



CITY COUNCIL ACTION FORM

DEPARTMENT Administration	PRESENTED BY Drew Nelson - City Administrator	DATE September 6, 2022
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ITEM

Resolution 2022-43 – A Resolution of the City Council of the City of Salida, Colorado, Authorizing the Purchase of Real Property and Approving a Purchase and Sale Agreement

BACKGROUND

The City of Salida, in conjunction with Chaffee County, approved the Airport Layout Plan and Airport Master Plan for Harriet Alexander Field in 2020. Part of those plans recommended acquisition of property adjacent to the airport for the purpose of preserving the airport's Runway Protection Zone adjacent to County Road 140 as well as to allow for potential runway expansion to allow for larger airplanes to land. City and Chaffee County staff worked with the adjacent landowners, Tracey Guccione and David Padoven, to acquire approximately 12.7 acres at the western end of the runway as recommended in the Master Plan. The owners have agreed to sell the property to the City and County in the amount of \$600,000, which is in line with a previous appraisal that was done for the property.

FISCAL NOTE

Total cost of the property acquisition is \$600,000; the City of Salida is responsible for half of the costs of said contract, or \$300,000. This amount will need to come from the City's General Fund reserves, as the acquisition was not budgeted for in 2022.

STAFF RECOMMENDATION

Staff recommends that the City Council approve Resolution 2022-43 to purchase 12.7 acres of property adjacent to Harriet Alexander Field/Salida Airport as recommended by the Airport Master Plan for the purpose of preserving the airport's Runway Protection Zone.

SUGGESTED MOTION

A City Councilperson should state, "I move to approve Resolution 2022-43 to purchase 12.7 acres of property adjacent to Harriet Alexander Field/Salida Airport", followed by a second and a roll call vote.

CITY OF SALIDA, COLORADO
RESOLUTION NO. 43
(Series of 2022)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO
AUTHORIZING THE PURCHASE OF REAL PROPERTY AND APPROVING A
PURCHASE AND SALE AGREEMENT

WHEREAS, the City of Salida, Colorado (“City”) is a statutory city, duly organized and existing under the laws of the state of Colorado; and

WHEREAS, City desires to acquire approximately 12.7 acres of certain property located adjacent to Harriet Alexander Field/Salida Airport (“Property”), in the unincorporated Chaffee County, for the airport protection zone as identified in the Airport Master Plan; and

WHEREAS, the City Council (“Council”) authorizes the purchase of said Property; and

WHEREAS, the Council likewise approves the execution of the Contract to Buy and Sell Real Estate, attached hereto as Exhibit A, and authorizes the execution of all necessary documents associated with the purchase and closing of the subject Property.

NOW, THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO, THAT:

Section 1. The Salida City Council incorporates the foregoing recitals as its conclusions, facts, determinations and findings.

Section 2. The Salida City Council hereby authorizes the City purchase of the subject Property, and therefore authorizes the Mayor to sign the Purchase and Sale Agreement, attached hereto as Exhibit A.

Section 3. The Salida City Council additionally authorizes the Mayor to execute all necessary documents associated with the conveyance and closing of the subject Property pursuant to the Purchase and Sale Agreement, attached hereto as Exhibit A.

RESOLVED, APPROVED, AND ADOPTED this 6th day of September, 2022.

CITY OF SALIDA

By: _____
Dan Shore, Mayor

[SEAL]

ATTEST: _____
City Clerk/Deputy City Clerk

Exhibit A
Contract to Buy and Sell Real Estate



First Colorado Land Office
 7385 W. Hwy 50 Salida, CO 81201
 Jeff Post
 Ph: 719-539-6682
 Fax: 719-539-6685

The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission. (CBS4-6-21) (Mandatory 1-22)

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

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

Property with No Residences)
 Property with Residences-Residential Addendum Attached)

Date: 8/17/2022

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.** City of Salida, a municipal corporation and Chaffee County, a political subdivision of the State of Colorado (Buyer) will take title to the Property described below as Joint Tenants Tenants In Common Other GOVERNING BODY.

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

2.3. **Seller.** TRACEY GUCCIONE and DAVID PADOVEN (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 Chaffee, Colorado (insert legal description):

TBD at time of survey, Tract 1 and 2 (approximately 12.7 acres) County Road 140, Salida CO 81201.

known as: TBD TRACT 1 & 2 COUNTY ROAD 140, SALIDA, CO 81201

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.** The following items, whether fixtures or personal property, are included in the Purchase Price unless excluded under **Exclusions:**

n/a

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. **Encumbered Inclusions.** Any Inclusions owned by Seller (i.e., owned solar panels) must be conveyed at Closing by Seller free and clear of all taxes (except personal property and general real estate taxes for the year of Closing), liens and encumbrances, except:

n/a

2.5.3. **Personal Property Conveyance.** Conveyance of all personal property will be by bill of

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58 sale or other applicable legal instrument.

59 **2.5.4. Leased Items.** The following personal property is currently leased to Seller which will be
60 transferred to Buyer at Closing (Leased Items):

61 n/a

62 **2.6. Exclusions.** The following items are excluded (Exclusions):

63 n/a

64 **2.7. Water Rights, Well Rights, Water and Sewer Taps.**

65 **2.7.1. Deeded Water Rights.** The following legally described water rights:

66 n/a

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

68 **2.7.2. Other Rights Relating to Water.** The following rights relating to water not included in §§
69 2.7.1., 2.7.3., 2.7.4. and 2.7.5., will be transferred to Buyer at Closing:

70 n/a

71 **2.7.3. Well Rights.** Seller agrees to supply required information to Buyer about the well. Buyer
72 understands that if the well to be transferred is a “Small Capacity Well” or a “Domestic Exempt Water Well”
73 used for ordinary household purposes, Buyer must, prior to or at Closing, complete a Change in Ownership
74 form for the well. If an existing well has not been registered with the Colorado Division of Water Resources in
75 the Department of Natural Resources (Division), Buyer must complete a registration of existing well form for
76 the well and pay the cost of registration. If no person will be providing a closing service in connection with
77 the transaction, Buyer must file the form with the Division within sixty days after Closing. The Well Permit # is

78 n/a.

79 **2.7.4. Water Stock Certificates.** The water stock certificates to be transferred at Closing are as
80 follows:

81 n/a

82 **2.7.5. Water and Sewer Taps.** The parties agree that water and sewer taps listed below for the
83 Property are being conveyed as part of the Purchase Price as follows:

84 n/a

85 **If any water or sewer taps are included in the sale, Buyer is advised to obtain, from the provider,**
86 **written confirmation of the amount remaining to be paid, if any, time and other restrictions for**
87 **transfer and use of the taps.**

88 **2.7.6. Conveyance.** If Buyer is to receive any rights to water pursuant to § 2.7.2. (Other Rights
89 Relating to Water), § 2.7.3. (Well Rights), § 2.7.4. (Water Stock Certificates), or § 2.7.5. (Water and Sewer
90 Taps), Seller agrees to convey such rights to Buyer by executing the applicable legal instrument at Closing.

91 **2.7.7. Water Rights Review.** Buyer **Does** **Does Not** have a Right to Terminate if
92 examination of the Water Rights is unsatisfactory to Buyer on or before the **Water Rights Examination**
93 **Deadline.**

94 **2.8. Growing Crops.** With respect to growing crops, Seller and Buyer agree as follows:

95 n/a

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

102 **3.1. Dates and Deadlines.**

Item No.	Reference	Event	Date or Deadline
1	§ 3	Time of Day Deadline	4:00 PM MST
2	§ 4	Alternative Earnest Money Deadline	WITHIN 5 BUSINESS DAYS OF MEC
		Title	
3	§ 8	Record Title Deadline (and Tax Certificate)	MEC + 10

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116	4	§ 8	Record Title Objection Deadline	<i>MEC + 17</i>
117				
118	5	§ 8	Off-Record Title Deadline	<i>MEC + 10</i>
119				
120	6	§ 8	Off-Record Title Objection Deadline	<i>MEC + 17</i>
121	7	§ 8	Title Resolution Deadline	<i>MEC + 24</i>
122				
123	8	§ 8	Third Party Right to Purchase/Approve Deadline	<i>n/a</i>
124				
125			Owners' Association	
126	9	§ 7	Association Documents Deadline	<i>n/a</i>
127				
128	10	§ 7	Association Documents Termination Deadline	<i>n/a</i>
129				
130			Seller's Disclosures	
131				
132	11	§ 10	Seller's Property Disclosure Deadline	<i>WILL NOT BE PROVIDED</i>
133				
134	12	§ 10	Lead-Based Paint Disclosure Deadline (if Residential Addendum attached)	<i>n/a</i>
135				
136			Loan and Credit	
137	13	§ 5	New Loan Application Deadline	<i>n/a</i>
138				
139	14	§ 5	New Loan Terms Deadline	<i>n/a</i>
140				
141	15	§ 5	New Loan Availability Deadline	<i>n/a</i>
142	16	§ 5	Buyer's Credit Information Deadline	<i>n/a</i>
143				
144	17	§ 5	Disapproval of Buyer's Credit Information Deadline	<i>n/a</i>
145				
146	18	§ 5	Existing Loan Deadline	<i>n/a</i>
147	19	§ 5	Existing Loan Termination Deadline	<i>n/a</i>
148				
149	20	§ 5	Loan Transfer Approval Deadline	<i>n/a</i>
150	21	§ 4	Seller or Private Financing Deadline	<i>n/a</i>
151			Appraisal	
152				
153	22	§ 6	Appraisal Deadline	<i>n/a</i>
154	23	§ 6	Appraisal Objection Deadline	<i>n/a</i>
155				
156	24	§ 6	Appraisal Resolution Deadline	<i>n/a</i>
157			Survey	
158				
159	25	§ 9	New ILC or New Survey Deadline	<i>MEC + 3</i>
160				
161	26	§ 9	New ILC or New Survey Objection Deadline	<i>MEC + 8</i>
162				
163	27	§ 9	New ILC or New Survey Resolution Deadline	<i>MEC + 13</i>
164				
165			Inspection and Due diligence	
166				
167	28	§ 2	Water Rights Examination Deadline	<i>n/a</i>
168	29	§ 8	Mineral Rights Examination Deadline	<i>n/a</i>
169				
170	30	§ 10	Inspection Termination Deadline	<i>MEC + 10</i>
171	31	§ 10	Inspection Objection Deadline	<i>MEC + 10</i>
172	32	§ 10	Inspection Resolution Deadline	<i>MEC + 14</i>
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175	33	§ 10	Property Insurance Termination Deadline	<i>n/a</i>
176				
177	34	§ 10	Due Diligence Documents Delivery Deadline	<i>n/a</i>
178				
179	35	§ 10	Due Diligence Documents Objection Deadline	<i>n/a</i>
180				
181	36	§ 10	Due Diligence Documents Resolution Deadline	<i>n/a</i>
182				
183	37	§ 10	Environmental Inspection Termination Deadline	<i>n/a</i>
184				
185	38	§ 10	ADA Evaluation Termination Deadline	<i>n/a</i>
186				
187	39	§ 10	Conditional Sale Deadline	<i>n/a</i>
188				
189	40	§ 10	Lead-Based Paint Termination Deadline (if Residential Addendum attached)	<i>n/a</i>
190				
191	41	§ 11	Estoppel Statements Deadline	<i>n/a</i>
192				
193	42	§ 11	Estoppel Statements Termination Deadline	<i>n/a</i>
194				
195				
196			Closing and Possession	
197	43	§ 12	Closing Date	MEC + 21
198				
199	44	§ 17	Possession Date	DAY OF CLOSING
200				
201	45	§ 17	Possession Time	AFTER CLOSING AND DELIVERY OF DEED
202				
203	46	§ 27	Acceptance Deadline Date	9/7/2022 Wednesday
204	47	§ 27	Acceptance Deadline Time	6:00 PM MST
205				
206	48	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
207	49	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>

208 **3.2. Applicability of Terms.** If any deadline blank in § 3.1. (Dates and Deadlines) is left blank or
 209 completed with "N/A", or the word "Deleted," such deadline is not applicable and the corresponding provision
 210 containing the deadline is deleted. Any box checked in this Contract means the corresponding provision
 211 applies. If no box is checked in a provision that contains a selection of "None", such provision means that
 212 "None" applies.
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215 The abbreviation "MEC" (mutual execution of this Contract) means the date upon which both parties have
 216 signed this Contract. The abbreviation "N/A" as used in this Contract means not applicable.

217 **3.3. Day; Computation of Period of Days; Deadlines.**

218 **3.3.1. Day.** As used in this Contract, the term "day" means the entire day ending at 11:59 p.m.,
 219 United States Mountain Time (Standard or Daylight Savings, as applicable). Except however, if a **Time of**
 220 **Day Deadline** is specified in § 3.1. (Dates and Deadlines), all Objection Deadlines, Resolution Deadlines,
 221 Examination Deadlines and Termination Deadlines will end on the specified deadline date at the time of day
 222 specified in the **Time of Day Deadline**, United States Mountain Time. If **Time of Day Deadline** is left blank
 223 or "N/A" the deadlines will expire at 11:59 p.m., United States Mountain Time.

224 **3.3.2. Computation of Period of Days.** In computing a period of days (e.g., three days after
 225 MEC), when the ending date is not specified, the first day is excluded and the last day is included.

226 **3.3.3. Deadlines.** If any deadline falls on a Saturday, Sunday or federal or Colorado state holiday
 227 (Holiday), such deadline **Will** **Will Not** be extended to the next day that is not a Saturday, Sunday or
 228 Holiday. Should neither box be checked, the deadline will not be extended.
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232 **4. PURCHASE PRICE AND TERMS.**

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233 **4.1. Price and Terms.** The Purchase Price set forth below is payable in U.S. Dollars by Buyer as
 234 follows:
 235

Item No.	Reference	Item	Amount	Amount
1	§ 4.1.	Purchase Price	\$ 600,000.00	
2	§ 4.3.	Earnest Money		\$ 10,000.00
3	§ 4.5.	New Loan		\$
4	§ 4.6.	Assumption Balance		\$
5	§ 4.7.	Private Financing		\$
6	§ 4.7.	Seller Financing		\$
7	n/a	n/a		\$
8	n/a	n/a		\$
9	§ 4.4.	Cash at Closing		\$ 590,000.00
10		Total	\$ 600,000.00	\$ 600,000.00

251 **4.2. Seller Concession.** At Closing, Seller will credit to Buyer \$**n/a** (Seller Concession). The Seller
 252 Concession may be used for any Buyer fee, cost, charge or expenditure to the extent the amount is allowed
 253 by the Buyer's lender and is included in the Closing Statement or Closing Disclosure at Closing. Examples of
 254 allowable items to be paid for by the Seller Concession include, but are not limited to: Buyer's closing costs,
 255 loan discount points, loan origination fees, prepaid items and any other fee, cost, charge, expense or
 256 expenditure. Seller Concession is in addition to any sum Seller has agreed to pay or credit Buyer elsewhere
 257 in this Contract.
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259 **4.3. Earnest Money.** The Earnest Money set forth in this Section, in the form of a **LEGAL TENDER**,
 260 will be payable to and held by **CENTRAL COLORADO TITLE & ESCROW** (Earnest Money Holder), in
 261 its trust account, on behalf of both Seller and Buyer. The Earnest Money deposit must be tendered, by Buyer,
 262 with this Contract unless the parties mutually agree to an **Alternative Earnest Money Deadline** for its
 263 payment. The parties authorize delivery of the Earnest Money deposit to the company conducting the Closing
 264 (Closing Company), if any, at or before Closing. In the event Earnest Money Holder has agreed to have
 265 interest on Earnest Money deposits transferred to a fund established for the purpose of providing affordable
 266 housing to Colorado residents, Seller and Buyer acknowledge and agree that any interest accruing on the
 267 Earnest Money deposited with the Earnest Money Holder in this transaction will be transferred to such fund.
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269 **4.3.1. Alternative Earnest Money Deadline.** The deadline for delivering the Earnest Money, if
 270 other than at the time of tender of this Contract, is as set forth as the **Alternative Earnest Money Deadline**.
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272 **4.3.2. Disposition of Earnest Money.** If Buyer has a Right to Terminate and timely terminates,
 273 Buyer is entitled to the return of Earnest Money as provided in this Contract. If this Contract is terminated as
 274 set forth in § 24 and, except as provided in § 23 (Earnest Money Dispute), if the Earnest Money has not
 275 already been returned following receipt of a Notice to Terminate, Seller agrees to execute and return to Buyer
 276 or Broker working with Buyer, written mutual instructions (e.g., Earnest Money Release form), within three
 277 days of Seller's receipt of such form. If Seller is entitled to the Earnest Money, and, except as provided in §
 278 23 (Earnest Money Dispute), if the Earnest Money has not already been paid to Seller, following receipt of an
 279 Earnest Money Release form, Buyer agrees to execute and return to Seller or Broker working with Seller,
 280 written mutual instructions (e.g., Earnest Money Release form), within three days of Buyer's receipt.
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282 **4.3.2.1. Seller Failure to Timely Return Earnest Money.** If Seller fails to timely execute
 283 and return the Earnest Money Release Form, or other written mutual instructions, Seller is in default and
 284 liable to Buyer as set forth in **"If Seller is in Default", § 20.2. and § 21**, unless Seller is entitled to the
 285 Earnest Money due to a Buyer default.

286 **4.3.2.2. Buyer Failure to Timely Release Earnest Money.** If Buyer fails to timely execute
 287 and return the Earnest Money Release Form, or other written mutual instructions, Buyer is in default and
 288 liable to Seller as set forth in **"If Buyer is in Default, § 20.1. and § 21**, unless Buyer is entitled to the Earnest
 289 Money due to a Seller Default.
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4.4. Form of Funds; Time of Payment; Available Funds.

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- 4.4.1. Good Funds.** All amounts payable by the parties at Closing, including any loan proceeds, Cash at Closing and closing costs, must be in funds that comply with all applicable Colorado laws, including electronic transfer funds, certified check, savings and loan teller's check and cashier's check (Good Funds).
- 4.4.2. Time of Payment.** 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.**
- 4.4.3. Available Funds.** Buyer represents that Buyer, as of the date of this Contract, **Does** **Does Not** have funds that are immediately verifiable and available in an amount not less than the amount stated as Cash at Closing in § 4.1.
- 4.5. New Loan.** (Omitted as inapplicable)
- 4.6. Assumption.** (Omitted as inapplicable)
- 4.7. Seller or Private Financing.** (Omitted as inapplicable)

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TRANSACTION PROVISIONS

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- 5. FINANCING CONDITIONS AND OBLIGATIONS.** (Omitted as inapplicable)
- 5.3. Credit Information.** (Omitted as inapplicable)
- 5.4. Existing Loan Review.** (Omitted as inapplicable)

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6. APPRAISAL PROVISIONS.

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

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

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

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6.2.1.1. Notice to Terminate. Notify Seller in writing, pursuant to § 24.1., that this Contract is terminated; or

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

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

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

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

350 **7. OWNERS' ASSOCIATIONS.** This Section is applicable if the Property is located within one or more
351 Common Interest Communities and subject to one or more declarations (Association).

352 **7.1. Common Interest Community Disclosure. THE PROPERTY IS LOCATED WITHIN A**
353 **COMMON INTEREST COMMUNITY AND IS SUBJECT TO THE DECLARATION FOR THE COMMUNITY.**
354 **THE OWNER OF THE PROPERTY WILL BE REQUIRED TO BE A MEMBER OF THE OWNERS'**
355 **ASSOCIATION FOR THE COMMUNITY AND WILL BE SUBJECT TO THE BYLAWS AND RULES AND**
356 **REGULATIONS OF THE ASSOCIATION. THE DECLARATION, BYLAWS AND RULES AND**
357 **REGULATIONS WILL IMPOSE FINANCIAL OBLIGATIONS UPON THE OWNER OF THE PROPERTY,**
358 **INCLUDING AN OBLIGATION TO PAY ASSESSMENTS OF THE ASSOCIATION. IF THE OWNER DOES**
359 **NOT PAY THESE ASSESSMENTS, THE ASSOCIATION COULD PLACE A LIEN ON THE PROPERTY**
360 **AND POSSIBLY SELL IT TO PAY THE DEBT. THE DECLARATION, BYLAWS AND RULES AND**
361 **REGULATIONS OF THE COMMUNITY MAY PROHIBIT THE OWNER FROM MAKING CHANGES TO THE**
362 **PROPERTY WITHOUT AN ARCHITECTURAL REVIEW BY THE ASSOCIATION (OR A COMMITTEE OF**
363 **THE ASSOCIATION) AND THE APPROVAL OF THE ASSOCIATION. PURCHASERS OF PROPERTY**
364 **WITHIN THE COMMON INTEREST COMMUNITY SHOULD INVESTIGATE THE FINANCIAL**
365 **OBLIGATIONS OF MEMBERS OF THE ASSOCIATION. PURCHASERS SHOULD CAREFULLY READ**
366 **THE DECLARATION FOR THE COMMUNITY AND THE BYLAWS AND RULES AND REGULATIONS OF**
367 **THE ASSOCIATION.**
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369 **7.2. Association Documents to Buyer.** Seller is obligated to provide to Buyer the Association
370 Documents (defined below), at Seller's expense, on or before **Association Documents Deadline.** Seller
371 authorizes the Association to provide the Association Documents to Buyer, at Seller's expense. Seller's
372 obligation to provide the Association Documents is fulfilled upon Buyer's receipt of the Association
373 Documents, regardless of who provides such documents.
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375 **7.3. Association Documents.** Association documents (Association Documents) consist of the
376 following:

377 **7.3.1.** All Association declarations, articles of incorporation, bylaws, articles of organization,
378 operating agreements, rules and regulations, party wall agreements and the Association's responsible
379 governance policies adopted under § 38-33.3-209.5, C.R.S.;

380 **7.3.2.** Minutes of: (1) the annual owners' or members' meeting and (2) any executive boards' or
381 managers' meetings; such minutes include those provided under the most current annual disclosure required
382 under § 38-33.3-209.4, C.R.S. (Annual Disclosure) and minutes of meetings, if any, subsequent to the
383 minutes disclosed in the Annual Disclosure. If none of the preceding minutes exist, then the most recent
384 minutes, if any (§§ 7.3.1. and 7.3.2., collectively, Governing Documents); and
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386 **7.3.3.** List of all Association insurance policies as provided in the Association's last Annual
387 Disclosure, including, but not limited to, property, general liability, association director and officer professional
388 liability and fidelity policies. The list must include the company names, policy limits, policy deductibles,
389 additional named insureds and expiration dates of the policies listed (Association Insurance Documents);
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391 **7.3.4.** A list by unit type of the Association's assessments, including both regular and special
392 assessments as disclosed in the Association's last Annual Disclosure;

393 **7.3.5.** The Association's most recent financial documents which consist of: (1) the Association's
394 operating budget for the current fiscal year, (2) the Association's most recent annual financial statements,
395 including any amounts held in reserve for the fiscal year immediately preceding the Association's last Annual
396 Disclosure, (3) the results of the Association's most recent available financial audit or review, (4) list of the
397 fees and charges (regardless of name or 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,
399 any fee incident to the issuance of the Association's statement of assessments (Status Letter), any rush or
400 update fee charged for the Status Letter, any record change fee or ownership record transfer fees (Record
401 Change Fee), fees to access documents, (5) list of all assessments required to be paid in advance, reserves
402 or working capital due at Closing and (6) reserve study, if any (§§ 7.3.4. and 7.3.5., collectively, Financial
403 Documents);
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405 **7.3.6.** Any written notice from the Association to Seller of a "construction defect action" under §
406 38-33.3-303.5, C.R.S. within the past six months and the result of whether the Association approved or
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disapproved such action (Construction Defect Documents). Nothing in this Section limits the Seller's obligation to disclose adverse material facts as required under § 10.2. (Disclosure of Adverse Material Facts; Subsequent Disclosure; Present Condition) including any problems or defects in the common elements or limited common elements of the Association property.

7.4. Conditional on Buyer's Review. Buyer has the right to review the Association Documents. Buyer has the Right to Terminate under § 24.1., on or before **Association Documents Termination Deadline**, based on any unsatisfactory provision in any of the Association Documents, in Buyer's sole subjective discretion. Should Buyer receive the Association Documents after **Association Documents Deadline**, Buyer, at Buyer's option, has the Right to Terminate under § 24.1. by Buyer's Notice to Terminate received by Seller on or before ten days after Buyer's receipt of the Association Documents. If Buyer does not receive the Association Documents, or if Buyer's Notice to Terminate would otherwise be required to be received by Seller after **Closing Date**, Buyer's Notice to Terminate must be received by Seller on or before Closing. If Seller does not receive Buyer's Notice to Terminate within such time, Buyer accepts the provisions of the Association Documents as satisfactory and Buyer waives any Right to Terminate under this provision, notwithstanding the provisions of § 8.6. (Third Party Right to Purchase/Approve).

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

8.1. Evidence of Record Title.

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

8.1.2. Buyer Selects Title Insurance Company. If this box is checked, Buyer will select the title insurance company to furnish the owner's title insurance policy at Buyer's expense. On or before **Record Title Deadline**, Buyer must furnish to Seller, a current commitment for owner's title insurance policy (Title Commitment), in an amount equal to the Purchase Price. If neither box in § 8.1.1. or § 8.1.2. is checked, § 8.1.1. applies.

8.1.3. Owner's Extended Coverage (OEC). The Title Commitment **Will** **Will Not** contain Owner's Extended Coverage (OEC). If the Title Commitment is to contain OEC, it will commit to delete or insure over the standard exceptions which relate to: (1) parties in possession, (2) unrecorded easements, (3) survey matters, (4) unrecorded mechanics' liens, (5) gap period (period between the effective date and time of commitment to the date and time the deed is recorded) and (6) unpaid taxes, assessments and unredeemed tax sales prior to the year of Closing. Any additional premium expense to obtain OEC will be paid by **Buyer** **Seller** **One-Half by Buyer and One-Half by Seller** **Other** n/a. Regardless of whether the Contract requires OEC, the Title Insurance Commitment may not provide OEC or delete or insure over any or all of the standard exceptions for OEC. The Title Insurance Company may require a New Survey or New ILC, defined below, among other requirements for OEC. If the Title Insurance Commitment is not satisfactory to Buyer, Buyer has a right to object under § 8.7. (Right to Object to Title, Resolution).

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

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

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

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8.2. Record Title. Buyer has the right to review and object to the Abstract of Title or Title Commitment and any of the Title Documents as set forth in § 8.7. (Right to Object to Title, Resolution) on or before **Record Title Objection Deadline.** Buyer's objection may be based on any unsatisfactory form or content of Title Commitment or Abstract of Title, notwithstanding § 13, or any other unsatisfactory title condition, in Buyer's sole subjective discretion. If the Abstract of Title, Title Commitment or Title Documents are not received by Buyer on or before the **Record Title Deadline**, or if there is an endorsement to the Title Commitment that adds a new Exception to title, a copy of the new Exception to title and the modified Title Commitment will be delivered to Buyer. Buyer has until the earlier of Closing or ten days after receipt of such documents by Buyer to review and object to: (1) any required Title Document not timely received by Buyer, (2) any change to the Abstract of Title, Title Commitment or Title Documents, or (3) any endorsement to the Title Commitment. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection, pursuant to this § 8.2. (Record Title), any title objection by Buyer is governed by the provisions set forth in § 8.7. (Right to Object to Title, Resolution). If Seller has fulfilled all Seller's obligations, if any, to deliver to Buyer all documents required by § 8.1. (Evidence of Record Title) and Seller does not receive Buyer's Notice to Terminate or Notice of Title Objection by the applicable deadline specified above, Buyer accepts the condition of title as disclosed by the Abstract of Title, Title Commitment and Title Documents as satisfactory.

8.3. Off-Record Title. Seller must deliver to Buyer, on or before **Off-Record Title Deadline**, true copies of all existing surveys in Seller's possession pertaining to the Property and must disclose to Buyer all easements, liens (including, without limitation, governmental improvements approved, but not yet installed) or other title matters not shown by public records, of which Seller has actual knowledge (Off-Record Matters). This Section excludes any **New ILC** or **New Survey** governed under § 9 (New ILC, New Survey). Buyer has the right to inspect the Property to investigate if any third party has any right in the Property not shown by public records (e.g., unrecorded easement, boundary line discrepancy or water rights). Buyer's Notice to Terminate or Notice of Title Objection of any unsatisfactory condition (whether disclosed by Seller or revealed by such inspection, notwithstanding § 8.2. (Record Title) and § 13 (Transfer of Title), in Buyer's sole subjective discretion, must be received by Seller on or before **Off-Record Title Objection Deadline**. If an Off-Record Matter is received by Buyer after the **Off-Record Title Deadline**, Buyer has until the earlier of Closing or ten days after receipt by Buyer to review and object to such Off-Record Matter. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection pursuant to this § 8.3. (Off-Record Title), any title objection by Buyer is governed by the provisions set forth in § 8.7. (Right to Object to Title, Resolution). If Seller does not receive Buyer's Notice to Terminate or Notice of Title Objection by the applicable deadline specified above, Buyer accepts title subject to such Off-Record Matters and rights, if any, of third parties not shown by public records of which Buyer has actual knowledge.

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

8.5. Tax Certificate. A tax certificate paid for by Seller Buyer, for the Property listing any special taxing districts that affect the Property (Tax Certificate) must be delivered to Buyer on or before **Record Title Deadline**. If the Property is located within a special taxing district and such inclusion is unsatisfactory to Buyer, in Buyer's sole subjective discretion, Buyer may terminate, on or before **Record Title Objection Deadline**. Should Buyer receive the Tax Certificate after **Record Title Deadline**, Buyer, at Buyer's option, has the Right to Terminate under § 24.1. by Buyer's Notice to Terminate received by Seller on or before ten days after Buyer's receipt of the Tax Certificate. If Buyer does not receive the Tax Certificate, or if Buyer's Notice to Terminate would otherwise be required to be received by Seller after **Closing Date**, Buyer's

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525 Notice to Terminate must be received by Seller on or before Closing. If Seller does not receive Buyer's Notice
526 to Terminate within such time, Buyer accepts the provisions of the Tax Certificate and the inclusion of the
527 Property in a special taxing district, if applicable, as satisfactory and Buyer waives any Right to Terminate
528 under this provision. If Buyer's loan specified in §4.5.3. (Loan Limitations) prohibits Buyer from paying for the
529 Tax Certificate, the Tax Certificate will be paid for by Seller.

530 **8.6. Third Party Right to Purchase/Approve.** If any third party has a right to purchase the Property
531 (e.g., right of first refusal on the Property, right to purchase the Property under a lease or an option held by a
532 third party to purchase the Property) or a right of a third party to approve this Contract, Seller must promptly
533 submit this Contract according to the terms and conditions of such right. If the third-party holder of such right
534 exercises its right this Contract will terminate. If the third party's right to purchase is waived explicitly or
535 expires, or the Contract is approved, this Contract will remain in full force and effect. Seller must promptly
536 notify Buyer in writing of the foregoing. If the third party right to purchase is exercised or approval of this
537 Contract has not occurred on or before **Third Party Right to Purchase/Approve Deadline**, this Contract will
538 then terminate. Seller will supply to Buyer, in writing, details of any Third Party Right to Purchase the
539 Property on or before the Record Title Deadline.
540

541 **8.7. Right to Object to Title, Resolution.** Buyer has a right to object or terminate, in Buyer's sole
542 subjective discretion, based on any title matters including those matters set forth in § 8.2. (Record Title), §
543 8.3. (Off-Record Title), § 8.5. (Special Taxing District) and § 13 (Transfer of Title). If Buyer exercises Buyer's
544 rights to object or terminate based on any such title matter, on or before the applicable deadline, Buyer has
545 the following options:
546

547 **8.7.1. Title Objection, Resolution.** If Seller receives Buyer's written notice objecting to any title
548 matter (Notice of Title Objection) on or before the applicable deadline and if Buyer and Seller have not
549 agreed to a written settlement thereof on or before **Title Resolution Deadline**, this Contract will terminate on
550 the expiration of **Title Resolution Deadline**, unless Seller receives Buyer's written withdrawal of Buyer's
551 Notice of Title Objection (i.e., Buyer's written notice to waive objection to such items and waives the Right to
552 Terminate for that reason), on or before expiration of **Title Resolution Deadline**. If either the Record Title
553 Deadline or the Off-Record Title Deadline, or both, are extended pursuant to § 8.2. (Record Title) or § 8.3.
554 (Off-Record Title) the Title Resolution Deadline also will be automatically extended to the earlier of Closing or
555 fifteen days after Buyer's receipt of the applicable documents; or
556

557 **8.7.2. Title Objection, Right to Terminate.** Buyer may exercise the Right to Terminate under §
558 24.1., on or before the applicable deadline, based on any title matter unsatisfactory to Buyer, in Buyer's sole
559 subjective discretion.

560 **8.8. Title Advisory.** The Title Documents affect the title, ownership and use of the Property and
561 should be reviewed carefully. Additionally, other matters not reflected in the Title Documents may affect the
562 title, ownership and use of the Property, including, without limitation, boundary lines and encroachments,
563 set-back requirements, area, zoning, building code violations, unrecorded easements and claims of
564 easements, leases and other unrecorded agreements, water on or under the Property and various laws and
565 governmental regulations concerning land use, development and environmental matters.
566

567 **8.8.1. OIL, GAS, WATER AND MINERAL DISCLOSURE. THE SURFACE ESTATE OF THE**
568 **PROPERTY MAY BE OWNED SEPARATELY FROM THE UNDERLYING MINERAL ESTATE AND**
569 **TRANSFER OF THE SURFACE ESTATE MAY NOT NECESSARILY INCLUDE TRANSFER OF THE**
570 **MINERAL ESTATE OR WATER RIGHTS. THIRD PARTIES MAY OWN OR LEASE INTERESTS IN OIL,**
571 **GAS, OTHER MINERALS, GEOTHERMAL ENERGY OR WATER ON OR UNDER THE SURFACE OF THE**
572 **PROPERTY, WHICH INTERESTS MAY GIVE THEM RIGHTS TO ENTER AND USE THE SURFACE OF**
573 **THE PROPERTY TO ACCESS THE MINERAL ESTATE, OIL, GAS OR WATER.**

574 **8.8.2. SURFACE USE AGREEMENT. THE USE OF THE SURFACE ESTATE OF THE**
575 **PROPERTY TO ACCESS THE OIL, GAS OR MINERALS MAY BE GOVERNED BY A SURFACE USE**
576 **AGREEMENT, A MEMORANDUM OR OTHER NOTICE OF WHICH MAY BE RECORDED WITH THE**
577 **COUNTY CLERK AND RECORDER.**
578

579 **8.8.3. OIL AND GAS ACTIVITY. OIL AND GAS ACTIVITY THAT MAY OCCUR ON OR**
580 **ADJACENT TO THE PROPERTY MAY INCLUDE, BUT IS NOT LIMITED TO, SURVEYING, DRILLING,**
581 **WELL COMPLETION OPERATIONS, STORAGE, OIL AND GAS, OR PRODUCTION FACILITIES,**
582

583 PRODUCING WELLS, REWORKING OF CURRENT WELLS AND GAS GATHERING AND PROCESSING
584 FACILITIES.

585 8.8.4. **ADDITIONAL INFORMATION. BUYER IS ENCOURAGED TO SEEK ADDITIONAL**
586 **INFORMATION REGARDING OIL AND GAS ACTIVITY ON OR ADJACENT TO THE PROPERTY,**
587 **INCLUDING DRILLING PERMIT APPLICATIONS. THIS INFORMATION MAY BE AVAILABLE FROM THE**
588 **COLORADO OIL AND GAS CONSERVATION COMMISSION.**

590 8.8.5. **Title Insurance Exclusions.** Matters set forth in this Section and others, may be
591 excepted, excluded from, or not covered by the owner's title insurance policy.

592 8.9. **Mineral Rights Review.** Buyer Does **Does Not** have a Right to Terminate if examination of
593 the Mineral Rights is unsatisfactory to Buyer on or before the **Mineral Rights Examination Deadline.**

595 **9. NEW ILC, NEW SURVEY.**

596 9.1. **New ILC or New Survey.** If the box is checked, (1) **New Improvement Location Certificate**
597 **(New ILC);** or, (2) **New Survey** in the form of n/a; is required and the following will apply:

599 9.1.1. **Ordering of New ILC or New Survey.** **Seller** **Buyer** will order the New ILC or New
600 Survey. The New ILC or New Survey may also be a previous ILC or survey that is in the above-required form,
601 certified and updated as of a date after the date of this Contract.

602 9.1.2. **Payment for New ILC or New Survey.** The cost of the New ILC or New Survey will be paid, on
603 or before Closing, by: **Seller** **Buyer** or:

604 n/a

606 9.1.3. **Delivery of New ILC or New Survey.** Buyer, Seller, the issuer of the Title Commitment (or
607 the provider of the opinion of title if an Abstract of Title) and FIRST COLORADO LAND OFFICE will
608 receive a New ILC or New Survey on or before **New ILC or New Survey Deadline.**

609 9.1.4. **Certification of New ILC or New Survey.** The New ILC or New Survey will be certified by
610 the surveyor to all those who are to receive the New ILC or New Survey.

612 9.2. **Buyer's Right to Waive or Change New ILC or New Survey Selection.** Buyer may select a
613 New ILC or New Survey different than initially specified in this Contract if there is no additional cost to Seller
614 or change to the **New ILC or New Survey Objection Deadline.** Buyer may, in Buyer's sole subjective
615 discretion, waive a New ILC or New Survey if done prior to Seller incurring any cost for the same.

616 9.3. **New ILC or New Survey Objection.** Buyer has the right to review and object based on the New
617 ILC or New Survey. If the New ILC or New Survey is not timely received by Buyer or is unsatisfactory to
618 Buyer, in Buyer's sole subjective discretion, Buyer may, on or before **New ILC or New Survey Objection**
619 **Deadline,** notwithstanding § 8.3. or § 13:

620 9.3.1. **Notice to Terminate.** Notify Seller in writing, pursuant to § 24.1., that this Contract is
621 terminated; or

623 9.3.2. **New ILC or New Survey Objection.** Deliver to Seller a written description of any matter
624 that was to be shown or is shown in the New ILC or New Survey that is unsatisfactory and that Buyer
625 requires Seller to correct.

626 9.3.3. **New ILC or New Survey Resolution.** If a **New ILC or New Survey Objection** is received
627 by Seller, on or before **New ILC or New Survey Objection Deadline** and if Buyer and Seller have not
628 agreed in writing to a settlement thereof on or before **New ILC or New Survey Resolution Deadline,** this
629 Contract will terminate on expiration of the **New ILC or New Survey Resolution Deadline,** unless Seller
630 receives Buyer's written withdrawal of the New ILC or New Survey Objection before such termination (i.e., on
631 or before expiration of **New ILC or New Survey Resolution Deadline**).

634 **DISCLOSURE, INSPECTION AND DUE DILIGENCE**

637 **10. PROPERTY DISCLOSURE, INSPECTION, INDEMNITY, INSURABILITY, DUE DILIGENCE AND**
638 **SOURCE OF WATER.**

639 10.1. **Seller's Property Disclosure.** On or before **Seller's Property Disclosure Deadline**, Seller

641 agrees to deliver to Buyer the most current version of the applicable Colorado Real Estate Commission's
642 Seller's Property Disclosure form completed by Seller to Seller's actual knowledge and current as of the date
643 of this Contract.
644

645 **10.2. Disclosure of Adverse Material Facts; Subsequent Disclosure; Present Condition.** Seller
646 must disclose to Buyer any adverse material facts actually known by Seller as of the date of this Contract.
647 Seller agrees that disclosure of adverse material facts will be in writing. In the event Seller discovers an
648 adverse material fact after the date of this Contract, Seller must timely disclose such adverse fact to Buyer.
649 Buyer has the Right to Terminate based on the Seller's new disclosure on the earlier of Closing or five days
650 after Buyer's receipt of the new disclosure. Except as otherwise provided in this Contract, Buyer
651 acknowledges that Seller is conveying the Property to Buyer in an "As Is" condition, "Where Is" and "With All
652 Faults."

653 **10.3. Inspection.** Unless otherwise provided in this Contract, Buyer, acting in good faith, has the right
654 to have inspections (by one or more third parties, personally or both) of the Property, Leased Items, and
655 Inclusions (Inspection), at Buyer's expense. If (1) the physical condition of the Property, including, but not
656 limited to, the roof, walls, structural integrity of the Property, the electrical, plumbing, HVAC and other
657 mechanical systems of the Property, (2) the physical condition of the Inclusions and Leased Items, (3) service
658 to the Property (including utilities and communication services), systems and components of the Property
659 (e.g., heating and plumbing), (4) any proposed or existing transportation project, road, street or highway, or
660 (5) any other activity, odor or noise (whether on or off the Property) and its effect or expected effect on the
661 Property or its occupants is unsatisfactory, in Buyer's sole subjective discretion, Buyer may:
662

663 **10.3.1. Inspection Termination.** On or before the **Inspection Termination Deadline**, notify
664 Seller in writing, pursuant to § 24.1., that this Contract is terminated due to any unsatisfactory condition,
665 provided the Buyer did not previously deliver an Inspection Objection. Buyer's Right to Terminate under this
666 provision expires upon delivery of an Inspection Objection to Seller pursuant to § 10.3.2.; or
667

668 **10.3.2. Inspection Objection.** On or before the **Inspection Objection Deadline**, deliver to
669 Seller a written description of any unsatisfactory condition that Buyer requires Seller to correct.

670 **10.3.3. Inspection Resolution.** If an Inspection Objection is received by Seller, on or before
671 **Inspection Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on
672 or before **Inspection Resolution Deadline**, this Contract will terminate on **Inspection Resolution Deadline**
673 unless Seller receives Buyer's written withdrawal of the Inspection Objection before such termination (i.e., on
674 or before expiration of **Inspection Resolution Deadline**). Nothing in this provision prohibits the Buyer and
675 the Seller from mutually terminating this Contract before the Inspection Resolution Deadline passes by
676 executing an Earnest Money Release.
677

678 **10.4. Damage, Liens and Indemnity.** Buyer, except as otherwise provided in this Contract or other
679 written agreement between the parties, is responsible for payment for all inspections, tests, surveys,
680 engineering reports, or other reports performed at Buyer's request (Work) and must pay for any damage that
681 occurs to the Property and Inclusions as a result of such Work. Buyer must not permit claims or liens of any
682 kind against the Property for Work performed on the Property. Buyer agrees to indemnify, protect and hold
683 Seller harmless from and against any liability, damage, cost or expense incurred by Seller and caused by any
684 such Work, claim, or lien. This indemnity includes Seller's right to recover all costs and expenses incurred by
685 Seller to defend against any such liability, damage, cost or expense, or to enforce this Section, including
686 Seller's reasonable attorney fees, legal fees and expenses. The provisions of this Section survive the
687 termination of this Contract. This § 10.4. does not apply to items performed pursuant to an Inspection
688 Resolution.
689

690 **10.5. Insurability.** Buyer has the Right to Terminate under § 24.1., on or before **Property Insurance**
691 **Termination Deadline**, based on any unsatisfactory provision of the availability, terms and conditions and
692 premium for property insurance (Property Insurance) on the Property, in Buyer's sole subjective discretion.
693

694 **10.6. Due Diligence.**

695 **10.6.1. Due Diligence Documents.** Seller agrees to deliver copies of the following documents
696 and information pertaining to the Property and Leased Items (Due Diligence Documents) to Buyer on or
697 before **Due Diligence Documents Delivery Deadline**:

698 **10.6.1.1. Occupancy Agreements.** All current leases, including any amendments or other
699

700 occupancy agreements, pertaining to the Property. Those leases or other occupancy agreements pertaining
701 to the Property that survive Closing are as follows (Leases):

702 n/a

703 **10.6.1.2. Leased Items Documents.** If any lease of personal property (§ 2.5.4., Leased
704 Items) will be transferred to Buyer at Closing, Seller agrees to deliver copies of the leases and information
705 pertaining to the personal property to Buyer on or before **Due Diligence Documents Delivery Deadline.**
706 Buyer **Will** **Will Not** assume the Seller's obligations under such leases for the Leased Items (§ 2.5.4.,
707 Leased Items).

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709
710 **10.6.1.3. Encumbered Inclusions Documents.** If any Inclusions owned by Seller are
711 encumbered pursuant to § 2.5.2. (Encumbered Inclusions) above, Seller agrees to deliver copies of the
712 evidence of debt, security and any other documents creating the encumbrance to Buyer on or before **Due**
713 **Diligence Documents Delivery Deadline.** Buyer **Will** **Will Not** assume the debt on the Encumbered
714 Inclusions (§ 2.5.2., Encumbered Inclusions).

715 **10.6.1.4. Other Documents.** If the respective box is checked, Seller agrees to additionally
716 deliver copies of the following:

717 **10.6.1.4.1.** All contracts relating to the operation, maintenance and management of the
718 Property;

719 **10.6.1.4.2.** Property tax bills for the last n/a years;

720 **10.6.1.4.3.** As-built construction plans to the Property and the tenant improvements,
721 including architectural, electrical, mechanical and structural systems; engineering reports; and permanent
722 Certificates of Occupancy, to the extent now available;

723 **10.6.1.4.4.** A list of all Inclusions to be conveyed to Buyer;

724 **10.6.1.4.5.** Operating statements for the past n/a years;

725 **10.6.1.4.6.** A rent roll accurate and correct to the date of this Contract;

726 **10.6.1.4.7.** A schedule of any tenant improvement work Seller is obligated to complete
727 but has not yet completed and capital improvement work either scheduled or in process on the date of this
728 Contract;

729 **10.6.1.4.8.** All insurance policies pertaining to the Property and copies of any claims
730 which have been made for the past n/a years;

731 **10.6.1.4.9.** Soils reports, surveys and engineering reports or data pertaining to the
732 Property (if not delivered earlier under § 8.3.);

733 **10.6.1.4.10.** Any and all existing documentation and reports regarding Phase I and II
734 environmental reports, letters, test results, advisories and similar documents respective to the existence or
735 nonexistence of asbestos, PCB transformers, or other toxic, hazardous or contaminated substances and/or
736 underground storage tanks and/or radon gas. If no reports are in Seller's possession or known to Seller,
737 Seller warrants that no such reports are in Seller's possession or known to Seller;

738 **10.6.1.4.11.** Any *Americans with Disabilities Act* reports, studies or surveys concerning
739 the compliance of the Property with said Act;

740 **10.6.1.4.12.** All permits, licenses and other building or use authorizations issued by any
741 governmental authority with jurisdiction over the Property and written notice of any violation of any such
742 permits, licenses or use authorizations, if any; and

743 **10.6.1.4.13.** Other:

744 n/a

745 **10.6.2. Due Diligence Documents Review and Objection.** Buyer has the right to review and
746 object based on the Due Diligence Documents. If the Due Diligence Documents are not supplied to Buyer or
747 are unsatisfactory, in Buyer's sole subjective discretion, Buyer may, on or before **Due Diligence Documents**
748 **Objection Deadline:**

749 **10.6.2.1. Notice to Terminate.** Notify Seller in writing, pursuant to § 24.1., that this Contract
750 is terminated; or

751 **10.6.2.2. Due Diligence Documents Objection.** Deliver to Seller a written description of

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

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

766 **10.6.3. Zoning.** Buyer has the Right to Terminate under § 24.1., on or before **Due Diligence**
767 **Documents Objection Deadline**, based on any unsatisfactory zoning and any use restrictions imposed by
768 any governmental agency with jurisdiction over the Property, in Buyer's sole subjective discretion.

769 **10.6.4. Due Diligence – Environmental, ADA.** Buyer has the right to obtain environmental
770 inspections of the Property including Phase I and Phase II Environmental Site Assessments, as applicable.
771 Seller Buyer will order or provide **Phase I Environmental Site Assessment, Phase II Environmental**
772 **Site Assessment** (compliant with most current version of the applicable ASTM E1527 standard practices for
773 Environmental Site Assessments) and/or *n/a*, at the expense of Seller Buyer (Environmental
774 Inspection). In addition, Buyer, at Buyer's expense, may also conduct an evaluation whether the Property
775 complies with the *Americans with Disabilities Act* (ADA Evaluation). All such inspections and evaluations
776 must be conducted at such times as are mutually agreeable to minimize the interruption of Seller's and any
777 Seller's tenants' business uses of the Property, if any.
778

779 If Buyer's Phase I Environmental Site Assessment recommends a Phase II Environmental Site
780 Assessment, the **Environmental Inspection Termination Deadline** will be extended by *n/a* days (Extended
781 Environmental Inspection Objection Deadline) and if such Extended Environmental Inspection Objection
782 Deadline extends beyond the **Closing Date**, the **Closing Date** will be extended a like period of time. In such
783 event, Seller Buyer must pay the cost for such Phase II Environmental Site Assessment.
784

785 Notwithstanding Buyer's right to obtain additional environmental inspections of the Property in this §
786 10.6.4., Buyer has the Right to Terminate under § 24.1., on or before **Environmental Inspection**
787 **Termination Deadline**, or if applicable, the Extended Environmental Inspection Objection Deadline, based on
788 any unsatisfactory results of Environmental Inspection, in Buyer's sole subjective discretion.

789 Buyer has the Right to Terminate under § 24.1., on or before **ADA Evaluation Termination Deadline**,
790 based on any unsatisfactory ADA Evaluation, in Buyer's sole subjective discretion.

791 **10.7. Conditional Upon Sale of Property.** This Contract is conditional upon the sale and closing of
792 that certain property owned by Buyer and commonly known as *n/a*. Buyer has the Right to Terminate under §
793 24.1. effective upon Seller's receipt of Buyer's Notice to Terminate on or before **Conditional Sale Deadline** if
794 such property is not sold and closed by such deadline. This Section is for the sole benefit of Buyer. If Seller
795 does not receive Buyer's Notice to Terminate on or before **Conditional Sale Deadline**, Buyer waives any
796 Right to Terminate under this provision.
797

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

802 **Note to Buyer: SOME WATER PROVIDERS RELY, TO VARYING DEGREES, ON NONRENEWABLE**
803 **GROUND WATER. YOU MAY WISH TO CONTACT YOUR PROVIDER (OR INVESTIGATE THE**
804 **DESCRIBED SOURCE) TO DETERMINE THE LONG-TERM SUFFICIENCY OF THE PROVIDER'S WATER**
805 **SUPPLIES.**
806

807 **10.9. Existing Leases; Modification of Existing Leases; New Leases.** Seller states that none of
808 the Leases to be assigned to the Buyer at the time of Closing contain any rent concessions, rent reductions
809 or rent abatements except as disclosed in the Lease or other writing received by Buyer. Seller will not amend,
810 alter, modify, extend or cancel any of the Leases nor will Seller enter into any new leases affecting the
811 Property without the prior written consent of Buyer, which consent will not be unreasonably withheld or
812 delayed.

813 **10.10. Lead-Based Paint. [Intentionally Deleted - See Residential Addendum if applicable]**

814 **10.11. Carbon Monoxide Alarms. [Intentionally Deleted - See Residential Addendum if**
815

816 applicable]

817 10.12. Methamphetamine Disclosure. [Intentionally Deleted - See Residential Addendum if
818 applicable]
819 applicable]

820

821 11. TENANT ESTOPPEL STATEMENTS.

822 11.1. Estoppel Statements Conditions. Buyer has the right to review and object to any Estoppel
823 Statements. Seller must request from all tenants of the Property and if received by Seller, deliver to Buyer on
824 or before **Estoppel Statements Deadline**, statements in a form and substance reasonably acceptable to
825 Buyer, from each occupant or tenant at the Property (Estoppel Statement) attached to a copy of the Lease
826 stating:

827 11.1.1. The commencement date of the Lease and scheduled termination date of the Lease;

828 11.1.2. That said Lease is in full force and effect and that there have been no subsequent
829 modifications or amendments;

830 11.1.3. The amount of any advance rentals paid, rent concessions given and deposits paid to
831 Seller;

832 11.1.4. The amount of monthly (or other applicable period) rental paid to Seller;

833 11.1.5. That there is no default under the terms of said Lease by landlord or occupant; and

834 11.1.6. That the Lease to which the Estoppel Statement is attached is a true, correct and
835 complete copy of the Lease demising the premises it describes.
836

837 11.2. Seller Estoppel Statement. In the event Seller does not receive from all tenants of the Property
838 a completed signed Estoppel Statement, Seller agrees to complete and execute an Estoppel Statement
839 setting forth the information and documents required §11.1. above and deliver the same to Buyer on or
840 before **Estoppel Statements Deadline**.
841

842 11.3. Estoppel Statements Termination. Buyer has the Right to Terminate under § 24.1., on or
843 before **Estoppel Statements Termination Deadline**, based on any unsatisfactory Estoppel Statement, in
844 Buyer's sole subjective discretion, or if Seller fails to deliver the Estoppel Statements on or before **Estoppel**
845 **Statements Deadline**. Buyer also has the unilateral right to waive any unsatisfactory Estoppel Statement.
846

847

848

849 **CLOSING PROVISIONS**

850

851

852 12. CLOSING DOCUMENTS, INSTRUCTIONS AND CLOSING.

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

861 12.2. Closing Instructions. Colorado Real Estate Commission's Closing Instructions **Are**
862 **Are Not** executed with this Contract.

863 12.3. Closing. Delivery of deed from Seller to Buyer will be at closing (Closing). Closing will be on the
864 date specified as the **Closing Date** or by mutual agreement at an earlier date. At Closing, Seller agrees to
865 deliver a set of keys for the Property to Buyer. The hour and place of Closing will be as designated by
866 [agreement of Buyer, Seller, and Title Company](#).
867

868 12.4. Disclosure of Settlement Costs. Buyer and Seller acknowledge that costs, quality and extent
869 of service vary between different settlement service providers (e.g., attorneys, lenders, inspectors and title
870 companies).
871

872 12.5. Assignment of Leases. Seller must assign to Buyer all Leases at Closing that will continue
873 after Closing and Buyer must assume Seller's obligations under such Leases. Further, Seller must transfer to
874

875 Buyer all Leased Items and assign to Buyer such leases for the Leased Items accepted by Buyer pursuant to
876 § 2.5.4. (Leased Items).

877
878 **13. TRANSFER OF TITLE.** Subject to Buyer's compliance with the terms and provisions of this Contract,
879 including the tender of any payment due at Closing, Seller must execute and deliver the following good and
880 sufficient deed to Buyer, at Closing: special warranty deed general warranty deed
881 bargain and sale deed quit claim deed personal representative's deed n/a deed. Seller, provided
882 another deed is not selected, must execute and deliver a good and sufficient special warranty deed to Buyer,
883 at Closing.

884
885 Unless otherwise specified in § 29 (Additional Provisions), if title will be conveyed using a special
886 warranty deed or a general warranty deed, title will be conveyed "subject to statutory exceptions" as defined
887 in §38-30-113(5)(a), C.R.S.

888
889 **14. PAYMENT OF LIENS AND ENCUMBRANCES.** Unless agreed to by Buyer in writing, any amounts
890 owed on any liens or encumbrances securing a monetary sum against the Property and Inclusions, including
891 any governmental liens for special improvements installed as of the date of Buyer's signature hereon,
892 whether assessed or not, and previous years' taxes, will be paid at or before Closing by Seller from the
893 proceeds of this transaction or from any other source.

894
895
896 **15. CLOSING COSTS, FEES, ASSOCIATION STATUS LETTER AND DISBURSEMENTS, TAXES AND**
897 **WITHHOLDING.**

898 **15.1. Closing Costs.** Buyer and Seller must pay, in Good Funds, their respective closing costs and all
899 other items required to be paid at Closing, except as otherwise provided herein.

900 **15.2. Closing Services Fee.** The fee for real estate closing services must be paid at Closing by
901 Buyer Seller One-Half by Buyer and One-Half by Seller Other n/a.

902
903 **15.3. Association Fees and Required Disbursements.** At least fourteen days prior to **Closing Date**,
904 Seller agrees to promptly request that the Closing Company or the Association deliver to Buyer a current
905 Status Letter, if applicable. Any fees associated with or specified in the Status Letter will be paid as follows:

906 **15.3.1. Status Letter Fee.** Any fee incident to the issuance of Association's Status Letter must
907 be paid by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

908 **15.3.2. Record Change Fee.** Any Record Change Fee must be paid by Buyer Seller
909 One-Half by Buyer and One-Half by Seller N/A.

910 **15.3.3. Assessments, Reserves or Working Capital.** All assessments required to be paid in
911 advance (other than Association Assessments as defined in § 16.2. (Association Assessments), reserves or
912 working capital due at Closing must be paid by Buyer Seller
913 One-Half by Buyer and One-Half by Seller N/A.

914 **15.3.4. Other Fees.** Any other fee listed in the Status Letter as required to be paid at Closing will
915 be paid by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

916 **15.4. Local Transfer Tax.** Any Local Transfer Tax must be paid at Closing by Buyer Seller
917 One-Half by Buyer and One-Half by Seller N/A.

918 **15.5. Sales and Use Tax.** Any sales and use tax that may accrue because of this transaction must be
919 paid when due by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

920 **15.6. Private Transfer Fee.** Any private transfer fees and other fees due to a transfer of the Property,
921 payable at Closing, such as community association fees, developer fees and foundation fees, must be paid at
922 Closing by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

923 **15.7. Water Transfer Fees.** Water Transfer Fees can change. The fees, as of the date of this
924 Contract, do not exceed \$n/a for:

925 Water Stock/Certificates Water District

926 Augmentation Membership Small Domestic Water Company n/a

927 and must be paid at Closing by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

928 **15.8. Utility Transfer Fees.** Utility transfer fees can change. Any fees to transfer utilities from Seller to
929
930
931
932

933 Buyer must be paid by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

934 **15.9. FIRPTA and Colorado Withholding.**

935 **15.9.1. FIRPTA.** The Internal Revenue Service (IRS) may require a substantial portion of the
936 Seller's proceeds be withheld after Closing when Seller is a foreign person. If required withholding does not
937 occur, the Buyer could be held liable for the amount of the Seller's tax, interest and penalties. If the box in
938 this Section is checked, Seller represents that Seller **IS** a foreign person for purposes of U.S. income
939 taxation. If the box in this Section is not checked, Seller represents that Seller is not a foreign person for
940 purposes of U.S. income taxation. Seller agrees to cooperate with Buyer and Closing Company to provide
941 any reasonably requested documents to verify Seller's foreign person status. If withholding is required, Seller
942 authorizes Closing Company to withhold such amount from Seller's proceeds. Seller should inquire with
943 Seller's tax advisor to determine if withholding applies or if an exemption exists.
944

945 **15.9.2. Colorado Withholding.** The Colorado Department of Revenue may require a portion of
946 the Seller's proceeds be withheld after Closing when Seller will not be a Colorado resident after Closing, if
947 not otherwise exempt. Seller agrees to cooperate with Buyer and Closing Company to provide any
948 reasonably requested documents to verify Seller's status. If withholding is required, Seller authorizes Closing
949 Company to withhold such amount from Seller's proceeds. Seller should inquire with Seller's tax advisor to
950 determine if withholding applies or if an exemption exists.
951

952
953 **16. PRORATIONS AND ASSOCIATION ASSESSMENTS.**

954 **16.1. Prorations.** The following will be prorated to the **Closing Date**, except as otherwise provided:

955 **16.1.1. Taxes.** Personal property taxes, if any, special taxing district assessments, if any, and
956 general real estate taxes for the year of Closing, based on

957 **Taxes for the Calendar Year Immediately Preceding Closing**
958 **Most Recent Mill Levy and Most Recent Assessed Valuation,** **Other**

959 n/a

960
961 **16.1.2. Rents.** Rents based on **Rents Actually Received** **Accrued.** At Closing, Seller will
962 transfer or credit to Buyer the security deposits for all Leases assigned to Buyer, or any remainder after
963 lawful deductions, and notify all tenants in writing of such transfer and of the transferee's name and address.

964 **16.1.3. Other Prorations.** Water and sewer charges, propane, interest on continuing loan and
965 n/a

966
967 **16.1.4. Final Settlement.** Unless otherwise specified in Additional Provisions, these prorations
968 are final.

969 **16.2. Association Assessments.** Current regular Association assessments and dues (Association
970 Assessments) paid in advance will be credited to Seller at Closing. Cash reserves held out of the regular
971 Association Assessments for deferred maintenance by the Association will not be credited to Seller except as
972 may be otherwise provided by the Governing Documents. Buyer acknowledges that Buyer may be obligated
973 to pay the Association, at Closing, an amount for reserves or working capital. Any special assessment
974 assessed prior to **Closing Date** by the Association will be the obligation of **Buyer** **Seller.** Except
975 however, any special assessment by the Association for improvements that have been installed as of the
976 date of Buyer's signature hereon, whether assessed prior to or after Closing, will be the obligation of Seller
977 unless otherwise specified in Additional Provisions. Seller represents there are no unpaid regular or special
978 assessments against the Property except the current regular assessments and
979 n/a

980
981 Association Assessments are subject to change as provided in the Governing Documents.
982

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

985 If Seller, after Closing occurs, fails to deliver possession as specified, Seller will be subject to eviction
986 and will be additionally liable to Buyer, notwithstanding § 20.2. (If Seller is in Default), for payment of \$ n/a
987 per day (or any part of a day notwithstanding § 3.3., Day) from **Possession Date** and **Possession Time** until
988 possession is delivered.
989

990

General Provisions

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

18.1. **Causes of Loss, Insurance.** In the event the Property or Inclusions are damaged by fire, other perils or causes of loss prior to Closing (Property Damage) in an amount of not more than ten percent of the total Purchase Price and if the repair of the damage will be paid by insurance (other than the deductible to be paid by Seller), then Seller, upon receipt of the insurance proceeds, will use Seller's reasonable efforts to repair the Property before **Closing Date**. Buyer has the Right to Terminate under § 24.1., on or before **Closing Date**, if the Property is not repaired before **Closing Date**, or if the damage exceeds such sum. Should Buyer elect to carry out this Contract despite such Property Damage, Buyer is entitled to a credit at Closing for all insurance proceeds that were received by Seller (but not the Association, if any) resulting from damage to the Property and Inclusions, plus the amount of any deductible provided for in the insurance policy. This credit may not exceed the Purchase Price. In the event Seller has not received the insurance proceeds prior to Closing, the parties may agree to extend the **Closing Date** to have the Property repaired prior to Closing or, at the option of Buyer, (1) Seller must assign to Buyer the right to the proceeds at Closing, if acceptable to Seller's insurance company and Buyer's lender; or (2) the parties may enter into a written agreement prepared by the parties or their attorney requiring the Seller to escrow at Closing from Seller's sale proceeds the amount Seller has received and will receive due to such damage, not exceeding the total Purchase Price, plus the amount of any deductible that applies to the insurance claim.

18.2. **Damage, Inclusions and Services.** Should any Inclusion or service (including utilities and communication services), system, component or fixture of the Property (collectively Service) (e.g., heating or plumbing), fail or be damaged between the date of this Contract and Closing or possession, whichever is earlier, then Seller is liable for the repair or replacement of such Inclusion or Service with a unit of similar size, age and quality, or an equivalent credit, but only to the extent that the maintenance or replacement of such Inclusion or Service is not the responsibility of the Association, if any, less any insurance proceeds received by Buyer covering such repair or replacement. If the failed or damaged Inclusion or Service is not repaired or replaced on or before Closing or possession, whichever is earlier, Buyer has the Right to Terminate under § 24.1., on or before **Closing Date**, or, at the option of Buyer, Buyer is entitled to a credit at Closing for the repair or replacement of such Inclusion or Service. Such credit must not exceed the Purchase Price. If Buyer receives such a credit, Seller's right for any claim against the Association, if any, will survive Closing.

18.3. **Condemnation.** In the event Seller receives actual notice prior to Closing that a pending condemnation action may result in a taking of all or part of the Property or Inclusions, Seller must promptly notify Buyer, in writing, of such condemnation action. Buyer has the Right to Terminate under § 24.1., on or before **Closing Date**, based on such condemnation action, in Buyer's sole subjective discretion. Should Buyer elect to consummate this Contract despite such diminution of value to the Property and Inclusions, Buyer is entitled to a credit at Closing for all condemnation proceeds awarded to Seller for the diminution in the value of the Property or Inclusions, but such credit will not include relocation benefits or expenses or exceed the Purchase Price.

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

18.5. **Home Warranty. [Intentionally Deleted]**

18.6. **Risk of Loss – Growing Crops.** The risk of loss for damage to growing crops by fire or other casualty will be borne by the party entitled to the growing crops as provided in § 2.8. and such party is entitled to such insurance proceeds or benefits for the growing crops.

19. **RECOMMENDATION OF LEGAL AND TAX COUNSEL.** By signing this Contract, Buyer and Seller acknowledge that their respective broker has advised that this Contract has important legal consequences and has recommended: (1) legal examination of title; (2) consultation with legal and tax or other counsel

1050 before signing this Contract as this Contract may have important legal and tax implications; (3) to consult with
1051 their own attorney if Water Rights, Mineral Rights or Leased Items are included or excluded in the sale; and
1052 (4) to consult with legal counsel if there are other matters in this transaction for which legal counsel should be
1053 engaged and consulted. Such consultations must be done timely as this Contract has strict time limits,
1054 including deadlines, that must be complied with.
1055

1056 **20. TIME OF ESSENCE, DEFAULT AND REMEDIES.** Time is of the essence for all dates and deadlines
1057 in this Contract. This means that all dates and deadlines are strict and absolute. If any payment due,
1058 including Earnest Money, is not paid, honored or tendered when due, or if any obligation is not performed
1059 timely as provided in this Contract or waived, the non-defaulting party has the following remedies:
1060

1061 **20.1. If Buyer is in Default:**

1062 **20.1.1. Specific Performance.** Seller may elect to cancel this Contract and all Earnest Money
1063 (whether or not paid by Buyer) will be paid to Seller and retained by Seller. It is agreed that the Earnest
1064 Money is not a penalty, and the parties agree the amount is fair and reasonable. Seller may recover such
1065 additional damages as may be proper. Alternatively, Seller may elect to treat this Contract as being in full
1066 force and effect and Seller has the right to specific performance or damages, or both.
1067

1068 **20.1.2. Liquidated Damages, Applicable. This § 20.1.2. applies unless the box in § 20.1.1. is**
1069 **checked.** Seller may cancel this Contract. All Earnest Money (whether or not paid by Buyer) will be paid to
1070 Seller and retained by Seller. It is agreed that the Earnest Money amount specified in § 4.1. is LIQUIDATED
1071 DAMAGES and not a penalty, which amount the parties agree is fair and reasonable and (except as provided
1072 in §§ 10.4. and 21), such amount is SELLER'S ONLY REMEDY for Buyer's failure to perform the obligations
1073 of this Contract. Seller expressly waives the remedies of specific performance and additional damages.
1074

1075 **20.2. If Seller is in Default:**

1076 **20.2.1. Specific Performance, Damages or Both.** Buyer may elect to treat this Contract as
1077 canceled, in which case all Earnest Money received hereunder will be returned to Buyer and Buyer may
1078 recover such damages as may be proper. Alternatively, in addition to the per diem in § 17 (Possession) for
1079 failure of Seller to timely deliver possession of the Property after Closing occurs, Buyer may elect to treat this
1080 Contract as being in full force and effect and Buyer has the right to specific performance or damages, or
1081 both.
1082

1083 **20.2.2. Seller's Failure to Perform.** In the event Seller fails to perform Seller's obligations under
1084 this Contract, to include, but not limited to, failure to timely disclose Association violations known by Seller,
1085 failure to perform any replacements or repairs required under this Contract or failure to timely disclose any
1086 known adverse material facts, Seller remains liable for any such failures to perform under this Contract after
1087 Closing. Buyer's rights to pursue the Seller for Seller's failure to perform under this Contract are reserved and
1088 survive Closing.
1089

1090 **21. LEGAL FEES, COST AND EXPENSES.** Anything to the contrary herein notwithstanding, in the event
1091 of any arbitration or litigation relating to this Contract, prior to or after **Closing Date**, the arbitrator or court
1092 must award to the prevailing party all reasonable costs and expenses, including attorney fees, legal fees and
1093 expenses.
1094

1095 **22. MEDIATION.** If a dispute arises relating to this Contract (whether prior to or after Closing) and is not
1096 resolved, the parties must first proceed, in good faith, to mediation. Mediation is a process in which the
1097 parties meet with an impartial person who helps to resolve the dispute informally and confidentially. Mediators
1098 cannot impose binding decisions. Before any mediated settlement is binding, the parties to the dispute must
1099 agree to the settlement, in writing. The parties will jointly appoint an acceptable mediator and will share
1100 equally in the cost of such mediation. The obligation to mediate, unless otherwise agreed, will terminate if the
1101 entire dispute is not resolved within thirty days of the date written notice requesting mediation is delivered by
1102 one party to the other at that party's last known address (physical or electronic as provided in § 26). Nothing
1103 in this Section prohibits either party from filing a lawsuit and recording a *lis pendens* affecting the Property,
1104 before or after the date of written notice requesting mediation. This Section will not alter any date in this
1105 Contract, unless otherwise agreed.
1106
1107

Initials _____

1108
1109 **23. EARNEST MONEY DISPUTE.** Except as otherwise provided herein, Earnest Money Holder must
1110 release the Earnest Money following receipt of written mutual instructions, signed by both Buyer and Seller.
1111 In the event of any controversy regarding the Earnest Money, Earnest Money Holder is not required to
1112 release the Earnest Money. Earnest Money Holder, in its sole subjective discretion, has several options: (1)
1113 wait for any proceeding between Buyer and Seller; (2) interplead all parties and deposit Earnest Money into a
1114 court of competent jurisdiction (Earnest Money Holder is entitled to recover court costs and reasonable
1115 attorney and legal fees incurred with such action); or (3) provide notice to Buyer and Seller that unless
1116 Earnest Money Holder receives a copy of the Summons and Complaint or Claim (between Buyer and Seller)
1117 containing the case number of the lawsuit (Lawsuit) within one hundred twenty days of Earnest Money
1118 Holder's notice to the parties, Earnest Money Holder is authorized to return the Earnest Money to Buyer. In
1119 the event Earnest Money Holder does receive a copy of the Lawsuit and has not interpleaded the monies at the
1120 time of any Order, Earnest Money Holder must disburse the Earnest Money pursuant to the Order of the
1121 Court. The parties reaffirm the obligation of § 22 (Mediation). This Section will survive cancellation or
1122 termination of this Contract.
1123
1124

1125
1126 **24. TERMINATION.**

1127 **24.1. Right to Terminate.** If a party has a right to terminate, as provided in this Contract (Right to
1128 Terminate), the termination is effective upon the other party's receipt of a written notice to terminate (Notice to
1129 Terminate), provided such written notice was received on or before the applicable deadline specified in this
1130 Contract. If the Notice to Terminate is not received on or before the specified deadline, the party with the
1131 Right to Terminate accepts the specified matter, document or condition as satisfactory and waives the Right
1132 to Terminate under such provision.
1133

1134 **24.2. Effect of Termination.** In the event this Contract is terminated, and all Earnest Money received
1135 hereunder is timely returned to Buyer, the parties are relieved of all obligations hereunder, subject to §§ 10.4.
1136 and 21.
1137

1138 **25. ENTIRE AGREEMENT, MODIFICATION, SURVIVAL; SUCCESSORS.** This Contract, its exhibits and
1139 specified addenda, constitute the entire agreement between the parties relating to the subject hereof and any
1140 prior agreements pertaining thereto, whether oral or written, have been merged and integrated into this
1141 Contract. No subsequent modification of any of the terms of this Contract is valid, binding upon the parties, or
1142 enforceable unless made in writing and signed by the parties. Any right or obligation in this Contract that, by
1143 its terms, exists or is intended to be performed after termination or Closing survives the same. Any successor
1144 to a party receives the predecessor's benefits and obligations of this Contract.
1145

1146
1147 **26. NOTICE, DELIVERY AND CHOICE OF LAW.**

1148 **26.1. Physical Delivery and Notice.** Any document or notice to Buyer or Seller must be in writing,
1149 except as provided in § 26.2. and is effective when physically received by such party, any individual named in
1150 this Contract to receive documents or notices for such party, Broker, or Brokerage Firm of Broker working
1151 with such party (except any notice or delivery after Closing must be received by the party, not Broker or
1152 Brokerage Firm).
1153

1154 **26.2. Electronic Notice.** As an alternative to physical delivery, any notice may be delivered in
1155 electronic form to Buyer or Seller, any individual named in this Contract to receive documents or notices for
1156 such party, Broker or Brokerage Firm of Broker working with such party (except any notice or delivery after
1157 Closing, cancellation or Termination must be received by the party, not Broker or Brokerage Firm) at the
1158 electronic address of the recipient by facsimile, email or **ANY ELECTRONIC DELIVERY**.

1159 **26.3. Electronic Delivery.** Electronic Delivery of documents and notice may be delivered by: (1) email
1160 at the email address of the recipient, (2) a link or access to a website or server provided the recipient
1161 receives the information necessary to access the documents, or (3) facsimile at the facsimile number (Fax
1162 No.) of the recipient.
1163

1164 **26.4. Choice of Law.** This Contract and all disputes arising hereunder are governed by and construed
1165 in accordance with the laws of the State of Colorado that would be applicable to Colorado residents who sign
1166

1166 a contract in Colorado for real property located in Colorado.
1167

1168 **27. NOTICE OF ACCEPTANCE, COUNTERPARTS.** This proposal will expire unless accepted in writing,
1169 by Buyer and Seller, as evidenced by their signatures below and the offering party receives notice of such
1170 acceptance pursuant to § 26 on or before **Acceptance Deadline Date** and **Acceptance Deadline Time**. If
1171 accepted, this document will become a contract between Seller and Buyer. A copy of this Contract may be
1172 executed by each party, separately and when each party has executed a copy thereof, such copies taken
1173 together are deemed to be a full and complete contract between the parties.
1174
1175

1176 **28. GOOD FAITH.** Buyer and Seller acknowledge that each party has an obligation to act in good faith
1177 including, but not limited to, exercising the rights and obligations set forth in the provisions of **Financing**
1178 **Conditions and Obligations; Title Insurance, Record Title and Off-Record Title; New ILC, New Survey;**
1179 **and Property Disclosure, Inspection, Indemnity, Insurability Due Diligence and Source of Water.**
1180

1181
1182 **ADDITIONAL PROVISIONS AND ATTACHMENTS**
1183
1184

1185 **29. ADDITIONAL PROVISIONS.** (The following additional provisions have not been approved by the
1186 Colorado Real Estate Commission.)

1187 1.) MEC will represent "Mutual Execution of Contract" for the purpose of computing all dates
1188 and deadlines.
1189

1190 2) The parties entered and negotiated this Contract in good faith based on a third-party
1191 appraisal. The acquisition of Seller's property through eminent domain was neither approved
1192 by Buyer's elected officials nor did Buyer use its powers of eminent domain to enter into this
1193 transaction. However, Buyer as a political subdivision of the State and a municipal
1194 corporation may exercise its powers of eminent domain to condemn property for the public
1195 benefit with just compensation to the owner. Buyer makes no representation regarding
1196 whether the property would have been acquired
1197 through eminent domain nor regarding Seller's eligibility to receive tax-related benefits on
1198 this transaction for involuntary conversions. Seller accepts all responsibility and hereby
1199 holds Buyer harmless for the tax consequences to Seller arising from the conveyance of
1200 Tract 1 & Tract 2 to Buyer pursuant to the terms of this Agreement.
1201
1202
1203
1204

1205 **30. OTHER DOCUMENTS.**

1206 **30.1. Documents Part of Contract.** The following documents are a part of this Contract:

1207 n/a
1208
1209

1210
1211
1212
1213 **30.2. Documents Not Part of Contract.** The following documents have been provided but are not a
1214 part of this Contract:

1215 n/a
1216
1217
1218
1219
1220

1221
1222 **Signatures**
1223
1224

1225 _____ Date: _____

1226 Buyer: **City of Salida, a municipal corporation**
1227 **By: Dan Shore, Mayor**
1228

1229 _____ Date: _____
1230
1231
1232

1233 Buyer: **Chaffee County, a political subdivision of the State of Colorado**
1234 **By: Greg Felt, Chair of the Board of Chaffee County**
1235 **Commissioners**
1236

1237
1238
1239
1240 **[NOTE: If this offer is being countered or rejected, do not sign this document.]**
1241 _____ Date: _____

1242 Seller: **TRACEY GUCCIONE**
1243

1244 _____ Date: _____
1245
1246 Seller: **DAVID PADOVEN**
1247

1248
1249
1250
1251

END OF CONTRACT TO BUY AND SELL REAL ESTATE

BROKER'S ACKNOWLEDGMENTS AND COMPENSATION DISCLOSURE.

A. Broker Working With Buyer

1261 Broker **Does** **Does Not** acknowledge receipt of Earnest Money deposit. Broker agrees that if
1262 Brokerage Firm is the Earnest Money Holder and, except as provided in § 23, if the Earnest Money has not
1263 already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest
1264 Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of
1265 Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written
1266 mutual instructions, provided the Earnest Money check has cleared.
1267

1268
1269 Broker is working with Buyer as a **Buyer's Agent** **Transaction-Broker** in this transaction.
1270

1271 **Customer.** Broker has no brokerage relationship with Buyer. See § B for Broker's brokerage relationship
1272 with Seller.
1273

1274 Brokerage Firm's compensation or commission is to be paid by **Listing Brokerage Firm** **Buyer**
1275 **Other** .
1276

1277
1278 This Broker's Acknowledgements and Compensation Disclosure is for disclosure purposes only and does
1279 NOT create any claim for compensation. Any compensation agreement between the brokerage firms must be
1280 entered into separately and apart from this provision.
1281
1282

Initials _____

1283 Brokerage Firm's Name: **First Colorado Land Office**

1284
1285 Brokerage Firm's License #: **EC 40047449**

1286
1287
1288
1289
1290 

Date: **8/17/2022**

1291 Broker's Name: **Jeff Post**

1292
1293 Broker's License #: **ER 40018515**

1294 Address: **7385 W. Hwy 50 Salida, CO 81201**

1295
1296 Ph: **719-539-6682** Fax: **719-539-6685** Email Address: **post@firstcolorado.com;**
1297 **laura@firstcolorado.com**

1298
1299
1300

1301
1302 **B. Broker Working with Seller**

1303
1304 Broker Does **Does Not** acknowledge receipt of Earnest Money deposit. Broker agrees that if
1305 Brokerage Firm is the Earnest Money Holder and, except as provided in § 23, if the Earnest Money has not
1306 already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest
1307 Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of
1308 Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written
1309 mutual instructions, provided the Earnest Money check has cleared.

1310
1311
1312 Broker is working with Seller as a **Seller's Agent** **Transaction-Broker** in this transaction.

1313
1314 **Customer**. Broker has no brokerage relationship with Seller. See § A for Broker's brokerage relationship
1315 with Buyer.

1316
1317 Brokerage Firm's compensation or commission is to be paid by **Seller** **Buyer** **Other** .

1318
1319 This Broker's Acknowledgements and Compensation Disclosure is for disclosure purposes only and does
1320 NOT create any claim for compensation. Any compensation agreement between the brokerage firms must be
1321 entered into separately and apart from this provision.

1322
1323
1324 Brokerage Firm's Name: **First Colorado Land Office**

1325
1326 Brokerage Firm's License #: **EC 40047449**

1327
1328
1329
1330
1331
1332 

Date: **8/17/2022**

1333 Broker's License #: **ER 40018515**

1334 Address: **7385 W. Hwy 50 Salida, CO 81201**

1335
1336 Ph: **719-539-6682** Fax: **719-539-6685** Email Address: **post@firstcolorado.com;**
1337 **laura@firstcolorado.com**

1338
1339

1340 **CBS4-6-21. CONTRACT TO BUY AND SELL REAL ESTATE (LAND)**

Initials _____

Initials _____



CHAPTER 5 ALTERNATIVES ANALYSIS

INTRODUCTION

The alternatives analysis identifies the demand/capacity variances, airport design inconsistencies, and user needs identified during the planning process. This analysis provides an organized approach to developing a comparative analysis to evaluate each alternative. The preferred development alternatives will result in the development of the airport layout plan and airport capital improvement program (ACIP). The key elements of this process are:

1. Identification of improvement alternatives that address facility requirement needs;
2. Evaluation of the alternatives, individually and collectively, to provide a thorough understanding of the opportunities, constraints, and consequences of each; and,
3. Selection of a recommended alternative that meets the goals of this study.

Additionally, the Airport Cooperative Research Program (ACRP) 113 recommends implementing basic principles for the development of a general aviation plan. These principles are similar to the study goals identified earlier in this study, and combined with each improvement alternative, as follows:

1. Safety (*Maintain Airport Safety/Meet Design Standards*) – Meets FAA design standards, offers minimal opportunity for runway incursions, does not conflict with navigational aids;
2. Efficiency – Maximize development space, does not create conflicts between aircraft, while maintaining efficient ground access;
3. Economics/Financial Feasibility (*Revenue Enhancement/Minimize Operating Costs/Financial Self-Sufficiency/Sustainability*) – Benefit outweigh the costs, reasonable funding in place, offers opportunities for generating revenue and/or reducing operating costs;
4. Expansion (*Continue Airport Improvements*) – Facilitates future expansion, does not adversely degrade opportunity for expansion of nearby facilities;



5. Balance (*Accommodate Capacity and Demand*) – Facility plan is in balance with airfield design and runway/taxiway capability, meets existing and future requirements;
6. Consistency – Consistent with airport vision/community goals, meets FAA grant assurances, and consistent with airport minimum standards; and,
7. Technical Feasibility – Site conditions are suitable for improvements and limits development constraints.

These principles are used to guide the evaluation process as well as assist with the identification of the recommended proposed action.

SITE CONSTRAINTS

The following site constraints are identified from the initial site investigation and data collection efforts. Each constraint listed could affect future improvements at ANK:

Terrain: ANK is located on a plateau surrounded by mountainous terrain with steep grade changes. The monetary costs for fill/grading to meet FAA design standards, appears to be financially unfeasible compared to the benefit received. As a result, the terrain is considered a constraint to future development. Overall, the only feasible option for growth is along the south and southwest side of the airport.

Airport Road: County Highway 140 (Airport Road) traverses southwest along the eastern property boundary before turning to the west where it crosses through the Runway 6 RPZ. It is desirable to clear the entire RPZ of all above-ground objects as well as clear all facilities, including roads and highways.

Changes to the RPZ or Airport Road will require coordination with the FAA-Denver ADO to determine whether proposed improvements are consistent with recommended land use policies.

Powerlines: Electric transmission lines traverse north-south and crosses the south approach end of Runway 6 before turning northeast where it parallels the airport property boundary. The location and height above ground level of the powerlines exceed the approach and departure obstruction surfaces on the



southwest end of Runway 6-24. Chaffee County is currently working to mitigate the FAR Part 77 impacts to airspace from the transmission lines.

RUNWAY ALTERNATIVES

Runway alternatives are typically developed to address capacity needs and design standards. Based on the analysis provided in the Facility Requirements, existing and future design (critical) aircraft performance characteristics suggest the need for additional runway pavement length.

The results of the wind analysis, performed in Chapter 2, indicates the need for a crosswind runway to meet Aircraft Approach Category (AAC) B aircraft at 10.5 knots. As a result, the following runway alternatives are presented:

Alternative A – Runway Length and Width

Runway length and width is established from the performance characteristics and wingspan of the design aircraft. Information obtained from FlightAware.com, along with airport manager records, reveal the design aircraft is a combination of the Beechcraft Airliner (runway length) and Cessna Citation II (pavement width).

Runway Length

AC 150/5325-4B, Runway Length Requirements, was used to calculate the recommended takeoff distances for the design aircraft. Utilizing the takeoff performance characteristics of the Beechcraft Airliner at the airfield elevation of 7,523 feet (reference Table 4-3), a pavement length of 9,000 feet is recommended to meet operational requirements at 100 percent useful load.

Runway Width

AC 150/5300-13A, Table 1-2, Airplane Design Group (ADG) was used to determine the recommended pavement width for the Cessna Citation II. Referencing the Tail Height (15 feet) and Wingspan (52.1 feet), the Citation II is considered a Group II aircraft. Table A7-4, Runway Design Standards Matrix, A/B-II, reveals a runway pavement width of 75 feet is recommended for ADG-II aircraft.



Although the Citation II is used to determine the recommended runway pavement width, the takeoff performance characteristics of the Citation II was calculated, for reference. AC 150/5325-4B, Table 4-3, was referenced to calculate the recommended pavement length of 7,700 feet at 60 percent useful load, and 8,600 feet at 90 percent useful load.

As a result of the recommended runway pavement length calculations, the following options are evaluated:

ALT A1 – NO BUILD

ALT A2 – EXTEND RW 6-24 TO 7,700 FEET (CITATION II)

ALT A3 – EXTEND RW 6-24 TO 8,600 FEET (CITATION II)

ALT A4 – EXTEND RW 6-24 TO 9,000 FEET (BEECH AIRLINER)

The runway length analysis is provided, as follows:

ALT A1 – No Build

The “no build” alternative results in the runway length remaining at 7,348 feet.

ALT A2 – Extend Runway 6-24 to 7,700 feet

This pavement length is recommended to satisfy the Citation II takeoff length at 60 percent useful load. This improvement involves relocating the Runway 6 threshold approximately 352 feet south, along with the runway safety areas, RPZ, and approach surfaces.

Land acquisition is estimated at 8 acres to accommodate the runway extension, and associated safety areas. Additional costs include removal/relocation/burial of the transmission line, and Airport Road re-alignment. See [FIGURE 5-1](#) for details.

Opportunities:

Extending the runway pavement 352 feet, from 7,348 feet to 7,700 feet is recommended to accommodate the Citation II, or similar, operating at 60 percent useful load at ANK. This action increases airport capacity while accommodating unforeseen changes in the aircraft fleet mix. Furthermore, this

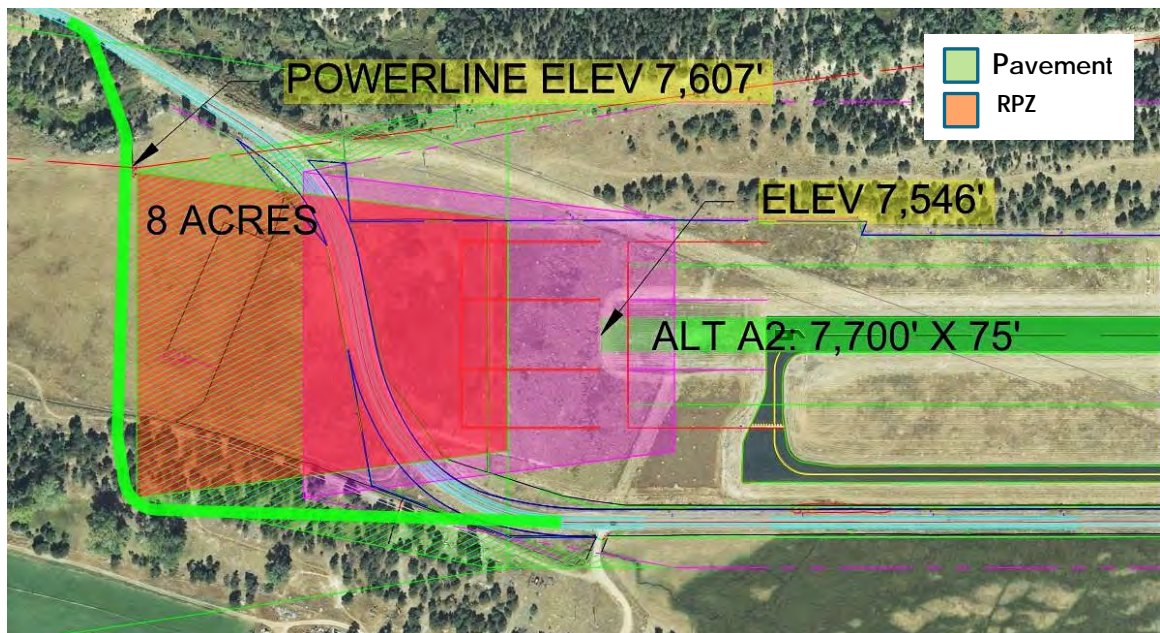
alternative is consistent with FAA design standards, while allowing an expansion of facilities and services.

Constraints:

This action will result in land acquisition, environmental studies, burial or relocation of the transmission line, and significant grading/excavation. Re-alignment of Airport Road may be needed to meet obstruction clearances and RPZ land use requirements.

Overall, the benefit received from this alternative may be justified if the financial obligations outweigh the costs. Federal and state funding may be difficult to obtain without strong justification based on need and safety. Additionally, this action may not be politically feasible due to local funding priorities and other needs at the airport.

FIGURE 5-1 ALT A2



Source: Burns & McDonnell, June 2017

ALT A3 – Runway Length 8,600 feet

This pavement length is recommended to satisfy the Citation II takeoff length at 90 percent useful load, which involves relocating the Runway 6 threshold



approximately 1,252 feet south. Land acquisition is estimated at 28 acres to accommodate the runway extension, and associated safety areas.

Additional costs include removal/relocation of the transmission line, property acquisition, and Airport Road re-alignment. See [FIGURE 5-2](#) for details.

Opportunities:

Extending the runway pavement 1,252 feet, from 7,348 feet to 8,600 feet is recommended to accommodate the Citation II, or similar, operating at 90 percent useful load at ANK. This action provides improved access to the airport, and flexibility to accommodate unforeseen changes such as an increase in larger aircraft operations at the airport.

Furthermore, this alternative is consistent with FAA design standards while permitting future expansion of facilities and services.

Constraints:

This action will require land acquisition, environmental studies, re-location of the transmission line, re-alignment of Airport Road, and terrain considerations. Overall, construction costs may not outweigh the benefits received from this alternative, while federal and state funding may be difficult to obtain without strong justification based on need and safety.

Furthermore, this action may not be politically feasible due to local funding priorities and other needs at the airport.