

<p>DISTRICT COURT, DENVER COUNTY, STATE OF COLORADO Denver District Court 1437 Bannock St. Denver, CO 80202 720.865.8612</p>	<p>DATE FILED: October 4, 2019 12:19 PM FILING ID: 3A77CB85BD25D CASE NUMBER: 2018CV33011</p>
<p>Plaintiff: David S. Cheval, Acting Securities Commissioner for the State of Colorado</p> <p>v.</p> <p>Defendants: Gary Dragul; GDA Real Estate Services, LLC; and GDA Real Estate Management, LLC</p>	<p>▲ COURT USE ONLY ▲</p>
<p>Attorneys for Receiver: Patrick D. Vellone, #15284 Michael T. Gilbert, #15009 Rachel A. Sternlieb, #51404 ALLEN VELLONE WOLF HELFRICH & FACTOR P.C. 1600 Stout St., Suite 1100 Denver, Colorado 80202 Phone Number: (303) 534-4499 E-mail: pvellone@allen-vellone.com E-mail: mgilbert@allen-vellone.com E-mail: rsternlieb@allen-vellone.com</p>	<p>Case Number: 2018CV33011 Division/Courtroom: 424</p>
<p>RECEIVER’S MOTION FOR ORDER AUTHORIZING SALE OF REAL PROPERTY (3142 S. Leyden Street, Denver, Colorado 80222)</p>	

Harvey Sender, the duly-appointed receiver (“Receiver”) for Gary Dragul (“Dragul”), GDA Real Estate Services, LLC, GDA Real Estate Management, LLC, and related entities (collectively, “Dragul and the GDA Entities”), asks the Court to enter

an order approving the sale of real property located at 3142 S. Leyden Street, Denver, Colorado 80222 (the “Property”).

I. 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 and 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.

4. 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)).

II. The proposed sale

5. The Property is a single-story, single-family ranch home with 2,335 finished square feet. The Property has been listed for sale for \$500,000. On

August 22, 2019, the Receiver moved to sell the Property to another buyer for \$510,000 (\$10,000 more than the listing price). That buyer backed out because of structural issues discovered during inspection.

6. On September 28, 2019, Christine and Pete Tovani (“Buyers”) offered to buy the Property for \$485,000. Buyers are arms-length purchasers who have no affiliation with Dragul or the Dragul Entities.

7. On October 3, 2019, Buyers accepted the Receiver’s counteroffer of \$495,000 and have agreed to an all cash closing 14 days after the Court approves the transaction; the Receiver has agreed to provide Buyers a credit at closing for the structural issues, estimated to be approximately \$5,000. A copy of the fully-executed contract (which is comprised of the Contract to Buy and Sell, Counterproposal, and Addendum) is attached as **Exhibit 1** (the “Contract”). Based on the listing broker’s market valuation, \$495,000 is a fair market price for the Property.

8. The Property is titled in the name of 3142 South Leyden 14, LLC, whose sole member is X12 Housing, LLC (f/k/a GDA Housing, LLC) (“X12 Housing”). The sole member of X12 Housing is Gary Dragul. The Property is therefore property of the Receivership Estate the Receiver is authorized to sell.

III. Sale of the Property is in the best interests of the Estate and its creditors.

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

10. 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. The principal balance of the Velocity Loan is approximately \$372,995.

11. 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 the 3142 South Leyden Street Property (collectively, the “Collateral”). A Second Deed of Trust dated March 27, 2018, was recorded against the Property by WBF on April 26, 2017.

12. 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 at closing.

13. The table below estimates the sales proceeds and ultimate distribution to the Estate:

Sale Price	\$495,000
1st Mortgage (Velocity)	(\$372,995)
Broker Commission (5.5%)	(\$27,225)
Estimated Closing Costs (1.5%)	(\$7,425)
Estimated Unpaid Taxes, 2017 – 2018	(\$5,610)
Estimated Structural Repairs	(\$5,000)
NET SALE PROCEEDS	\$76,725
2 nd Mortgage (WBF/CT) (70% of net)	(\$53,722)
Proceeds to Receiver (30% of net)	\$23,024

14. In the Receiver’s reasonable business judgment, the proposed sale is in the best interest of the Estate and its creditors. The Property is not presently leased and the purchase price is reasonable. If the Estate continues to hold the Property, the Velocity Loan will continue to accrue default interest, and the Estate will continue to incur management fees and have to pay insurance and maintenance for the Property, further eroding any equity.

15. 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: October 4, 2019.

ALLEN VELLONE WOLF HELFRICH & FACTOR P.C.



By: /s/ Rachel A. Sternlieb

Patrick D. Vellone

Michael T. Gilbert

Rachel A. Sternlieb

1600 Stout Street, Suite 1100

Denver, Colorado 80202

(303) 534-4499

E-mail: pvellone@allen-vellone.com

E-mail: mgilbert@allen-vellone.com

E-mail: rsternlieb@allen-vellone.com

ATTORNEYS FOR THE RECEIVER

CERTIFICATE OF SERVICE

I hereby certify that on October 4, 2019, I served a true and correct copy of the foregoing **RECEIVER'S MOTION FOR ORDER AUTHORIZING SALE OF REAL PROPERTY (3142 S. Leyden Street, Denver, Colorado 80222)** via CCE to the following:

Robert W. Finke
Sueanna P. Johnson
Ralph L. Carr Judicial Building
1300 Broadway, 8th Floor
Denver, Colorado 80203
Sueanna.Johnson@coag.gov
Robert.Finke@coag.gov

***Counsel for David S. Cheval, Acting
Securities Commissioner for the State of
Colorado***

Holly R. Shilliday, Esq.
McCarthy Holthus, LLP
7700 E. Arapahoe Road, Suite 230
Centennial, CO 80120
hshilliday@mccarthyholthus.com

***Counsel for Victoria Capital
Trust, Normandy Capital Trust, and Cohen
Financial***

Joseph A. Murr
Kimberly L. Martinez
Murr Siler & Accomazzo, P.C.
410 Seventeenth Street, Suite 2400
Denver, CO 80202
jmurr@MSA.legal
kmartinez@msa.legal

***Counsel for Velocity
Commercial Capital***

Jeffery A. Springer, Esq.
Springer and Steinberg P.C.
1600 Broadway, Suite 1200
Denver, Colorado 80202
jspringer@springersteinberg.com

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

Duncan Barber
Shapiro Bieging Barber Otteson LLP
7979 E Tufts Ave. Suite 1600
Denver, CO 80237
dbarber@sbbolaw.com

***Counsel for WBF CT Associates, LLC,
Chad Hurst, and Tom Jordan***

CERTIFICATION OF E-SERVICE ON KNOWN CREDITORS

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

s/Teresa Silcox
Allen Vellone Wolf Helfrich & Factor P.C.



RE/MAX
of cherry creek
because experience matters®

RE/MAX of Cherry Creek
3773 Cherry Creek Drive North #801 Denver, CO 80209
Shannon Gillespie Broker Associate
Ph: 303.877.2111 Fax: 303.320.1249

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: October 4, 2019 12:19 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: 9/28/2019

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. *Cristine Tovani and Pete Tovani* (Buyer) will take title to the Property described below as

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

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

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

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

LOT 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 2 remote controls). If checked, the following are owned by the Seller and included (leased items should be listed under **Due Diligence Documents**): **None** **Solar Panels** **Water Softeners** **Security Systems** **Satellite Systems** (including satellite dishes). If any additional items are attached to the Property after the date of this Contract, such additional items are also included in the Purchase Price.

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

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

Seller(s) Initials:

Exhibit 1
Page 1 of 52

CT FT

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: Refrigerator, washer, dryer, stove/range

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

82 **2.7. Water Rights/Well Rights.**

83 **2.7.1. Deeded Water Rights.** The following legally described water rights:
84 n/a

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

86 **2.7.2. Other Rights Relating to Water.** The following rights relating to water not included in
87 §§ 2.7.1, 2.7.3 and 2.7.4, will be transferred to Buyer at Closing: n/a

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

96 **2.7.4. Water Stock Certificates.** The water stock certificates to be transferred at Closing are
97 as follows: n/a

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

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

102 **3.1 Dates and Deadlines.**

Item No.	Reference	Event	Date or Deadline	
1	§ 4.3	Alternative Earnest Money Deadline	MEC PLUS 24 HOURS	
Title				
2	§ 8.1, § 8.4	Record Title Deadline	10/4/2019	Friday
3	§ 8.2, § 8.4	Record Title Objection Deadline	10/8/2019	Tuesday
4	§ 8.3	Off-Record Title Deadline	10/7/2019	Monday
5	§ 8.3	Off-Record Title Objection Deadline	10/8/2019	Tuesday
6	§ 8.5	Title Resolution Deadline	10/11/2019	Friday
7	§ 8.6	Right of First Refusal Deadline	n/a	
Owners' Association				
8	§ 7.2	Association Documents Deadline	n/a	
9	§ 7.4	Association Documents Termination Deadline	n/a	
Seller's Disclosures				
10	§ 10.1	Seller's Property Disclosure Deadline	10/4/2019	Friday

104 Seller(s) Initials:

105 Exhibit 1
106 Page 2 of 52

107 *AT*

133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192
193
194
195
196
197
198

11	§ 10.10	Lead-Based Paint Disclosure Deadline	10/4/2019	Friday
		Loan and Credit		
12	§ 5.1	New Loan Application Deadline	n/a	
13	§ 5.2	New Loan Termination Deadline	n/a	
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	n/a	
21	§ 6.2	Appraisal Objection Deadline	n/a	
22	§ 6.2	Appraisal Resolution Deadline	n/a	
		Survey		
23	§ 9.1	New ILC or New Survey Deadline	n/a	
24	§ 9.3	New ILC or New Survey Objection Deadline	n/a	
25	§ 9.3	New ILC or New Survey Resolution Deadline	n/a	
		Inspection and Due Diligence		
26	§ 10.3	Inspection Objection Deadline	10/8/2019	Tuesday
27	§ 10.3	Inspection Termination Deadline	10/8/2019	Tuesday
28	§ 10.3	Inspection Resolution Deadline	10/10/2019	Thursday
29	§ 10.5	Property Insurance Termination Deadline	10/8/2019	Tuesday
30	§ 10.6	Due Diligence Documents Delivery Deadline	10/4/2019	Friday
31	§ 10.6	Due Diligence Documents Objection Deadline	10/8/2019	Tuesday
32	§ 10.6	Due Diligence Documents Resolution Deadline	10/11/2019	Friday
33	§ 10.7	Conditional Sale Deadline	n/a	
34	§ 10.10	Lead-Based Paint Termination Deadline	10/8/2019	Tuesday
		Closing and Possession		
35	§ 12.3	Closing Date	10/16/2019	Wednesday
36	§ 17	Possession Date	10/16/2019	Wednesday
37	§ 17	Possession Time	UPON DELIVERY OF DEED	
38	§ 28	Acceptance Deadline Date	9/30/2019	Monday
39	§ 28	Acceptance Deadline Time	6:00 PM	
40	n/a	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:

Exhibit 1
Page 3 of 52

AT

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	\$485,000.00	
2	§ 4.3	Earnest Money		\$10,000.00
3	§ 4.5	New Loan		\$0.00
4	§ 4.6	Assumption Balance		\$0.00
5	§ 4.7	Private Financing		\$0.00
6	§ 4.7	Seller Financing		\$0.00
7	0	n/a		\$0.00
8	n/a	n/a		\$0.00
9	§ 4.4	Cash at Closing		\$475,000.00
10		TOTAL	\$485,000.00	\$485,000.00

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 (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 disbursement by Closing Company at Closing **OR SUCH NONPAYING PARTY WILL BE IN DEFAULT**. Buyer

265 represents that Buyer, as of the date of this Contract, **Does** **Does Not** have funds that are immediately
266 verifiable and available in an amount not less than the amount stated as Cash at Closing in § 4.1.

267 **4.5. New Loan.** (Omitted as inapplicable)

268
269 **4.6. Assumption.** (Omitted as inapplicable)

270
271 **4.7. Seller or Private Financing.** (Omitted as inapplicable)

272
273
274

TRANSACTION PROVISIONS

275
276
277
278 **5. FINANCING CONDITIONS AND OBLIGATIONS.** (Omitted as inapplicable)

279
280 **5.3. Credit Information and Buyer's New Senior Loan.** (Omitted as inapplicable)

281
282
283 **5.4. Existing Loan Review.** (Omitted as inapplicable)

284
285 **6. APPRAISAL PROVISIONS.**

286 **6.1. Appraisal Definition.** An "Appraisal" is an opinion of value prepared by a licensed or certified
287 appraiser, engaged on behalf of Buyer or Buyer's lender, to determine the Property's market value (Appraised
288 Value). The Appraisal may also set forth certain lender requirements, replacements, removals or repairs
289 necessary on or to the Property as a condition for the Property to be valued at the Appraised Value.

290 **6.2. Appraisal Condition.** The applicable appraisal provision set forth below applies to the respective
291 loan type set forth in § 4.5.3, or if a cash transaction (i.e. no financing), § 6.2.1 applies.

292 **6.2.1. Conventional/Other.** Buyer has the right to obtain an Appraisal. If the Appraised Value
293 is less than the Purchase Price, or if the Appraisal is not received by Buyer on or before **Appraisal Deadline**
294 Buyer may, on or before **Appraisal Objection Deadline**:

295 **6.2.1.1. Notice to Terminate.** Notify Seller in writing, pursuant to § 25.1, that this
296 Contract is terminated; or

297 **6.2.1.2. Appraisal Objection.** Deliver to Seller a written objection accompanied by
298 either a copy of the Appraisal or written notice from lender that confirms the Appraised Value is less than the
299 Purchase Price (Lender Verification).

300 **6.2.1.3. Appraisal Resolution.** If an Appraisal Objection is received by Seller, on or
301 before **Appraisal Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement
302 thereof on or before **Appraisal Resolution Deadline**, this Contract will terminate on the **Appraisal Resolution**
303 **Deadline**, unless Seller receives Buyer's written withdrawal of the Appraisal Objection before such termination,
304 i.e., on or before expiration of **Appraisal Resolution Deadline**.

305 **6.2.2. FHA.** It is expressly agreed that, notwithstanding any other provisions of this Contract,
306 the purchaser (Buyer) shall not be obligated to complete the purchase of the Property described herein or to
307 incur any penalty by forfeiture of Earnest Money deposits or otherwise unless the purchaser (Buyer) has been
308 given, in accordance with HUD/FHA or VA requirements, a written statement issued by the Federal Housing
309 Commissioner, Department of Veterans Affairs, or a Direct Endorsement lender, setting forth the appraised
310 value of the Property of not less than \$ n/a. The purchaser (Buyer) shall have the privilege and option of
311 proceeding with the consummation of this Contract without regard to the amount of the appraised valuation.
312 The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and
313 Urban Development will insure. HUD does not warrant the value nor the condition of the Property. The
314 purchaser (Buyer) should satisfy himself/herself that the price and condition of the Property are acceptable.

315 **6.2.3. VA.** It is expressly agreed that, notwithstanding any other provisions of this Contract,
316 the purchaser (Buyer) shall not incur any penalty by forfeiture of Earnest Money or otherwise or be obligated to
317 complete the purchase of the Property described herein, if the Contract Purchase Price or cost exceeds the
318 reasonable value of the Property established by the Department of Veterans Affairs. The purchaser (Buyer)
319 shall, however, have the privilege and option of proceeding with the consummation of this Contract without
320 regard to the amount of the reasonable value established by the Department of Veterans Affairs.

331 **6.3. Lender Property Requirements.** If the lender imposes any written requirements, replacements,
332 removals or repairs, including any specified in the Appraisal (Lender Requirements) to be made to the Property
333 (e.g., roof repair, repainting), beyond those matters already agreed to by Seller in this Contract, this Contract
334 terminates on the earlier of three days following Seller's receipt of the Lender Requirements, or Closing, unless
335 prior to termination: (1) the parties enter into a written agreement to satisfy the Lender Requirements; (2) the
336 Lender Requirements have been completed; or (3) the satisfaction of the Lender Requirements is waived in
337 writing by Buyer.

338
339 **6.4. Cost of Appraisal.** Cost of the Appraisal to be obtained after the date of this Contract must be
340 timely paid by Buyer Seller. The cost of the Appraisal may include any and all fees paid to the appraiser,
341 appraisal management company, lender's agent or all three.
342
343

344 **7. OWNERS' ASSOCIATION.** This Section is applicable if the Property is located within a Common
345 Interest Community and subject to the declaration (Association).
346

347 **7.1. Common Interest Community Disclosure. THE PROPERTY IS LOCATED WITHIN A**
348 **COMMON INTEREST COMMUNITY AND IS SUBJECT TO THE DECLARATION FOR THE COMMUNITY.**
349 **THE OWNER OF THE PROPERTY WILL BE REQUIRED TO BE A MEMBER OF THE OWNERS'**
350 **ASSOCIATION FOR THE COMMUNITY AND WILL BE SUBJECT TO THE BYLAWS AND RULES AND**
351 **REGULATIONS OF THE ASSOCIATION. THE DECLARATION, BYLAWS AND RULES AND REGULATIONS**
352 **WILL IMPOSE FINANCIAL OBLIGATIONS UPON THE OWNER OF THE PROPERTY, INCLUDING AN**
353 **OBLIGATION TO PAY ASSESSMENTS OF THE ASSOCIATION. IF THE OWNER DOES NOT PAY THESE**
354 **ASSESSMENTS, THE ASSOCIATION COULD PLACE A LIEN ON THE PROPERTY AND POSSIBLY SELL**
355 **IT TO PAY THE DEBT. THE DECLARATION, BYLAWS AND RULES AND REGULATIONS OF THE**
356 **COMMUNITY MAY PROHIBIT THE OWNER FROM MAKING CHANGES TO THE PROPERTY WITHOUT AN**
357 **ARCHITECTURAL REVIEW BY THE ASSOCIATION (OR A COMMITTEE OF THE ASSOCIATION) AND**
358 **THE APPROVAL OF THE ASSOCIATION. PURCHASERS OF PROPERTY WITHIN THE COMMON**
359 **INTEREST COMMUNITY SHOULD INVESTIGATE THE FINANCIAL OBLIGATIONS OF MEMBERS OF THE**
360 **ASSOCIATION. PURCHASERS SHOULD CAREFULLY READ THE DECLARATION FOR THE COMMUNITY**
361 **AND THE BYLAWS AND RULES AND REGULATIONS OF THE ASSOCIATION.**
362
363
364
365

366 **7.2. Association Documents to Buyer.** Seller is obligated to provide to Buyer the Association
367 Documents (defined below), at Seller's expense, on or before **Association Documents Deadline.** Seller
368 authorizes the Association to provide the Association Documents to Buyer, at Seller's expense. Seller's
369 obligation to provide the Association Documents is fulfilled upon Buyer's receipt of the Association Documents,
370 regardless of who provides such documents.
371

372 **7.3. Association Documents.** Association documents (Association Documents) consist of the
373 following:

374 **7.3.1.** All Association declarations, articles of incorporation, bylaws, articles of
375 organization, operating agreements, rules and regulations, party wall agreements and the Association's
376 responsible governance policies adopted under § 38-33.3-209.5, C.R.S.;

377 **7.3.2.** Minutes of: (1) the annual owners' or members' meeting and (2) any executive
378 boards' or managers' meetings; such minutes include those provided under the most current annual disclosure
379 required under § 38-33.3-209.4, C.R.S. (Annual Disclosure) and minutes of meetings, if any, subsequent to the
380 minutes disclosed in the Annual Disclosure. If none of the preceding minutes exist, then the most recent
381 minutes, if any (§§ 7.3.1 and 7.3.2, collectively, Governing Documents); and

382 **7.3.3.** List of all Association insurance policies as provided in the Association's last Annual
383 Disclosure, including, but not limited to, property, general liability, association director and officer professional
384 liability and fidelity policies. The list must include the company names, policy limits, policy deductibles,
385 additional named insureds and expiration dates of the policies listed (Association Insurance Documents);

386 **7.3.4.** A list by unit type of the Association's assessments, including both regular and
387 special assessments as disclosed in the Association's last Annual Disclosure;

388 **7.3.5.** The Association's most recent financial documents which consist of: (1) the
389 Association's operating budget for the current fiscal year, (2) the Association's most recent annual financial
390 statements, including any amounts held in reserve for the fiscal year immediately preceding the Association's
391 last Annual Disclosure, (3) the results of the Association's most recent available financial audit or review, (4) list
392
393
394
395
396

397 of the fees and charges (regardless of name of title of such fees or charges) that the Association's community
398 association manager or Association will charge in connection with the Closing including, but not limited to, any
399 fee incident to the issuance of the Association's statement of assessments (Status Letter), any rush or update
400 fee charged for the Status Letter, any record change fee or ownership record transfer fees (Record Change
401 Fee), fees to access documents, (5) list of all assessments required to be paid in advance, reserves or working
402 capital due at Closing and (6) reserve study, if any (§§ 7.3.4 and 7.3.5, collectively, Financial Documents);

403 **7.3.6.** Any written notice from the Association to Seller of a "construction defect action"
404 under § 38-33.3-303.5, C.R.S. within the past six months and the result of whether the Association approved or
405 disapproved such action (Construction Defect Documents). Nothing in this Section limits the Seller's obligation
406 to disclose adverse material facts as required under § 10.2 (Disclosure of Adverse Material Facts; Subsequent
407 Disclosure; Present Condition) including any problems or defects in the common elements or limited common
408 elements of the Association property.

409 **7.4. Conditional on Buyer's Review.** Buyer has the right to review the Association Documents.
410 Buyer has the Right to Terminate under § 25.1, on or before **Association Documents Termination Deadline**,
411 based on any unsatisfactory provision in any of the Association Documents, in Buyer's sole subjective
412 discretion. Should Buyer receive the Association Documents after **Association Documents Deadline**, Buyer,
413 at Buyer's option, has the Right to Terminate under § 25.1 by Buyer's Notice to Terminate received by Seller on
414 or before ten days after Buyer's receipt of the Association Documents. If Buyer does not receive the
415 Association Documents, or if Buyer's Notice to Terminate would otherwise be required to be received by Seller
416 after **Closing Date**, Buyer's Notice to Terminate must be received by Seller on or before Closing. If Seller does
417 not receive Buyer's Notice to Terminate within such time, Buyer accepts the provisions of the Association
418 Documents as satisfactory and Buyer waives any Right to Terminate under this provision, notwithstanding the
419 provisions of § 8.6 (Right of First Refusal or Contract Approval).

426 8. TITLE INSURANCE, RECORD TITLE AND OFF-RECORD TITLE.

427 8.1. Evidence of Record Title.

428 **8.1.1. Seller Selects Title Insurance Company.** If this box is checked, Seller will select the
429 title insurance company to furnish the owner's title insurance policy at Seller's expense. On or before **Record**
430 **Title Deadline**, Seller must furnish to Buyer, a current commitment for an owner's title insurance policy (Title
431 Commitment), in an amount equal to the Purchase Price, or if this box is checked, an **Abstract of Title**
432 certified to a current date. Seller will cause the title insurance policy to be issued and delivered to Buyer as
433 soon as practicable at or after Closing.

434 **8.1.2. Buyer Selects Title Insurance Company.** If this box is checked, Buyer will select the
435 title insurance company to furnish the owner's title insurance policy at Buyer's expense. On or before **Record**
436 **Title Deadline**, Buyer must furnish to Seller, a current commitment for owner's title insurance policy (Title
437 Commitment), in an amount equal to the Purchase Price.

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

439 **8.1.3. Owner's Extended Coverage (OEC).** The Title Commitment **Will** **Will Not**
440 contain Owner's Extended Coverage (OEC). If the Title Commitment is to contain OEC, it will commit to delete
441 or insure over the standard exceptions which relate to: (1) parties in possession, (2) unrecorded easements,
442 (3) survey matters, (4) unrecorded mechanics' liens, (5) gap period (period between the effective date and time
443 of commitment to the date and time the deed is recorded) and (6) unpaid taxes, assessments and unredeemed
444 tax sales prior to the year of Closing. Any additional premium expense to obtain OEC will be paid by **Buyer**
445 **Seller** **One-Half by Buyer and One-Half by Seller** **Other** n/a.

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

451 **8.1.4. Title Documents.** Title Documents consist of the following: (1) copies of any plats,
452 declarations, covenants, conditions and restrictions burdening the Property and (2) copies of any other
453 documents (or, if illegible, summaries of such documents) listed in the schedule of exceptions (Exceptions) in
454 the Title Commitment furnished to Buyer (collectively, Title Documents).

463 **8.1.5. Copies of Title Documents.** Buyer must receive, on or before **Record Title Deadline**,
464 copies of all Title Documents. This requirement pertains only to documents as shown of record in the office of
465 the clerk and recorder in the county where the Property is located. The cost of furnishing copies of the
466 documents required in this Section will be at the expense of the party or parties obligated to pay for the
467 owner's title insurance policy.
468

469 **8.1.6. Existing Abstracts of Title.** Seller must deliver to Buyer copies of any abstracts of title
470 covering all or any portion of the Property (Abstract of Title) in Seller's possession on or before **Record Title**
471 **Deadline**.
472

473 **8.2. Record Title.** Buyer has the right to review and object to the Abstract of Title or Title
474 Commitment and any of the Title Documents as set forth in § 8.5 (Right to Object to Title, Resolution) on or
475 before **Record Title Objection Deadline**. Buyer's objection may be based on any unsatisfactory form or
476 content of Title Commitment or Abstract of Title, notwithstanding § 13, or any other unsatisfactory title
477 condition, in Buyer's sole subjective discretion. If the Abstract of Title, Title Commitment or Title Documents are
478 not received by Buyer on or before the **Record Title Deadline**, or if there is an endorsement to the Title
479 Commitment that adds a new Exception to title, a copy of the new Exception to title and the modified Title
480 Commitment will be delivered to Buyer. Buyer has until the earlier of Closing or ten days after receipt of such
481 documents by Buyer to review and object to: (1) any required Title Document not timely received by Buyer, (2)
482 any change to the Abstract of Title, Title Commitment or Title Documents, or (3) any endorsement to the Title
483 Commitment. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection, pursuant to this § 8.2
484 (Record Title), any title objection by Buyer is governed by the provisions set forth in § 8.5 (Right to Object to
485 Title, Resolution). If Seller has fulfilled all Seller's obligations, if any, to deliver to Buyer all documents required
486 by § 8.1 (Evidence of Record Title) and Seller does not receive Buyer's Notice to Terminate or Notice of Title
487 Objection by the applicable deadline specified above, Buyer accepts the condition of title as disclosed by the
488 Abstract of Title, Title Commitment and Title Documents as satisfactory.
489

490 **8.3. Off-Record Title.** Seller must deliver to Buyer, on or before **Off-Record Title Deadline**, true
491 copies of all existing surveys in Seller's possession pertaining to the Property and must disclose to Buyer all
492 easements, liens (including, without limitation, governmental improvements approved, but not yet installed) or
493 other title matters (including, without limitation, rights of first refusal and options) not shown by public records,
494 of which Seller has actual knowledge (Off-Record Matters). This Section excludes any **New ILC** or **New**
495 **Survey** governed under § 9 (New ILC, New Survey). Buyer has the right to inspect the Property to investigate
496 if any third party has any right in the Property not shown by public records (e.g., unrecorded easement,
497 boundary line discrepancy or water rights). Buyer's Notice to Terminate or Notice of Title Objection of any
498 unsatisfactory condition (whether disclosed by Seller or revealed by such inspection, notwithstanding § 8.2
499 (Record Title) and § 13 (Transfer of Title)), in Buyer's sole subjective discretion, must be received by Seller on
500 or before **Off-Record Title Objection Deadline**. If an Off-Record Matter is received by Buyer after the
501 **Off-Record Title Deadline**, Buyer has until the earlier of Closing or ten days after receipt by Buyer to review
502 and object to such Off-Record Matter. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection
503 pursuant to this § 8.3 (Off-Record Title), any title objection by Buyer is governed by the provisions set forth in §
504 8.5 (Right to Object to Title, Resolution). If Seller does not receive Buyer's Notice to Terminate or Notice of Title
505 Objection by the applicable deadline specified above, Buyer accepts title subject to such Off-Record Matters
506 and rights, if any, of third parties not shown by public records of which Buyer has actual knowledge.
507

508 **8.4. Special Taxing Districts. SPECIAL TAXING DISTRICTS MAY BE SUBJECT TO GENERAL**
509 **OBLIGATION INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM ANNUAL TAX LEVIES**
510 **ON THE TAXABLE PROPERTY WITHIN SUCH DISTRICTS. PROPERTY OWNERS IN SUCH DISTRICTS**
511 **MAY BE PLACED AT RISK FOR INCREASED MILL LEVIES AND TAX TO SUPPORT THE SERVICING OF**
512 **SUCH DEBT WHERE CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF SUCH A DISTRICT TO**
513 **DISCHARGE SUCH INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL LEVIES. BUYERS**
514 **SHOULD INVESTIGATE THE SPECIAL TAXING DISTRICTS IN WHICH THE PROPERTY IS LOCATED BY**
515 **CONTACTING THE COUNTY TREASURER, BY REVIEWING THE CERTIFICATE OF TAXES DUE FOR THE**
516 **PROPERTY AND BY OBTAINING FURTHER INFORMATION FROM THE BOARD OF COUNTY**
517 **COMMISSIONERS, THE COUNTY CLERK AND RECORDER, OR THE COUNTY ASSESSOR.**
518

519 A tax certificate from the respective county treasurer listing any special taxing districts that effect the
520 Property (Tax Certificate) must be delivered to Buyer on or before **Record Title Deadline**. If the Property is
521
522
523
524
525
526
527
528

529 located within a special taxing district and such inclusion is unsatisfactory to Buyer, in Buyer's sole subjective
530 discretion, Buyer may object, on or before **Record Title Objection Deadline**. If the Tax Certificate shows that
531 the Property is included in a special taxing district and is received by Buyer after the **Record Title Deadline**,
532 Buyer has until the earlier of Closing or ten days after receipt by Buyer to review and object to the Property's
533 inclusion in a special taxing district as unsatisfactory to Buyer.
534

535 **8.5. Right to Object to Title, Resolution.** Buyer's right to object, in Buyer's sole subjective
536 discretion, to any title matters includes those matters set forth in § 8.2 (Record Title), § 8.3 (Off-Record Title), §
537 8.4 (Special Taxing District) and § 13 (Transfer of Title). If Buyer objects to any title matter, on or before the
538 applicable deadline, Buyer has the following options:
539

540 **8.5.1. Title Objection, Resolution.** If Seller receives Buyer's written notice objecting to any
541 title matter (Notice of Title Objection) on or before the applicable deadline and if Buyer and Seller have not
542 agreed to a written settlement thereof on or before **Title Resolution Deadline**, this Contract will terminate on
543 the expiration of **Title Resolution Deadline**, unless Seller receives Buyer's written withdrawal of Buyer's
544 Notice of Title Objection (i.e., Buyer's written notice to waive objection to such items and waives the Right to
545 Terminate for that reason), on or before expiration of **Title Resolution Deadline**. If either the Record Title
546 Deadline or the Off-Record Title Deadline, or both, are extended pursuant to § 8.2 (Record Title), § 8.3
547 (Off-Record Title) or § 8.4 (Special Taxing Districts), the Title Resolution Deadline also will be automatically
548 extended to the earlier of Closing or fifteen days after Buyer's receipt of the applicable documents; or
549

550 **8.5.2. Title Objection, Right to Terminate.** Buyer may exercise the Right to Terminate under
551 § 25.1, on or before the applicable deadline, based on any title matter unsatisfactory to Buyer, in Buyer's sole
552 subjective discretion.
553

554 **8.6. Right of First Refusal or Contract Approval.** If there is a right of first refusal on the Property
555 or a right to approve this Contract, Seller must promptly submit this Contract according to the terms and
556 conditions of such right. If the holder of the right of first refusal exercises such right or the holder of a right to
557 approve disapproves this Contract, this Contract will terminate. If the right of first refusal is waived explicitly or
558 expires, or the Contract is approved, this Contract will remain in full force and effect. Seller must promptly
559 notify Buyer in writing of the foregoing. If expiration or waiver of the right of first refusal or approval of this
560 Contract has not occurred on or before **Right of First Refusal Deadline**, this Contract will then terminate.
561

562 **8.7. Title Advisory.** The Title Documents affect the title, ownership and use of the Property and
563 should be reviewed carefully. Additionally, other matters not reflected in the Title Documents may affect the
564 title, ownership and use of the Property, including, without limitation, boundary lines and encroachments,
565 set-back requirements, area, zoning, building code violations, unrecorded easements and claims of
566 easements, leases and other unrecorded agreements, water on or under the Property, and various laws and
567 governmental regulations concerning land use, development and environmental matters.
568

569 **8.7.1. OIL, GAS, WATER AND MINERAL DISCLOSURE. THE SURFACE ESTATE OF THE**
570 **PROPERTY MAY BE OWNED SEPARATELY FROM THE UNDERLYING MINERAL ESTATE AND**
571 **TRANSFER OF THE SURFACE ESTATE MAY NOT NECESSARILY INCLUDE TRANSFER OF THE**
572 **MINERAL ESTATE OR WATER RIGHTS. THIRD PARTIES MAY OWN OR LEASE INTERESTS IN OIL, GAS,**
573 **OTHER MINERALS, GEOTHERMAL ENERGY OR WATER ON OR UNDER THE SURFACE OF THE**
574 **PROPERTY, WHICH INTERESTS MAY GIVE THEM RIGHTS TO ENTER AND USE THE SURFACE OF THE**
575 **PROPERTY TO ACCESS THE MINERAL ESTATE, OIL, GAS OR WATER.**
576

577 **8.7.2. SURFACE USE AGREEMENT. THE USE OF THE SURFACE ESTATE OF THE**
578 **PROPERTY TO ACCESS THE OIL, GAS OR MINERALS MAY BE GOVERNED BY A SURFACE USE**
579 **AGREEMENT, A MEMORANDUM OR OTHER NOTICE OF WHICH MAY BE RECORDED WITH THE**
580 **COUNTY CLERK AND RECORDER.**
581

582 **8.7.3. OIL AND GAS ACTIVITY. OIL AND GAS ACTIVITY THAT MAY OCCUR ON OR**
583 **ADJACENT TO THE PROPERTY MAY INCLUDE, BUT IS NOT LIMITED TO, SURVEYING, DRILLING,**
584 **WELL COMPLETION OPERATIONS, STORAGE, OIL AND GAS, OR PRODUCTION FACILITIES,**
585 **PRODUCING WELLS, REWORKING OF CURRENT WELLS AND GAS GATHERING AND PROCESSING**
586 **FACILITIES.**
587

588 **8.7.4. ADDITIONAL INFORMATION. BUYER IS ENCOURAGED TO SEEK ADDITIONAL**
589 **INFORMATION REGARDING OIL AND GAS ACTIVITY ON OR ADJACENT TO THE PROPERTY,**
590 **INCLUDING DRILLING PERMIT APPLICATIONS. THIS INFORMATION MAY BE AVAILABLE FROM THE**
591
592
593
594

595 **COLORADO OIL AND GAS CONSERVATION COMMISSION.**

596 **8.7.5. Title Insurance Exclusions.** Matters set forth in this Section and others, may be
597 excepted, excluded from, or not covered by the owner's title insurance policy.

598 **8.8. Consult an Attorney.** Buyer is advised to timely consult legal counsel with respect to all such
600 matters as there are strict time limits provided in this Contract (e.g., **Record Title Objection Deadline** and
601 **Off-Record Title Objection Deadline**).

602
603
604 **9. NEW ILC, NEW SURVEY.**

605 **9.1. New ILC or New Survey.** If the box is checked, a: 1) **New Improvement Location Certificate**
606 **(New ILC)**; or, 2) **New Survey** in the form of n/a; is required and the following will apply:

607 **9.1.1. Ordering of New ILC or New Survey.** **Seller** **Buyer** will order the New ILC or New
608 Survey. The New ILC or New Survey may also be a previous ILC or survey that is in the above-required form,
609 certified and updated as of a date after the date of this Contract.

610 **9.1.2. Payment for New ILC or New Survey.** The cost of the New ILC or New Survey will be
611 paid, on or before Closing, by: **Seller** **Buyer** or: n/a

612 **9.1.3. Delivery of New ILC or New Survey.** Buyer, Seller, the issuer of the Title Commitment (or
613 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
614 before **New ILC or New Survey Deadline**.

615 **9.1.4. Certification of New ILC or New Survey.** The New ILC or New Survey will be certified by
616 the surveyor to all those who are to receive the New ILC or New Survey.

617 **9.2. Buyer's Right to Waive or Change New ILC or New Survey Selection.** Buyer may select a
618 New ILC or New Survey different than initially specified in this Contract if there is no additional cost to Seller or
619 change to the **New ILC or New Survey Objection Deadline**. Buyer may, in Buyer's sole subjective discretion,
620 waive a New ILC or New Survey if done prior to Seller incurring any cost for the same.

621 **9.3. New ILC or New Survey Objection.** Buyer has the right to review and object to the **New ILC or**
622 **New Survey**. If the New ILC or New Survey is not timely received by Buyer or is unsatisfactory to Buyer, in
623 Buyer's sole subjective discretion, Buyer may, on or before **New ILC or New Survey Objection Deadline**,
624 notwithstanding § 8.3 or § 13:

625 **9.3.1. Notice to Terminate.** Notify Seller in writing, pursuant to § 25.1, that this Contract is
626 terminated; or

627 **9.3.2. New ILC or New Survey Objection.** Deliver to Seller a written description of any matter that
628 was to be shown or is shown in the New ILC or New Survey that is unsatisfactory and that Buyer requires
629 Seller to correct.

630 **9.3.3. New ILC or New Survey Resolution.** If a **New ILC or New Survey Objection** is received
631 by Seller, on or before **New ILC or New Survey Objection Deadline** and if Buyer and Seller have not agreed
632 in writing to a settlement thereof on or before **New ILC or New Survey Resolution Deadline**, this Contract will
633 terminate on expiration of the **New ILC or New Survey Resolution Deadline**, unless Seller receives Buyer's
634 written withdrawal of the New ILC or New Survey Objection before such termination, i.e., on or before
635 expiration of **New ILC or New Survey Resolution Deadline**.

636
637
638
639
640
641
642
643
644
645

DISCLOSURE, INSPECTION AND DUE DILIGENCE

646
647
648 **10. PROPERTY DISCLOSURE, INSPECTION, INDEMNITY, INSURABILITY, DUE DILIGENCE, AND**
649 **SOURCE OF WATER.**

650 **10.1. Seller's Property Disclosure.** On or before **Seller's Property Disclosure Deadline**, Seller
651 agrees to deliver to Buyer the most current version of the applicable Colorado Real Estate Commission's
652 Seller's Property Disclosure form completed by Seller to Seller's actual knowledge and current as of the date of
653 this Contract.

654 **10.2. Disclosure of Adverse Material Facts; Subsequent Disclosure; Present Condition.** Seller
655 must disclose to Buyer any adverse material facts actually known by Seller as of the date of this Contract.
656 Seller agrees that disclosure of adverse material facts will be in writing. In the event Seller discovers an
657 adverse material fact after the date of this Contract, Seller must timely disclose such adverse fact to Buyer.
658 Buyer has the Right to Terminate based on the Seller's new disclosure on the earlier of Closing or five days
659
660

Seller(s) Initials:

Exhibit 1
Page 10 of 52

AT *AT*

661 after Buyer's receipt of the new disclosure. Except as otherwise provided in this Contract, Buyer acknowledges
662 that Seller is conveying the Property to Buyer in an "As Is" condition, "Where Is" and "With All Faults."

663 **10.3. Inspection.** Unless otherwise provided in this Contract, Buyer, acting in good faith, has the right
664 to have inspections (by one or more third parties, personally or both) of the Property and Inclusions
665 (Inspection), at Buyer's expense. If (1) the physical condition of the Property, including, but not limited to, the
666 roof, walls, structural integrity of the Property, the electrical, plumbing, HVAC and other mechanical systems of
667 the Property, (2) the physical condition of the Inclusions, (3) service to the Property (including utilities and
668 communication services), systems and components of the Property (e.g., heating and plumbing), (4) any
669 proposed or existing transportation project, road, street or highway, or (5) any other activity, odor or noise
670 (whether on or off the Property) and its effect or expected effect on the Property or its occupants is
671 unsatisfactory, in Buyer's sole subjective discretion, Buyer may:

672 **10.3.1. Inspection Objection.** On or before the **Inspection Objection Deadline**, deliver to
673 Seller a written description of any unsatisfactory condition that Buyer requires Seller to correct; or

674 **10.3.2. Terminate.** On or before the **Inspection Termination Deadline**, notify Seller in writing,
675 pursuant to § 25.1, that this Contract is terminated due to any unsatisfactory condition. **Inspection**
676 **Termination Deadline will be on the earlier of Inspection Resolution Deadline or the date specified in §**
677 **3.1 for Inspection Termination Deadline.**

678 **10.3.3. Inspection Resolution.** If an Inspection Objection is received by Seller, on or before
679 **Inspection Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on
680 or before **Inspection Resolution Deadline**, this Contract will terminate on **Inspection Resolution Deadline**
681 unless Seller receives Buyer's written withdrawal of the Inspection Objection before such termination, i.e., on or
682 before expiration of **Inspection Resolution Deadline**.

683 **10.4. Damage, Liens and Indemnity.** Buyer, except as otherwise provided in this Contract or other
684 written agreement between the parties, is responsible for payment for all inspections, tests, surveys,
685 engineering reports, or other reports performed at Buyer's request (Work) and must pay for any damage that
686 occurs to the Property and Inclusions as a result of such Work. Buyer must not permit claims or liens of any
687 kind against the Property for Work performed on the Property. Buyer agrees to indemnify, protect and hold
688 Seller harmless from and against any liability, damage, cost or expense incurred by Seller and caused by any
689 such Work, claim, or lien. This indemnity includes Seller's right to recover all costs and expenses incurred by
690 Seller to defend against any such liability, damage, cost or expense, or to enforce this Section, including
691 Seller's reasonable attorney fees, legal fees and expenses. The provisions of this Section survive the
692 termination of this Contract. This § 10.4 does not apply to items performed pursuant to an Inspection
693 Resolution.

694 **10.5. Insurability.** Buyer has the right to review and object to the availability, terms and conditions of
695 and premium for property insurance (Property Insurance). Buyer has the Right to Terminate under § 25.1, on or
696 before **Property Insurance Termination Deadline**, based on any unsatisfactory provision of the Property
697 Insurance, in Buyer's sole subjective discretion.

698 **10.6. Due Diligence.**

699 **10.6.1. Due Diligence Documents.** If the respective box is checked, Seller agrees to deliver
700 copies of the following documents and information pertaining to the Property (Due Diligence Documents) to
701 Buyer on or before **Due Diligence Documents Delivery Deadline**:

702 **10.6.1.1.** All current leases, including any amendments or other occupancy
703 agreements, pertaining to the Property. Those leases or other occupancy agreements pertaining to the
704 Property that survive Closing are as follows (Leases): n/a

705 **10.6.1.2.** Other documents and information:

706 ***Any engineering or inspection reports in seller's possession.***

707 **10.6.2. Due Diligence Documents Review and Objection.** Buyer has the right to review and
708 object to Due Diligence Documents. If the Due Diligence Documents are not supplied to Buyer or are
709 unsatisfactory, in Buyer's sole subjective discretion, Buyer may, on or before **Due Diligence Documents**
710 **Objection Deadline**:

711 **10.6.2.1. Notice to Terminate.** Notify Seller in writing, pursuant to § 25.1, that this
712 Contract is terminated; or

713 **10.6.2.2. Due Diligence Documents Objection.** Deliver to Seller a written description

727 of any unsatisfactory Due Diligence Documents that Buyer requires Seller to correct.

728 **10.6.2.3. Due Diligence Documents Resolution.** If a Due Diligence Documents
729 Objection is received by Seller, on or before **Due Diligence Documents Objection Deadline** and if Buyer and
730 Seller have not agreed in writing to a settlement thereof on or before **Due Diligence Documents Resolution**
731 **Deadline**, this Contract will terminate on **Due Diligence Documents Resolution Deadline** unless Seller
732 receives Buyer's written withdrawal of the Due Diligence Documents Objection before such termination, i.e., on
733 or before expiration of **Due Diligence Documents Resolution Deadline**.

734 **10.7. Conditional Upon Sale of Property.** This Contract is conditional upon the sale and closing of
735 that certain property owned by Buyer and commonly known as n/a. Buyer has the Right to Terminate under §
736 25.1 effective upon Seller's receipt of Buyer's Notice to Terminate on or before **Conditional Sale Deadline** if
737 such property is not sold and closed by such deadline. This Section is for the sole benefit of Buyer. If Seller
738 does not receive Buyer's Notice to Terminate on or before **Conditional Sale Deadline**, Buyer waives any Right
739 to Terminate under this provision.

740 **10.8. Source of Potable Water (Residential Land and Residential Improvements Only).** Buyer
741 Does Does Not acknowledge receipt of a copy of Seller's Property Disclosure or Source of
742 Water Addendum disclosing the source of potable water for the Property. There is **No Well**. Buyer Does
743 Does Not acknowledge receipt of a copy of the current well permit.

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

747 **10.9. Existing Leases; Modification of Existing Leases; New Leases. [Intentionally Deleted]**

748 **10.10. Lead-Based Paint**

749 **10.10.1. Lead-Based Paint Disclosure.** Unless exempt, if the Property includes one or
750 more residential dwellings constructed or a building permit was issued prior to January 1, 1978, for the benefit
751 of Buyer, Seller and all required real estate licensees must sign and deliver to Buyer a completed Lead-Based
752 Paint Disclosure (Sales) form on or before the **Lead-Based Paint Disclosure Deadline**. If Buyer does not
753 timely receive the Lead-Based Paint Disclosure, Buyer may waive the failure to timely receive the Lead-Based
754 Paint Disclosure, or Buyer may exercise Buyer's Right to Terminate under § 25.1 by Seller's receipt of Buyer's
755 Notice to Terminate on or before the expiration of the **Lead-Based Paint Termination Deadline**.

756 **10.10.2. Lead-Based Paint Assessment.** If Buyer elects to conduct or obtain a risk
757 assessment or inspection of the Property for the presence of Lead-Based Paint or Lead-Based Paint hazards,
758 Buyer has a Right to Terminate under § 25.1 by Seller's receipt of Buyer's Notice to Terminate on or before the
759 expiration of the **Lead-Based Paint Termination Deadline**. If Buyer's Notice to Terminate would otherwise be
760 required to be received by Seller after **Closing Date**, Buyer's Notice to Terminate must be received by Seller
761 on or before Closing. Buyer may elect to waive Buyer's right to conduct or obtain a risk assessment or
762 inspection of the Property for the presence of Lead-Based Paint or Lead-Based Paint hazards. If Seller does
763 not receive Buyer's Notice to Terminate within such time, Buyer accepts the condition of the Property relative to
764 any Lead-Based Paint as satisfactory and Buyer waives any Right to Terminate under this provision.

765 **10.11. Carbon Monoxide Alarms. Note:** If the improvements on the Property have a fuel-fired
766 heater or appliance, a fireplace, or an attached garage and include one or more rooms lawfully used for
767 sleeping purposes (Bedroom), the parties acknowledge that Colorado law requires that Seller assure the
768 Property has an operational carbon monoxide alarm installed within fifteen feet of the entrance to each
769 Bedroom or in a location as required by the applicable building code.

770 **10.12. Methamphetamine Disclosure.** If Seller knows that methamphetamine was ever
771 manufactured, processed, cooked, disposed of, used or stored at the Property, Seller is required to disclose
772 such fact. No disclosure is required if the Property was remediated in accordance with state standards and
773 other requirements are fulfilled pursuant to § 25-18.5-102, C.R.S., Buyer further acknowledges that Buyer has
774 the right to engage a certified hygienist or industrial hygienist to test whether the Property has ever been used
775 as a methamphetamine laboratory. Buyer has the Right to Terminate under § 25.1, upon Seller's receipt of
776 Buyer's written Notice to Terminate, notwithstanding any other provision of this Contract, based on Buyer's test
777 results that indicate the Property has been contaminated with methamphetamine, but has not been remediated
778 to meet the standards established by rules of the State Board of Health promulgated pursuant to §
779 25-18.5-102, C.R.S. Buyer must promptly give written notice to Seller of the results of the test.

793
794
795
796
797
798
799
800
801
802
803
804
805
806
807
808
809
810
811
812
813
814
815
816
817
818
819
820
821
822
823
824
825
826
827
828
829
830
831
832
833
834
835
836
837
838
839
840
841
842
843
844
845
846
847
848
849
850
851
852
853
854
855
856
857
858

11. TENANT ESTOPPEL STATEMENTS. [Intentionally Deleted]

CLOSING PROVISIONS

12. CLOSING DOCUMENTS, INSTRUCTIONS AND CLOSING.

12.1. Closing Documents and Closing Information. Seller and Buyer will cooperate with the Closing Company to enable the Closing Company to prepare and deliver documents required for Closing to Buyer and Seller and their designees. If Buyer is obtaining a loan to purchase the Property, Buyer acknowledges Buyer's lender is required to provide the Closing Company, in a timely manner, all required loan documents and financial information concerning Buyer's loan. Buyer and Seller will furnish any additional information and 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 with cooperation.

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.

Seller(s) Initials:

Exhibit 1
Page 13 of 52

AT *AT*

859 **15.5. Private Transfer Fee.** Private transfer fees and other fees due to a transfer of the Property,
860 payable at Closing, such as community association fees, developer fees and foundation fees, must be paid at
861 Closing by None Buyer Seller One-Half by Buyer and One-Half by Seller. The Private Transfer
862 fee, whether one or more, is for the following association(s): n/a in the total amount of % of the Purchase Price
863 or \$.

864
865 **15.6. Water Transfer Fees.** The Water Transfer Fees can change. The fees, as of the date of
866 this Contract, do not exceed \$200.00 for:
867 Water Stock/Certificates Water District
868 Augmentation Membership Small Domestic Water Company n/a and must be paid at Closing by
869 None Buyer Seller One-Half by Buyer and One-Half by Seller
870
871

872 **15.7. Sales and Use Tax.** Any sales and use tax that may accrue because of this transaction
873 must be paid when due by None Buyer Seller One-Half by Buyer and One-Half by Seller.
874

875 **15.8. FIRPTA and Colorado Withholding.**

876 **15.8.1. FIRPTA.** The Internal Revenue Service (IRS) may require a substantial portion of
877 the Seller's proceeds be withheld after Closing when Seller is a foreign person. If required withholding does not
878 occur, the Buyer could be held liable for the amount of the Seller's tax, interest and penalties. If the box in this
879 Section is checked, Seller represents that Seller IS a foreign person for purposes of U.S. income taxation. If
880 the box in this Section is not checked, Seller represents that Seller is not a foreign person for purposes of U.S.
881 income taxation. Seller agrees to cooperate with Buyer and Closing Company to provide any reasonably
882 requested documents to verify Seller's foreign person status. If withholding is required, Seller authorizes
883 Closing Company to withhold such amount from Seller's proceeds. Seller should inquire with Seller's tax
884 advisor to determine if withholding applies or if an exemption exists.
885
886

887 **15.8.2. Colorado Withholding.** The Colorado Department of Revenue may require a
888 portion of the Seller's proceeds be withheld after Closing when Seller will not be a Colorado resident after
889 Closing, if not otherwise exempt. Seller agrees to cooperate with Buyer and Closing Company to provide any
890 reasonably requested documents to verify Seller's status. If withholding is required, Seller authorizes Closing
891 Company to withhold such amount from Seller's proceeds. Seller should inquire with Seller's tax advisor to
892 determine if withholding applies or if an exemption exists.
893
894

895 **16. PRORATIONS AND ASSOCIATION ASSESSMENTS.** The following will be prorated to the **Closing**
896 **Date**, except as otherwise provided:
897

898 **16.1. Taxes.** Personal property taxes, if any, special taxing district assessments, if any and
899 general real estate taxes for the year of Closing, based on Taxes for the Calendar Year Immediately
900 **Preceding Closing** **Most Recent Mill Levy and Most Recent Assessed Valuation**, adjusted by any
901 applicable qualifying seniors property tax exemption, qualifying disabled veteran exemption or Other n/a.
902

903 **16.2. Rents.** Rents based on Rents Actually Received Accrued. At Closing, Seller will
904 transfer or credit to Buyer the security deposits for all Leases assigned, or any remainder after lawful
905 deductions and notify all tenants in writing of such transfer and of the transferee's name and address. Seller
906 must assign to Buyer all Leases in effect at Closing and Buyer must assume Seller's obligations under such
907 Leases.
908

909 **16.3. Association Assessments.** Current regular Association assessments and dues
910 (Association Assessments) paid in advance will be credited to Seller at Closing. Cash reserves held out of the
911 regular Association Assessments for deferred maintenance by the Association will not be credited to Seller
912 except as may be otherwise provided by the Governing Documents. Buyer acknowledges that Buyer may be
913 obligated to pay the Association, at Closing, an amount for reserves or working capital. Any special
914 assessment assessed prior to **Closing Date** by the Association will be the obligation of Buyer Seller.
915 Except however, any special assessment by the Association for improvements that have been installed as of
916 the date of Buyer's signature hereon, whether assessed prior to or after Closing, will be the obligation of Seller.
917 Seller represents there are no unpaid regular or special assessments against the Property except the current
918 regular assessments and n/a. Association Assessments are subject to change as provided in the Governing
919 Documents.
920
921
922
923
924

925 **16.4. Other Prorations.** Water and sewer charges, propane, interest on continuing loan and *n/a*.

926 **16.5. Final Settlement.** Unless otherwise agreed in writing, these prorations are final.

927
928
929 **17. POSSESSION.** Possession of the Property will be delivered to Buyer on **Possession Date** at
930 **Possession Time**, subject to the Leases as set forth in § 10.6.1.1.

931
932 If Seller, after Closing, fails to deliver possession as specified, Seller will be subject to eviction and
933 will be additionally liable to Buyer for payment of \$ 300.00 per day (or any part of a day notwithstanding §
934 18.1) from **Possession Date** and **Possession Time** until possession is delivered.

935
936 Buyer represents that Buyer will occupy the Property as Buyer's principal residence unless the
937 following box is checked, then Buyer **Does Not** represent that Buyer will occupy the Property as Buyer's
938 principal residence.

939
940
941 If the box is checked, Buyer and Seller agree to execute a Post-Closing Occupancy Agreement.

942
943
944 **GENERAL PROVISIONS**

945
946 **18. DAY; COMPUTATION OF PERIOD OF DAYS, DEADLINE.**

947 **18.1. Day.** As used in this Contract, the term "day" means the entire day ending at 11:59 p.m., United
948 States Mountain Time (Standard or Daylight Savings, as applicable).

949 **18.2. Computation of Period of Days, Deadline.** In computing a period of days (e.g., three days after
950 MEC), when the ending date is not specified, the first day is excluded and the last day is included. If any
951 deadline falls on a Saturday, Sunday or federal or Colorado state holiday (Holiday), such deadline **Will**
952 **Will Not** be extended to the next day that is not a Saturday, Sunday or Holiday. Should neither box be
953 checked, the deadline will not be extended.

954
955 **19. CAUSES OF LOSS, INSURANCE; DAMAGE TO INCLUSIONS AND SERVICES; CONDEMNATION;
956 AND WALK-THROUGH.** Except as otherwise provided in this Contract, the Property, Inclusions or both will be
957 delivered in the condition existing as of the date of this Contract, ordinary wear and tear excepted.

958 **19.1. Causes of Loss, Insurance.** In the event the Property or Inclusions are damaged by fire, other
959 perils or causes of loss prior to Closing (Property Damage) in an amount of not more than ten percent of the
960 total Purchase Price and if the repair of the damage will be paid by insurance (other than the deductible to be
961 paid by Seller), then Seller, upon receipt of the insurance proceeds, will use Seller's reasonable efforts to
962 repair the Property before **Closing Date**. Buyer has the Right to Terminate under § 25.1, on or before **Closing**
963 **Date**, if the Property is not repaired before **Closing Date**, or if the damage exceeds such sum. Should Buyer
964 elect to carry out this Contract despite such Property Damage, Buyer is entitled to a credit at Closing for all
965 insurance proceeds that were received by Seller (but not the Association, if any) resulting from damage to the
966 Property and Inclusions, plus the amount of any deductible provided for in the insurance policy. This credit may
967 not exceed the Purchase Price. In the event Seller has not received the insurance proceeds prior to Closing,
968 the parties may agree to extend the **Closing Date** to have the Property repaired prior to Closing or, at the
969 option of Buyer, (1) Seller must assign to Buyer the right to the proceeds at Closing, if acceptable to Seller's
970 insurance company and Buyer's lender; or (2) the parties may enter into a written agreement prepared by the
971 parties or their attorney requiring the Seller to escrow at Closing from Seller's sale proceeds the amount Seller
972 has received and will receive due to such damage, not exceeding the total Purchase Price, plus the amount of
973 any deductible that applies to the insurance claim.

974 **19.2. Damage, Inclusions and Services.** Should any Inclusion or service (including utilities and
975 communication services), system, component or fixture of the Property (collectively Service) (e.g., heating or
976 plumbing), fail or be damaged between the date of this Contract and Closing or possession, whichever is
977 earlier, then Seller is liable for the repair or replacement of such Inclusion or Service with a unit of similar size,
978 age and quality, or an equivalent credit, but only to the extent that the maintenance or replacement of such
979 Inclusion or Service is not the responsibility of the Association, if any, less any insurance proceeds received by
980 Buyer covering such repair or replacement. If the failed or damaged Inclusion or Service is not repaired or
981 replaced on or before Closing or possession, whichever is earlier, Buyer has the Right to Terminate under §

991 25.1, on or before **Closing Date**, or, at the option of Buyer, Buyer is entitled to a credit at Closing for the repair
992 or replacement of such Inclusion or Service. Such credit must not exceed the Purchase Price. If Buyer receives
993 such a credit, Seller's right for any claim against the Association, if any, will survive Closing.
994

995 **19.3. Condemnation.** In the event Seller receives actual notice prior to Closing that a pending
996 condemnation action may result in a taking of all or part of the Property or Inclusions, Seller must promptly
997 notify Buyer, in writing, of such condemnation action. Buyer has the Right to Terminate under § 25.1, on or
998 before **Closing Date**, based on such condemnation action, in Buyer's sole subjective discretion. Should Buyer
999 elect to consummate this Contract despite such diminution of value to the Property and Inclusions, Buyer is
1000 entitled to a credit at Closing for all condemnation proceeds awarded to Seller for the diminution in the value of
1001 the Property or Inclusions but such credit will not include relocation benefits or expenses, or exceed the
1002 Purchase Price.
1003

1004 **19.4. Walk-Through and Verification of Condition.** Buyer, upon reasonable notice, has the right to
1005 walk through the Property prior to Closing to verify that the physical condition of the Property and Inclusions
1006 complies with this Contract.
1007

1008 **19.5. Home Warranty.** Seller and Buyer are aware of the existence of pre-owned home warranty
1009 programs that may be purchased and may cover the repair or replacement of such Inclusions.
1010

1011 **20. RECOMMENDATION OF LEGAL AND TAX COUNSEL.** By signing this Contract, Buyer and Seller
1012 acknowledge that the respective broker has advised that this Contract has important legal consequences and
1013 has recommended the examination of title and consultation with legal and tax or other counsel before signing
1014 this Contract.
1015

1016 **21. TIME OF ESSENCE, DEFAULT AND REMEDIES.** Time is of the essence for all dates and deadlines
1017 in this Contract. This means that all dates and deadlines are strict and absolute. If any payment due, including
1018 Earnest Money, is not paid, honored or tendered when due, or if any obligation is not performed timely as
1019 provided in this Contract or waived, the non-defaulting party has the following remedies:
1020

1021 **21.1. If Buyer is in Default:**

1022 **21.1.1. Specific Performance.** Seller may elect to cancel this Contract and all Earnest
1023 Money (whether or not paid by Buyer) will be paid to Seller and retained by Seller. It is agreed that the Earnest
1024 Money is not a penalty and the Parties agree the amount is fair and reasonable. Seller may recover such
1025 additional damages as may be proper. Alternatively, Seller may elect to treat this Contract as being in full force
1026 and effect and Seller has the right to specific performance or damages, or both.
1027

1028 **21.1.2. Liquidated Damages, Applicable. This § 21.1.2 applies unless the box in § 21.1.1.**
1029 **is checked.** Seller may cancel this Contract. All Earnest Money (whether or not paid by Buyer) will be paid to
1030 Seller and retained by Seller. It is agreed that the Earnest Money specified in § 4.1 is LIQUIDATED DAMAGES
1031 and not a penalty, which amount the parties agree is fair and reasonable and (except as provided in §§ 10.4,
1032 22, 23 and 24), said payment of Earnest Money is SELLER'S ONLY REMEDY for Buyer's failure to perform
1033 the obligations of this Contract. Seller expressly waives the remedies of specific performance and additional
1034 damages.
1035

1036 **21.2. If Seller is in Default:** Buyer may elect to treat this Contract as canceled, in which case all
1037 Earnest Money received hereunder will be returned to Buyer and Buyer may recover such damages as may be
1038 proper. Alternatively, Buyer may elect to treat this Contract as being in full force and effect and Buyer has the
1039 right to specific performance or damages, or both.
1040

1041 **22. LEGAL FEES, COST AND EXPENSES.** Anything to the contrary herein notwithstanding, in the event
1042 of any arbitration or litigation relating to this Contract, prior to or after **Closing Date**, the arbitrator or court must
1043 award to the prevailing party all reasonable costs and expenses, including attorney fees, legal fees and
1044 expenses.
1045

1046 **23. MEDIATION.** If a dispute arises relating to this Contract (whether prior to or after Closing) and is not
1047 resolved, the parties must first proceed, in good faith, to mediation. Mediation is a process in which the parties
1048 meet with an impartial person who helps to resolve the dispute informally and confidentially. Mediators cannot
1049 impose binding decisions. Before any mediated settlement is binding, the parties to the dispute must agree to
1050

1057 the settlement, in writing. The parties will jointly appoint an acceptable mediator and will share equally in the
1058 cost of such mediation. The obligation to mediate, unless otherwise agreed, will terminate if the entire dispute
1059 is not resolved within thirty days of the date written notice requesting mediation is delivered by one party to the
1060 other at that party's last known address (physical or electronic as provided in § 27). Nothing in this Section
1061 prohibits either party from filing a lawsuit and recording a *lis pendens* affecting the Property, before or after the
1062 date of written notice requesting mediation. This Section will not alter any date in this Contract, unless
1063 otherwise agreed.
1064
1065

1066
1067 **24. EARNEST MONEY DISPUTE.** Except as otherwise provided herein, Earnest Money Holder must
1068 release the Earnest Money following receipt of written mutual instructions, signed by both Buyer and Seller. In
1069 the event of any controversy regarding the Earnest Money, Earnest Money Holder is not required to release the
1070 Earnest Money. Earnest Money Holder, in its sole subjective discretion, has several options: (1) wait for any
1071 proceeding between Buyer and Seller; (2) interplead all parties and deposit Earnest Money into a court of
1072 competent jurisdiction (Earnest Money Holder is entitled to recover court costs and reasonable attorney and
1073 legal fees incurred with such action); or (3) provide notice to Buyer and Seller that unless Earnest Money
1074 Holder receives a copy of the Summons and Complaint or Claim (between Buyer and Seller) containing the
1075 case number of the lawsuit (Lawsuit) within one hundred twenty days of Earnest Money Holder's notice to the
1076 parties, Earnest Money Holder is authorized to return the Earnest Money to Buyer. In the event Earnest Money
1077 Holder does receive a copy of the Lawsuit and has not interpleaded the monies at the time of any Order, Earnest
1078 Money Holder must disburse the Earnest Money pursuant to the Order of the Court. The parties reaffirm the
1079 obligation of § 23 (Mediation). This Section will survive cancellation or termination of this Contract.
1080
1081
1082

1083
1084 **25. TERMINATION.**

1085 **25.1. Right to Terminate.** If a party has a right to terminate, as provided in this Contract (Right to
1086 Terminate), the termination is effective upon the other party's receipt of a written notice to terminate (Notice to
1087 Terminate), provided such written notice was received on or before the applicable deadline specified in this
1088 Contract. If the Notice to Terminate is not received on or before the specified deadline, the party with the Right
1089 to Terminate accepts the specified matter, document or condition as satisfactory and waives the Right to
1090 Terminate under such provision.
1091

1092 **25.2. Effect of Termination.** In the event this Contract is terminated, all Earnest Money received
1093 hereunder will be returned to Buyer and the parties are relieved of all obligations hereunder, subject to §§ 10.4,
1094 22, 23 and 24.
1095
1096

1097
1098 **26. ENTIRE AGREEMENT, MODIFICATION, SURVIVAL; SUCCESSORS.** This Contract, its exhibits and
1099 specified addenda, constitute the entire agreement between the parties relating to the subject hereof and any
1100 prior agreements pertaining thereto, whether oral or written, have been merged and integrated into this
1101 Contract. No subsequent modification of any of the terms of this Contract is valid, binding upon the parties, or
1102 enforceable unless made in writing and signed by the parties. Any right or obligation in this Contract that, by its
1103 terms, exists or is intended to be performed after termination or Closing survives the same. Any successor to a
1104 party receives the predecessor's benefits and obligations of this Contract.
1105
1106

1107
1108 **27. NOTICE, DELIVERY AND CHOICE OF LAW.**

1109 **27.1. Physical Delivery and Notice.** Any document, or notice to Buyer or Seller must be in writing,
1110 except as provided in § 27.2 and is effective when physically received by such party, any individual named in
1111 this Contract to receive documents or notices for such party, Broker, or Brokerage Firm of Broker working with
1112 such party (except any notice or delivery after Closing must be received by the party, not Broker or Brokerage
1113 Firm).
1114

1115 **27.2. Electronic Notice.** As an alternative to physical delivery, any notice, may be delivered in
1116 electronic form to Buyer or Seller, any individual named in this Contract to receive documents or notices for
1117 such party, Broker or Brokerage Firm of Broker working with such party (except any notice or delivery after
1118 Closing must be received by the party, not Broker or Brokerage Firm) at the electronic address of the recipient
1119 by facsimile, email or n/a.
1120

1121 **27.3. Electronic Delivery.** Electronic Delivery of documents and notice may be delivered by: (1) email
1122

at the email address of the recipient, (2) a link or access to a website or server provided the recipient receives the information necessary to access the documents, or (3) facsimile at the facsimile number (Fax No.) of the recipient.

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

28. NOTICE OF ACCEPTANCE, COUNTERPARTS. This proposal will expire unless accepted in writing, by Buyer and Seller, as evidenced by their signatures below and the offering party receives notice of such acceptance pursuant to § 27 on or before **Acceptance Deadline Date** and **Acceptance Deadline Time**. If accepted, this document will become a contract between Seller and Buyer. A copy of this Contract may be executed by each party, separately and when each party has executed a copy thereof, such copies taken together are deemed to be a full and complete contract between the parties.

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

ADDITIONAL PROVISIONS AND ATTACHMENTS

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

A) Closing can be extended up to 30 days beyond original closing date only once at seller's discretion by providing 3 days written notice to buyer.

31. OTHER DOCUMENTS.

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

n/a

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

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

n/a

SIGNATURES

Cristine Tovani

Date: 9/28/2019

Buyer: **Cristine Tovani**

Pete Tovani

Date: 9/28/2019

Buyer: **Pete Tovani**

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

1189
1190
1191
1192
1193
1194
1195
1196
1197
1198
1199
1200
1201
1202
1203
1204

Date: _____

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

END OF CONTRACT TO BUY AND SELL REAL ESTATE

32. BROKER'S ACKNOWLEDGMENTS AND COMPENSATION DISCLOSURE.

(To be completed by Broker working with Buyer)

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

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

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

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

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

Brokerage Firm's Name: **RE/MAX of Cherry Creek**

Brokerage Firm's License #: **EC 27090**



Date: **9/28/2019**

Broker's Name: **Shannon Gillespie**

Broker's License #: **220701**

Address: **3773 Cherry Creek Drive North #801 Denver, CO 80209**

Ph: **303.877.2111** Fax: **303.320.1249** Email Address: **shannonsellsdenver@gmail.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.

Seller(s) Initials:

Exhibit 1
Page 19 of 52



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

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

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

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

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

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

BRENDAN MORAN

Date: **10/3/2019**

Broker's Name: **BRENDAN MORAN**

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

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

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

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

CTM eContracts - ©2016 CTM Software Corp.



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

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

COUNTERPROPOSAL

Date: 10/1/2019

1. This Counterproposal supersedes and replaces any previous counterproposal. This Counterproposal amends the proposed contract dated 9/28/2019 (Contract), between **Gary Dragul Receivership Estate** (Seller), and **Cristine Tovani and Pete Tovani** (Buyer), relating to the sale and purchase of 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** (Property).

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

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

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

		Appraisal			
20	§ 6.2	Appraisal Deadline	<i>no change</i>		
21	§ 6.2	Appraisal Objection Deadline	<i>no change</i>		
22	§ 6.2	Appraisal Resolution Deadline	<i>no change</i>		
		Survey			
23	§ 9.1	New ILC or New Survey Deadline	<i>no change</i>		
24	§ 9.3	New ILC or New Survey Objection Deadline	<i>no change</i>		
25	§ 9.3	New ILC or New Survey Resolution Deadline	<i>no change</i>		
		Inspection and Due Diligence			
26	§ 10.3	Inspection Objection Deadline	<i>CA + 4 days</i>		
27	§ 10.3	Inspection Termination Deadline	<i>CA + 4 days</i>		
28	§ 10.3	Inspection Resolution Deadline	<i>CA + 5 days</i>		
29	§ 10.5	Property Insurance Termination Deadline	<i>CA + 4 days</i>		
30	§ 10.6	Due Diligence Documents Delivery Deadline	<i>N/A</i>		
31	§ 10.6	Due Diligence Documents Objection Deadline	<i>N/A</i>		
32	§ 10.6	Due Diligence Documents Resolution Deadline	<i>N/A</i>		
33	§ 10.6	Environmental Inspection Objection Deadline CBS2, 3, 4	<i>no change</i>		
34	§ 10.6	ADA Evaluation Objection Deadline CBS2, 3, 4	<i>no change</i>		
35	§ 10.7	Conditional Sale Deadline	<i>no change</i>		
36	§ 10.10	Lead-Based Paint Termination Deadline CBS 1, 2, F1	<i>CA + 4 days</i>		
37	§ 11.1, 11.2	Estoppel Statements Deadline CBS2, 3, 4	<i>no change</i>		
38	§ 11.3	Estoppel Statements Termination Deadline CBS2,3,4	<i>no change</i>		
		Closing and Possession			
39	§ 12.3	Closing Date	<i>CA + 14 days</i>		
40	§ 17	Possession Date	<i>CA + 14 days</i>		
41	§ 17	Possession Time	<i>Upon Funding & DOD</i>		
42	<i>n/a</i>	<i>n/a</i>	<i>no change</i>		
43	<i>n/a</i>	<i>n/a</i>	<i>no change</i>		

19
20
21
22
23
24

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

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	<i>\$495,000.00</i>	
2	§ 4.3	Earnest Money		<i>\$10,000.00</i>
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		<i>\$485,000.00</i>
10		TOTAL	<i>\$495,000.00</i>	<i>\$495,000.00</i>

25
26
27

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

Addendum-3142 S Leyden St (Tovani)
Exhibit A

28 **Note:** The following documents have been provided but are **not** a part of this Counterproposal:
29 *no change*

30
31 **5. OTHER CHANGES.**

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

2.3

Seller

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

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

21.1.1

No specific performance by Seller – provision to be struck in the entirety

21.2

32 *No specific performance by Buyer – Buyer is entitled to return of earnest money deposit.
Buyer is not entitled to damages or specific performance.*

23

No Mediation – provision to be struck in the entirety.

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

See ADDENDUM TO CONTRACT. Addendum / 3142 S. Leyden St.

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

33 **6. ACCEPTANCE DEADLINE.** This Counterproposal expires unless accepted in writing by Seller
34 and Buyer as evidenced by their signatures below and the offering party to this document receives notice
of such acceptance on or before 10/3/2019 6:00 PM MT.

Date Time

35
36 If accepted, the Contract, as amended by this Counterproposal, will become a contract between Seller and
Buyer. All other terms and conditions of the Contract remain the same.

37

Harvey Sender, Receiver

Date: 10/1/2019

Seller: **Gary Dragul Receivership Estate**

By: Harvey Sender, Receiver

Address:

39

40 Seller: _____ Date: _____

41

Address:

42

Cristine Tovani

43

Date: 10/3/2019

Buyer: **Cristine Tovani**

Address:

44

Pete Tovani

45

Date: 10/3/2019

Buyer: **Pete Tovani**

Address:

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

CP40-6-18. COUNTERPROPOSAL

CTM eContracts - ©2016 CTM Software Corp.

ADDENDUM TO CONTRACT

This Addendum (“Addendum”) to Contract to Buy and Sell Real Estate (Residential) dated September 29, 2019, (the “Printed Form Contract”), and, if applicable Counterproposal dated October 1, 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 **Christine Tovani and Pete Tovani (“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

Cristine Tovani

Christine Tovani

10/03/2019

Date

Pete Tovani


Pete Tovani

10/03/2019

Date

SELLER:

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



Harvey Sender, Receiver

10/2/2019

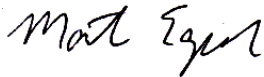
Date

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
△ COURT USE ONLY △	
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