

CLR07PSI

TYPE OF RECORD:	PERMANENT
CATEGORY OF RECORD:	DEED (WARRANTY)
NAME OF PROPERTY OWNER OR GRANTOR OR GRANTEE:	CLAIRES AUTO SERVICE – RUDY AND LINDA HERRERA
PURPOSE:	PUBLIC SAFETY INITIATIVE
ADDRESS:	524 PITKIN AVENUE
PARCEL NO:	2945-143-32-012 2945-143-32-011 2945-143-32-020 2945-143-32-008
CITY DEPARTMENT:	PUBLIC WORKS AND PLANNING
YEAR:	2007
EXPIRATION DATE:	NONE
DESTRUCTION DATE:	NONE

Contract to Buy & Sell Real Estate

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

3
4 Date: 5-8-07, 2007

5
6 1. **AGREEMENT.** Buyer agrees to buy and the undersigned Seller agrees to sell
7 the Property defined below on the terms and conditions set forth in this Contract.

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9 2. **DEFINED TERMS.**

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11 a. **Buyer.** Buyer will take title to the real property described below as **The**
12 **City of Grand Junction, a Colorado home rule municipality.**

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14 b. **Seller.** Seller is **Claire's Auto Service Company, a Colorado**
15 **corporation.**

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17 c. **Property.** The Property is the following legally described real estate:

18
19 **2945-143-32-012:** West 12 feet of Lot 21 and all of Lot 22 and East 13 feet of Lot 23,
20 Block 139, City of Grand Junction;

21 **2945-143-32-011:** West 12 feet of Lot 23 and the East 20 feet of Lot 24 Block 139, City
22 of Grand Junction;

23 **2945-143-32-020:** Lots 25 through 27 inclusive and the west 5 feet of Lot 24 Block 139,
24 City of Grand Junction;

25 **2945-143-32-008:** Lot 28 Block 139, City of Grand Junction;

26
27 Together commonly known as **524 Pitkin Avenue**, Grand Junction, CO 81501.

28
29 Each of the foregoing Parcels shall be conveyed to Buyer together with all of the
30 interests, easements, rights, benefits and privileges appurtenant thereto.

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32 d. **Dates and Deadlines.**

Item No.	Reference	Event	Date or Deadline
1	§5	Title Deadline	May 18, 2007
2	§6a.	Title Objection Deadline	May 25, 2007
3	§6b.	Off-Record Matters Deadline	May 18, 2007
4	§6b.	Off-Record Matters Objection Deadline	May 25, 2007
5	§7	Seller's Property Disclosure Deadline	May 14, 2007
6	§7b.	Inspection Objection Deadline	May 25, 2007
7	§7c.	Resolution Deadline	June 1, 2007
8	§21b.	City Council Ratification Deadline	June 6, 2007
9	§8	Closing Date	June 8, 2007
10	§13	Possession Date	July 6, 2007
11	§13	Possession Time	5:00 p.m. M.S.T.
12	§25	Acceptance Deadline Date	May 11, 2007
13	§25	Acceptance Deadline Time	2:00 p.m. M.S.T.

34
35 e. **Attachments.** The following exhibits, attachments and addenda are a
36 part of this contract: **Attachment "A": Seller's Property Disclosure and**
37 **Attachment "B": Warranty Deed**

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39 f. **Applicability of Terms.** A check or similar mark in a box means that
40 such provision is applicable. The abbreviation "N/A" means not applicable.

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42 3. **INCLUSIONS AND EXCLUSIONS.**

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44 a. The purchase price includes the following items ("Inclusions"):
45 (1) **Fixtures.** None.

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b. **Instruments of Transfer.** The Inclusions are to be conveyed at Closing free and clear of all taxes, liens and encumbrances.

c. **Exclusions.** The following attached fixtures are excluded from this sale:
N/A

4. **PURCHASE PRICE AND TERMS.** The Purchase Price set forth below shall be payable in U.S. Dollars by Buyer as follows:

Item No.	Reference	Item	Amount	Amount
1	§ 4	Purchase Price	\$575,000.00	
2	§ 4a	Earnest Money		\$ 25,000.00
3	§ 4b	Cash at Closing		\$ 550,000.00
4		TOTAL	\$575,000.00	\$ 575,000.00

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a. **Earnest Money.** The Earnest Money set forth in this Section, in the form of Buyer's check, is part payment of the Purchase Price and shall be payable to and held by **Abstract & Title Co. of Mesa County, Inc.** ("Closing Company"), in its trust account, on behalf of both Seller and Buyer. The parties authorize delivery of the Earnest Money to the Closing Company at or before closing.

b. **Cash at Closing.** All amounts paid by Buyer at Closing including Cash at Closing, plus Buyer's closing costs, shall be in funds which comply with all applicable Colorado laws, which include Buyer's check, cash, electronic transfer funds, certified check, savings and loan teller's check and cashier's check ("Good Funds").

5. **EVIDENCE OF TITLE.** On or before **Title Deadline** (§2d, Item 1), Seller shall cause to be furnished to Buyer's City Attorney with a copy to Buyer's City Real Estate Manager, at Seller's expense, a current commitment for owner's title insurance policy ("Title Commitment") in an amount equal to the Purchase Price, together with true and legible copies of all instruments referred to therein, including, but not limited to, true and legible copies of any plats, declarations, covenants, conditions and restrictions describing, affecting or burdening the Property and true and legible copies of any other documents listed in the schedule of exceptions ("Exceptions"). Seller shall have the obligation to furnish the documents pursuant to this subsection without any request or demand by Buyer. The Title Commitment together with copies of such documents furnished pursuant to this Section shall constitute the title documents ("Title Documents"). The Title Commitment shall commit to delete or insure over the standard exceptions which relate to:

- (1) parties in possession,
- (2) unrecorded easements,
- (3) survey matters
- (4) any unrecorded mechanics' liens,
- (5) unpaid taxes, assessments and unredeemed tax sales prior to year of Closing, and
- (6) gap period (effective date of the Title Commitment to the date the deed is recorded).

Any additional premium expense to obtain this additional coverage shall be paid by Seller. Seller shall cause the title insurance policy to be delivered to Buyer as soon as practicable, at or after Closing.

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6. **TITLE.**

a. **Title Review.** Buyer shall have the right to inspect the Title Documents. Written notice by Buyer to Seller of unmerchantability of title or of any other unsatisfactory condition shown by the Title Documents shall be signed by or on behalf

100 of Buyer and given to Seller on or before the **Title Objection Deadline** (§2d, Item 2), or
101 within five (5) business days after receipt by Buyer of any Title Document(s) or
102 endorsement(s) adding new Exception(s) to the Title Commitment together with a copy
103 of the Title Document(s) adding new Exception(s) to title, whichever is later. If Buyer
104 does not mail its notice by the date(s) specified above, Buyer shall be deemed to have
105 accepted as satisfactory the condition of title as disclosed by the Title Documents.
106

107 **b. Matters not Shown by the Public Records.** Seller shall deliver to Buyer,
108 on or before the **Off-Record Matters Deadline** (§2d, Item 3), true copies of all lease(s)
109 and survey(s) in Seller's possession pertaining to the Property and shall disclose to
110 Buyer all easements, liens or other title matters not shown by the public records of
111 which Seller has actual knowledge. Buyer shall have the right to inspect the Property to
112 determine if any third party(ies) has any right in the Property not shown by the public
113 records (such as an unrecorded easement, unrecorded lease, or boundary line
114 discrepancy). Written notice of any unsatisfactory condition(s) disclosed by Seller or
115 revealed by such inspection shall be signed by or on behalf of Buyer and mailed to
116 Seller on or before the **Off-Record Matters Objection Deadline** (§2d, Item 4). If Buyer
117 does not mail Buyer's notice by said date, Buyer accepts title subject to such rights, if
118 any, of third parties of which Buyer has actual knowledge.
119

120 **c. Right to Cure.** If Seller receives notice of unmerchantability of title or any
121 other unsatisfactory title condition(s) or commitment terms as provided in §6a or §6b
122 above, Seller shall use reasonable efforts to correct said items and bear any nominal
123 expenses to correct the same prior to Closing. If such unsatisfactory title condition(s)
124 are not corrected on or before Closing, this contract shall then terminate; provided,
125 however, Buyer may, by written notice given to Seller, on or before Closing, waive
126 objection to such items.
127

128 **7. PROPERTY DISCLOSURE AND INSPECTION.** On or before **Seller's Property**
129 **Disclosure Deadline** (§2d, Item 5), Seller shall complete and return to Buyer the
130 attached **Seller's Property Disclosure (Attachment "A")**, providing a written
131 disclosure of adverse matters regarding the Property completed by Seller to the best of
132 Seller's current actual knowledge.
133

134 **a. Inspection.** Buyer shall have the right, at Buyer's expense, to conduct
135 inspections of the physical condition of the Property and Inclusions ("Inspections"). The
136 Inspections may include, but not be limited to, boundary surveys, engineering surveys,
137 soils samples and surveys and environmental surveys. Buyer is responsible for
138 payment of all inspections, surveys, engineering reports, environmental reports or for
139 any other work performed at Buyer's request and shall pay for any damage which
140 occurs to the Property and Inclusions as a result of such activities if Closing does not
141 occur as provided herein. If Buyer does not close as provided for herein, Buyer shall not
142 permit claims or liens of any kind against the Property for inspections, surveys,
143 engineering reports, environmental reports and for any other work performed on the
144 Property at Buyer's request. The provisions of this subsection shall survive the
145 termination of this Contract.
146

147 **b. Inspection Objection Deadline.** If the physical condition of the Property
148 or Inclusions is unsatisfactory as determined by Buyer's sole and subjective discretion,
149 Buyer shall, on or before the **Inspection Objection Deadline** (§2d, Item 6), either:
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151 **(1)** notify Seller in writing that this Contract is terminated, in which case all
152 payments and things of value received hereunder shall be returned to
153 Buyer, or
154

155 **(2)** provide Seller with a written description of any unsatisfactory physical
156 condition(s) which Buyer requires Seller to correct at no cost or expense
157 to Buyer ("Notice to Correct"), on or before the **Resolution Deadline** (§2d,
158 Item 7).
159

160 If written notice is not mailed to Seller on or before the **Inspection Objection**
161 **Deadline** (§2d, Item 6), the physical condition of the Property and Inclusions shall be
162 deemed to be satisfactory to Buyer.
163

164 **c. Resolution Deadline.** If a Notice to Correct is timely mailed to Seller and
165 if Buyer and Seller have not agreed in writing to a settlement thereof on or before the
166 **Resolution Deadline** (§2d, Item 7), this Contract shall terminate and all payments and
167 things of value received hereunder shall be returned to Buyer, unless before such
168 termination Seller receives Buyer's written withdrawal of the Notice to Correct.
169

170 **8. CLOSING.** Delivery of deed from Seller to Buyer shall be on the date specified
171 as the **Closing Date** (§2d, Item 9) or by mutual agreement at an earlier date ("Closing").
172 The hour and place of Closing shall be as designated by mutual agreement between
173 Seller and Buyer at Abstract & Title Company of Mesa County, Inc.
174

175 **9. TRANSFER OF TITLE.** Subject to tender or payment at Closing as required
176 herein and compliance by Buyer with the other terms and provisions hereof, Seller shall
177 execute and deliver a good and sufficient General Warranty Deed to Buyer
178 (**Attachment "B"**), at Closing, conveying the Property free and clear of all taxes except
179 the general taxes for the year of Closing, all leases, all tenancies and all leasehold
180 interests. Except as provided herein, title shall be conveyed free and clear of all liens,
181 including any governmental liens for special improvements installed as of the date of
182 Buyer's signature hereon, whether assessed or not. Title shall be conveyed subject to:
183

184 **a.** those specific Exceptions described by reference to recorded documents
185 as reflected in the Title Documents accepted by Buyer in accordance with §6a [Title
186 Review];
187

188 **b.** those specifically described rights of third parties not shown by the public
189 records of which Buyer has actual knowledge and which were accepted by Buyer in
190 accordance with §6b [Matters not Shown by the Public Records]; and
191

192 **c.** no others.
193

194 **10. PAYMENT OF ENCUMBRANCES.** Any encumbrance required to be paid shall
195 be paid at or before Closing from the proceeds of this transaction or from any other
196 source.
197

198 **11. CLOSING COSTS; DOCUMENTS AND SERVICES.** Buyer and Seller shall pay,
199 in Good Funds, their respective Closing costs and all other items required to be paid at
200 Closing, except as otherwise provided herein. Buyer and Seller shall sign and complete
201 all customary or reasonably required documents at or before Closing. Fees for real
202 estate Closing services shall be paid at Closing by One-Half by Buyer and One-Half by
203 Seller. Any sales and use tax that may accrue because of this transaction shall be paid
204 when due by Seller.
205

206 **12. PRORATIONS.** The following shall be prorated to the **Closing Date** (§2d, Item
207 9), except as otherwise provided:
208

209 **a. Personal Property Taxes.** Personal property taxes, if any, shall be paid
210 by Seller;
211

212 **b. General Real Estate Taxes.** General real estate taxes shall be prorated
213 to the Closing Date based on the most recent mill levy and the most recent assessment;
214

215 **c. Utilities and Other Services.** Seller shall pay for all fees and charges for
216 all utilities and services which have accrued as of the Closing Date. Buyer shall be
217 responsible for all utilities fees and services which accrue thereafter.
218

219 **d. Final Settlement.** Unless otherwise agreed in writing, these prorations
220 shall be final.
221

222 **13. POSSESSION.** Possession of the Property shall be delivered to Buyer on
223 **Possession Date** (§2d, Item 10) and **Possession Time** (§2d, Item 11), free and clear
224 of any and all leases and tenancies. If Seller, after Closing, fails to deliver possession
225 as specified Seller shall be subject to eviction and shall be additionally liable to Buyer
226 for payment of \$100.00 per day from the Possession Date until possession is delivered.
227

228 **14. NOT ASSIGNABLE.** This Contract shall not be assignable by Buyer without
229 Seller's prior written consent. Except as so restricted, this Contract shall inure to the
230 benefit of and be binding upon the heirs, personal representatives, successors and
231 assigns of both parties.
232

233 **15. CONDITION OF AND DAMAGE TO THE PROPERTY AND INCLUSIONS.**
234 Except as otherwise provided in this Contract, both the Property and the Inclusions shall
235 be delivered in the condition existing as of the date of this Contract, ordinary wear and
236 tear excepted.
237

238 **16. LEGAL AND TAX COUNSEL; AMBIGUITIES.** (a) Buyer and Seller have each
239 obtained the advise of its/their own legal and tax counsel regarding this Contract or has
240 knowingly declined to do so. (b) The parties agree that the rule of construing
241 ambiguities against the drafter shall have no application to this Contract.
242

243 **17. TIME OF THE ESSENCE/REMEDIES.** Time is of the essence hereof. If any
244 note or check received as Earnest Money hereunder or any other payment due
245 hereunder is not paid, honored or tendered when due, or if any other obligation
246 hereunder is not performed or waived as herein provided, there shall be the following
247 remedies:
248

249 **a. If Buyer is in Default,** the Earnest Money shall be paid to Seller and both
250 parties shall thereafter be released from all obligations hereunder, except for the duties
251 created by §7a. It is agreed that the Earnest Money is LIQUIDATED DAMAGES and is
252 SELLER'S SOLE AND ONLY REMEDY for Buyer's failure to perform the obligations of
253 this Contract. Seller expressly waives the remedies of specific performance and
254 additional damages.
255

256 **b. If Seller is in Default,** Buyer may elect to treat this Contract as canceled
257 in which case all payments and things of value received hereunder shall be returned to
258 Buyer and Buyer may: either recover such damages as may be proper, or Buyer may
259 elect to treat this Contract as being in full force and effect and Buyer shall have the right
260 to specific performance of damages, or both.
261

262 **c. Costs and Expenses.** In the event of any arbitration or litigation relating
263 to this Contract, each party shall share the costs of such arbitrator but otherwise all
264 reasonable costs and expenses, including reasonable attorney fees, shall be paid by
265 each respective party.
266

267 **18. MEDIATION.** If a dispute arises relating to this Contract, prior to or after Closing,
268 and is not resolved, the parties shall first proceed in good faith to submit the matter to
269 mediation. Mediation is a process in which the parties meet with an impartial person
270 who helps to resolve the dispute informally and confidentially. Mediators cannot impose
271 binding decisions. The parties to the dispute must agree before any settlement is
272 binding. The parties will jointly appoint an acceptable mediator and will share equally in
273 the cost of such mediation. The mediation, unless otherwise agreed, shall terminate in
274 the event the entire dispute is not resolved thirty (30) calendar days from the date
275 written notice requesting mediation is sent by one party to the other. This section shall
276 not alter any date in this Contract, unless otherwise agreed in writing.
277

278 **19. EARNEST MONEY DISPUTE.** Notwithstanding any termination of this Contract,
279 Buyer and Seller agree that, in the event of any controversy regarding the Earnest
280 Money and things of value held by Closing Agent (unless mutual written instructions are
281 received by the holder of the Earnest Money and things of value), Closing Agent shall
282 not be required to take any action but may await any proceeding, or at Closing Agent's

283 option and sole discretion, may interplead all parties and deposit any moneys or things
284 of value into the District Court of Mesa County, Colorado.
285

286 **20. TERMINATION.** In the event this Contract is terminated, all payments and things
287 of value received hereunder shall be returned and the parties shall be relieved of all
288 obligations hereunder, subject to §7a (Inspection Costs), §17b (If Seller is in Default),
289 §18 (Mediation), and §19 (Earnest Money Dispute).
290

291 **21. ADDITIONAL PROVISIONS.**

292
293 **a. Purchase in Lieu of Condemnation.** Buyer is a governmental authority
294 and has determined that the purchase of the Property is necessary for the health, safety
295 and welfare of the inhabitants of the City of Grand Junction; therefore, Buyer has the
296 authority, pursuant to the laws of the State of Colorado, to acquire the Property through
297 condemnation proceedings by exercising its power of eminent domain. Notwithstanding
298 the preceding statements, Buyer desires to purchase the subject property through
299 friendly negotiations and thereby avoid condemnation proceedings.
300

301 **b. City Council Consent.** The execution of this Contract by the City
302 Manager of the City of Grand Junction and Buyer's obligation to proceed under its terms
303 and conditions is expressly conditioned upon and subject to the formal ratification,
304 confirmation and consent of the Grand Junction City Council with regards to: (1) the
305 terms, covenants, conditions, duties and obligations to be performed by Buyer in
306 accordance with this Contract, and (2) the allocation of funds to pay the Purchase Price
307 and all other costs and expenses necessary to perform Buyer's due diligence
308 inspections of the Property. In the event such ratification, confirmation and consent is
309 not obtained on or before the **City Council Ratification Deadline** (§2d, Item 8), this
310 Contract shall automatically terminate, both parties shall thereafter be released from all
311 obligations hereunder and the Earnest Money received hereunder shall be returned to
312 Buyer.
313

314 **c. No Fees or Commissions.** Buyer and Seller each warrant that no person
315 or selling agency has been employed or retained to solicit or secure this Contract upon
316 any agreement or understanding for a commission, percentage, brokerage or contingent
317 fee. Each party agrees to defend, indemnify and hold the other party harmless from any
318 claim for real estate brokerage commissions or finder's fees arising out of this Contract.
319

320 **d. Instrument of Transfer.** Buyer and Seller each agree that title to the
321 Property will be conveyed from Seller to Buyer in the exact form of the General
322 Warranty Deed attached hereto as **Attachment "B"** and incorporated herein by
323 reference.
324

325 **22. ENTIRE AGREEMENT; SUBSEQUENT MODIFICATION; SURVIVAL.** This
326 Contract constitutes the entire contract between the parties relating to the subject
327 hereof and any prior agreements pertaining thereto, whether oral or written, have been
328 merged and integrated into this Contract. No subsequent modification of any of the
329 terms of this Contract shall be valid or binding upon the parties or enforceable unless
330 made in writing and signed by the parties. Any obligation in this Contract which by its
331 terms is intended to be performed after termination or Closing shall survive the same.
332

333 **23. FACSIMILE.** Signatures may be evidenced by facsimile. Documents with
334 original signatures shall be provided to the other party at Closing or earlier upon request
335 of any party.
336

337 **24. NOTICE.** Except for the notice requesting mediation described in §18, any
338 notice to Buyer shall be effective when received by Buyer and any notice to Seller shall
339 be effective when received by Seller.
340

341 **25. NOTICE OF ACCEPTANCE; COUNTERPART.** This proposal shall expire
342 unless accepted in writing, by Buyer and Seller, as evidenced by their signatures below,
343 and the offering party receives notice of such acceptance pursuant to §24 on or before
344 **Acceptance Deadline Date** (§2d, Item No. 12) and **Acceptance Deadline Time** (§2d,

345 Item No. 13). If accepted, this document shall become a contract between Seller and
346 Buyer, subject to ratification by the Grand Junction City Council (§21 a.).
347

348
349 THE CITY OF GRAND JUNCTION, a Colorado home rule municipality, Buyer:
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351
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353 By: 
354 Laurie M. Kadrich, Acting City Manager
355

356
357
358 Date of Buyer's signature: 5-8-07, 2007.
359

360 Buyer's Address: City Attorney, 250 North 5th Street, Grand Junction, CO 81501
361 With Copy to: City Real Estate Manager, 250 North 5th Street, Grand Junction, CO 81501
362

363 Buyer's Telephone Number: City Attorney: (970) 244-1506
364 City Real Estate Manager: (970) 244-1538
365

366 Buyer's Fax No.: City Attorney: (970) 244-1456
367 City Real Estate Manager: (970) 256-4022
368

369
370 **[NOTE: If this offer is being countered or rejected, do not sign this document.**
371 **Refer to § 26.]**
372

373
374 Acceptance by Claire's Auto Service Company, a Colorado corporation, Seller:
375

376
377
378 By: _____ By: _____
379 Rudy Herrera, President Linda L. Herrera, Vice-President
380

381
382 Date of Sellers' signature: _____, 2007.
383

384 Seller's Address: 524 Pitkin Avenue, Grand Junction, CO 81501-7712
385

386 Seller's Telephone Number: (970) _____
387

388 Seller's Fax No.: (970) _____
389

390 **26. COUNTER; REJECTION.** This offer is **Countered** **Rejected.**
391

392 **Initials only of party (Buyer or Seller) who countered or rejected offer:** RMK LBH
393
394

395 **END OF CONTRACT**
396

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

SELLER'S PROPERTY DISCLOSURE (VACANT LAND)

Seller states that the information contained in this Disclosure is correct to the best of Seller's CURRENT ACTUAL KNOWLEDGE as of this Date.

Date: May 9th, 2007

Property Address: 524 Pitkin Avenue, Grand Junction, Mesa County, Colorado 81501

Seller: Claire's Auto Service Company, a Colorado Corporation

Section 1 - Use, Access and Occupancy.

A. Please provide the Names, Telephone Numbers and Mailing Addresses of all current occupants or users of Property and indicate the date their occupancy or use began. Please indicate the type of use and If the use is for storage, please indicate the types of materials, items or equipment being stored:

(1). Current Occupant(s) or User(s):

a. Name: Rudy Herrera "President" Telephone: 243-8621
Mailing Address: 2861 Pinchurst Lane - Grand Junction Co. 81503
Date use or occupancy began: May 1993 - Solo owner - Previous Partners: El Gal Kalvar + Dave Martinez - 1978 - 1993 - Bob went out!
Type of use or occupancy:

b. Name: LINDAL B. HERRERA "Vice President" Telephone: 243-8621
Mailing Address: 2861 Pinchurst Lane - Grand Junction, Co. 81503
Date use or occupancy began: May 1993
Type of use or occupancy:

c. Name: Telephone:
Mailing Address:
Date use or occupancy began:
Type of use or occupancy:

Section 1 Continued.

B. Please provide the Names, Telephone Numbers and Mailing Addresses of all former occupants or users of Property and indicate the dates their occupancy or use began and ended. Please indicate the type of use and if the use was for storage, please indicate the types of materials, items or equipment that were stored:

(1). Former Occupant(s) or User(s):

a. Name: Walter Short (Deceased) Telephone: -
 Mailing Address: -
 Beginning & Ending Dates: _____
 Type of use or occupancy: _____

b. Name: Ral Rabvar (Deceased) Telephone: _____
 Mailing Address: _____
 Beginning & Ending Dates: _____
 Type of use or occupancy: _____

c. Name: Ral Rabvar; Dave Martinez; Ral Telephone: _____
 Mailing Address: Ral; Dave Bought out 1993
 Beginning & Ending Dates: _____
 Type of use or occupancy: _____

d. Name: Pat Bobb's Secretary Employee Telephone: John Abraham Mech. Employee
Renee Guzman Mech. Employee
 Mailing Address: _____
 Beginning & Ending Dates: _____
 Type of use or occupancy: _____

C. Please list of any encroachments, boundary disputes or unrecorded easements that affect the Property:

None

D. Please provide a list of any roads, driveways, trails, paths or utilities through the Property which are used by others:

Public Service ^{Company} ~~Property~~ Permission to run Electric Cable
in said Property

E. Please provide a list of any known zoning or code violations occurring on or issued against the Property:

None

Section 2 – Water & Sewer.

A. Is the Property presently served by domestic (i.e. drinking) water?

Yes No I don't know

If yes, please indicate the source:

Public Community Well Shared Well Cistern None Other

If the Property is served by a Public water system (i.e. City), please provide Buyer with copies of the most recently paid water bill.

If the Property is served by a Cistern, please provide Buyer with a sketch depicting the approximate size and location of the Cistern.

If the Property is served by a Well, please provide Buyer with a copy of the Well Permit.

If Other, please explain: _____

B. Are there any adjudicated water rights (i.e., river, ditch) associated with the Property?

Yes No I don't know

If yes, please provide Buyer with a list of the adjudicated water rights.

C. Is the Property presently served by a sanitary sewer system?

Yes No I don't know

If yes, please indicate the type of system:

Public Septic System None Other

If the Property is served by a Public sewer system (i.e. City), please provide Buyer with copies of the most recently paid sewer bill.

If the Property is served by a Septic System, please provide the date when the septic tank was last serviced: _____.

If Other, please explain: _____

Section 3 – Environmental Matters.

A. To the best of your current actual knowledge, do any of the following conditions now exist or have they ever existed:

(1) Have electrical transformers, capacitors or other similar equipment ever been stored on the Property?

Yes No I don't know

If yes, please describe types, quantities, when and where they were stored and by whom:

(2). Are there now any or have there ever been any underground or above-ground storage tanks on the Property?

Yes No I don't know

If yes, please describe the type(s) of tank(s), when and where the tanks were located and the type(s) of substances stored:

(3). Are there now or have there even been any hazardous or toxic materials stored, spilled or deposited on the Property, such as radioactive materials, asbestos, pesticides, wastewater and other sludge, radon, methane, batteries or oil?

Yes No I don't know

If yes, please describe types, quantities and when and where they were stored, spilled or deposited:

Automotive-Shop Uses Batteries & Motor Oil any items stored will be removed

(4). Have any Environmental assessments, studies or reports been prepared involving the physical condition of the Property?

Yes No I don't know

If yes, please describe:

None ordered by owner - None prepared to our knowledge

Section 3 Continued.

(5). Has the Property ever been involved in an Environmental cleanup or remedial action?

Yes No I don't know

If yes, please describe: _____

(6). Have you ever noticed sliding, settling, upheaval, movement or instability of earth or expansive soils on the Property?

Yes No I don't know

If yes, please describe: _____

(7) Are any drums or other containers presently located on the Property?

Yes No I don't know

If yes, please describe the types of containers and, if known, please describe the substances stored in the containers: 6 Barrels of oil - will be removed by seller by closing,

(8). Have storage or disposal pits ever been located on the Property?

Yes No I don't know

If yes, please describe the locations and types of materials placed in each: _____

(9). Has any fill material ever been placed on the Property?

Yes No I don't know

If yes, please describe the types and amounts of fill material and the locations the fill materials were placed: Gravel

Section 4 – Other Disclosures.

A. Please list any other matters regarding the physical characteristics of the Property of which the Buyer should be aware: None to our knowledge.

ADVISORY TO SELLER:

- Failure to disclose a known material defect may result in legal liability.

The information contained in this Disclosure has been furnished by Seller, who certifies to the truth thereof based on Seller's CURRENT ACTUAL KNOWLEDGE. Any changes will be disclosed by Seller to Buyer promptly after discovery.

Claire's Auto Service Company, a Colorado Corporation, Seller:

By: _____

By: _____

Rudy Herrera, _____

Linda L. Herrera, _____

Date of Seller's Signature: _____

Buyer hereby acknowledges the receipt of this Disclosure:

Date of Buyer's Signature: _____

8	n/a	n/a	n/a	n/a
9	\$ 4b	Cash at Closing		565,000.00
10		TOTAL	\$ 590,000.00	\$ 590,000.00

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The terms of any loan, such as interest rate, monthly payment, etc., shall remain the same as set forth in the proposed contract unless modified in this Counterproposal.

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

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Note: The following disclosure forms are attached but are not a part of this Counterproposal:
SELLER'S PROPERTY DISCLOSURE (on form provided by Buyer)

44
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5. OTHER CHANGES.

A. Seller may remove all Personal Property, Trade Fixtures and Fixtures prior to delivering possession to Buyer. Any Personal Property, Fixtures and or Trade Fixtures not removed will become the property of the Buyer.

B. Seller will remove all containers on the property and dispose of the contents in the accepted legal manner.

C. This contract is for the acquisition by Buyer of "replacement property" pursuant to Section 1031 of the Internal Revenue Code. Seller agrees to cooperate with Buyer in such exchange and to sign and deliver to Buyer any and all documents reasonably required to complete Buyer's Exchange. Seller shall have no expense, fee or other obligations as a result of Buyer's exchange and the Exchange Agreement.

D. Reference Section 4. PURCHASE PRICE AND TERMS. a. EARNEST MONEY. Held by Meridian Land Title aka Land Title.

E. Reference Section 8. CLOSING. The hour and place of Closing shall be designated by RE/MAX 4000, Inc. at Meridian Land Title aka Land Title, 2454 Patterson Road, Suite 100, Grand Junction, Co. 81505.

F. Reference Section 12 PRORATIONS. b. GENERAL REAL ESTATE TAXES. Shall be based on the previous years taxes.

G. Reference Section 21. ADDITIONAL PROVISIONS. c. Line (326-330) No Fees or Commissions. Seller has an existing Listing Contract with RE/MAX 4000, Inc. Buyer is not a part of the listing contract and not obligated to pay Fees or Commission.

H. Reference Section 21. ADDITIONAL PROVISIONS. b. Demolition of Buildings. Is deleted in it's entirety.

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6. **ACCEPTANCE DEADLINE.** This Counterproposal shall expire unless accepted in writing by Seller and Buyer as evidenced by their signatures below and the offering party to this document receives notice of such acceptance on or before

May 21, 2007 3 pm mt
Date Time

If accepted, the proposed contract, as amended by this Counterproposal, shall become a contract between Seller and Buyer. All other terms and conditions of the proposed contract, described in § 1, shall remain the same.

Clair's Auto Service Company, a Colorado corporation
SELLER *Rudy Herrera* DATE 05/18/07
By: Rudy Herrera, President

Clair's Auto Service Company, a Colorado Corporation
SELLER *Linda L. Herrera* DATE 05/18/07
By: Linda L. Herrera, Vice President

THE CITY OF GRAND JUNCTION
BUYER *Laurie M. Kadrich* DATE 5-20-07
By: Laurie M. Kadrich, Acting City Manager

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57 Note: When this Counterproposal form is used, the proposed contract is not to be signed by the party initiating this Counterproposal.

Land Title Guarantee Company - Grand Junction

Date: July 20, 2007

THE CITY OF GRAND JUNCTION
CITY ATTORNEY
250 NORTH 5TH ST.
GRAND JUNCTION, CO 81501

Enclosed please find the title insurance policy for your property
located at 524 PITKIN AVENUE GRAND JUNCTION CO 81501.

The following endorsements are included in this policy:

Deletion of Standard Exception(s)

Please review this policy in its entirety. In the event that you find any discrepancy, or if you have any questions
regarding your final title policy, you may contact Policy Department.

Phone: 970-245-0550 Fax: 970-245-0089

Please refer to our Order No. GJC65004472.

Should you decide to sell the property described in this policy, or if you are required to purchase a new title
commitment for mortgage purposes, you may be entitled to a credit toward future title insurance premiums.
Land Title Guarantee Company will retain a copy of this policy so we will be able to provide future products
and services to you quickly and efficiently.

Thank you for giving us the opportunity to serve you.

Sincerely,

Land Title Guarantee Company



Owner's Policy

American Land Title Association Owner's Policy 10-17-92

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY, a Minnesota corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land.

The Company will also pay the costs, attorney's fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations. IN WITNESS WHEREOF, the said OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed by its duly authorized officers as of the date shown in Schedule A, the policy to be valid when countersigned by an authorized officer or agent of the Company.


EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

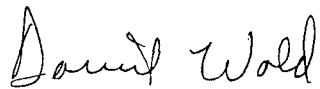

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
 - (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims, or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the Insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - (i) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
 - (ii) the transaction creating the estate or interest insured by this policy being deemed preferential transfer except where the preferential transfer results from the failure:
 - (a) to timely record the instrument of transfer; or
 - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
A Stock Company
400 Second Avenue South
Minneapolis, Minnesota 55401
(612) 371-1111

Issued through the Office of:
LAND TITLE GUARANTEE COMPANY
2454 PATTERSON RD #100
GRAND JUNCTION, CO 81505
970-245-0550


Authorized Signature



CONDITIONS AND STIPULATIONS

1. Definition of Terms.

The following terms when used in this policy mean:

- (a) "insured": the insured named in Schedule A, and, subject to any rights or defenses the Company would have had against the named insured, those who succeed to the interest of the named insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors.
- (b) "insured claimant": an insured claiming loss or damage.
- (c) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.
- (d) "land": the land described or referred to in Schedule A, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.
- (e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.
- (f) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge. With respect to Section 1(a)(iv) of the Exclusions from Coverage, "public records" shall also include environmental protection liens filed in the records of the clerk of the United States district court for the district in which the land is located.
- (g) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

2. Continuation of Insurance After Conveyance of Title.

The following coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from the insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given to the insured.

3. Notice of Claim to be Given by Insured Claimant.

The insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest, as insured, is rejected as unmarketable. If prompt notice shall not be given to the Company, then as to the insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

4. Defense and Prosecution of Actions; Duty of Insured Claimant to Cooperate.

(a) Upon written request by the insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the the defense of an insured in litigation in which any third party asserts a claim adverse to the title or interest as insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the insured in the defense of those causes of action which allege matters not insured against by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest, as insured, or to prevent or reduce loss or damage to the insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of the insured for this purpose. Whenever requested by the Company, the insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as insured. If the Company is prejudiced by the failure of the insured to furnish the required cooperation, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

5. Proof of Loss or Damage.

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by the insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the insured claimant to provide the required proof of loss or damage, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, the insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the insured claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph shall terminate any liability of the Company under this policy as to that claim.

6. Options to Pay or Otherwise Settle Claims; Termination of Liability.

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance.

To pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations to the insured under this policy, other than to make payment required, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

(b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs (b)(i) or (ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

7. Determination, Extent of Liability and Coinsurance.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A; or,

(ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) In the event the Amount of Insurance stated in Schedule A at the Date of Policy is less than 80 percent of the value of the insured estate or interest or the full consideration paid for the land, whichever is less, or if subsequent to the Date of Policy an improvement is erected on the land which increases the value of the insured estate or interest by at least 20 percent over the Amount of Insurance stated in Schedule A, then this policy is subject to the following:

(i) where no subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that the amount of insurance at Date of Policy bears to the total value of the insured estate or interest at Date of Policy; or

(ii) where a subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that 120 percent of the Amount of Insurance stated in Schedule A bears to the sum of the Amount of Insurance stated in Schedule A and the amount expended for the improvement.

The provisions of this paragraph shall not apply to costs, attorneys' fees and expenses for which the Company is liable under this policy, and shall only apply to that portion of any loss which exceeds, in the aggregate, 10 percent of the Amount of Insurance stated in Schedule A.

(c) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

8. Apportionment.

If the land described in Schedule A consists of two or more parcels which are not used as a single site, and a loss is established affecting one or more of the parcels but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each parcel by the Company and the insured at the time of the issuance of this policy and shown by an express statement or by an endorsement attached to this policy.

9. Limitation of Liability.

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

10. Reduction of Insurance; Reduction or Termination of Liability.

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto.

11. Liability Noncumulative.

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

12. Payment of Loss.

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

13. Subrogation Upon Payment of Settlement.

(a) The Company's Right of Subrogation.

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated to these rights and remedies in the proportion which the Company's payment bears to the whole amount of the loss.

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(b) The Company's Rights Against Non-insured Obligors.

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

14. Arbitration.

Unless prohibited by applicable law, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance of \$1,000,000 or less shall be arbitrated at the option of either the Company or the insured. All arbitrable matters when the Amount of Insurance is in excess of \$1,000,000 shall be arbitrated only when agreed to by both the Company and the insured. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorney's fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules. A copy of the Rules may be obtained from the Company upon request.

15. Liability Limited to this Policy; Policy Entire Contract.

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

16. Severability.

In the event any provision of the policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

17. Notices, Where Sent.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to its Home Office: 400 Second Avenue South, Minneapolis, Minnesota 55401, (612)371-1111.

Form AO/ORT

Our Order No. GJC65004472

Schedule A

Amount \$590,000.00

Property Address: 524 PITKIN AVENUE GRAND JUNCTION CO 81501

1. Policy Date: July 05, 2007 at 8:22AM

2. Name of Insured:

THE CITY OF GRAND JUNCTION, A COLORADO HOME RULE MUNICIPALITY

3. The estate or interest in the land described or referred to in this Schedule and which is covered by this policy is:

A Fee Simple

4. Title to the estate or interest covered by this policy at the date hereof is vested in:

THE CITY OF GRAND JUNCTION, A COLORADO HOME RULE MUNICIPALITY

5. The land referred to in this policy is described as follows:

THE WEST 12 FEET OF LOT 21; AND LOTS 22 THROUGH 28, INCLUSIVE, ALL IN BLOCK 139
OF THE CITY OF GRAND JUNCTION,
COUNTY OF MESA, STATE OF COLORADO.

This Policy valid only if Schedule B is attached.

Land Title Guarantee Company - Grand Junction
Representing Old Republic National Title Insurance Company

Form AO/ORT

Our Order No. GJC65004472

Schedule B

This policy does not insure against loss or damage by reason of the following:

1. Rights or claims of parties in possession not shown by the public records.
2. Easements, or claims of easements, not shown by the public records.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the premises would disclose and which are not shown by the public records.
4. Any lien, or right to a lien, for services, labor, or material theretofore or hereafter furnished, imposed by law and not shown by the public records.
5. 2007 TAXES AND ASSESSMENTS NOT YET DUE OR PAYABLE.
6. TERMS, CONDITIONS, STIPULATIONS, OBLIGATIONS AND PROVISIONS OF , RECORDED DECEMBER 30, 1957 IN BOOK 724 AT PAGE 184.
7. TERMS, CONDITIONS, STIPULATIONS, OBLIGATIONS AND PROVISIONS OF PUBLIC SERVICE COMPANY OF COLORADO EASEMENT GRANTING AN EASEMENT FOR UTILITY LINES AND RIGHTS INCIDENTAL THERETO TO PUBLIC SERVICE COMPANY OF COLORADO, AS SET FORTH IN INSTRUMENT RECORDED OCTOBER 7, 1999 IN BOOK 2640 AT PAGE 389.
8. TERMS, CONDITIONS, STIPULATIONS, OBLIGATIONS AND PROVISIONS OF LEASE DATED NOVEMBER 17, 1997, BY AND BETWEEN RUDY HERRERA/CLAIRE'S AUTO SERVICE CO., AS THE LANDLORD, AND BRYON AND BRENDA MOORE, AS THE TENANTS, RECORDED DECEMBER 5, 1997 IN BOOK 2383 AT PAGE 25.
9. ANY RIGHTS, INTERESTS, OR CONDITIONS WHICH MAY EXIST OR ARISE BY REASON OF THE FOLLOWING FACTS SHOWN ON ALTA/ACSM LAND TITLE SURVEY, DATED JUNE 18, 2007, PREPARED BY PETER T. KRICK, PLS NO. 32824:
 - A) OVERHEAD POWER LINES ACROSS THE NORTHWESTERLY PORTION OF THE SUBJECT PROPERTY, AND IN A NORTHERLY-SOUTHERLY DIRECTION THROUGH SAID LOTS 23 AND 24;
 - B) OVERHEAD TELEPHONE LINES THROUGH THE NORTHWESTERLY PORTION OF THE SUBJECT PROPERTY, AND ACROSS THE NORTHEASTERLY PORTION OF THE SUBJECT PROPERTY;
 - C) GAS METER IN SAID LOT 28;
 - D) 8" STEEL SIGN POST IN THE SOUTHERLY PORTION OF SAID LOT 27.

RESOLUTION NO. 98-07

**A RESOLUTION RATIFYING THE PURCHASE CONTRACT FOR THE PROPERTY
LOCATED AT 524 PITKIN AVENUE, GRAND JUNCTION, COLORADO**

RECITALS:

On May 20, 2007, the City Manager signed an agreement to purchase the property located at 524 Pitkin Avenue, Grand Junction, Colorado, from Claire's Auto, Inc. The execution of the contract by the City Manager and the City's obligation to proceed under its terms and conditions was expressly conditioned upon and subject to the formal ratification, confirmation and consent of the City Council.

On May 18, 2007, the owners of the property signed the purchase contract, agreeing to the City's offer.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO, THAT:

The City, by and through the City Council and the signature of its President, does hereby ratify the terms, covenants, conditions, duties and obligations to be performed by the City in accordance with the contract and allocates funds to pay the Purchase Price and all other costs and expenses necessary to perform under the contract.

PASSED and ADOPTED this 20th day of June, 2007.

ATTEST:

/s/: James J. Doody
President of the Council

/s/: Stephanie Tuin
City Clerk