **COUNTY CLERK AND RECORDER.**
634

635 **8.7.3. OIL AND GAS ACTIVITY. OIL AND GAS ACTIVITY THAT MAY OCCUR ON OR**
636 **ADJACENT TO THE PROPERTY MAY INCLUDE, BUT IS NOT LIMITED TO, SURVEYING, DRILLING,**
637 **WELL COMPLETION OPERATIONS, STORAGE, OIL AND GAS, OR PRODUCTION FACILITIES,**
638 **PRODUCING WELLS, REWORKING OF CURRENT WELLS AND GAS GATHERING AND PROCESSING**
639 **FACILITIES.**
640

641 **8.7.4. ADDITIONAL INFORMATION. BUYER IS ENCOURAGED TO SEEK ADDITIONAL**
642 **INFORMATION REGARDING OIL AND GAS ACTIVITY ON OR ADJACENT TO THE PROPERTY,**
643 **INCLUDING DRILLING PERMIT APPLICATIONS. THIS INFORMATION MAY BE AVAILABLE FROM THE**
644 **COLORADO OIL AND GAS CONSERVATION COMMISSION.**
645

646 **8.7.5. Title Insurance Exclusions.** Matters set forth in this Section and others, may be
647 excepted, excluded from, or not covered by the owner's title insurance policy.
648

649 **8.8. Consult an Attorney.** Buyer is advised to timely consult legal counsel with respect to all such
650 matters as there are strict time limits provided in this Contract (e.g., **Record Title Objection Deadline** and
651 **Off-Record Title Objection Deadline**).
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655 **9. NEW ILC, NEW SURVEY.**
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657 **9.1. New ILC or New Survey.** If the box is checked, a: 1) **New Improvement Location Certificate**
658 **(New ILC);** or, 2) **New Survey** in the form of n/a; is required and the following will apply:
659

660 **9.1.1. Ordering of New ILC or New Survey.** Seller Buyer will order the New ILC or New

661 Survey. The New ILC or New Survey may also be a previous ILC or survey that is in the above-required form,
662 certified and updated as of a date after the date of this Contract.

663 **9.1.2. Payment for New ILC or New Survey.** The cost of the New ILC or New Survey will be
664 paid, on or before Closing, by: Seller Buyer or: n/a
665

666 **9.1.3. Delivery of New ILC or New Survey.** Buyer, Seller, the issuer of the Title Commitment (or
667 the provider of the opinion of title if an Abstract of Title) and n/a will receive a New ILC or New Survey on or
668 before **New ILC or New Survey Deadline**.
669

670 **9.1.4. Certification of New ILC or New Survey.** The New ILC or New Survey will be certified by
671 the surveyor to all those who are to receive the New ILC or New Survey.
672

673 **9.2. Buyer's Right to Waive or Change New ILC or New Survey Selection.** Buyer may select a
674 New ILC or New Survey different than initially specified in this Contract if there is no additional cost to Seller or
675 change to the **New ILC or New Survey Objection Deadline**. Buyer may, in Buyer's sole subjective discretion,
676 waive a New ILC or New Survey if done prior to Seller incurring any cost for the same.
677

678 **9.3. New ILC or New Survey Objection.** Buyer has the right to review and object to the **New ILC or**
679 **New Survey**. If the New ILC or New Survey is not timely received by Buyer or is unsatisfactory to Buyer, in
680 Buyer's sole subjective discretion, Buyer may, on or before **New ILC or New Survey Objection Deadline**,
681 notwithstanding § 8.3 or § 13:

682 **9.3.1. Notice to Terminate.** Notify Seller in writing, pursuant to § 25.1, that this Contract is
683 terminated; or
684

685 **9.3.2. New ILC or New Survey Objection.** Deliver to Seller a written description of any matter that
686 was to be shown or is shown in the New ILC or New Survey that is unsatisfactory and that Buyer requires
687 Seller to correct.
688

689 **9.3.3. New ILC or New Survey Resolution.** If a **New ILC or New Survey Objection** is received
690 by Seller, on or before **New ILC or New Survey Objection Deadline** and if Buyer and Seller have not agreed
691 in writing to a settlement thereof on or before **New ILC or New Survey Resolution Deadline**, this Contract will
692 terminate on expiration of the **New ILC or New Survey Resolution Deadline**, unless Seller receives Buyer's
693 written withdrawal of the New ILC or New Survey Objection before such termination, i.e., on or before
694 expiration of **New ILC or New Survey Resolution Deadline**.
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DISCLOSURE, INSPECTION AND DUE DILIGENCE

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700 **10. PROPERTY DISCLOSURE, INSPECTION, INDEMNITY, INSURABILITY, DUE DILIGENCE, AND**
701 **SOURCE OF WATER.**

702 **10.1. Seller's Property Disclosure.** On or before **Seller's Property Disclosure Deadline**, Seller
703 agrees to deliver to Buyer the most current version of the applicable Colorado Real Estate Commission's
704 Seller's Property Disclosure form completed by Seller to Seller's actual knowledge and current as of the date of
705 this Contract.
706

707 **10.2. Disclosure of Adverse Material Facts; Subsequent Disclosure; Present Condition.** Seller
708 must disclose to Buyer any adverse material facts actually known by Seller as of the date of this Contract.
709 Seller agrees that disclosure of adverse material facts will be in writing. In the event Seller discovers an
710 adverse material fact after the date of this Contract, Seller must timely disclose such adverse fact to Buyer.
711 Buyer has the Right to Terminate based on the Seller's new disclosure on the earlier of Closing or five days
712 after Buyer's receipt of the new disclosure. Except as otherwise provided in this Contract, Buyer acknowledges
713 that Seller is conveying the Property to Buyer in an "**As Is**" condition, "**Where Is**" and "**With All Faults**."
714

715 **10.3. Inspection.** Unless otherwise provided in this Contract, Buyer, acting in good faith, has the right
716 to have inspections (by one or more third parties, personally or both) of the Property and Inclusions
717 (Inspection), at Buyer's expense. If (1) the physical condition of the Property, including, but not limited to, the
718 roof, walls, structural integrity of the Property, the electrical, plumbing, HVAC and other mechanical systems of
719 the Property, (2) the physical condition of the Inclusions, (3) service to the Property (including utilities and
720 communication services), systems and components of the Property (e.g., heating and plumbing), (4) any
721 proposed or existing transportation project, road, street or highway, or (5) any other activity, odor or noise
722 (whether on or off the Property) and its effect or expected effect on the Property or its occupants is
723 unsatisfactory, in Buyer's sole subjective discretion, Buyer may:
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727 **10.3.1. Inspection Objection.** On or before the **Inspection Objection Deadline**, deliver to
728 Seller a written description of any unsatisfactory condition that Buyer requires Seller to correct; or

729 **10.3.2. Terminate.** On or before the **Inspection Termination Deadline**, notify Seller in writing,
730 pursuant to § 25.1, that this Contract is terminated due to any unsatisfactory condition. **Inspection**
731 **Termination Deadline will be on the earlier of Inspection Resolution Deadline or the date specified in §**
732 **3.1 for Inspection Termination Deadline.**

733 **10.3.3. Inspection Resolution.** If an Inspection Objection is received by Seller, on or before
734 **Inspection Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on
735 or before **Inspection Resolution Deadline**, this Contract will terminate on **Inspection Resolution Deadline**
736 unless Seller receives Buyer's written withdrawal of the Inspection Objection before such termination, i.e., on or
737 before expiration of **Inspection Resolution Deadline**.

738 **10.4. Damage, Liens and Indemnity.** Buyer, except as otherwise provided in this Contract or other
739 written agreement between the parties, is responsible for payment for all inspections, tests, surveys,
740 engineering reports, or other reports performed at Buyer's request (Work) and must pay for any damage that
741 occurs to the Property and Inclusions as a result of such Work. Buyer must not permit claims or liens of any
742 kind against the Property for Work performed on the Property. Buyer agrees to indemnify, protect and hold
743 Seller harmless from and against any liability, damage, cost or expense incurred by Seller and caused by any
744 such Work, claim, or lien. This indemnity includes Seller's right to recover all costs and expenses incurred by
745 Seller to defend against any such liability, damage, cost or expense, or to enforce this Section, including
746 Seller's reasonable attorney fees, legal fees and expenses. The provisions of this Section survive the
747 termination of this Contract. This § 10.4 does not apply to items performed pursuant to an Inspection
748 Resolution.

749 **10.5. Insurability.** Buyer has the right to review and object to the availability, terms and conditions of
750 and premium for property insurance (Property Insurance). Buyer has the Right to Terminate under § 25.1, on or
751 before **Property Insurance Termination Deadline**, based on any unsatisfactory provision of the Property
752 Insurance, in Buyer's sole subjective discretion.

753 **10.6. Due Diligence.**

754 **10.6.1. Due Diligence Documents.** If the respective box is checked, Seller agrees to deliver
755 copies of the following documents and information pertaining to the Property (Due Diligence Documents) to
756 Buyer on or before **Due Diligence Documents Delivery Deadline**:

757 **10.6.1.1.** All current leases, including any amendments or other occupancy
758 agreements, pertaining to the Property. Those leases or other occupancy agreements pertaining to the
759 Property that survive Closing are as follows (Leases): n/a

760 **10.6.1.2.** Other documents and information:
761 n/a

762 **10.6.2. Due Diligence Documents Review and Objection.** Buyer has the right to review and
763 object to Due Diligence Documents. If the Due Diligence Documents are not supplied to Buyer or are
764 unsatisfactory, in Buyer's sole subjective discretion, Buyer may, on or before **Due Diligence Documents**
765 **Objection Deadline**:

766 **10.6.2.1. Notice to Terminate.** Notify Seller in writing, pursuant to § 25.1, that this
767 Contract is terminated; or

768 **10.6.2.2. Due Diligence Documents Objection.** Deliver to Seller a written description
769 of any unsatisfactory Due Diligence Documents that Buyer requires Seller to correct.

770 **10.6.2.3. Due Diligence Documents Resolution.** If a Due Diligence Documents
771 Objection is received by Seller, on or before **Due Diligence Documents Objection Deadline** and if Buyer and
772 Seller have not agreed in writing to a settlement thereof on or before **Due Diligence Documents Resolution**
773 **Deadline**, this Contract will terminate on **Due Diligence Documents Resolution Deadline** unless Seller
774 receives Buyer's written withdrawal of the Due Diligence Documents Objection before such termination, i.e., on
775 or before expiration of **Due Diligence Documents Resolution Deadline**.

776 **10.7. Conditional Upon Sale of Property.** This Contract is conditional upon the sale and closing of
777 that certain property owned by Buyer and commonly known as n/a. Buyer has the Right to Terminate under §
778 25.1 effective upon Seller's receipt of Buyer's Notice to Terminate on or before **Conditional Sale Deadline** if
779 such property is not sold and closed by such deadline. This Section is for the sole benefit of Buyer. If Seller
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Seller(s) Initials:

KH J

793 does not receive Buyer's Notice to Terminate on or before **Conditional Sale Deadline**, Buyer waives any Right
794 to Terminate under this provision.

795 **10.8. Source of Potable Water (Residential Land and Residential Improvements Only).** Buyer
796 Does Does Not acknowledge receipt of a copy of Seller's Property Disclosure or Source of
797 Water Addendum disclosing the source of potable water for the Property. There is **No Well**. Buyer Does
798 Does Not acknowledge receipt of a copy of the current well permit.

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

804 **10.9. Existing Leases; Modification of Existing Leases; New Leases. [Intentionally Deleted]**

805 **10.10. Lead-Based Paint**

806 **10.10.1. Lead-Based Paint Disclosure.** Unless exempt, if the Property includes one or
807 more residential dwellings constructed or a building permit was issued prior to January 1, 1978, for the benefit
808 of Buyer, Seller and all required real estate licensees must sign and deliver to Buyer a completed Lead-Based
809 Paint Disclosure (Sales) form on or before the **Lead-Based Paint Disclosure Deadline**. If Buyer does not
810 timely receive the Lead-Based Paint Disclosure, Buyer may waive the failure to timely receive the Lead-Based
811 Paint Disclosure, or Buyer may exercise Buyer's Right to Terminate under § 25.1 by Seller's receipt of Buyer's
812 Notice to Terminate on or before the expiration of the **Lead-Based Paint Termination Deadline**.

815 **10.10.2. Lead-Based Paint Assessment.** If Buyer elects to conduct or obtain a risk
816 assessment or inspection of the Property for the presence of Lead-Based Paint or Lead-Based Paint hazards,
817 Buyer has a Right to Terminate under § 25.1 by Seller's receipt of Buyer's Notice to Terminate on or before the
818 expiration of the **Lead-Based Paint Termination Deadline**. If Buyer's Notice to Terminate would otherwise be
819 required to be received by Seller after **Closing Date**, Buyer's Notice to Terminate must be received by Seller
820 on or before Closing. Buyer may elect to waive Buyer's right to conduct or obtain a risk assessment or
821 inspection of the Property for the presence of Lead-Based Paint or Lead-Based Paint hazards. If Seller does
822 not receive Buyer's Notice to Terminate within such time, Buyer accepts the condition of the Property relative to
823 any Lead-Based Paint as satisfactory and Buyer waives any Right to Terminate under this provision.

824 **10.11. Carbon Monoxide Alarms. Note:** If the improvements on the Property have a fuel-fired
825 heater or appliance, a fireplace, or an attached garage and include one or more rooms lawfully used for
826 sleeping purposes (Bedroom), the parties acknowledge that Colorado law requires that Seller assure the
827 Property has an operational carbon monoxide alarm installed within fifteen feet of the entrance to each
828 Bedroom or in a location as required by the applicable building code.

829 **10.12. Methamphetamine Disclosure.** If Seller knows that methamphetamine was ever
830 manufactured, processed, cooked, disposed of, used or stored at the Property, Seller is required to disclose
831 such fact. No disclosure is required if the Property was remediated in accordance with state standards and
832 other requirements are fulfilled pursuant to § 25-18.5-102, C.R.S., Buyer further acknowledges that Buyer has
833 the right to engage a certified hygienist or industrial hygienist to test whether the Property has ever been used
834 as a methamphetamine laboratory. Buyer has the Right to Terminate under § 25.1, upon Seller's receipt of
835 Buyer's written Notice to Terminate, notwithstanding any other provision of this Contract, based on Buyer's test
836 results that indicate the Property has been contaminated with methamphetamine, but has not been remediated
837 to meet the standards established by rules of the State Board of Health promulgated pursuant to §
838 25-18.5-102, C.R.S. Buyer must promptly give written notice to Seller of the results of the test.

846 **11. TENANT ESTOPPEL STATEMENTS. [Intentionally Deleted]**

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CLOSING PROVISIONS

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

852 **12.1. Closing Documents and Closing Information.** Seller and Buyer will cooperate with the Closing
853 Company to enable the Closing Company to prepare and deliver documents required for Closing to Buyer and
854 Seller and their designees. If Buyer is obtaining a loan to purchase the Property, Buyer acknowledges Buyer's
855 lender is required to provide the Closing Company, in a timely manner, all required loan documents and
856 financial information concerning Buyer's loan. Buyer and Seller will furnish any additional information and
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documents required by Closing Company that will be necessary to complete this transaction. Buyer and Seller will sign and complete all customary or reasonably-required documents at or before Closing.

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

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

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

13. TRANSFER OF TITLE. Subject to Buyer's compliance with the terms and provisions of this Contract, including the tender of any payment due at Closing, Seller must execute and deliver the following good and sufficient deed to Buyer, at Closing:

special warranty deed general warranty deed bargain and sale deed quit claim deed personal representative's deed n/a deed. Seller, provided another deed is not selected, must execute and deliver a good and sufficient special warranty deed to Buyer, at Closing.

Unless otherwise specified in §30 (Additional Provisions), if title will be conveyed using a special warranty deed or a general warranty deed, title will be conveyed "subject to statutory exceptions" as defined in §38-30-113(5)(a), C.R.S.

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

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

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

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

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

15.4. Local Transfer Tax. The Local Transfer Tax of n/a % of the Purchase Price must be paid at Closing by None Buyer Seller One-Half by Buyer and One-Half by Seller.

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

15.6. Water Transfer Fees. The Water Transfer Fees can change. The fees, as of the date of this Contract, do not exceed \$n/a for:

Water Stock/Certificates Water District Augmentation Membership Small Domestic Water Company n/a and must be paid at Closing by None Buyer Seller One-Half by Buyer and One-Half by Seller

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

925 **15.8. FIRPTA and Colorado Withholding.**

926 **15.8.1. FIRPTA.** The Internal Revenue Service (IRS) may require a substantial portion of
927 the Seller's proceeds be withheld after Closing when Seller is a foreign person. If required withholding does not
928 occur, the Buyer could be held liable for the amount of the Seller's tax, interest and penalties. If the box in this
929 Section is checked, Seller represents that Seller IS a foreign person for purposes of U.S. income taxation. If
930 the box in this Section is not checked, Seller represents that Seller is not a foreign person for purposes of U.S.
931 income taxation. Seller agrees to cooperate with Buyer and Closing Company to provide any reasonably
932 requested documents to verify Seller's foreign person status. If withholding is required, Seller authorizes
933 Closing Company to withhold such amount from Seller's proceeds. Seller should inquire with Seller's tax
934 advisor to determine if withholding applies or if an exemption exists.
935

936 **15.8.2. Colorado Withholding.** The Colorado Department of Revenue may require a
937 portion of the Seller's proceeds be withheld after Closing when Seller will not be a Colorado resident after
938 Closing, if not otherwise exempt. Seller agrees to cooperate with Buyer and Closing Company to provide any
939 reasonably requested documents to verify Seller's status. If withholding is required, Seller authorizes Closing
940 Company to withhold such amount from Seller's proceeds. Seller should inquire with Seller's tax advisor to
941 determine if withholding applies or if an exemption exists.
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946 **16. PRORATIONS AND ASSOCIATION ASSESSMENTS.** The following will be prorated to the **Closing**
947 **Date**, except as otherwise provided:

948 **16.1. Taxes.** Personal property taxes, if any, special taxing district assessments, if any and
949 general real estate taxes for the year of Closing, based on **Taxes for the Calendar Year Immediately**
950 **Preceding Closing** **Most Recent Mill Levy and Most Recent Assessed Valuation**, adjusted by any
951 applicable qualifying seniors property tax exemption, qualifying disabled veteran exemption or **Other** *n/a*.
952

953 **16.2. Rents.** Rents based on **Rents Actually Received** **Accrued**. At Closing, Seller will
954 transfer or credit to Buyer the security deposits for all Leases assigned, or any remainder after lawful
955 deductions and notify all tenants in writing of such transfer and of the transferee's name and address. Seller
956 must assign to Buyer all Leases in effect at Closing and Buyer must assume Seller's obligations under such
957 Leases.
958

959 **16.3. Association Assessments.** Current regular Association assessments and dues
960 (Association Assessments) paid in advance will be credited to Seller at Closing. Cash reserves held out of the
961 regular Association Assessments for deferred maintenance by the Association will not be credited to Seller
962 except as may be otherwise provided by the Governing Documents. Buyer acknowledges that Buyer may be
963 obligated to pay the Association, at Closing, an amount for reserves or working capital. Any special
964 assessment assessed prior to **Closing Date** by the Association will be the obligation of **Buyer** **Seller**.
965 Except however, any special assessment by the Association for improvements that have been installed as of
966 the date of Buyer's signature hereon, whether assessed prior to or after Closing, will be the obligation of Seller.
967 Seller represents there are no unpaid regular or special assessments against the Property except the current
968 regular assessments and *n/a*. Association Assessments are subject to change as provided in the Governing
969 Documents.
970

971 **16.4. Other Prorations.** Water and sewer charges, propane, interest on continuing loan and *n/a*.
972

973 **16.5. Final Settlement.** Unless otherwise agreed in writing, these prorations are final.
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976
977 **17. POSSESSION.** Possession of the Property will be delivered to Buyer on **Possession Date** at
978 **Possession Time**, subject to the Leases as set forth in § 10.6.1.1.
979

980
981 If Seller, after Closing, fails to deliver possession as specified, Seller will be subject to eviction and
982 will be additionally liable to Buyer for payment of \$ 100.00 per day (or any part of a day notwithstanding §
983 18.1) from **Possession Date** and **Possession Time** until possession is delivered.
984

985 Buyer represents that Buyer will occupy the Property as Buyer's principal residence unless the
986 following box is checked, then Buyer **Does Not** represent that Buyer will occupy the Property as Buyer's
987 principal residence.
988

989 If the box is checked, Buyer and Seller agree to execute a Post-Closing Occupancy Agreement.
990

GENERAL PROVISIONS

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

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

18.2. Computation of Period of Days, Deadline. In computing a period of days (e.g., three days after MEC), when the ending date is not specified, the first day is excluded and the last day is included. If any deadline falls on a Saturday, Sunday or federal or Colorado state holiday (Holiday), such deadline **Will** **Will Not** be extended to the next day that is not a Saturday, Sunday or Holiday. Should neither box be checked, the deadline will not be extended.

19. CAUSES OF LOSS, INSURANCE; DAMAGE TO INCLUSIONS AND SERVICES; CONDEMNATION; AND WALK-THROUGH. Except as otherwise provided in this Contract, the Property, Inclusions or both will be delivered in the condition existing as of the date of this Contract, ordinary wear and tear excepted.

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

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

19.3. Condemnation. In the event Seller receives actual notice prior to Closing that a pending condemnation action may result in a taking of all or part of the Property or Inclusions, Seller must promptly notify Buyer, in writing, of such condemnation action. Buyer has the Right to Terminate under § 25.1, on or before **Closing Date**, based on such condemnation action, in Buyer's sole subjective discretion. Should Buyer elect to consummate this Contract despite such diminution of value to the Property and Inclusions, Buyer is entitled to a credit at Closing for all condemnation proceeds awarded to Seller for the diminution in the value of the Property or Inclusions but such credit will not include relocation benefits or expenses, or exceed the Purchase Price.

19.4. Walk-Through and Verification of Condition. Buyer, upon reasonable notice, has the right to walk through the Property prior to Closing to verify that the physical condition of the Property and Inclusions complies with this Contract.

1057 **19.5. Home Warranty.** Seller and Buyer are aware of the existence of pre-owned home warranty
1058 programs that may be purchased and may cover the repair or replacement of such Inclusions.
1059

1060 **20. RECOMMENDATION OF LEGAL AND TAX COUNSEL.** By signing this Contract, Buyer and Seller
1062 acknowledge that the respective broker has advised that this Contract has important legal consequences and
1063 has recommended the examination of title and consultation with legal and tax or other counsel before signing
1064 this Contract.
1065

1066 **21. TIME OF ESSENCE, DEFAULT AND REMEDIES.** Time is of the essence for all dates and deadlines
1067 in this Contract. This means that all dates and deadlines are strict and absolute. If any payment due, including
1068 Earnest Money, is not paid, honored or tendered when due, or if any obligation is not performed timely as
1069 provided in this Contract or waived, the non-defaulting party has the following remedies:
1070

1071 **21.1. If Buyer is in Default:**

1072 ~~**21.1.1. Specific Performance.** Seller may elect to cancel this Contract and all Earnest
1073 Money (whether or not paid by Buyer) will be paid to Seller and retained by Seller. It is agreed that the Earnest
1074 Money is not a penalty and the Parties agree the amount is fair and reasonable. Seller may recover such
1075 additional damages as may be proper. Alternatively, Seller may elect to treat this Contract as being in full force
1076 and effect and Seller has the right to specific performance or damages, or both.~~

1077 **21.1.2. Liquidated Damages, Applicable. This § 21.1.2 applies unless the box in § 21.1.1.**
1078 **is checked.** Seller may cancel this Contract. All Earnest Money (whether or not paid by Buyer) will be paid to
1079 Seller and retained by Seller. It is agreed that the Earnest Money specified in § 4.1 is LIQUIDATED DAMAGES
1080 and not a penalty, which amount the parties agree is fair and reasonable and (except as provided in §§ 10.4,
1081 22, 23 and 24), said payment of Earnest Money is SELLER'S ONLY REMEDY for Buyer's failure to perform
1082 the obligations of this Contract. Seller expressly waives the remedies of specific performance and additional
1083 damages.
1084

1085 ~~**21.2. If Seller is in Default:** Buyer may elect to treat this Contract as canceled, in which case all
1086 Earnest Money received hereunder will be returned to Buyer and Buyer may recover such damages as may be
1087 proper. Alternatively, Buyer may elect to treat this Contract as being in full force and effect and Buyer has the
1088 right to specific performance or damages, or both.~~

1089 **22. LEGAL FEES, COST AND EXPENSES.** Anything to the contrary herein notwithstanding, in the event
1090 of any arbitration or litigation relating to this Contract, prior to or after **Closing Date**, the arbitrator or court must
1091 award to the prevailing party all reasonable costs and expenses, including attorney fees, legal fees and
1092 expenses.
1093

1094 ~~**23. MEDIATION.** If a dispute arises relating to this Contract (whether prior to or after Closing) and is not
1095 resolved, the parties must first proceed, in good faith, to mediation. Mediation is a process in which the parties
1096 meet with an impartial person who helps to resolve the dispute informally and confidentially. Mediators cannot
1097 impose binding decisions. Before any mediated settlement is binding, the parties to the dispute must agree to
1098 the settlement, in writing. The parties will jointly appoint an acceptable mediator and will share equally in the
1099 cost of such mediation. The obligation to mediate, unless otherwise agreed, will terminate if the entire dispute
1100 is not resolved within thirty days of the date written notice requesting mediation is delivered by one party to the
1101 other at that party's last known address (physical or electronic as provided in § 27). Nothing in this Section
1102 prohibits either party from filing a lawsuit and recording a *lis pendens* affecting the Property, before or after the
1103 date of written notice requesting mediation. This Section will not alter any date in this Contract, unless
1104 otherwise agreed.~~

1105 **24. EARNEST MONEY DISPUTE.** Except as otherwise provided herein, Earnest Money Holder must
1106 release the Earnest Money following receipt of written mutual instructions, signed by both Buyer and Seller. In
1107 the event of any controversy regarding the Earnest Money, Earnest Money Holder is not required to release the
1108 Earnest Money. Earnest Money Holder, in its sole subjective discretion, has several options: (1) wait for any
1109 proceeding between Buyer and Seller; (2) interplead all parties and deposit Earnest Money into a court of
1110 competent jurisdiction (Earnest Money Holder is entitled to recover court costs and reasonable attorney and
1111 expenses).
1112

1123 legal fees incurred with such action); or (3) provide notice to Buyer and Seller that unless Earnest Money
1124 Holder receives a copy of the Summons and Complaint or Claim (between Buyer and Seller) containing the
1125 case number of the lawsuit (Lawsuit) within one hundred twenty days of Earnest Money Holder's notice to the
1126 parties, Earnest Money Holder is authorized to return the Earnest Money to Buyer. In the event Earnest Money
1127 Holder does receive a copy of the Lawsuit and has not interpleaded the monies at the time of any Order, Earnest
1128 Money Holder must disburse the Earnest Money pursuant to the Order of the Court. The parties reaffirm the
1129 obligation of § 23 (Mediation). This Section will survive cancellation or termination of this Contract.
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1133 **25. TERMINATION.**

1134 **25.1. Right to Terminate.** If a party has a right to terminate, as provided in this Contract (Right to
1135 Terminate), the termination is effective upon the other party's receipt of a written notice to terminate (Notice to
1136 Terminate), provided such written notice was received on or before the applicable deadline specified in this
1137 Contract. If the Notice to Terminate is not received on or before the specified deadline, the party with the Right
1138 to Terminate accepts the specified matter, document or condition as satisfactory and waives the Right to
1139 Terminate under such provision.
1140

1141 **25.2. Effect of Termination.** In the event this Contract is terminated, all Earnest Money received
1142 hereunder will be returned to Buyer and the parties are relieved of all obligations hereunder, subject to §§ 10.4,
1143 22, 23 and 24.
1144
1145

1146 **26. ENTIRE AGREEMENT, MODIFICATION, SURVIVAL; SUCCESSORS.** This Contract, its exhibits and
1147 specified addenda, constitute the entire agreement between the parties relating to the subject hereof and any
1148 prior agreements pertaining thereto, whether oral or written, have been merged and integrated into this
1149 Contract. No subsequent modification of any of the terms of this Contract is valid, binding upon the parties, or
1150 enforceable unless made in writing and signed by the parties. Any right or obligation in this Contract that, by its
1151 terms, exists or is intended to be performed after termination or Closing survives the same. Any successor to a
1152 party receives the predecessor's benefits and obligations of this Contract.
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1156 **27. NOTICE, DELIVERY AND CHOICE OF LAW.**

1157 **27.1. Physical Delivery and Notice.** Any document, or notice to Buyer or Seller must be in writing,
1158 except as provided in § 27.2 and is effective when physically received by such party, any individual named in
1159 this Contract to receive documents or notices for such party, Broker, or Brokerage Firm of Broker working with
1160 such party (except any notice or delivery after Closing must be received by the party, not Broker or Brokerage
1161 Firm).
1162
1163

1164 **27.2. Electronic Notice.** As an alternative to physical delivery, any notice, may be delivered in
1165 electronic form to Buyer or Seller, any individual named in this Contract to receive documents or notices for
1166 such party, Broker or Brokerage Firm of Broker working with such party (except any notice or delivery after
1167 Closing must be received by the party, not Broker or Brokerage Firm) at the electronic address of the recipient
1168 by facsimile, email or n/a.
1169

1170 **27.3. Electronic Delivery.** Electronic Delivery of documents and notice may be delivered by: (1) email
1171 at the email address of the recipient, (2) a link or access to a website or server provided the recipient receives
1172 the information necessary to access the documents, or (3) facsimile at the facsimile number (Fax No.) of the
1173 recipient.
1174

1175 **27.4. Choice of Law.** This Contract and all disputes arising hereunder are governed by and construed
1176 in accordance with the laws of the State of Colorado that would be applicable to Colorado residents who sign a
1177 contract in Colorado for real property located in Colorado.
1178
1179

1180 **28. NOTICE OF ACCEPTANCE, COUNTERPARTS.** This proposal will expire unless accepted in writing,
1181 by Buyer and Seller, as evidenced by their signatures below and the offering party receives notice of such
1182 acceptance pursuant to § 27 on or before **Acceptance Deadline Date** and **Acceptance Deadline Time**. If
1183 accepted, this document will become a contract between Seller and Buyer. A copy of this Contract may be
1184 executed by each party, separately and when each party has executed a copy thereof, such copies taken
1185 together are deemed to be a full and complete contract between the parties.
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1189 **29. GOOD FAITH.** Buyer and Seller acknowledge that each party has an obligation to act in good faith
1190 including, but not limited to, exercising the rights and obligations set forth in the provisions of **Financing**
1191 **Conditions and Obligations; Title Insurance, Record Title and Off-Record Title; New ILC, New Survey;**
1192 **and Property Disclosure, Inspection, Indemnity, Insurability, Due Diligence and Source of Water.**
1193
1194

1195 **ADDITIONAL PROVISIONS AND ATTACHMENTS**
1196

1197
1198 **30. ADDITIONAL PROVISIONS.** (The following additional provisions have not been approved by the
1199 Colorado Real Estate Commission.)
1200

1201 *n/a*

1202 **31. OTHER DOCUMENTS.**

1203 **31.1.** The following documents **are a part** of this Contract:

1204 *n/a*

1205 **31.1.1.** Post-Closing Occupancy Agreement. If the Post-Closing Occupancy Agreement box is
1206 checked in § 17 the Post-Closing Occupancy Agreement is a part of this Contract.
1207

1208
1209 **31.2.** The following documents have been provided but are **not** a part of this Contract:

1210 *n/a*
1211

1212
1213 **SIGNATURES**
1214

1215
1216
1217 *Kelsey Haist*
1218

1219 Date: 8/14/2019
1220

1221 Buyer: *Kelsey Haist*
1222

1223
1224
1225
1226
1227 *Scott Thompson*
1228

1229 Date: 8/14/2019
1230

1231 Buyer: *Scott Thompson*
1232

1233
1234
1235 **[NOTE: If this offer is being countered or rejected, do not sign this document.**
1236

1237
1238 _____ Date: _____
1239

1240 Seller: *Harvey Sender, in his capacity as RECEIVER of the Gary Dragul RECEIVER ESTATE*
1241 *By: Harvey Sender, Receiver*
1242

1243 **END OF CONTRACT TO BUY AND SELL REAL ESTATE**
1244
1245
1246

1247
1248 **32. BROKER'S ACKNOWLEDGMENTS AND COMPENSATION DISCLOSURE.**

1249 (To be completed by Broker working with Buyer)
1250

1251 Broker **Does** **Does Not** acknowledge receipt of Earnest Money deposit. Broker agrees that if
1252 Brokerage Firm is the Earnest Money Holder and, except as provided in § 24, if the Earnest Money has not
1253 already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest
1254

1255 Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of
1256 Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written mutual
1257 instructions, provided the Earnest Money check has cleared.
1258
1259

1260 Although Broker is not a party to the Contract, Broker agrees to cooperate, upon request, with any mediation
1261 requested under § 23.
1262

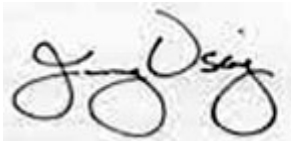
1263 Broker is working with Buyer as a **Buyer's Agent** **Transaction-Broker** in this transaction. This is a
1264 **Change of Status**
1265

1266 **Customer.** Broker has no brokerage relationship with Buyer. See § 33 for Broker's brokerage relationship
1267 with Seller.
1268
1269

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

Brokerage Firm's Name: **Usaj Realty**

Brokerage Firm's License #: **EC 40030386**



Date: **8/14/2019**

Broker's Name: **Jenny L. Usaj**

Broker's License #: **EI.100027451**

Address: **1499 Blake St. Ste. 1F Denver, CO 80202**

Ph: **720-883-5714** Fax: Email Address: **jenny@usajrealty.com**

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** .

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

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

Date: _____

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**

CBS1-5-19. CONTRACT TO BUY AND SELL REAL ESTATE (RESIDENTIAL)

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Seller(s) Initials:

KH J



Madison & Company Properties

5975 S. Quebec St., Suite 100 Greenwood Village, CO 80111
BRENDAN C. MORAN
Ph: 720.291.0805

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

2
3 **THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND
TAX OR OTHER COUNSEL BEFORE SIGNING.**

COUNTERPROPOSAL

Date: 8/15/2019

4
5
6
7
8 1. This Counterproposal supersedes and replaces any previous counterproposal. This
9 Counterproposal amends the proposed contract dated 8/14/2019 (Contract), between
10 **Gary Dragul Receivership Estate** (Seller), and **Kelsey Haist and Scott Thompson** (Buyer), relating to the
sale and purchase of the following legally described real estate in the County of **Arapahoe**, Colorado:
11 **LOT 53 BLK 11 GAISER HOLLY RIDGE**
12 known as No. **3142 S Leyden Street, Denver, CO 80222** (Property).
13

14 **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.**

15
16 2. **§ 3.1 Dates and Deadlines. [Omitted as inapplicable]**

17
18 3. **§ 4. PURCHASE PRICE AND TERMS. [Note: This table may be deleted if inapplicable.]**

19
20 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		
2	§ 4.3	Earnest Money		
3	§ 4.5	New Loan		
4	§ 4.6	Assumption Balance		
5	§ 4.7	Private Financing		
6	§ 4.7	Seller Financing		
7	<i>n/a</i>	<i>n/a</i>		
8	<i>n/a</i>	<i>n/a</i>		
9	§ 4.4	Cash at Closing		
10		TOTAL		

21
22
23
24 4. **ATTACHMENTS.** The following are a part of this Counterproposal:
Addendum-3142 S Leyden St (Haist-Thompson)
Exhibit A

25
26 **Note:** The following documents have been provided but are **not** a part of this Counterproposal:
27 **no change**

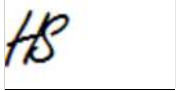
28
29 5. **OTHER CHANGES.**
C.A. in 3.1 Dates and Deadlines table is "Court Approval".

30
31

32 **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 8/19/2019 5:00 PM MT.
Date Time

33
34 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.

35

36 Harvey Sender, Receiver  Date: 8/16/2019

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

Address:

37

38 Seller: _____ Date: _____

39 Address:

40

41 Kelsey Haist  Date: 8/18/2019

Buyer: **Kelsey Haist**

Address:

42

43 Scott Thompson  Date: 8/18/2019

Buyer: **Scott Thompson**

Address:

44 **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 August 14, 2019, (the “Printed Form Contract”), and, if applicable Counterproposal dated August 15, 2019, (the “Counterproposal”), for property located at **3142 S. Leyden St., Denver, CO 80222** (the “Property”), is dated as of the last day signed below, between **Kelsey Haist and Scott Thompson (“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 (if applicable) 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 3142 South Leyden 14, LLC, a Colorado limited liability company. 3142 South Leyden 14, LLC is the Grantee of the Warranty Deed recorded May 13, 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) 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 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, BUYER'S SOLE REMEDY SHALL BE THE RIGHT TO THE RETURN OF THE DEPOSIT, WHICH RETURN SHALL OPERATE TO TERMINATE THIS CONTRACT. SECTION 21.2 AND 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:

I

Kelsey Haist

Kelsey Haist

08/18/2019

Date

Scott Thompson

Scott Thompson

08/18/2019

Date

SELLER:

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

Harvey Sender

Harvey Sender, Receiver

08/16/2019

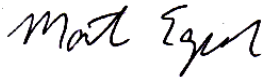
Date

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

DISTRICT COURT, DENVER COUNTY, STATE OF COLORADO Denver District Court 1437 Bannock St. Denver, CO 80202	DATE FILED: August 22, 2019 12:17 PM FILING ID: E1B3008CCDC24 CASE NUMBER: 2018CV33011
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 3142 South Leyden Street, Denver, Colorado 80222	

THIS MATTER is before the Court on the Motion for Order Authorizing Sale of Real Property 3142 South Leyden Street, Denver, Colorado 80222 (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 3142 South Leyden Street, Denver, Colorado 80222 (the "Property"), is currently titled in the name of 3142 South Leyden 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